

NEWS RELEASE

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ICI Study: Continued Commitment to Saving Evident in Nearly 24 Million Defined Contribution Plan Accounts

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Washington, DC, August 8, 2011 - ICI's latest quarterly study based on defined contribution (DC) plan recordkeeper data from nearly 24 million DC plan participant accounts shows 401(k) savers' continuing commitment to saving for retirement.

The study, [Defined Contribution Plan Participants' Activities, First Quarter 2011](#), includes data from January through March 2011. Assets in all DC plans represented more than one-quarter of assets in the total retirement market and accounted for almost one-tenth of U.S. households' aggregate financial assets at the end of March.

401(k) Participants Continued to Save, Loan Activity Edged Back Slightly

Based on data on 401(k) participants' withdrawals and contributions, the study finds that participants continued to save in their retirement plans at work in the first quarter of 2011. Findings include:

- Commitment to contribution activity continued to be strong in the first quarter of 2011—slightly above the first quarters of 2010 and 2009. Only 1.0 percent of DC plan participants stopped contributing in the first quarter of 2011, compared with 1.1 percent in the first quarter of 2010 and 2.7 percent in the same time period of 2009.
- DC plan withdrawal activity during the first quarter was in line with the prior year's first quarter activity; participants kept up their commitment to contribution and generally did not tap their accounts. Only 1.2 percent of DC plan participants took withdrawals in the first quarter of 2011, with only 0.4 percent taking hardship withdrawals—the same rates seen in the first quarter of 2010.
- Loan activity edged down slightly by March 2011, although it continues to remain elevated compared to two years ago. The data found that at the end of March 2011, 18.0 percent of DC plan participants had loans outstanding, compared with 18.2 percent at year-end 2010.
- Most DC plan participants stayed the course in their asset allocations, with levels of reallocation similar to those observed in the same time frame last year. In the first

quarter of 2011, 4.4 percent of DC plan participants changed the asset allocation of their account balances and 4.2 percent changed the asset allocation of their contributions.

ICI has been tracking participant activity through recordkeeper surveys since 2008. This update reports results from ICI's survey of a cross section of recordkeeping firms representing a broad range of DC plans. Please visit ICI's 401(k) [resource page](#) for more information.

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