

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

Form 13F

FORM 13F COVER PAGE

Report for the Calendar Year or Quarter Ended: DECEMBER 31, 2007

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: PAUL SCHUTT

Title: ASSISTANT VICE PRESIDENT INVESTMENT OPERATIONS

Phone: 847-402-5169

Signature, Place, and Date of Signing:

/s/ PAUL SCHUTT	NORTHBROOK, IL.	02/11/2008
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[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:	58
Form 13F Information Table Value Total:	414,261 (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		
REINSURANCE GROUP AMERICA INC SCHERING-PLOUGH	COMMON NON-REDEEM P/S	759351109 806605705	5,773 728	110,000 3,000	SH SH		DEFINED DEFINED	1 1	X X		
SVB FINANCIAL GROUP	COMMON	78486Q101	3,528	70,000	SH		DEFINED	1	X		
TRAVELERS COMPANIES INC	COMMON	89417E109	538	10,000	SH		DEFINED	1	X		
ALLERGAN INC 1.500000% 04/01/2026	DEBT	018490AL6	4,685	4,000,000	PRN		DEFINED	1	X		
ALZA CORP 0% 07/28/2020	DEBT	02261WAB5	5,956	6,500,000	PRN		DEFINED	1	X		
AMDOCS LIMITED .500000% 03/15/2024	DEBT	02342TAD1	7,876	7,750,000	PRN		DEFINED	1	X		
AMERICAN FINANCIAL GROUP 1.486100% 06/02/2033	DEBT	025932AD6	10,558	20,600,000	PRN		DEFINED	1	X		
AMGEN INC .375000% 02/01/2013	DEBT	031162AQ3	6,151	7,000,000	PRN		DEFINED	1	X		
BEST BUY 2.250000% 01/15/2022	DEBT	086516AF8	13,228	11,000,000	PRN		DEFINED	1	X		
BLACKROCK INC 2.625000% 02/15/2035	DEBT	09247XAB7	1,292	600,000	PRN		DEFINED	1	X		
BRISTOL-MYERS SQUIBB 2.510000% 09/15/2023	DEBT	110122AN8	15,539	15,500,000	PRN		DEFINED	1	X		
CAMERON INTL CORP 2.500000% 06/15/2026	DEBT	13342BAB1	13,090	8,500,000	PRN		DEFINED	1	X		
CARNIVAL CORP 1.132000% 04/29/2033	DEBT	143658AV4	9,588	14,500,000	PRN		DEFINED	1	X		
CARNIVAL CORP 2.000000% 04/15/2021	DEBT	143658AN2	5,844	5,000,000	PRN		DEFINED	1	X		
CENTERPOINT ENERGY INC 3.750000% 05/15/2023	DEBT	15189TAM9	12,490	8,150,000	PRN		DEFINED	1	X		
CIT GROUP INC	REDEEMABLE P/S	125581405	660	875,000	SH		DEFINED	1	X		
COSTCO WHOLESALE CORP 0% 08/19/2017	DEBT	22160QAC6	507	320,000	PRN		DEFINED	1	X		
DANAHER CORP 0% 01/22/2021	DEBT	235851AF9	12,534	9,850,000	PRN		DEFINED	1	X		
DEVON ENERGY CORPORATION 4.900000% 08/15/2008	DEBT	25179MAA1	523	300,000	PRN		DEFINED	1	X		
DOMINION RESOURCES INC 2.125000% 12/15/2023	DEBT	25746UAT6	9,994	7,725,000	PRN		DEFINED	1	X		
EMC CORP 1.750000% 12/01/2013	DEBT	268648AM4	480	350,000	PRN		DEFINED	1	X		
FISHER SCIENTIFIC INTL 3.250000% 03/01/2024	DEBT	338032AX3	13,292	8,500,000	PRN		DEFINED	1	X		
FLUOR CORP 1.500000% 02/15/2024	DEBT	343412AA0	909	350,000	PRN		DEFINED	1	X		
GENZYME CORP 1.250000% 12/01/2023	DEBT	372917AN4	13,139	11,400,000	PRN		DEFINED	1	X		
HASBRO INC 2.750000% 12/01/2021	DEBT	418056AN7	7,232	5,700,000	PRN		DEFINED	1	X		
HCC INSURANCE HOLDINGS 1.300000% 04/01/2023	DEBT	404132AB8	8,898	6,825,000	PRN		DEFINED	1	X		
HEWLETT-PACKARD CO 0% 10/14/2017	DEBT	428236AC7	10,424	12,300,000	PRN		DEFINED	1	X		
INTEL CORP 2.950000% 12/15/2035	DEBT	458140AD2	6,580	6,100,000	PRN		DEFINED	1	X		
INTL GAME TECHNOLOGY 2.600000% 12/15/2036	DEBT	459902AP7	17,331	17,075,000	PRN		DEFINED	1	X		
IVAX CORP 4.500000% 05/15/2008	DEBT	465823AG7	3,128	3,000,000	PRN		DEFINED	1	X		
LABORATORY CORP AMERICA HOLDINGS	DEBT	50540RAG7	12,813	12,500,000	PRN		DEFINED	1	X		
LEHMAN BROTHERS HOLDINGS . .250000% 05/08/2010	DEBT	524908FN5	1,420	1,500,000	PRN		DEFINED	1	X		
LIBERTY MEDIA CORP .750000% 03/30/2023	DEBT	530718AF2	208	200,000	PRN		DEFINED	1	X		
LIBERTY MEDIA CORP 3.250000% 03/15/2031	DEBT	530715AR2	731	1,000,000	PRN		DEFINED	1	X		
LOCKHEED MARTIN CORP 3.018130% 08/15/2033	DEBT	539830AP4	12,485	8,500,000	PRN		DEFINED	1	X		
LOWE'S COMPANIES INC .861000% 10/19/2021	DEBT	548661CG0	11,655	12,950,000	PRN		DEFINED	1	X		
MEDTRONIC INC 1.625000% 04/15/2013	DEBT	585055AM8	7,473	7,000,000	PRN		DEFINED	1	X		
MERRILL LYNCH & CO 0% 03/13/2032	DEBT	590188W46	13,413	12,400,000	PRN		DEFINED	1	X		
MYLAN LABORATORIES INC 1.250000% 03/15/2012	DEBT	628530AG2	908	1,000,000	PRN		DEFINED	1	X		
NABORS INDUSTRIES INC . .940000% 05/15/2011	DEBT	629568AP1	7,520	8,000,000	PRN		DEFINED	1	X		
NEXTEL COMMUNIC NORTHROP GRUMMAN CORP	REDEEMABLE P/S	65332VAY9 666807300	13,118 12,657	13,250,000 8,690,000	PRN SH		DEFINED DEFINED	1 1	X X		
OMNICOM GROUP 0% 07/01/2038	DEBT	681919AT3	10,284	9,500,000	PRN		DEFINED	1	X		
PSS WORLD MEDICAL INC 2.250000% 03/15/2024	DEBT	69366AAB6	616	500,000	PRN		DEFINED	1	X		
RPM INTERNATIONAL INC. 1.389000% 05/13/2033	DEBT	749685AK9	6,962	11,900,000	PRN		DEFINED	1	X		
SANDISK CORP 1.000000% 05/15/2013	DEBT	80004CAC5	804	1,000,000	PRN		DEFINED	1	X		
SCHLUMBERGER LIMITED 2.125000% 06/01/2023	DEBT	806857AD0	988	400,000	PRN		DEFINED	1	X		
SELECTIVE INS GROUP 1.615500% 09/24/2032	DEBT	816300AB3	1,055	2,742,000	PRN		DEFINED	1	X		

