

The U.S. Retirement Market, Second Quarter 2007

KEY FINDINGS

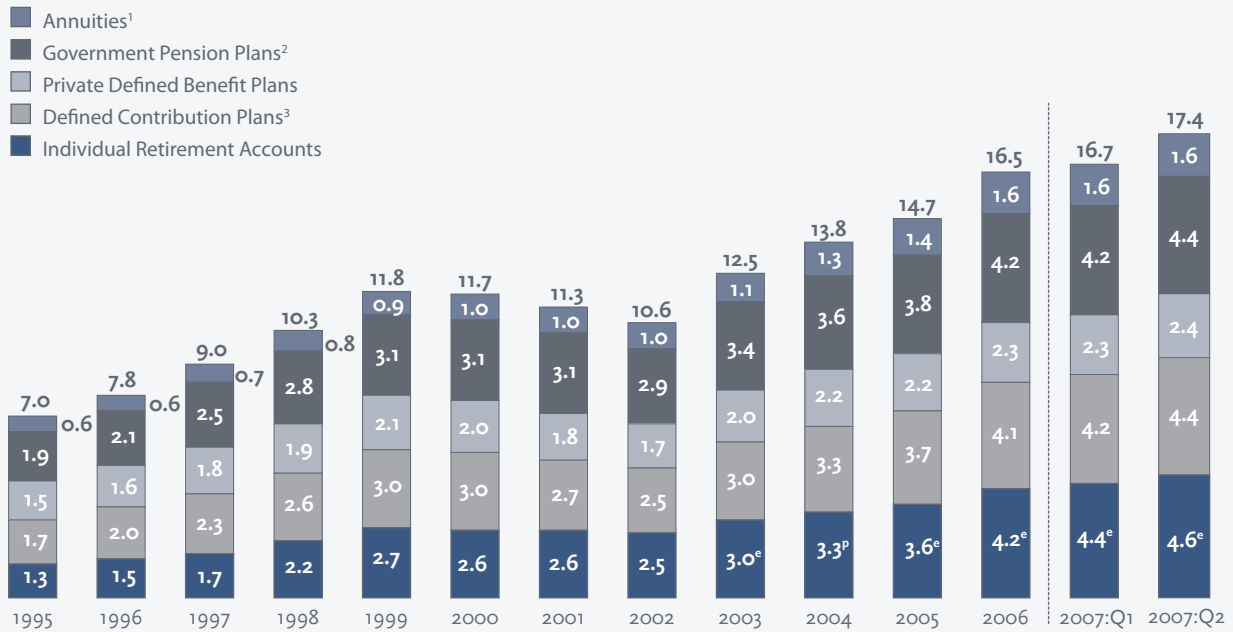
- » **Total U.S. retirement assets climbed to \$17.4 trillion at the end of the second quarter of 2007, up from \$16.7 trillion at the end of the first quarter of 2007.** Retirement savings account for almost 40 percent of all household financial assets in the United States.
- » **IRAs held \$4.6 trillion at the end of the second quarter of this year, up from \$4.4 trillion at the end of the first quarter.** Mutual funds manage 47 percent of IRA assets.
- » **Americans held \$4.4 trillion in all employer-based defined contribution retirement plans, of which \$3.0 trillion was held in 401(k) plans.** Those figures are up from \$4.2 trillion and \$2.8 trillion, respectively.
- » **Mutual funds managed \$2.3 trillion in assets in 401(k), 403(b), and other defined contribution plans at the end of the second quarter, up from \$2.2 trillion at the end of the first quarter.** Mutual funds manage 52 percent of defined contribution plan assets.
- » **Lifecycle funds, which typically rebalance their portfolios to become more conservative and income-producing by a specified target date, continued to grow rapidly.** They managed \$152 billion at the end of the second quarter of 2007, compared to \$133 billion at the end of the first quarter. Almost 90 percent of assets in lifecycle funds are held in retirement accounts.
- » **Lifestyle funds, which mix equity and fixed-income investments to maintain a predetermined risk level, managed \$221 billion on June 30, up from \$204 billion on March 31.** Almost half of lifestyle fund assets are in retirement accounts.

Readers should refer to *The U.S. Retirement Market, 2006* at <http://www.ici.org/pdf/fm-v16n3.pdf> for detailed information on the methodology, data sources, and interpretation of the Institute's reports on retirement assets.

FIGURE 1

U.S. RETIREMENT ASSETS REACH \$17.4 TRILLION

Trillions of dollars, end-of-period, 1994–2007:Q2



e=estimated

p=preliminary

¹Annuities include all fixed and variable annuity reserves at life insurance companies less annuities held by IRAs, 403(b) plans, 457 plans, and private pension funds (including 401(k) plans).

²Government pension plans include federal, state, and local pension plans. Federal pension plans include U.S. Treasury security holdings of the civil service retirement and disability fund, the military retirement fund, the judicial retirement funds, the Railroad Retirement Board, and the foreign service retirement and disability fund. These plans also include securities held in the National Railroad Retirement Investment Trust and Federal Employees Retirement System (FERS) Thrift Savings Plan (TSP).

³Defined contribution plans include private employer-sponsored defined contribution plan (including 401(k) plan), 403(b) plan, and 457 plan assets.

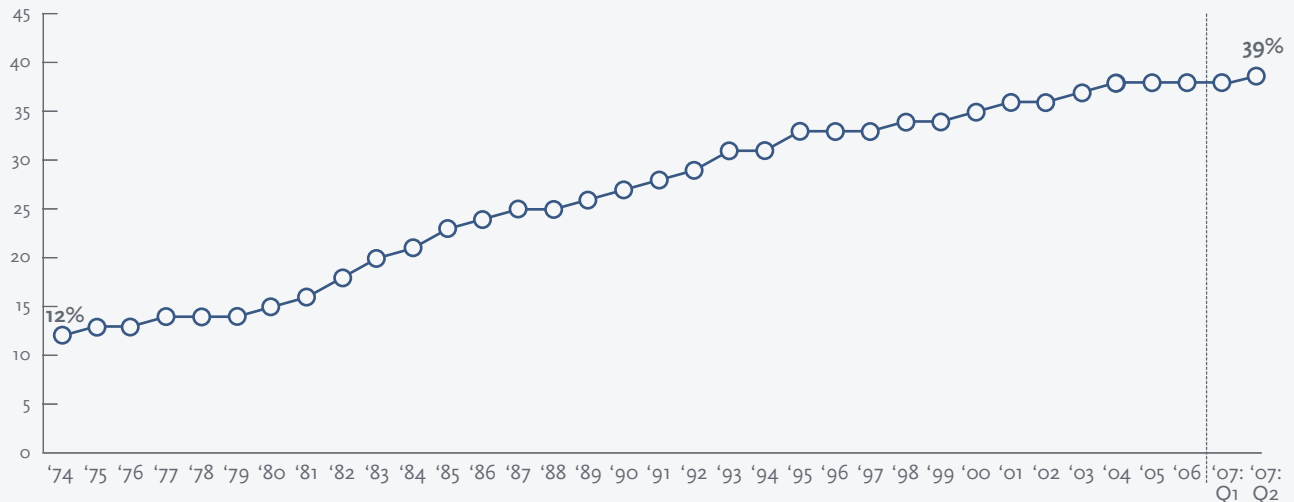
note: Components may not add to the total because of rounding.

