

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 13F

FORM 13F COVER PAGE

Report for the Calendar Year or Quarter Ended: MARCH 31, 2004

Check here if Amendment ; Amendment Number:

This Amendment (Check only one.): is a restatement.
 adds new holdings entries.

Institutional Investment Manager Filing this Report:

Name: ALLSTATE LIFE INSURANCE COMPANY
Address: 3075 SANDERS ROAD, SUITE G4A
NORTHBROOK, IL. 60062-7127

Form 13F File Number: 28-01037

The institutional manager filing this report and the person by whom it is signed hereby represent that the person signing the report is authorized to submit it, that all information contained herein is true, correct and complete, and that it is understood that all required items, statements, schedules, lists, and tables, are considered integral parts of this form.

Person Signing this Report on Behalf of Reporting Manager:

Name: DOUG WELCH
Title: ASSISTANT VICE PRESIDENT INVESTMENT OPERATIONS
Phone: 847-402-2170

Signature, Place, and Date of Signing:

/s/ Doug Welch NORTHBROOK, IL. 5/13/2004
[Signature] [City, State] [Date]

Report Type (Check only one.):

- 13F HOLDINGS REPORT. (Check here if all holdings of this reporting manager are reported in this report.)
- 13F NOTICE. (Check here if no holdings reported are in this report, and all holdings are reported by other reporting manager(s).)
- 13F COMBINATION REPORT. (Check here if a portion of the holdings for this reporting manager are reported in this report and a portion are reported by other reporting manager(s).)

List of Other Managers Reporting for this Manager:

FORM 13F SUMMARY PAGE

Report Summary:

Number of Other Included Managers: ONE
Form 13F Information Table Entry Total: 182
Form 13F Information Table Value Total: 335,700 (THOUSAND)

List of Other Included Managers:

Provide a numbered list of the name(s) and Form 13F file number(s) of all institutional investment managers with respect to which this report is filed, other than the manager filing this report.

[If there are no entries in this list, state "NONE" and omit the column headings and list entries.]

