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New Data Will Improve Understanding of Largest Retirement-Asset Pool

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Washington, DC, September 25, 2008 - The Investment Company Institute and the Securities Industry and Financial Markets Association are launching a new research project to improve understanding of investors' use of Individual Retirement Accounts—the largest pool of retirement assets held by Americans—using a new collection of account and demographic data. The two associations will use the database, the first of its kind, to produce a major research report annually, beginning in 2009.

Member firms of ICI and SIFMA hold more than 85 percent of all IRA assets. IRAs are growing rapidly, fueled by assets “rolled over” from employer-sponsored retirement savings accounts, including 401(k) and similar plans. From 2002 to 2007, IRA assets nearly doubled, from \$2.5 trillion to \$4.7 trillion, according to ICI and Internal Revenue Service data.

Data in the groups' published reports will cover demographics of IRA account holders and their investment activities, including contributions, rollovers, asset allocation, account balances, and distributions. The research will be based on individual account-level information on IRAs that is collected without personal identifiers, such as names and account numbers. Only aggregate data will be reported. The database and research will not jeopardize the privacy of individual or firm information.

“The new database will be an important source for policy-oriented research and benchmarking surveys for our members, the media, academics, and policymakers,” said Paul Schott Stevens, president and CEO of ICI. “ICI has long been a leader in research to improve understanding of how Americans save and manage their assets for retirement, and we are pleased to work with SIFMA to expand our research in this area so vital to Americans' economic well-being.”

“This ICI-SIFMA IRA database, the first of its kind, will prove to be an invaluable tool for measuring how Americans are preparing for retirement and utilizing IRAs as a source of savings. The data should provide new insight on how to enhance Americans' retirement savings programs,” said Tim Ryan, president and CEO of SIFMA.

Over the years, ICI and SIFMA have successfully collaborated on numerous projects relating to retirement and investor demographics, including a widely referenced, comprehensive triennial survey of equity owners.

ICI currently publishes quarterly and annual reports on aggregate retirement assets held by Americans and annual surveys of IRA-owning households. In addition, ICI and the Employee Benefit Research Institute jointly publish an annual report on asset allocation, account balances, and loan activity in 401(k) accounts, based on the nation's largest collection of 401(k) account data.

The Securities Industry and Financial Markets Association brings together the shared interests of more than 650 securities firms, banks and asset managers. SIFMA's mission is to promote policies and practices that work to expand and perfect markets, foster the development of new products and services and create efficiencies for member firms, while preserving and enhancing the public's trust and confidence in the markets and the industry. SIFMA works to represent its members' interests locally and globally. It has offices in New York, Washington D.C., and London and its associated firm, the Asia Securities Industry and Financial Markets Association, is based in Hong Kong.

ICI is the national association of U.S. investment companies, including mutual funds, closed-end funds, exchange-traded funds (ETFs), and unit investment trusts (UITs). ICI seeks to encourage adherence to high ethical standards, promote public understanding, and otherwise advance the interests of funds, their shareholders, directors, and advisers. Members of ICI manage total assets of

\$12.14 trillion and serve almost 90 million shareholders.

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