sources: Investment Company Institute, Federal Reserve Board, National Association of Government Defined Contribution Administrators, American Council of Life Insurers, and Internal Revenue Service Statistics of Income Division

FIGURE 2

RETIREMENT ASSETS REPRESENT A GROWING SHARE OF HOUSEHOLD ASSETS

Retirement assets as a percent of household financial assets, end-of-period, 1974–2007:Q2



sources: Investment Company Institute, Federal Reserve Board, National Association of Government Defined Contribution Administrators, American Council of Life Insurers, and Internal Revenue Service Statistics of Income Division

FIGURE 3

MUTUAL FUNDS MANAGE 47 PERCENT OF IRA ASSETS*Individual retirement account assets by type of institution, end-of-period, 1990–2007:Q2*

	Mutual Funds		Bank and Thrift Deposits ¹		Life Insurance Companies ²		Securities Held in Brokerage Accounts ³		Total Assets (billions)
	Assets (billions)	Share ⁴ (percent)	Assets (billions)	Share ⁴ (percent)	Assets (billions)	Share ⁴ (percent)	Assets (billions)	Share ⁴ (percent)	
1990	\$138	22%	\$266	42%	\$40	6%	\$193	30%	\$637
1991	185	24	282	36	45	6	264	34	776
1992	233	27	275	31	50	6	317	36	874
1993	315	32	263	26	62	6	353	36	993
1994	341	32	255	24	70	7	390	37	1,056
1995	464	36	261	20	81	6	483	37	1,288
1996	582	40	258	18	92	6	534	36	1,467
1997	763	44	254	15	136	8	576	33	1,728
1998	960	45	249	12	157	7	783	36	2,150
1999	1,257	47	244	9	203	8	948	36	2,651
2000	1,233	47	252	10	203	8	942	36	2,629
2001	1,169	45	255	10	211	8	984	38	2,619
2002	1,045	41	263	10	268	11	956	38	2,533
2003	1,313	44	268	9	285	10	1,127 ^e	38	2,993 ^e
2004	1,494	46	270	8	282	9	1,238 ^p	38	3,284 ^p
2005	1,667	46	278	8	308	8	1,379 ^e	38	3,632 ^e
2006	1,980	47	313	7	322 ^e	8	1,622 ^e	38	4,236 ^e
2007:Q1	2,050	47	320	7	326 ^e	7	1,665 ^e	38	4,360 ^e
2007:Q2	2,189	47	328	7	332 ^e	7	1,766 ^e	38	4,615 ^e

*e=estimated**p=preliminary*¹Bank and thrift deposits include Keogh deposits.²Life insurance company IRA assets are annuities held by IRAs, excluding variable annuity mutual fund IRA assets, which are included in mutual funds.³Securities held in brokerage accounts exclude mutual fund assets held through brokerage accounts, which are included in mutual funds.⁴Share is the percent of total IRA assets.

note: Components may not add to the total because of rounding.

sources: Investment Company Institute, Federal Reserve Board, American Council of Life Insurers, and Internal Revenue Service Statistics of Income Division

FIGURE 4

MOST IRA ASSETS HELD IN TRADITIONAL IRAS

IRA assets by type, year-end, 1997–2006

	Traditional ¹		SEP and SAR-SEP		Roth ²		SIMPLE		Total Assets ³ (billions)
	Assets (billions)	Share ⁴ (percent)	Assets (billions)	Share ⁴ (percent)	Assets (billions)	Share ⁴ (percent)	Assets (billions)	Share ⁴ (percent)	
1997	\$1,642	95%	\$85	5%	–	–	\$1	(*)	\$1,728
1998	1,974	92	115	5	\$57	3%	4	(*)	2,150
1999	2,423	91	143	5	76	3	9	(*)	2,651
2000	2,407	92	134	5	78	3	10	(*)	2,629
2001	2,395	91	131	5	79	3	14	1%	2,619
2002	2,322	92	117	5	78	3	16	1	2,533
2003	2,719 ^e	91	145	5	106 ^p	4	23 ^p	1	2,993 ^e
2004	2,962 ^e	90	165	5	126 ^e	4	31 ^e	1	3,284 ^p
2005	3,260 ^e	90	185	5	147 ^e	4	40 ^e	1	3,632 ^e
2006	3,788 ^e	89	219	5	178 ^e	4	51 ^e	1	4,236 ^e

e=estimated

p=preliminary

¹Traditional IRAs includes contributory and rollover IRAs.

²Roth IRAs includes contributory and conversion Roth IRAs.

³Total assets includes education IRAs, which were renamed Coverdell Education Savings Accounts (ESAs) in July 2001.

⁴Share is the percent of total IRA assets.

(*)=less than 1/2 percent

note: Components may not add to the total because of rounding.

sources: Investment Company Institute and Internal Revenue Service Statistics of Income Division

FIGURE 5

SIGNIFICANT PORTION OF FLOWS INTO TRADITIONAL IRAS IS FROM ROLLOVERS

Billions of dollars, 1996–2006

	Traditional IRAs				Of Which: Assets Held in Mutual Funds (year-end)
	Contributions ¹	Rollovers ²	Withdrawals ³	Total Assets ⁴ (year-end)	
1996	\$14.1	\$114.0	\$45.5	N/A	\$550
1997	15.0	121.5	55.2	\$1,642 ^e	718
1998	11.9	160.0	74.1	1,974	870
1999	10.3	199.9	87.1	2,423	1,123
2000	10.0	225.6	99.0	2,407	1,097
2001	9.2	187.8	94.3	2,395	1,037
2002	12.4	204.4	88.2	2,322	919
2003	12.3 ^e	205.0 ^e	88.3	2,719 ^e	1,140
2004	12.3 ^p	213.6 ^p	101.7	2,962 ^e	1,290
2005	N/A	N/A	N/A	3,260 ^e	1,428
2006	N/A	N/A	N/A	3,788 ^e	1,687

e=estimated

p=preliminary

N/A=not available

¹Contributions include both deductible and nondeductible contributions to traditional IRAs.

