

ICI Recordkeeper Data Show Retirement Plan Participants' Commitment to Saving

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Washington, DC, February 23, 2016—Americans continue saving for retirement through defined contribution (DC) plans, according to ICI's latest study of retirement plan savers' actions. The study, "[Defined Contribution Plan Participants' Activities, First Three Quarters of 2015](#)," includes data from January through September 2015 and is based on DC plan recordkeeper data covering more than 26 million participant accounts at employer-based DC plans.

DC Plan Participants Continued to Save; Withdrawal Activity Remained Low

Against a backdrop of declining stock prices over the first three quarters of 2015, the data suggest that the discipline of contributing to 401(k)s paycheck-by-paycheck helped participants to continue to save and invest.

- The vast majority of DC plan participants continued contributing to their plans. Only 2.5 percent of DC plan participants stopped contributing in the first three quarters of 2015, compared with 2.7 percent in the first three quarters of 2014.
- Most DC plan participants stayed the course in their asset allocations, as stock values declined over the first nine months of the year. In the first three quarters of 2015, 8.3 percent of DC plan participants changed the asset allocation of their account balances and 6.8 percent changed the asset allocation of their contributions. These levels of reallocation activity were slightly higher than the reallocation activity observed in the first three quarters of 2014.
- DC plan withdrawal activity remained low and was in line with the activity in the first three quarters of 2014. Only 2.9 percent of DC plan participants took withdrawals in the first three quarters of 2015, compared with 3.1 percent during the first three quarters of 2014. Only 1.3 percent of DC plan participants took hardship withdrawals during the first three quarters of the year, similar to the pace observed in the same time frame a year earlier.
- Loan activity was slightly lower than a year earlier, though still elevated compared with seven years ago. At the end of September 2015, 17.6 percent of DC plan participants had loans outstanding, compared with 18.0 percent at the end of September 2014. Loan activity continues to remain elevated compared with seven years ago (at the end of 2008, 15.3 percent of DC plan participants had loans outstanding).

DC plans are an important component of Americans' retirement saving; [assets in all DC plans](#) represented more than one-quarter of assets in the total retirement market and accounted for almost one-tenth of U.S. households' aggregate financial assets at the end of the third quarter of 2015.

ICI has been tracking participant activity through recordkeeper surveys since 2008. This update provides results from ICI's survey of a cross section of recordkeeping firms representing a broad range of DC plans. Please visit ICI's 401(k) [resource page](#) for more information.