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Mutual Fund Investors Also Review Historical Performance of the Fund

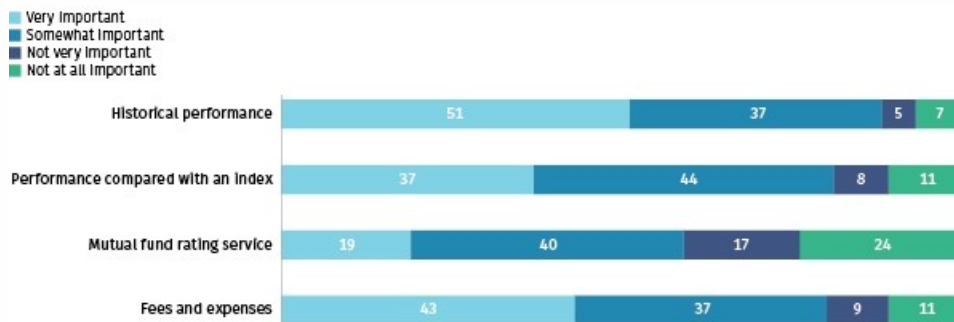
Washington, DC; April 7, 2020—The vast majority of mutual fund investors consider fees and expenses when selecting a fund, according to survey results released today by the Investment Company Institute (ICI) in an annual report. The report found that about nine in 10 mutual fund–owning households reviewed the fees and expenses of a fund in 2019, with more than 40 percent indicating that this information was “very important” to their fund selection decision.

The survey results, released in “[What US Households Consider When They Select Mutual Funds, 2019](#),” also found that mutual fund investors pay close attention to the historical performance of a fund as well as a fund’s performance compared with an index. In 2019, nine in 10 mutual fund–owning households took into account the historical performance of a fund, with more than half indicating that this information was “very important” to them. Almost 90 percent of mutual fund–owning households stated that they review a fund’s performance compared with an index, with more than one-third saying that this was “very important” to their fund purchase decisions.

“Mutual fund investors carefully review and research many factors when selecting funds,” said ICI Senior Director of Retirement and Investor Research Sarah Holden. “By considering all aspects of a fund, they make informed decisions as they invest for retirement and their other financial goals.”

Nine in 10 Mutual Fund–Owning Households Review Fund Performance, Fees, and Expenses

Percentage of mutual fund–owning households, 2019



Source: Investment Company Institute Annual Mutual Fund Shareholder Tracking Survey

Mutual Fund Investors Consider Investment Objective and Risks of a Fund’s Investments

In 2019, nearly 90 percent mutual fund–owning households considered the fund’s investment objective when selecting a mutual fund, with 37 percent agreeing it was “very important.” Similarly, 90 percent considered the risk level of a fund’s investments when selecting mutual funds, with 37 percent indicating it was “very important” in their fund selection decision. Additionally, 76 percent of mutual fund–owning households said they consider a fund’s rating from a rating service, with 19 percent considering such a rating “very important” when selecting their funds.

About the Annual Mutual Fund Shareholder Tracking Survey

ICI conducts the Annual Mutual Fund Shareholder Tracking Survey to gather information on the demographic and financial characteristics of mutual fund–owning households in the United States. The most recent survey was conducted from May to July 2019 and was based on a telephone sample of 4,000 US households. For additional information about the survey, see page 2 of the report.

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