

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, 2002

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 64A
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. 2/12/2003

[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: 184

Form 13F Information Table Value Total: 1,144,667 (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

NAME OF ISSUER	TITLE OF CLASS	CUSIP	VALUE (x\$1000)	SHARES/ PRN AMT	SH/ PRN	PUT/ CALL	INVTMT DSCRETN	VOTING AUTHORITY		
								OTHER MANAGERS	SOLE	SHARED
BAXTER INTL	COMMON STOCK	071813109	868	31,000	SH		DEFINED	1		X
COMCAST CLASS CLASS A SPECIAL	COMMON STOCK	20030N200	768	34,000	SH		DEFINED	1		X
EQUITY RESIDENTIAL SERIES G	NON-REDEEM P/S	29476L859	2,440	100,000	SH		DEFINED	1		X
FORD MOTOR CO CAP TR II	REDEEMABLE P/S	345395206	9,681	237,000	SH		DEFINED	1		X
GENERAL MOTORS SERIES A	REDEEMABLE P/S	370442741	5,375	220,000	SH		DEFINED	1		X
GENERAL MOTORS SERIES B	REDEEMABLE P/S	370442733	13,583	588,000	SH		DEFINED	1		X
NATIONAL AUSTRALIA BANK 7.875% CONVERTIB	NON-REDEEM P/S	632525309	1,074	33,000	SH		DEFINED	1		X
NEW VALLEY CORP. WARRANTS	WARRANTS	649080116	1	16,800	SH		DEFINED	1		X
OMNICOM GROUP	COMMON STOCK	681919106	452	7,000	SH		DEFINED	1		X
RADIO ONE INC	COMMON STOCK	75040P405	192	13,300	SH		DEFINED	1		X
SEALED AIR CORP., \$2.00, CONVERTIBLE	NON-REDEEM P/S	81211K209	809	19,000	SH		DEFINED	1		X
SIMON PROPERTY GROUP 6.5% PFD B	NON-REDEEM P/S	828806406	4,650	50,000	SH		DEFINED	1		X
TRAVELERS PPTY CASUALTY	REDEEMABLE P/S	89420G307	5,576	249,500	SH		DEFINED	1		X
3M CO	DEBT	88579YAA9	3,202	3,750,000	PRN		DEFINED	1		X
AFFILIATED COMPUTER SVCS INC	DEBT	008190AF7	2,061	1,500,000	PRN		DEFINED	1		X
AFFILIATED MANAGERS	DEBT	008252AC2	3,092	3,450,000	PRN		DEFINED	1		X
AGILENT TECH INC	DEBT	00846UAA9	12,512	13,050,000	PRN		DEFINED	1		X
AGILENT TECH INC	DEBT	00846UAB7	8,701	9,075,000	PRN		DEFINED	1		X
ALLERGAN INC	DEBT	018490AD4	10,215	12,000,000	PRN		DEFINED	1		X
ALZA CORP.	DEBT	02261WAB5	9,563	12,300,000	PRN		DEFINED	1		X
AMER INTL GROUP	DEBT	026874AP2	24,527	38,175,000	PRN		DEFINED	1		X
AMERICA ONLINE	DEBT	02364JAC8	20,625	37,500,000	PRN		DEFINED	1		X
AMGEN INC	DEBT	031162AC4	27,941	37,950,000	PRN		DEFINED	1		X
AMGEN INC	DEBT	031162AE0	5,853	7,950,000	PRN		DEFINED	1		X
ANADARKO PETROLEUM CORP	DEBT	032511AP2	10,727	17,550,000	PRN		DEFINED	1		X
ANALOG DEVICES	DEBT	032654AC9	2,340	2,355,000	PRN		DEFINED	1		X
ANALOG DEVICES	DEBT	032654AD7	26,503	26,670,000	PRN		DEFINED	1		X
AON CORP	DEBT	037389AQ6	6,660	6,000,000	PRN		DEFINED	1		X
APOGENT TECH	DEBT	03760AAE1	10,339	10,050,000	PRN		DEFINED	1		X
ATMI INC	DEBT	00207RAC5	851	750,000	PRN		DEFINED	1		X
AVIRON	DEBT	053762AD2	893	900,000	PRN		DEFINED	1		X
BARNES & NOBLE	DEBT	067774AD1	1,118	1,200,000	PRN		DEFINED	1		X
BAXTER INTL	DEBT	071813AR0	9,801	9,900,000	PRN		DEFINED	1		X
BEA SYSTEMS	DEBT	073325AD4	1,493	1,650,000	PRN		DEFINED	1		X
BEST BUY	DEBT	086516AC5	2,033	3,000,000	PRN		DEFINED	1		X