²Rollovers are primarily from employer-sponsored retirement plans.

³Withdrawals consist of taxable IRA distributions reported on Form 1040, which have been primarily from traditional IRAs.

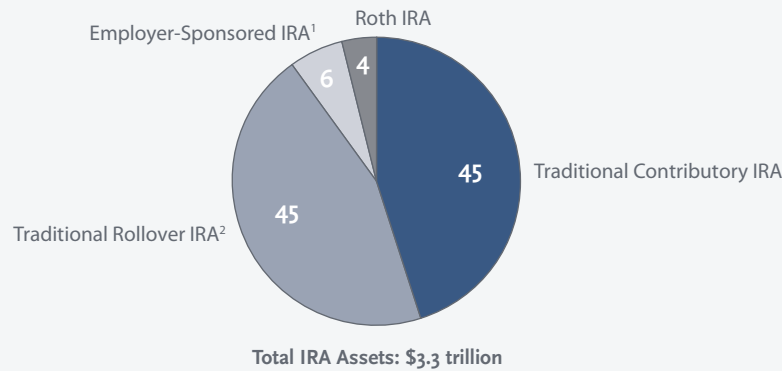
⁴Total assets are fair market value of assets at year-end.

sources: Investment Company Institute, Internal Revenue Service Statistics of Income Division, and SOI Bulletin, various issues

FIGURE 6

EMPLOYER-BASED SAVINGS ARE THE SOURCE OF HALF OF IRA ASSETS

Percent of total IRA assets, year-end, 2004



¹Employer-sponsored IRA assets include SEP, SAR-SEP, and SIMPLE IRA assets.

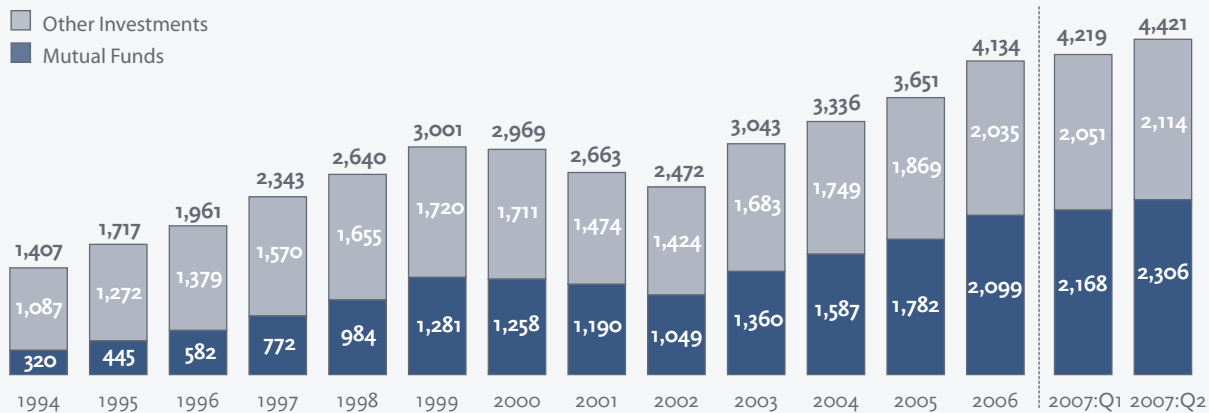
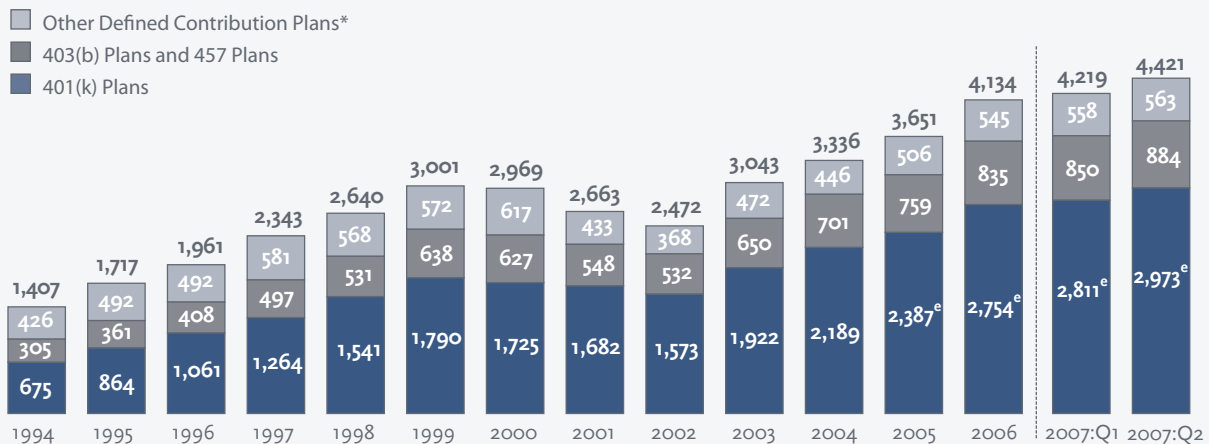
²Traditional rollover IRA assets include all assets contained in IRA accounts classified as rollover IRAs as estimated from the Survey of Consumer Finances.

sources: Investment Company Institute, Federal Reserve Board, American Council of Life Insurers, Internal Revenue Service Statistics of Income Division, and Investment Company Institute tabulations of Survey of Consumer Finances

FIGURE 7

DEFINED CONTRIBUTION PLAN ASSETS AND AMOUNTS HELD IN MUTUAL FUNDS

Billions of dollars, end-of-period, 1994–2007:Q2



e=estimated

*Other defined contribution plans include Keoghs and other defined contribution plans (profit-sharing, thrift-savings, stock bonus, and money purchase) without 401(k) features.

note: Components may not add to the total because of rounding.

sources: Investment Company Institute, Federal Reserve Board, National Association of Government Defined Contribution Administrators, and American Council of Life Insurers

