

NEWS RELEASE

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Retirement Assets Total \$16.9 Trillion in Second Quarter, December 2008

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Washington, DC, December 23, 2008 - American savers held \$16.9 trillion in retirement assets at the end of the second quarter of 2008, accounting for nearly 36 percent of all household financial assets in the United States, the Investment Company Institute reported today.

The finding is from [The U.S. Retirement Market, Second Quarter 2008](#). The report covers assets held in private-sector pension plans, both defined benefit and defined contribution; government pension plans; annuities; and Individual Retirement Accounts (IRAs). Between March 31, 2008 and June 30, 2008, retirement assets remained largely unchanged from a revised finding of \$16.9 trillion in the first quarter. During the second quarter, total return on equities was -2.7 percent, while bonds returned -1.2 percent, according to the Standard & Poor's 500 stock index and the Citigroup Broad Investment Grade Bond Index.

At the end of the second quarter, IRAs held \$4.5 trillion of retirement market assets; another \$4.3 trillion was held in employer-sponsored defined contribution plans, of which \$2.9 trillion was held in 401(k) plans. Mutual funds managed 47 percent of IRA assets and 51 percent of defined contribution plan assets.

Lifecycle funds continued their growth during the second quarter: assets in those funds reached \$205 billion, compared to \$190 billion at the end of the first quarter. Almost 90 percent of assets in lifecycle funds were held in retirement accounts.

Readers should refer to [The U.S. Retirement Market, 2007](#) for detailed information on the methodology, data sources, and interpretation of the Institute's reports on retirement assets.

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