

MEMO# 4464

January 28, 1993

"UNDERSTANDING SHAREHOLDER REDEMPTION DECISIONS

January 28, 1993 TO: BOARD OF GOVERNORS NO. 7-93 DIRECT MARKETING COMMITTEE
NO. 6-93 PUBLIC INFORMATION COMMITTEE NO. 4-93 RESEARCH COMMITTEE NO. 2-93
SALES FORCE MARKETING COMMITTEE NO. 6-93 SHAREHOLDER COMMUNICATIONS
COMMITTEE NO. 4-93 MEMBERS - ONE PER COMPLEX NO. 7-93 INDUSTRY STATISTICS
COMMITTEE NO. 1-93 RE: "Understanding Shareholder Redemption Decisions

_____ I enclose a copy of the most recent publication from the Research Department, Understanding Shareholder Redemption Decisions. This report presents the results of a mail survey of nearly 3,000 shareholders who conducted either a full or partial redemption between May 1991 and March 1992. It provides detailed information on how shareholders reach the decision to redeem, determine from which fund to sell shares, and reinvest their proceeds. The report also highlights information on several segments of redeemers that are of particular interest to the industry -- big-ticket redeemer, independent redeemers, and frequent redeemers. For comments or questions about this report please contact Vicky Leonard-Chambers at (202) 955-3563. For additional copies call Ada Hayes at (202) 955-3581. Jacob S. Dreyer Vice President and Chief Economist

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