No. Form 13F File Number Name

1 028-10298 ALLSTATE INVESTMENTS LLC

FORM 13F REPORT

NAME OF REPORTING MANAGER: ALLSTATE LIFE INSURANCE COMPANY

COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5			COLUMN 6	COLUMN 7	COLUMN 8		
NAME OF ISSUER	TITLE CLASS	CUSIP	VALUE (x\$1000)	SHRS OR PRN AMT	SH/ PRN	PUT/ CALL	INVESTMENT DISCRETION	OTHER MANAGERS	VOTING AUTHORITY SOLE SHARED NONE		
3M COMPANY	COMMON	88579Y101	401	4,900	SH		DEFINED	1	X		
ABBOTT LABORATORIES	COMMON	002824100	781	19,000	SH		DEFINED	1	X		
AES CORP	COMMON	00130H105	148	17,300	SH		DEFINED	1	X		
ALCAN INC	COMMON FOREIGN	013716105	246	5,500	SH		DEFINED	1	X		
AMERICAN EXPRESS CO	COMMON	025816109	301	5,800	SH		DEFINED	1	X		
AMERICAN INTERNATIONAL GROUP, INC	COMMON	026874107	1,555	21,800	SH		DEFINED	1	X		
AMGEN, INC	COMMON	031162100	483	8,300	SH		DEFINED	1	X		
ANTHEM INC	COMMON	03674B104	417	4,600	SH		DEFINED	1	X		
APACHE CORP	COMMON	037411105	233	5,400	SH		DEFINED	1	X		
APPLIED MATERIALS, INC	COMMON	038222105	425	19,900	SH		DEFINED	1	X		
AT&T WIRELESS SERVICES INC	COMMON	00209A106	391	28,700	SH		DEFINED	1	X		
BANK OF AMERICA CORP	COMMON	060505104	696	8,600	SH		DEFINED	1	X		
BANK OF NEW YORK CO., INC	COMMON	064057102	230	7,300	SH		DEFINED	1	X		
BANK ONE CORPORATION	COMMON	06423A103	611	11,200	SH		DEFINED	1	X		
BAUSCH & LOMB, INC	COMMON	071707103	252	4,200	SH		DEFINED	1	X		
BELLSOUTH CORP	COMMON	079860102	241	8,700	SH		DEFINED	1	X		
BOSTON SCIENTIFIC CORP	COMMON	101137107	568	13,400	SH		DEFINED	1	X		
CAPITAL ONE FINANCIAL CORP	COMMON	14040H105	317	4,200	SH		DEFINED	1	X		
CENDANT CORPORATION	COMMON	151313103	285	11,700	SH		DEFINED	1	X		
CHEVRONTEXO CORP	COMMON	166764100	641	7,300	SH		DEFINED	1	X		
CISCO SYSTEMS, INC	COMMON	17275R102	1,416	60,200	SH		DEFINED	1	X		
CITIGROUP INC	COMMON	172967101	1,763	34,100	SH		DEFINED	1	X		
CLEAR CHANNEL COMMUNICATIONS	COMMON	184502102	398	9,400	SH		DEFINED	1	X		
COCA-COLA CO	COMMON	191216100	1,056	21,000	SH		DEFINED	1	X		
COMPUTER ASSOCIATES INTERNATIONAL, INC	COMMON	204912109	615	22,900	SH		DEFINED	1	X		
DANAHER CORP	COMMON	235851102	1,401	15,000	SH		DEFINED	1	X		
DEERE & CO., INC	COMMON	244199105	402	5,800	SH		DEFINED	1	X		
DELL INC	COMMON	24702R101	1,113	33,100	SH		DEFINED	1	X		
DEVON ENERGY CORP	COMMON	25179M103	227	3,900	SH		DEFINED	1	X		
DISNEY (WALT) CO. (THE)	COMMON	254687106	665	26,600	SH		DEFINED	1	X		
DOMINION RESOURCES, INC	COMMON	25746U109	289	4,500	SH		DEFINED	1	X		
DU PONT (E.I.) DE NEMOURS & CO., INC	COMMON	263534109	245	5,800	SH		DEFINED	1	X		
EASTMAN KODAK CO	COMMON	277461109	2,224	85,000	SH		DEFINED	1	X		
EBAY INC	COMMON	278642103	236	3,400	SH		DEFINED	1	X		
ELECTRONIC ARTS INC	COMMON	285512109	594	11,000	SH		DEFINED	1	X		
EMERSON ELECTRIC CO	COMMON	291011104	360	6,000	SH		DEFINED	1	X		
