

## Survey of Fund Groups' Portfolio Disclosure Policies Summary of Results, July 2001

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In order to determine the availability of mutual funds that disclose portfolio holdings information more frequently than semi-annually, the Institute developed an informal survey to gather basic information on members' policies regarding portfolio disclosure. The survey was sent to the 100 largest mutual fund groups based on assets under management (as of March 31, 2001). The survey questions solicited information on fund policies regarding: [disclosure of all fund holdings](#), [disclosure of top fund holdings](#), and [disclosure of other portfolio attributes](#).

The most significant results of the survey are summarized below and a [copy of the survey](#) distributed to fund groups follows the summary.

## I. Disclosure of All Fund Holdings

The survey asked fund groups whether they disclose their portfolio holdings more frequently than every six months as required by the SEC, the frequency with which they make this disclosure, the lag time in disclosing this information, and the types of funds for which they disclose all fund holdings.

Of the 57 mutual fund groups responding to the survey (representing \$5.15 trillion, or 73.3% of total industry assets under management), 24 fund groups (42.1%) reported that they disclose all fund holdings to all shareholders, either routinely or to any shareholder who requests the information, more frequently than semi-annually. Of these 24 fund groups, 18 fund groups (representing 1,114 funds) reported that they disclose this information for all types of funds. The remaining fund groups reported that they disclose this information only for equity funds (3 fund groups representing 64 equity funds) or only for equity and bond funds (3 fund groups representing 225 equity and bond funds). Thus, with respect to those fund groups responding to the survey, more frequent information on all fund holdings is available for 1,403 funds (representing \$2.18 trillion of assets under management).

With respect to the frequency with which these 24 fund groups disclose all fund holdings, 16 fund groups (66.7%) reported that they disclose fund holdings quarterly, 5 fund groups (20.8%) reported that they disclose fund holdings monthly, 2 fund groups reported that they disclose fund holdings either monthly or quarterly depending on the type of fund for which the information will be disclosed, and 1 fund group reported that it discloses fund holdings on an ad hoc basis based on requests.

All fund groups reported that they disclose fund holdings with a lag time, with a majority of fund groups reporting that they disclose holdings with either a 15-day lag time (8 fund groups) or a 30-day lag time (8 fund groups).

## II. Disclosure of Top Holdings

The survey asked fund groups whether they disclose top fund holdings to all shareholders in between semi-annual reporting periods, the frequency with which they make this disclosure, the level of holdings disclosed, the lag time with which this disclosure is made, and the types of funds for which this disclosure is made.

Fifty-five of the 57 fund groups (96.5%) responding to the survey reported that they disclose to shareholders top fund holdings in between semi-annual reporting periods. Of these 55 fund groups, 29 fund groups (52.7%) reported that they disclose top fund holdings for all funds, 13 fund groups (23.6%) reported that they disclose top fund holdings for equity and bond funds, and 9 fund groups (16.4%) reported that they disclose top fund holdings only for equity funds. The remaining 4 fund groups disclose top fund holdings based on the specific type of equity or bond fund involved.

Regarding the frequency with which fund groups disclose top fund holdings, 30 fund groups (54.5%) reported that they provide this information on a quarterly basis and 20 fund groups (36.4%) reported that they provide this information on a monthly basis. The remaining fund groups determine the frequency with which they disclose this information based on either the type of fund for which they are making this disclosure (equity or bond) or the method by which this information is disseminated (website or hardcopy).

Of the 55 fund groups that reported that they disclose top fund holdings in between semi-annual reporting periods, 51 fund groups (92.7%) reported that they disclose the top 10 holdings of the fund, 1 fund group reported that it discloses the top 20 holdings of the fund and 1 fund group reported that it discloses the top 30 holdings of the fund. In addition, one fund group determines the level of holdings disclosed by the type of fund involved (top 10 holdings for most funds and top 5 holdings for the most concentrated funds). Finally, another fund group determines the level of holdings disclosed by the method by which this information is disseminated (i.e., top 5 holdings on website and top 10 holdings if requested by a shareholder).

All fund groups reported that they disclose top holdings with a lag time, with a majority of fund groups reporting that they disclose top holdings with either a 15-day lag time (25 fund groups) or a 30-day lag time (12 fund groups).

### III. Disclosure of Other Portfolio Attributes

The survey asked whether fund groups disclose to all shareholders other portfolio attributes (e.g., asset allocation, industry allocation, country allocation, etc.) in between semi-annual reporting periods. Of the 57 fund groups responding to the survey, 51 fund groups (89.5%) reported that they disclose this information more frequently than semi-annually.

The survey also asked fund groups to describe the specific types of portfolio attributes they disclose. Of the 45 fund groups that provided descriptions of the specific types of portfolio attributes they disclose, 38 fund groups (84.4%) reported that they disclose information on industry allocation, 36 fund groups (80%) reported that they disclose information on asset allocation, and 32 fund groups (71.1%) reported that they disclose information on country allocation. In addition, 17 fund groups (37.8%) reported that they disclose information specific to bond funds such as information on maturity, duration, and quality of the bonds.

Finally, the survey asked fund groups about the frequency with which they disclose other portfolio attributes. In response, 27 fund groups (52.9%) reported that they disclose other portfolio attributes on a quarterly basis and 17 fund groups (33.3%) reported that they disclose other portfolio attributes on a monthly basis. The remaining fund groups reported that the frequency with which they disclose this information depends on the type of fund involved or did not provide specific information on the frequency of disclosure.