



For Immediate Release – November 20, 2001

## NAVA Reports Third Quarter Variable Annuity Industry Data

**Reston, VA**, November 20, 2001 – The National Association for Variable Annuities (NAVA) announced today that the combined net assets of U.S. variable annuities declined 10.7 percent to \$813 billion at the end of the third quarter relative to the end of the second quarter of 2001. Net assets decreased by 15.0 percent as compared to the end of 2000.

<b>Table 1. Variable Annuity Net Assets</b>			
<u>(Dollars in Millions)</u>	<u>9/30/01</u>	<u>6/30/01</u>	<u>12/31/00</u>
Total Net Assets	813,243	910,617	956,480

The mix by investment objective showed that \$455.9 billion, or 56.1 percent of assets, was held in equity accounts. This is a decrease of 26.7 percent as compared with year-end 2000 when \$622.1 billion, or 65.0 percent, was held in equity accounts.

<b>Table 2. Variable Annuity Assets by Investment Objective</b>		
<u>(As a percent of total assets)</u>	<u>9/30/01</u>	<u>12/31/00</u>
Equity	56.1%	65.0%
Fixed Accounts	23.6	18.8
Balanced	8.6	8.4
Bonds	6.6	4.6
Money Market	5.1	3.2

Total variable annuity premium flow, or total sales, for third quarter was \$27.1 billion, a 19.3 percent decrease from third quarter 2000. For consecutive quarterly trends, the third quarter

*Industry Release of Third Quarter Data*

experienced a 7.5 percent decrease in sales as compared with \$29.3 billion reported for the second quarter 2001. The mix in premiums for the third quarter showed 53 percent of the flow was in qualified plans and 47 percent in non-qualified. Year-to-date total premium flow of \$84.8 billion is 20.5 percent below last year's nine-month total sales volume of \$106.7 billion.

(Dollars in Millions)	Quarter Ended		Nine Months Ended	
	9/30/01	9/30/00	9/30/01	9/30/00
Total Premium Flows	27,073	33,539	84,756	106,651

NAVA is a non-profit trade association located in suburban Washington D.C. NAVA provides a variety of services to the industry including educational forums, research, and conferences aimed at furthering the development of fixed and variable annuities, income annuities and variable life insurance. NAVA also maintains and supports an educational website for consumers at [www.RetireOnYourTerms.com](http://www.RetireOnYourTerms.com).

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<sup>1</sup> Total Premium Flow represents the sum of new sales [all first-time buyers of a contract, including inter- and intra-company exchanges] and recurring premiums from existing contract owners.