ENTERGY CORP	COMMON	29364G103	220	3,700	SH		DEFINED	1	X		
EXELON CORP	COMMON	30161N101	269	3,900	SH		DEFINED	1	X		
EXXON MOBIL CORPORATION	COMMON	30231G102	1,597	38,400	SH		DEFINED	1	X		
FEDERAL NATIONAL MORTGAGE ASSOCIATION	COMMON	313586109	617	8,300	SH		DEFINED	1	X		
FLEET BOSTON FINANCIAL CORPORATION	COMMON	339030108	328	7,300	SH		DEFINED	1	X		
FOREST LABORATORIES, INC	COMMON	345838106	551	7,700	SH		DEFINED	1	X		
FREDDIE MAC	COMMON	313400301	248	4,200	SH		DEFINED	1	X		
GENERAL ELECTRIC CO	COMMON	369604103	2,478	81,200	SH		DEFINED	1	X		
GENERAL MOTORS CORP	REDEEMABLE P/S	370442717	6,122	200,000	SH		DEFINED	1	X		
GENERAL MOTORS SERIES A	REDEEMABLE P/S	370442741	3,674	140,000	SH		DEFINED	1	X		
GENERAL MOTORS SERIES B	REDEEMABLE P/S	370442733	1,913	75,000	SH		DEFINED	1	X		
GILEAD	COMMON	375558103	245	4,400	SH		DEFINED	1	X		
GILLETTE CO	COMMON	375766102	676	17,300	SH		DEFINED	1	X		
GOLDMAN SACHS	COMMON	38141G104	605	5,800	SH		DEFINED	1	X		
GUIDANT CORP	COMMON	401698105	482	7,600	SH		DEFINED	1	X		
HARLEY-DAVIDSON, INC	COMMON	412822108	267	5,000	SH		DEFINED	1	X		
HARTFORD FINANCIAL SERVICES GROUP	COMMON	416515104	363	5,700	SH		DEFINED	1	X		
HEWLETT-PACKARD CO	COMMON	428236103	208	9,100	SH		DEFINED	1	X		
HOME DEPOT, INC. (THE)	COMMON	437076102	538	14,400	SH		DEFINED	1	X		
HONEYWELL INTERNATIONAL INC	COMMON	438516106	423	12,500	SH		DEFINED	1	X		
INTEL CORP	COMMON	458140100	908	33,400	SH		DEFINED	1	X		
INTERNATIONAL BUSINESS MACHINE	COMMON	459200101	744	8,100	SH		DEFINED	1	X		
INTERMIL CORP	COMMON	46069S109	551	24,700	SH		DEFINED	1	X		
JOHNSON & JOHNSON	COMMON	478160104	3,119	61,500	SH		DEFINED	1	X		
JP MORGAN CHASE & COMPANY	COMMON	46625H100	319	7,600	SH		DEFINED	1	X		
KLA-TENCOR CORP	COMMON	482480100	448	8,900	SH		DEFINED	1	X		
LILLY (ELI) & CO	COMMON	532457108	368	5,500	SH		DEFINED	1	X		
LINEAR TECHNOLOGY CORP	COMMON	535678106	552	14,900	SH		DEFINED	1	X		
LIZ CLAIBORNE, INC	COMMON	539320101	356	9,700	SH		DEFINED	1	X		
LOWE'S COS., INC	COMMON	548661107	275	4,900	SH		DEFINED	1	X		
MARRIOTT INTERNATIONAL INC	COMMON	571903202	302	7,100	SH		DEFINED	1	X		
MATTEL, INC	COMMON	577081102	360	19,500	SH		DEFINED	1	X		
MBNA CORP	COMMON	55262L100	229	8,300	SH		DEFINED	1	X		
MERCK & CO., INC	COMMON	589331107	711	16,100	SH		DEFINED	1	X		
MERCURY INTERACTIVE CORPORATION	COMMON	589405109	264	5,900	SH		DEFINED	1	X		
MERRILL LYNCH & CO., INC	COMMON	590188108	560	9,400	SH		DEFINED	1	X		
MICROSOFT CORP	COMMON	594918104	767	30,700	SH		DEFINED	1	X		
MORGAN STANLEY	COMMON	617446448	613	10,700	SH		DEFINED	1	X		
NATIONAL AUSTRALIA BANK 7.875% CONVERTIBLE	NON-REDEEM P/S	632525309	983	25,000	SH		DEFINED	1	X		
NAVISTAR INTERNATIONAL CORP	COMMON	63934E108	271	5,900	SH		DEFINED	1	X		