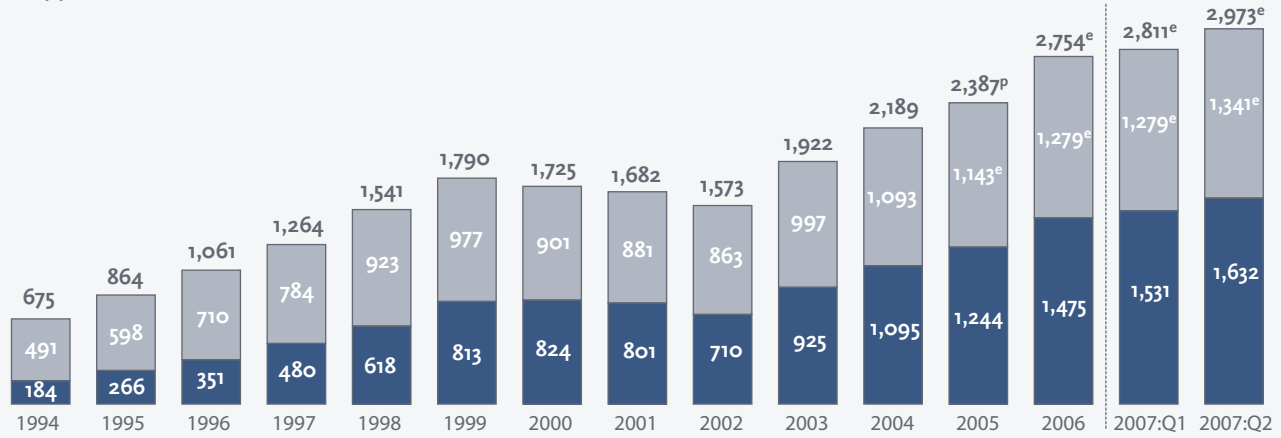
FIGURE 8

DEFINED CONTRIBUTION PLANS HOLD SIGNIFICANT MUTUAL FUND ASSETS

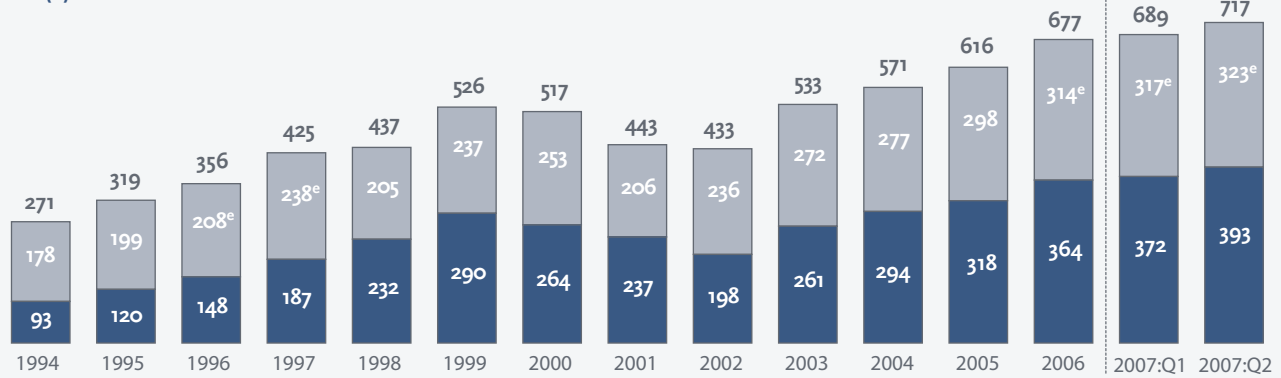
Billions of dollars, end-of-period, 1994–2007:Q2

Other Investments
Mutual Funds

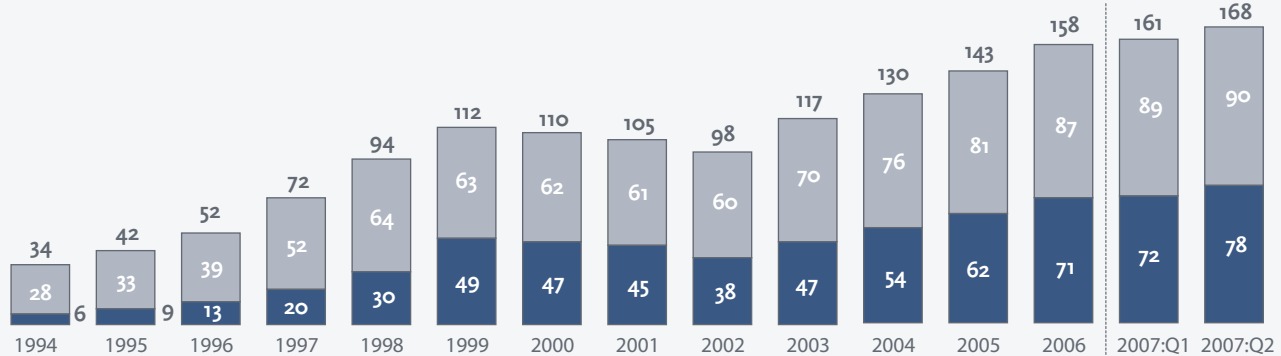
401(k) PLANS



403(b) PLANS



457 PLANS



p=preliminary

e=estimated

note: Components may not add to the total because of rounding.

sources: Investment Company Institute, Federal Reserve Board, National Association of Government Defined Contribution Administrators, and American Council of Life Insurers

FIGURE 9

403(b) PLAN ASSETS AND SHARE OF TOTAL 403(b) PLAN ASSETS BY INSTITUTION

End-of-period, 1996–2007:Q2

	Life Insurance Companies ¹		VA Mutual Funds		Non-VA Mutual Funds		Total Assets (billions)
	Assets (billions)	Share ² (percent)	Assets (billions)	Share ² (percent)	Assets (billions)	Share ² (percent)	
1996	\$208 ^e	58%	\$103	29%	\$45	13%	\$356
1997	238 ^e	56	129	30	59	14	425
1998	205	47	158	36	75	17	437
1999	237	45	190	36	99	19	526
2000	253	49	173	33	91	18	517
2001	206	47	149	34	88	20	443
2002	236	54	120	28	78	18	433
2003	272	51	157	29	104	20	533
2004	277	48	175	31	120	21	571
2005	298	48	185	30	133	22	616
2006	314 ^e	46	210	31	153	23	677
2007:Q1	317 ^e	46	215	31	157	23	689
2007:Q2	323 ^e	45	225	31	168	23	717

*e=estimated*¹Annuities held by 403(b) plans exclude variable annuity (VA) mutual fund 403(b) assets.²Share is the percent of total 403(b) plan assets.

note: Components may not add to the total because of rounding.

sources: Investment Company Institute, American Council of Life Insurers, and Federal Reserve Board

FIGURE 10

MAJORITY OF MUTUAL FUND RETIREMENT ASSETS INVESTED IN STOCKS

Mutual fund retirement assets by type of fund, billions of dollars, end-of-period, 2007:Q2

	Equity			Hybrid ¹	Bond	Money Market	Total
	Total	Domestic	Foreign				
Retirement Accounts	\$3,127	\$2,448	\$679	\$656	\$384	\$329	\$4,495
IRAs	1,457	1,133	324	308	216	208	2,189
Defined Contribution Plans	1,670	1,315	354	347	169	120	2,306
401(k) Plans	1,161	885	276	276	117	79	1,632
403(b) Plans	318	279	40	35	23	18	393
457 Plans	56	46	11	13	7	1	78
Other Defined Contribution Plans ²	134	106	28	24	22	22	203
VA Mutual Funds (outside of retirement accounts)³	755	611	144	75	135	34	999
Total	3,882	3,059	823	730	520	363	5,494

