

NEWS RELEASE

May 15, 2019

ICI Report: Investors Carefully Consider Fees and Expenses as well as Performance When Selecting Mutual Funds

ICI Report: Investors Carefully Consider Fees and Expenses as well as Performance When Selecting Mutual Funds

Washington, DC; May 15, 2019—The overwhelming 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 titled "[What US Households Consider When They Select Mutual Funds, 2018](#)." The survey also found that mutual fund investors consider the historical performance of a fund as well as a fund's performance compared with an index.

In 2018, nine in 10 mutual fund-owning households considered the fees and expenses of a fund, with nearly 40 percent indicating that this information was "very important" when selecting their mutual funds. More than nine in 10 mutual fund-owning households considered historical performance when selecting mutual funds, with slightly more than half indicating that historical performance was "very important." Eighty-eight percent of respondents considered a fund's performance compared with an index, with 36 percent indicating it was "very important."

"Mutual fund investors are typically saving for retirement, education, or other long-term financial goals," said ICI Senior Director of Retirement and Investor Research Sarah Holden. "So it's no surprise that households carefully consider many factors when choosing mutual funds, making informed choices to save and invest to meet their financial goals, as this report confirms."

Nine in 10 Mutual Fund-Owning Households Review Fund Performance, Fees, and Expenses
Percentage of mutual fund-owning households, 2018

Source: Investment Company Institute Annual Mutual Fund Shareholder Tracking Survey

Mutual Fund Investors Consider Investment Objective, Risks of a Fund's Investments, and Ratings from Mutual Fund Rating Service

In 2018, 90 percent of mutual fund-owning households considered the fund's investment objective when selecting a mutual fund, with 38 percent agreeing it was "very important." Ninety-one 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, 75 percent of mutual fund-owning households said they consider a fund’s rating from a rating service, with 20 percent considering such a rating “very important” in their decisionmaking.

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 2018 and was based on a telephone sample of 5,001 US households. For additional information about the survey, see page 2 of the report.

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.