NEW VALLEY CORP. WARRANTS	WARRANTS	649080116	2	16,800	SH	DEFINED	1	X
NVIDIA	COMMON	67066G104	593	22,400	SH	DEFINED	1	X
NOVELLUS SYSTEM INC	COMMON	670008101	474	14,900	SH	DEFINED	1	X

COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5			COLUMN 6	COLUMN 7		COLUMN 8		
NAME OF ISSUER	TITLE CLASS	CUSIP	VALUE (x\$1000)	SHRS OR PRN AMT	SH/ PRN	PUT/ CALL	INVESTMENT DISCRETION	OTHER MANAGERS	VOTING AUTHORITY			
									SOLE	SHARED	NONE	
OCCIDENTAL PETROLEUM CORP	COMMON	674599105	226	4,900	SH		DEFINED	1	X			
ORACLE CORP	COMMON	68389X105	608	50,600	SH		DEFINED	1	X			
P G & E CORP	COMMON	69331C108	226	7,800	SH		DEFINED	1	X			
PEPSICO, INC	COMMON	713448108	786	14,600	SH		DEFINED	1	X			
PFIZER, INC	COMMON	717081103	1,998	57,000	SH		DEFINED	1	X			
PHELPS DODGE CORP	COMMON	717265102	237	2,900	SH		DEFINED	1	X			
PHOTRONICS INC	COMMON	719405102	335	18,900	SH		DEFINED	1	X			
PRAXAIR INC	COMMON	74005P104	375	10,100	SH		DEFINED	1	X			
PROCTER & GAMBLE CO	COMMON	742718109	556	5,300	SH		DEFINED	1	X			
SBC COMMUNICATIONS INC	COMMON	78387G103	454	18,500	SH		DEFINED	1	X			
SEAGATE TECHNOLOGY HOLDINGS	COMMON FOREIGN	G7945J104	334	20,700	SH		DEFINED	1	X			
SPRINT CORP (PCS GROUP)	COMMON	852061506	146	15,900	SH		DEFINED	1	X			
STAPLES	COMMON	855030102	208	8,200	SH		DEFINED	1	X			
SYNOPSYS INC	COMMON	871607107	469	16,200	SH		DEFINED	1	X			
TARGET CORP	COMMON	87612E106	387	8,600	SH		DEFINED	1	X			
TIME WARNER INC	COMMON	887317105	194	11,500	SH		DEFINED	1	X			
TRAVELERS PPTY CASUALTY	REDEEMABLE P/S	89420G307	8,313	340,000	SH		DEFINED	1	X			
TRAVELERS PROPERTY CASUALTY CO, CL B	COMMON	89420G406	173	10,000	SH		DEFINED	1	X			
TRIBUNE CO	COMMON	896047107	247	4,900	SH		DEFINED	1	X			
TYCO INTERNATIONAL LTD	COMMON	902124106	968	33,800	SH		DEFINED	1	X			
U.S. BANCORP	COMMON	902973304	470	17,000	SH		DEFINED	1	X			
UNITED TECHNOLOGIES CORP	COMMON	913017109	475	5,500	SH		DEFINED	1	X			
UNITEDHEALTH GROUP INC	COMMON	91324P102	567	8,800	SH		DEFINED	1	X			
VERIZON COMMUNICATIONS	COMMON	92343V104	756	20,700	SH		DEFINED	1	X			
VIACOM - CLASS B	COMMON	925524308	565	14,400	SH		DEFINED	1	X			
VODAFONE AIRTOUCH ADR	COMMON FOREIGN	92857W100	232	9,700	SH		DEFINED	1	X			
WACHOVIA CORP	COMMON	929903102	367	7,800	SH		DEFINED	1	X			
WAL-MART STORES, INC	COMMON	931142103	1,803	30,200	SH		DEFINED	1	X			
WELLS FARGO & CO	COMMON	949746101	816	14,400	SH		DEFINED	1	X			
WILLIAMS COS., INC	COMMON	969457100	121	12,600	SH		DEFINED	1	X			
WYETH	COMMON	983024100	578	15,400	SH		DEFINED	1	X			
XL CAPITAL LTD	COMMON FOREIGN	G98255105	266	3,500	SH		DEFINED	1	X			
XTO ENERGY INC	COMMON	98385X106	210	8,325	SH		DEFINED	1	X			
3M COMPANY	DEBT	88579YAB7	4,804	5,250,000	PRN		DEFINED	1	X			
AFFILIATED MANAGERS	DEBT	008252AC2	1,063	1,000,000	PRN		DEFINED	1	X			
ALZA CORP	DEBT	02261WAB5	2,921	4,100,000	PRN		DEFINED	1	X			
AMERICA ONLINE	DEBT	02364JAC8	5,946	9,400,000	PRN		DEFINED	1	X			
