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## The Bucket

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By Editorial Staff      *Wed, May 18, 2011*

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*Brief or late-breaking news from New York Life, Bankers Life and Casualty, F-Squared Investments, AnnuitySpecs and National Planning Holdings.*

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### **New York Life's first quarter SPIA sales up 45%**

New York Life reported first-quarter gains in sales of life insurance, income annuities, long-term care insurance and mutual funds, and double-digit increase in the number of new agents hired in the first three months of 2011.

Individual life insurance sales increased 24% through March, while applications for life insurance are up 12.7%, compared with the first quarter of 2010. Life insurance sales by the company's 11,900 agents were up 29%, the best three-month start to a year on record.

Sales of long-term care insurance have also increased by a robust 16% for the first quarter this year, following a strong 12% gain in 2010.

New York Life remains the leader in sales of fixed immediate annuities, with more than 25% of the market, according to an industry source. The company's sales of these guaranteed lifetime income products rose 45% in the first quarter, with gains in sales through agents and sales through third-party distribution partners.

Sales of New York Life's mutual funds (including the company's MainStay family of funds) increased by 77% year over year in the first quarter.

Chris Blunt, executive vice president in charge of Retirement Income Security, attributes the sales gains in large part to the funds' performance. "In all our distribution channels, customers have come to recognize the strong line-up of funds managed by our investment management subsidiary," he said.

### **F-Squared Investments names Bill Carey President of Retirement Solutions**

F-Squared Investments announced the appointment of Bill Carey to head its newly formed retirement division. Carey joined the company May 16, and will be responsible for F-Squared's customized, private labeled target-date strategies and funds, as well as Collective Trust Funds and other investment solutions.

Carey has been president of Fidelity Investments' 401(k) business and Bank of America's Head of Institutional Retirement.

F-Squared intends to partner with financial services firms that have a product and distribution commitment

to the retirement market, and then develop customized, private labeled Target Date offerings that combine F-Squared's AlphaSector risk management capabilities with the investments of the partner firm.

"While Target Date funds are here to stay, the failure to meet client expectations of asset protection in 2008 exposed some flaws with so-called 'first generation' Target Date funds," Carey said in a release. "The next generation solution needs to be able to protect client assets during severe market downturns."

### **Sixty percent of middle-income Boomers expect to delay retirement five years**

A majority (73%) of middle-income Baby Boomers in the U.S. are rethinking their retirement timing due to the recent economic crisis and of those, 79% are delaying retirement by an average of five years, according to a study by Bankers Life and Casualty Company Center for a Secure Retirement.

The study, *Middle-Income Boomers, Financial Security and the New Retirement*, which focused on 500 middle-income Americans between ages 47 and 65 with income between \$25,000 and \$75,000, found that one in seven believe that they will "never be able to retire" due to the turbulent economy.

According to the study, 71% worry about outliving their money, 68% have seen a decline in their retirement account balances since 2008 and 55% have saved less than \$100,000. Three out of four expect to work in retirement and 57% say that they will have to work for financial reasons.

Two-thirds (64%) of survey participants are concerned about being forced to retire, most commonly due to loss of employment (44%) or failing health or disability (40%).

### **AnnuitySpecs.com releases 1Q 2011 FIA sales**

Forty indexed annuity carriers participated in the 55<sup>th</sup> edition of *AnnuitySpecs.com's Indexed Sales & Market Report*, representing over 99% of indexed annuity production. Total first quarter sales were \$7.1 billion, up nearly 5% from the same period last year. As compared to the previous quarter, sales were down nearly 15%.

Allianz Life maintained its lead position with a 21% market share. American Equity kept their position as second-ranked company in the market, while Aviva, North American Company and ING rounded-out the top five, respectively. Allianz Life's MasterDex X was the top-selling indexed annuity for the eighth consecutive quarter.

For indexed life sales, 39 insurance carriers in the market participated in the *AnnuitySpecs.com's Indexed Sales & Market Report*, representing over 99% of production. First quarter sales were \$203.0 million, an increase of nearly 42% over the same period in 2010. As compared to the previous quarter, sales were down over 8%.

Pacific Life remained the market leader with a 14% share, followed by Aviva Minnesota Life, National Life Group, and AXA Equitable. Minnesota Life's Eclipse Indexed Life took the position as the top-selling indexed life product for the first time.

### **NPH announces record quarterly revenue, sales**

During the first three months of 2011, independent broker-dealer network National Planning Holdings, Inc., set record quarterly revenue of more than \$198 million on record quarterly gross product sales of nearly \$4.3 billion. The company is an affiliate of Jackson National Life.

Revenue and sales increased more than 19% and 21%, respectively, compared to the same period last year. NPH also added 93 representatives in the first quarter of 2011, bringing the network's total representative count to 3,563, up nearly 3% from a year ago.

In 2010, NPH introduced the WealthOne advisory platform, which helps advisers adopt a fee-based compensation model using funds from Vanguard, JP Morgan, UBS, Standard & Poor's, Russell Investments, Lazard, Avatar Associates, Loring Ward and Curian Capital LLC.

WealthOne also features NPH's Advisory Portal, which enables advisers to access the platform directly from their broker-dealer's website.