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**Washington, DC, October 26, 2011** - ICI's latest study of 401(k) savers' actions, based on defined contribution (DC) plan recordkeeper data from nearly 24 million DC plan participant accounts, shows 401(k) savers' continuing faith in the U.S. retirement system.

The study, *Defined Contribution Plan Participants' Activities, First Half 2011*, includes data from January through June 2011. 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 June.

## 401(k) Participants Continued to Save, Loan Activity Edged Up Slightly

Based on data on 401(k) participants' withdrawals and contributions, the study finds that participants continued to save in their retirement plans at work in the first half of 2011. Findings include:

- Commitment to contribution activity in the first half of 2011 continued at the high rate observed in the first half of 2010. Only 1.6 percent of DC plan participants stopped contributing in the first half of 2011, compared with 1.7 percent in the same period in 2010.
- DC plan withdrawal activity during the first half of 2011 was in line with the prior year's first half activity; participants generally did not tap their accounts. Only 2.1 percent of DC plan participants took withdrawals in the first half of 2011, as was the case in the first half of 2010. Only 1.1 percent took hardship withdrawals, compared to 0.9 percent in the first half of 2010.
- Loan activity edged up slightly by the end of June 2011, a pattern of activity that also was observed in the wake of the bear market and recession earlier in the decade. The data found that at the end of June 2011, 18.3 percent of DC plan participants had loans outstanding, compared with 18.2 percent at year-end 2010.
- Most DC plan participants stayed the course in their asset allocations in the first half of 2011, despite fluctuating levels of stock values. In the first half of 2011, 6.4 percent of DC plan participants changed the asset allocation of their account balances and 6.0 percent changed the asset allocation of their contributions.

ICI has been tracking participant activity through recordkeeper surveys since 2008. This update reports 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.