AMERICAN INTERNATIONAL GROUP	DEBT	026874AN7	3,408	3,500,000	PRN		DEFINED	1	X			
AMERICAN INTL GROUP	DEBT	026874AP2	4,978	7,375,000	PRN		DEFINED	1	X			
AMGEN INC	DEBT	031162AE0	1,991	2,650,000	PRN		DEFINED	1	X			
AON CORP	DEBT	037389AT0	419	300,000	PRN		DEFINED	1	X			
ARROW ELECTRONIC	DEBT	042735AY6	3,710	7,000,000	PRN		DEFINED	1	X			
BEST BUY	DEBT	086516AD3	4,285	5,850,000	PRN		DEFINED	1	X			
BJ SERVICES CO	DEBT	055482AF0	3,819	4,500,000	PRN		DEFINED	1	X			
BRINKER INTERNATIONAL	DEBT	109641AC4	2,145	3,000,000	PRN		DEFINED	1	X			
CARNIVAL CORP	DEBT	143658AN2	2,958	2,300,000	PRN		DEFINED	1	X			
CARNIVAL CORP	DEBT	143658AS1	3,544	4,500,000	PRN		DEFINED	1	X			
CBRL GROUP INC	DEBT	12489VAB2	2,494	5,000,000	PRN		DEFINED	1	X			
CENDANT CORP	DEBT	151313AN3	6,710	6,100,000	PRN		DEFINED	1	X			
CENTURYTEL INC	DEBT	156700AH9	2,145	2,000,000	PRN		DEFINED	1	X			
CHIRON CORP	DEBT	170040AG4	3,056	3,000,000	PRN		DEFINED	1	X			
COMPUTER ASSOCIATES INC	DEBT	204912AR0	2,500	2,000,000	PRN		DEFINED	1	X			
COSTCO	DEBT	22160QAC6	4,319	5,000,000	PRN		DEFINED	1	X			
CSX CORP	DEBT	126408GA5	6,253	7,500,000	PRN		DEFINED	1	X			
DEVON ENERGY CORP	DEBT	25179MAA1	7,706	7,500,000	PRN		DEFINED	1	X			
DEVON ENERGY CORP	DEBT	25179MAB9	1,028	1,000,000	PRN		DEFINED	1	X			
DIAMOND OFFSHORE DRILL	DEBT	25271CAE2	3,198	3,340,000	PRN		DEFINED	1	X			
DOMINION RESOURCES INC	DEBT	25746UAP4	1546.875	1,500,000	PRN		DEFINED	1	X			
DUKE ENERGY CORP	DEBT	264399EJ1	5,327	4,950,000	PRN		DEFINED	1	X			
FLUOR CORP	DEBT	343412AA0	2,023	2,000,000	PRN		DEFINED	1	X			
GATX CORP	DEBT	361448AC7	565	500,000	PRN		DEFINED	1	X			
GENERAL MILLS INC	DEBT	370334AU8	1,063	1,500,000	PRN		DEFINED	1	X			
GENZYME CORP-GENL DIVISN	DEBT	372917AK0	2,018	2,000,000	PRN		DEFINED	1	X			
HARRIS CORP	DEBT	413875AH8	512	400,000	PRN		DEFINED	1	X			
HEWLETT PACKARD CO CONV	DEBT	428236AC7	4,034	7,000,000	PRN		DEFINED	1	X			
HORACE MANN EDUCATORS	DEBT	440327AG9	2,653	5,600,000	PRN		DEFINED	1	X			
INCO LTD	DEBT	453258AM7	2,918	3,000,000	PRN		DEFINED	1	X			
INTL GAME TECHNOLOGY	DEBT	459902AL6	3,895	4,000,000	PRN		DEFINED	1	X			
INTL PAPER CO	DEBT	460146BM4	6,925	12,450,000	PRN		DEFINED	1	X			
IVAX CORP	DEBT	465823AD4	4,085	4,000,000	PRN		DEFINED	1	X			
IVAX CORP	DEBT	465823AG7	2,023	2,000,000	PRN		DEFINED	1	X			
KERR-MCGEE	DEBT	492386AP2	5,004	4,660,000	PRN		DEFINED	1	X			
LABORATORY CORP OF AMER	DEBT	50540RAC6	2,028	2,750,000	PRN		DEFINED	1	X			
LEGG MASON INC	DEBT	524901AG0	1,470	2,000,000	PRN		DEFINED	1	X			
LEHMAN BROTHERS HOLDINGS	DEBT	524908JJ0	4,738	5,000,000	PRN		DEFINED	1	X			
LEHMAN BROTHERS HOLDINGS	DEBT	524908LS7	2,080	2,000,000	PRN		DEFINED	1	X			
LIBERTY MEDIA	DEBT	530715AR2	3,409	3,565,000	PRN		DEFINED	1	X			
LIBERTY MEDIA / AT&T CORP	DEBT	530715AG6	3,214	4,250,000	PRN		DEFINED	1	X			
LIBERTY MEDIA CORP	DEBT	530715AN1	914	1,000,000	PRN		DEFINED	1	X			
LOCKHEED MARTIN CORP	DEBT	539830AP4	6,010	6,000,000	PRN		DEFINED	1	X			