¹ Hybrid funds invest in a mix of equities and fixed-income securities. The bulk of lifecycle and lifestyle funds are counted in this category.² Other defined contribution plans include Keoghs and other defined contribution plans without 401(k) features.³ Some of the VA mutual fund assets may be assets held in variable life insurance policies, which are not counted as part of the U.S. retirement market. ICI is not able to separately identify the portion of VA mutual fund assets contained in these policies.

note: Components may not add to the total because of rounding.

source: Investment Company Institute

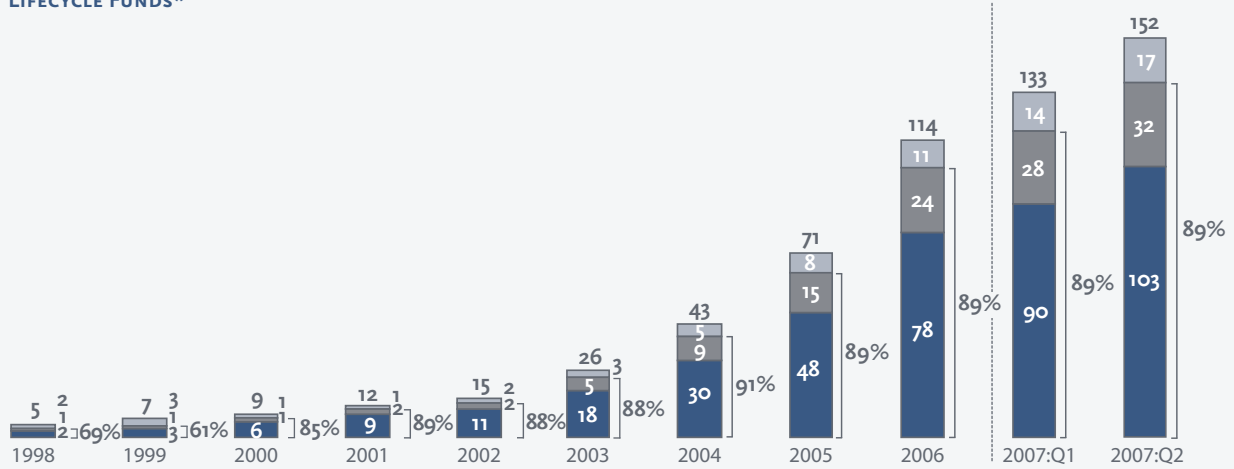
FIGURE 11

LIFECYCLE AND LIFESTYLE FUND ASSETS CONTINUE TO GROW RAPIDLY

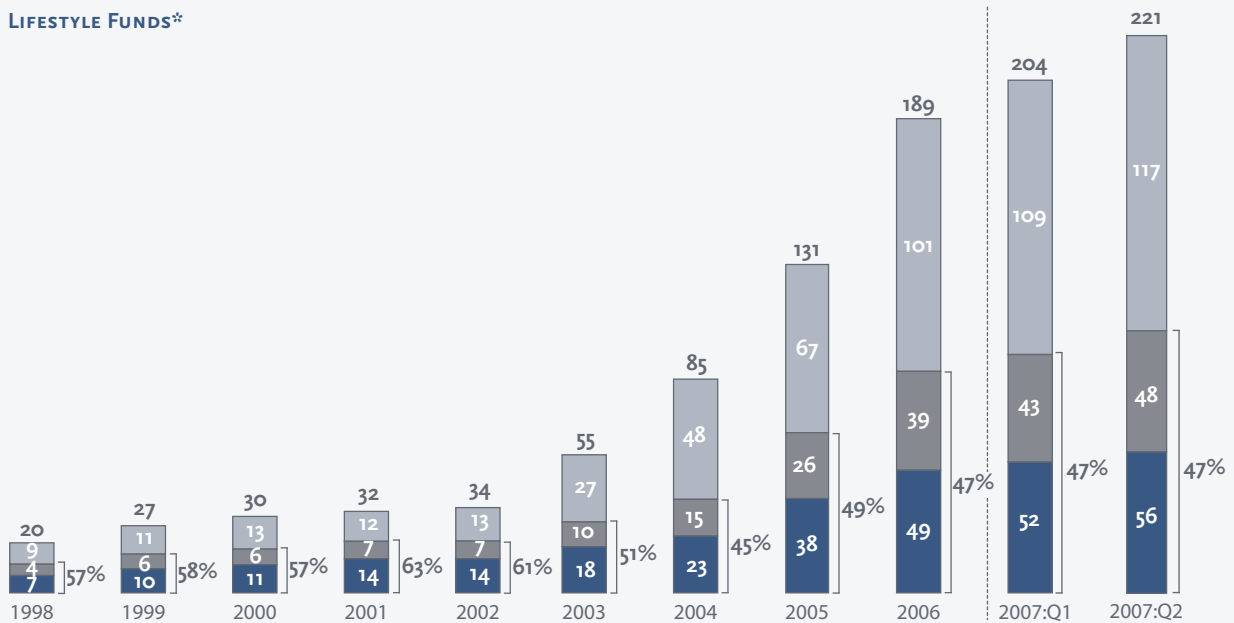
Billions of dollars, end-of-period, 1998–2007:Q2

- Other Investors
- Individual Retirement Accounts
- Employer-Sponsored Defined Contribution Plans

LIFECYCLE FUNDS*



LIFESTYLE FUNDS*



*A lifestyle mutual fund maintains a predetermined risk level and generally contains “conservative,” “aggressive,” or “moderate” in the fund’s name. A lifecycle mutual fund is a hybrid fund that typically rebalances to an increasingly conservative portfolio as the target date of the fund (mentioned in its name) approaches.

note: Components may not add to the total because of rounding.

