

Fixed Index Annuity Sales Continue Climb

IRI, Beacon Research find total fixed annuity sales in '09 at \$105 billion

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Fixed index annuity sales continue to climb, according to data just released by the Insured Retirement Institute (IRI) and Beacon Research. Fourth quarter sales totaled \$7.6 billion, representing a 3.2% increase over the previous quarter, IRI and Beacon found, with total fixed index annuity sales for 2009 at \$30.2 billion, posting a year-to-year increase of \$3.5 billion. Total fixed annuity sales were \$105.1 billion in 2009, the groups say, just 2% less than the record high in 2008.

“Fixed annuity sales in 2009 were second only to the record-setting prior year,” said Jeremy Alexander, president and CEO of Beacon Research, in a statement. “Due to strong demand for secure retirement savings and income alternatives, 2009 results were achieved despite financial pressures on consumers and other challenges.”

Overall, the groups say, fixed annuity sales for the fourth quarter were \$20.4 billion, down slightly from \$22.1 billion in the previous quarter, representing an 8% decline. Year-to-year sales were down marginally, from \$106.7 billion in 2008 to \$105.1 billion in 2009, posting a 1.5% decline, according to IRI and Beacon.

IRI says Beacon Research will also offer expert insights and analysis on industry trends through its new collaboration with IRI.