BEST BUY	DEBT	086516AD3	6,606	9,750,000	PRN		DEFINED	1		X
BEST BUY	DEBT	086516AE1	1,074	1,275,000	PRN		DEFINED	1		X
BEST BUY	DEBT	086516AF8	1,580	1,875,000	PRN		DEFINED	1		X
BISYS GROUP	DEBT	055472AB0	1,127	1,200,000	PRN		DEFINED	1		X
BJ SERVICES CO	DEBT	055482AE3	5,518	6,750,000	PRN		DEFINED	1		X
BROCADE COM SYS	DEBT	111621AB4	736	1,050,000	PRN		DEFINED	1		X
BROOKS AUTOMAT	DEBT	11434AAB6	989	1,350,000	PRN		DEFINED	1		X
BUNGE LTD FINAC	DEBT	120568AD2	9,816	9,600,000	PRN		DEFINED	1		X
BURR-BROWN CORP	DEBT	122574AF3	10,690	10,650,000	PRN		DEFINED	1		X
CARNIVAL CORP	DEBT	143658AM4	629	600,000	PRN		DEFINED	1		X
CARNIVAL CORP	DEBT	143658AN2	7,542	7,200,000	PRN		DEFINED	1		X
CARNIVAL CORP	DEBT	143658AS1	15,626	27,000,000	PRN		DEFINED	1		X
CELESTICA INC	DEBT	15101QAA6	3,578	7,800,000	PRN		DEFINED	1		X
CENDANT CORP	DEBT	151313AF0	24,543	38,880,000	PRN		DEFINED	1		X
CENDANT CORP	DEBT	151313AN3	15,701	15,900,000	PRN		DEFINED	1		X
CENTURYTEL INC	DEBT	156700AE6	6,938	6,000,000	PRN		DEFINED	1		X
CEPHALON INC	DEBT	156708AD1	1,663	1,800,000	PRN		DEFINED	1		X
CEPHALON INC	DEBT	156708AE9	277	300,000	PRN		DEFINED	1		X
CHIRON CORP	DEBT	170040AE9	11,825	20,700,000	PRN		DEFINED	1		X
CLEAR CHANNEL COMM., INC., CONVERTIBLE	DEBT	184502AB8	12,357	12,450,000	PRN		DEFINED	1		X
COMMUNI HEALTH S	DEBT	203668AA6	1,036	1,050,000	PRN		DEFINED	1		X
COMPUTER ASSOC	DEBT	204912AN9	3,041	3,000,000	PRN		DEFINED	1		X
COMPUTER ASSOC	DEBT	204912AP4	6,874	7,050,000	PRN		DEFINED	1		X
CONVERSE TECH.	DEBT	205862AH8	1,640	1,950,000	PRN		DEFINED	1		X
COSTCO	DEBT	22160QAC6	7,126	10,290,000	PRN		DEFINED	1		X
COX COMMUNICATION	DEBT	224044AX5	8,531	18,750,000	PRN		DEFINED	1		X
CSX CORP	DEBT	126408GA5	15,452	18,450,000	PRN		DEFINED	1		X
CYMER INC	DEBT	232572AE7	1,029	1,050,000	PRN		DEFINED	1		X
CYPRESS SEMICONDUCTOR	DEBT	232806AE9	1,901	2,280,000	PRN		DEFINED	1		X
DANAHER	DEBT	235851AF9	3,222	4,800,000	PRN		DEFINED	1		X
DANAHER CORP.	DEBT	235851AD4	5,236	7,800,000	PRN		DEFINED	1		X
DEVON ENERGY CORP	DEBT	25179MAA1	4,667	4,650,000	PRN		DEFINED	1		X
DIAMOND OFFSHORE	DEBT	25271CAD4	12,600	13,770,000	PRN		DEFINED	1		X
DIAMOND OFFSHORE	DEBT	25271CAE2	4,804	5,250,000	PRN		DEFINED	1		X
DOCUMENTUM INC	DEBT	256159AA2	958	1,050,000	PRN		DEFINED	1		X
DUANE READE INC	DEBT	263578AB2	878	1,800,000	PRN		DEFINED	1		X
ECHOSTAR COMM	DEBT	278762AG4	3,515	3,900,000	PRN		DEFINED	1		X
EDO CORP	DEBT	281347AC8	771	750,000	PRN		DEFINED	1		X
EL PASO CORP.	DEBT	28336LAC3	698	2,250,000	PRN		DEFINED	1		X
ELEC DATA SYSTEM	DEBT	285661AB0	9,804	12,900,000	PRN		DEFINED	1		X
EMULEX CORP	DEBT	292475AB6	1,031	1,275,000	PRN		DEFINED	1		X
ENZON INC	DEBT	293904AB4	1,332	1,800,000	PRN		DEFINED	1		X
FAIRCHILD SEMI	DEBT	303727AH4	1,343	1,500,000	PRN		DEFINED	1		X
FEI COMPANY	DEBT	30241LAA7	731	900,000	PRN		DEFINED	1		X
FEI COMPANY	DEBT	30241LAB5	488	600,000	PRN		DEFINED	1		X
FIRST DATA	DEBT	319963AD6	13,838	12,300,000	PRN		DEFINED	1		X
GAP INC	DEBT	364760AH1	3,555	2,850,000	PRN		DEFINED	1		X

