

NEWS RELEASE

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Mutual Fund Ownership Increases to 88 Million Individuals, September 2000

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Washington, DC, September 5, 2000 - Five million more Americans became mutual fund shareholders during the past year, bringing total mutual fund ownership to 88 million individuals in 2000, the Investment Company Institute reported in a [study](#) released today.

"Mutual funds offer investors an unparalleled combination of professional management, diversification, affordability, service, and strict regulation. The mutual fund industry has grown to \$7 trillion and funds play a prominent role in helping Americans achieve their long-term investment goals, such as retirement," Investment Company Institute President Matthew P. Fink said.

The survey's key findings include:

- Five million Americans became mutual fund shareholders during the past year, bringing to 88 million the number of individual shareholders, up from 83 million in 1999.
- An estimated 50.6 million U.S. households owned mutual funds as of June 2000, up 4.5 percent from 48.4 million in 1999. Nearly one in two American households own mutual funds.
- Most American mutual fund shareholders have moderate household income. The Institute survey shows that 67 percent of shareholders have household incomes less than \$75,000.
- Institute researchers found that fund ownership tends to increase with income. As of June 2000, 32 percent of all households with incomes less than \$50,000 owned mutual funds, while 72 percent with income of \$50,000 or more owned mutual funds.
- Most mutual fund households are headed by an individual 35 to 54 years old. The greatest increase in fund ownership over the past two years, however, has been among households headed by individuals between the ages of 25 to 34 years.
- Institute research also found that most fund shareholders own stock funds more than bond funds, hybrid funds or money market funds. Thirty-five percent of U.S. households own stock funds, up from 29 percent in 1998. Ownership of money market funds increased to 24 percent from 19 percent in the same period and bond fund ownership increased to 16 percent to 13 percent. Ownership of hybrid funds, which include both stocks and bonds, decreased to 12 percent from 18 percent.

The Institute's information is based on a survey of 3,000 randomly selected U.S. households

conducted in June 2000.

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