source: Investment Company Institute

FIGURE A1

U.S. TOTAL RETIREMENT MARKET*Billions of dollars, end-of-period, 1985–2007:Q2*

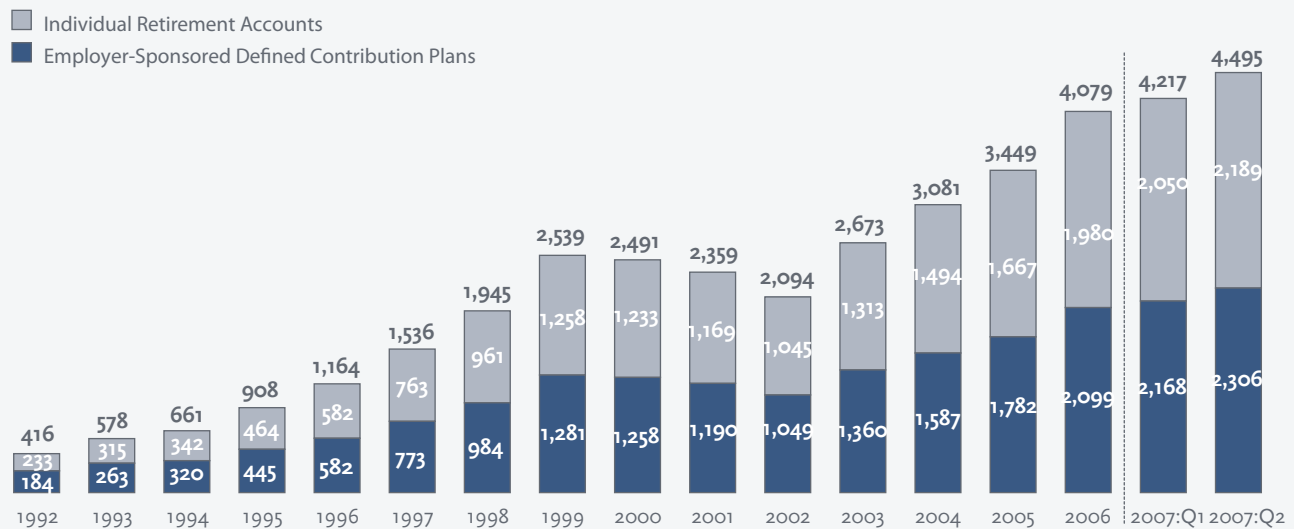
	IRAs	Defined Contribution Plans ¹	State and Local Government Pension Plans	Private Defined Benefit Plans	Federal Pension Plans ²	Annuities ³	Total
1985	\$241	\$508	\$405	\$813	\$172	\$181	\$2,321
1986	329	567	481	839	202	226	2,643
1987	404	654	537	827	233	234	2,889
1988	468	719	603	831	267	291	3,180
1989	546	855	706	945	304	338	3,694
1990	637	892	739	922	340	391	3,921
1991	776	1,060	862	1,073	382	423	4,576
1992	874	1,161	948	1,098	426	473	4,980
1993	993	1,319	1,054	1,212	468	522	5,569
1994	1,056	1,406	1,107	1,303	512	526	5,911
1995	1,288	1,717	1,344	1,496	541	582	6,968
1996	1,467	1,961	1,529	1,623	606	626	7,811
1997	1,728	2,343	1,819	1,798	659	658	9,005
1998	2,150	2,640	2,062	1,948	716	818	10,334
1999	2,651	3,001	2,361	2,117	774	928	11,833
2000	2,629	2,969	2,335	2,009	797	951	11,690
2001	2,619	2,663	2,254	1,845	860	1,041	11,281
2002	2,533	2,472	1,980	1,670	894	1,001	10,551
2003	2,993 ^e	3,043	2,399	2,025	958	1,125	12,545
2004	3,284 ^p	3,336	2,626	2,162	1,023	1,332	13,762
2005	3,632 ^e	3,651	2,765	2,178	1,072	1,443	14,741
2006	4,236 ^e	4,134	3,087	2,311	1,141	1,550	16,460
2007:Q1	4,360 ^e	4,219	3,114	2,328	1,132	1,578	16,732
2007:Q2	4,615 ^e	4,421	3,248	2,389	1,133	1,623	17,428

*e=estimated**p=preliminary*¹*Defined contribution plans include private employer-sponsored defined contribution plan (including 401(k) plan), 403(b) plan, and 457 plan assets.*²*Federal pension plans include U.S. Treasury security holdings of the civil service retirement and disability fund, the military retirement fund, the judicial retirement funds, the Railroad Retirement Board, and the foreign service retirement and disability fund. These plans also include securities held in the National Railroad Retirement Investment Trust and Federal Employees Retirement System (FERS) Thrift Savings Plan (TSP).*³*Annuities include all fixed and variable annuity reserves at life insurance companies less annuities held by IRAs, 403(b) plans, 457 plans, and private pension funds. Some of these annuity reserves represent assets of individuals held outside retirement plan arrangements and IRAs; however, information to separate out such reserves is not available.**note: Components may not add to the total because of rounding.**sources: Investment Company Institute, Federal Reserve Board, National Association of Government Defined Contribution Administrators, American Council of Life Insurers, and Internal Revenue Service Statistics of Income Division*

FIGURE A2

DC PLAN AND IRA ASSETS INVESTED IN MUTUAL FUNDS

Billions of dollars, end-of-period, 1992–2007:Q2



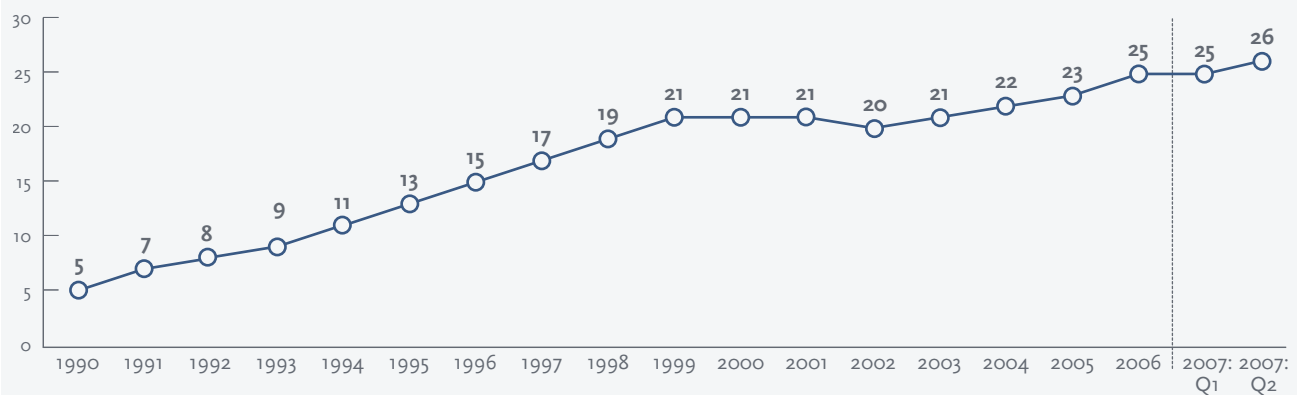
note: Components may not add to the total because of rounding.

source: Investment Company Institute

FIGURE A3

MUTUAL FUNDS' SHARE OF U.S. RETIREMENT ASSETS^{1,2}

Percent, end-of-period, 1990–2007:Q2



¹ U.S. retirement assets include IRAs, annuities, and employer-sponsored defined benefit and defined contribution pension plans. Pension plans are sponsored by employers such as businesses; federal, state, and local governments; and nonprofit organizations.