ST JUDE MEDICAL INC 1.220000% 12/15/2008	DEBT	790849AD5	1,003	1,000,000	PRN	DEFINED	1	X
TEVA PHARMACEUT FIN BV 1.750000% 02/01/2026	DEBT	88165FAA0	4,329	3,900,000	PRN	DEFINED	1	X
TEVA PHARMACEUT FIN LLC .250000% 02/01/2024	DEBT	88164RAB3	6,012	4,400,000	PRN	DEFINED	1	X
TJX COMPANIES INC 0% 02/13/2021	DEBT	872540AL3	12,496	13,000,000	PRN	DEFINED	1	X
TRANSOCEAN INC 1.500000% 12/15/2037	DEBT	893830AV1	2,178	2,000,000	PRN	DEFINED	1	X
US BANCORP 3.605630% 02/06/2037	DEBT	902973AT3	8,446	8,500,000	PRN	DEFINED	1	X
WALT DISNEY COMPANY 2.125000% 04/15/2023	DEBT	254687AU0	13,110	11,500,000	PRN	DEFINED	1	X
WELLS FARGO COMPANY 4.898750% 05/01/2033	DEBT	949746FA4	13,685	13,750,000	PRN	DEFINED	1	X
WYETH 2.390000% 01/15/2024	DEBT	983024AD2	15,404	14,600,000	PRN	DEFINED	1	X

"STOCK"			4	10,567	193,000			

DEBT			54	403,694	385,452,000			

REPORT TOTALS			58	414,261	385,645,000			
