

MEMO# 10482

November 13, 1998

NEW ICI STUDY ON MUTUAL FUND FEES

[10482] November 13, 1998 TO: BOARD OF GOVERNORS No. 77-98 RE: NEW ICI STUDY ON MUTUAL FUND FEES

The Institute will release an important research paper Monday morning at our Economic Development Conference in New York. Because of the unusual importance of this research, you will receive a copy of it by Federal Express on Monday morning. The study finds that the total cost of investing in equity mutual funds has decreased by more than one-third since 1980. The study also identifies significant evidence of economies of scale that are shared with investors. Finally, the study notes that since 1980, investors have tended to purchase lower-cost funds. You may receive media inquiries on Monday about the Institute's research. To assist in preparing your response, we will include in Monday's package a copy of the Institute's news release and talking points. In the event that you do not receive a copy of the paper by late Monday morning, please contact Brady Edholm at 202/326-5911. Matthew P. Fink President

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.