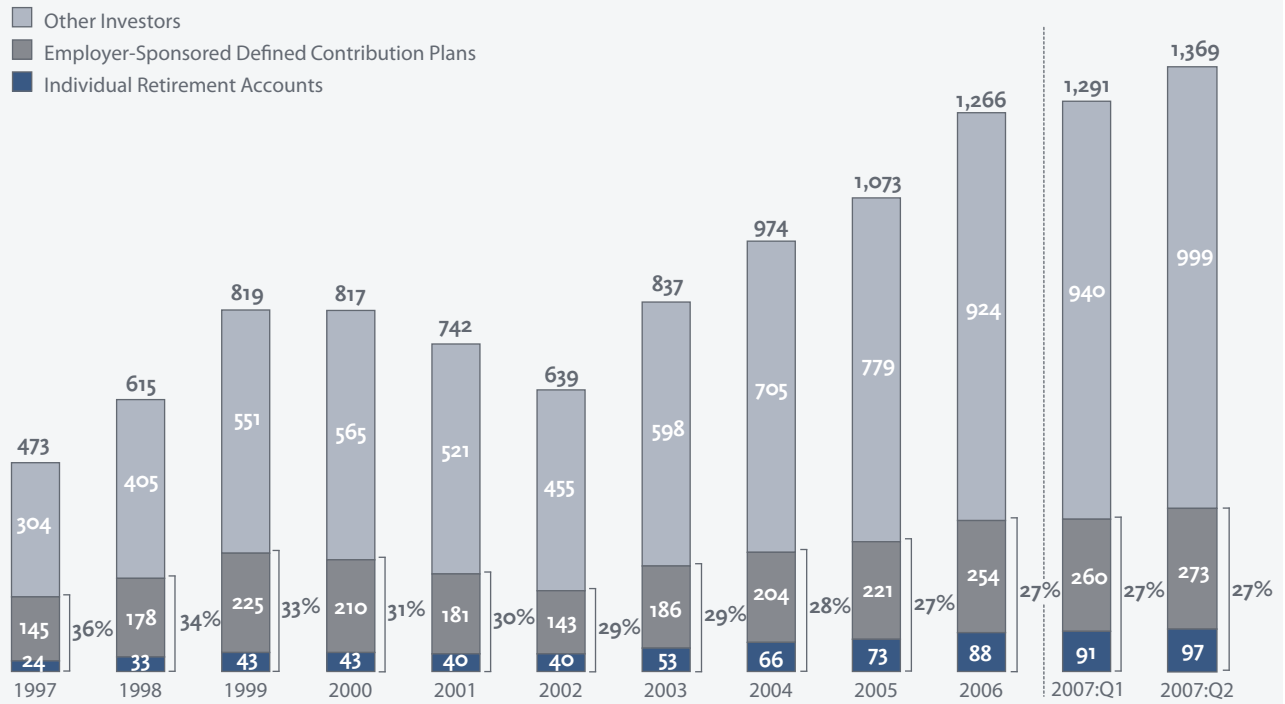
² Mutual fund retirement assets exclude defined benefit plans' mutual fund holdings, which amount to about 1½ percent of the U.S. retirement market. VA mutual fund assets held outside of retirement accounts also are excluded. Included are mutual fund assets held by IRAs and employer-sponsored defined contribution plans.

sources: Investment Company Institute, Federal Reserve Board, National Association of Government Defined Contribution Administrators, American Council of Life Insurers, and Internal Revenue Service Statistics of Income Division

FIGURE A4

VARIABLE ANNUITY MUTUAL FUND ASSETS

Billions of dollars, end-of-period, 1997–2007:Q2



note: Components may not add to the total because of rounding.

