

ICI VIEWPOINTS

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Data Show Americans' Commitment to Retirement Saving

By Sarah Holden

Despite the financial ups and downs of recent years, 401(k) participants have proven themselves both steady and committed to retirement saving.

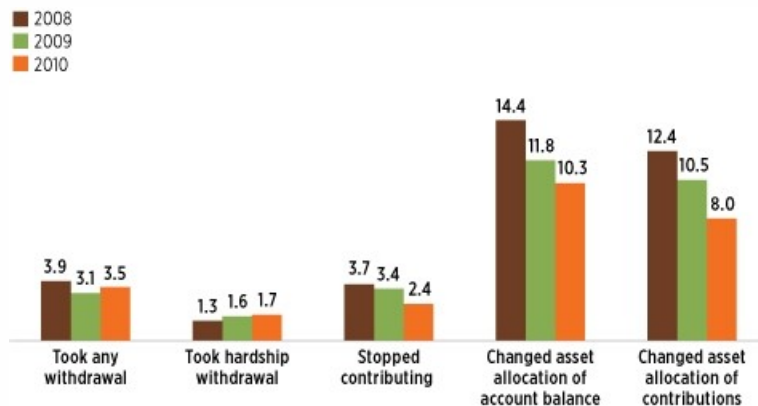
ICI has a window into this commitment thanks to our surveys, conducted since 2008, of a cross section of recordkeeping firms representing a broad range of defined contribution (DC) plans and covering more than 23 million employer-based DC retirement plan participant accounts as of December 2010.

Our latest report, which includes DC participants' plan activity through year-end 2010, shows the following:

- **The share of participants that stopped making contributions in 2010 was significantly lower than the share that stopped contributing in 2009.**
- **DC plan withdrawal activity in 2010 remained low and was similar to the prior year's activity.**
- **As stock values wandered down and up during the year, most DC plan participants stayed the course with their asset allocations.**

Defined Contribution Plan Participant Activities in 2010

Summary of recordkeeper data, percentage of participants



Note: The samples include more than 22 million DC plan participants for data covering full-year 2008; nearly 24 million DC plan participants for data covering full-year 2009; and more than 23 million DC plan participants for data covering full-year 2010.

Source: ICI Survey of DC Plan Recordkeepers (January–December 2008; January–December 2009; January–December 2010)

- One negative development evident in the data is that loan activity edged up throughout 2010. At year-end 2010, 18.2 percent of

DC plan participants had loans outstanding, compared with 16.5 percent at year-end 2009. This pattern of activity, however, is similar to that observed in the wake of the bear market and recession earlier in the decade.

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