

Second-quarter fixed-annuity sales rose 10% to \$27.8 billion, Beacon Research reports

Book-value fixed annuities led the pack with \$14 billion, the firm says

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Overall sales of fixed annuities hit \$27.8 billion during the second quarter, up 10% from a year earlier but down 20% from the first quarter this year, according to data from Beacon Research Publications Inc.

Book-value fixed annuities, which pay a declared rate of interest over a period of time, dominated total sales during the second quarter with an estimated \$14 billion in sales, according to the Evanston, Ill., research firm. That was up from \$12 billion in the second quarter of 2008.

Index annuity sales hit \$8.2 billion, up from \$6.9 billion a year earlier.

Market-value-adjusted fixed annuities, which adjust the value of surrenders or withdrawals according to interest rate fluctuations, fell to \$3.5 billion, down slightly from \$3.6 billion a year earlier. Finally, fixed-income annuities brought in \$2.2 billion in sales, up 10% from a year earlier.

New York Life Insurance Co. led its peers as the company with the most in total fixed-annuity sales, jumping from second place in the first quarter. The carrier sold \$2.85 billion in fixed annuities.

Aviva USA Corp. of Des Moines, Iowa, climbed to second place, from third, with \$1.67 billion in fixed-annuity sales, while Minneapolis-based Allianz Life Insurance Company of North America rounded out the top three with \$1.55 billion in total fixed-annuity sales.

The first quarter's sales leader MetLife Inc. of New York dropped to seventh place with just \$950 million in fixed-annuity sales during the second quarter.

New York Life also had the top-selling product, with its NYL Preferred Fixed Annuity, a book-value product. Allianz Life came in second with its index annuity, the MasterDex X, while New York Life was third with the NYL Fixed Annuity, another book-value product.