

ICI President Calls for Investor Participation in SEC Saving and Investing Campaign, February 1998

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Washington, DC, February 24, 1998 - The Investment Company Institute today announced its support for and participation in the U.S. Securities and Exchange's "[The Facts on Saving and Investing Campaign](#)," including a national Saving and Investing Week March 29 through April 4. ICI President Matthew P. Fink was among leaders of the government, the investment industry, and consumer organizations participating in a kickoff press conference.

Mr. Fink emphasized the need for investors to develop realistic expectations about market returns. "The stock market goes down as well as up. Trees do not grow to the sky. Investors need to take a long-term view," Mr. Fink said.

"The U.S. stock market has seen an unprecedented period of historically high returns in recent years," said Mr. Fink. "In the last four years, annual returns on the S&P 500 have averaged 30 percent. The historic average is just 10 or 11 percent. Investors cannot count on the bull market to continue forever. They need to allocate their investments among different types of assets; they need to diversify; and, above all, they need to take a patient, long-term view."

Mr. Fink told the audience that three parties have an obligation: "First, the government has an obligation to protect investors against fraud and dishonesty. Second, the mutual fund industry has an obligation to provide investors with full disclosure regarding the risks, as well as the potential rewards, of investing. Third, investors also have an obligation—to be realistic in their goals and expectations."

The Investment Company Institute is the national association of the American investment company industry. Its membership includes 6,860 open-end investment companies ("mutual funds"), 441 closed-end investment companies, and 10 sponsors of unit investment trusts. Its mutual fund members have assets of about \$4.419 trillion, accounting for approximately 95% of total industry assets, and have over 62 million individual shareholders.