

NEWS RELEASE

February 19, 2009

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Washington, DC, February 19, 2009 - Americans held \$15.9 trillion in retirement assets at the end of the third quarter of 2008, accounting for 35 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, Third Quarter 2008](#). The report covers assets held in private-sector pension plans—both defined benefit and defined contribution plans, government pension plans, annuities, and Individual Retirement Accounts (IRAs). Between June 30, 2008 and September 30, 2008, retirement assets fell 5.9 percent, from \$16.9 trillion to \$15.9 trillion. During the third quarter, total return on equities was -8.4 percent, while bonds returned -0.1 percent, according to the Standard & Poor's 500 stock index and the Citigroup Broad Investment Grade Bond Index.

At the end of the third quarter, IRAs held \$4.1 trillion of retirement market assets; another \$4.0 trillion was held in employer-sponsored defined contribution plans, of which \$2.7 trillion was held in 401(k) plans. Forty-six percent of IRA assets and 47 percent of defined contribution plan assets were invested in mutual funds.

Lifecycle, or target-date, mutual funds managed \$187 billion at the end of the third quarter, compared with \$200 billion at the end of the second 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.