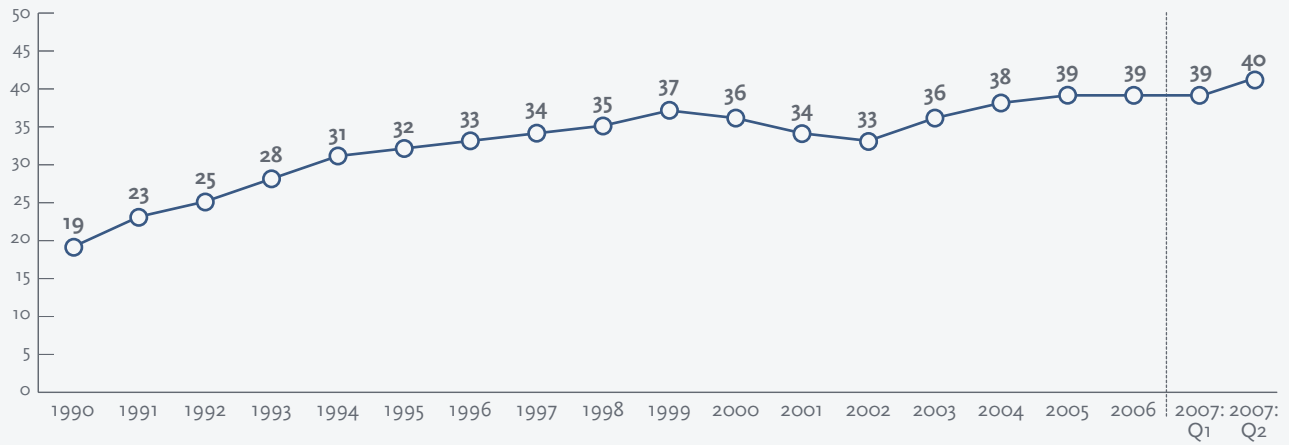
source: Investment Company Institute

FIGURE A5

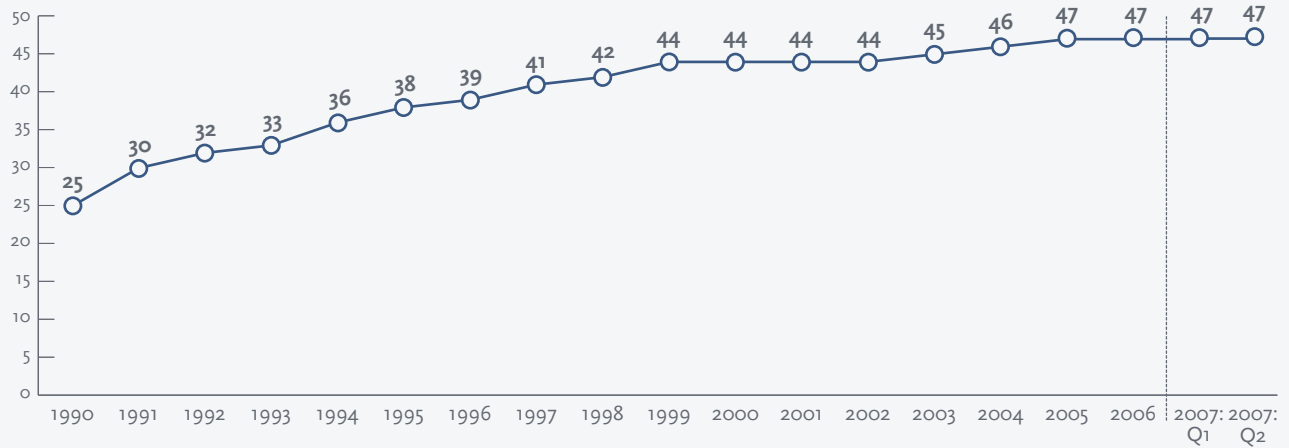
SHARE OF MUTUAL FUND ASSETS HELD IN RETIREMENT ACCOUNTS

Percent, end-of-period, 1990–2007:Q2

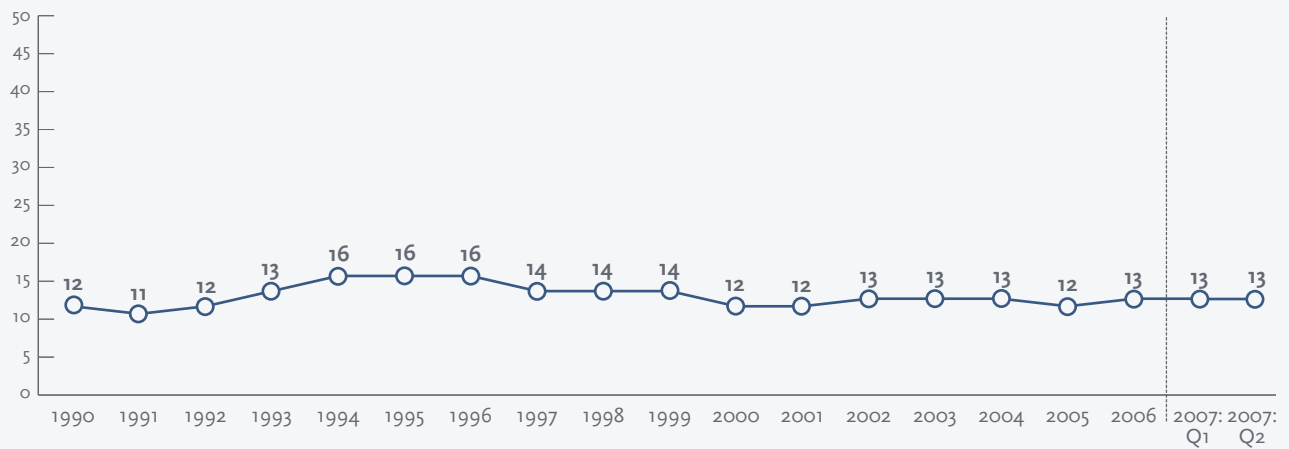
ALL FUNDS



LONG-TERM FUNDS*



MONEY MARKET FUNDS



*Long-term funds include equity, hybrid, and bond mutual funds.

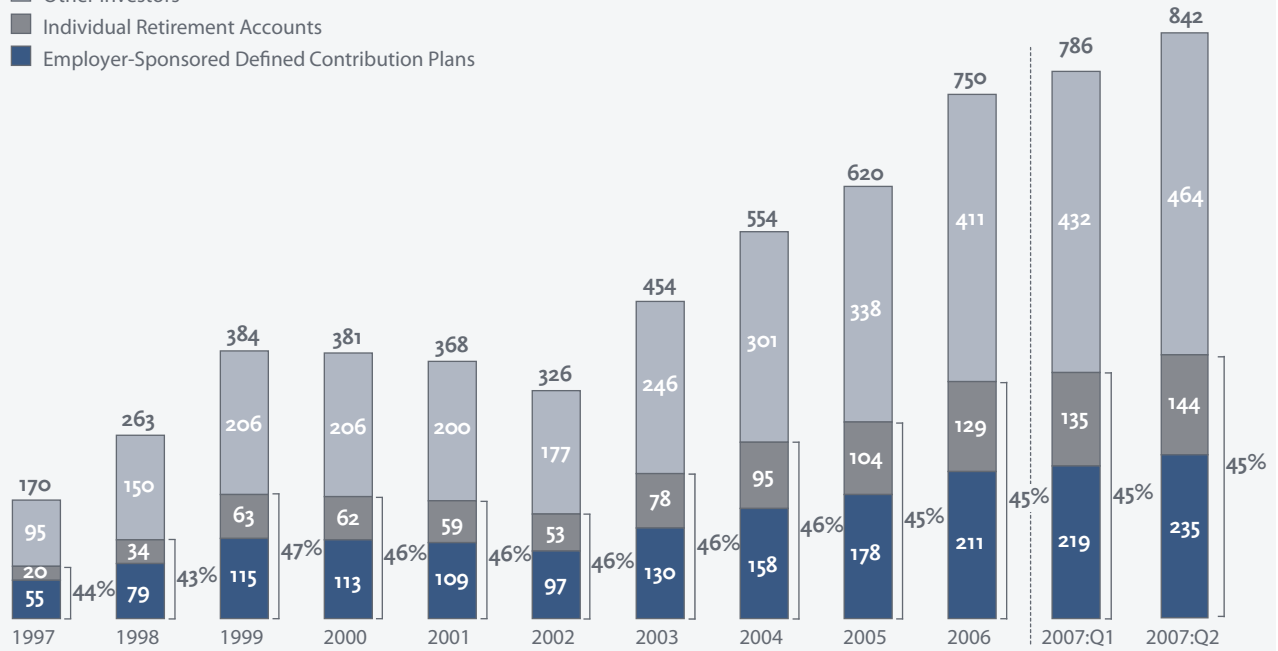
source: Investment Company Institute

FIGURE A6

INDEX MUTUAL FUND ASSETS* AND RETIREMENT ACCOUNTS

Billions of dollars, end-of-period, 1997–2007:Q2

- Other Investors
- Individual Retirement Accounts
- Employer-Sponsored Defined Contribution Plans



*Index mutual funds are equity, bond, and hybrid funds that target specific market indexes with the general objective of meeting the performance of that index. Equity index funds are the most common type of index funds, accounting for 89 percent of the \$842 billion of index fund assets at the end of 2007:Q2.

note: Components may not add to the total because of rounding.

source: Investment Company Institute

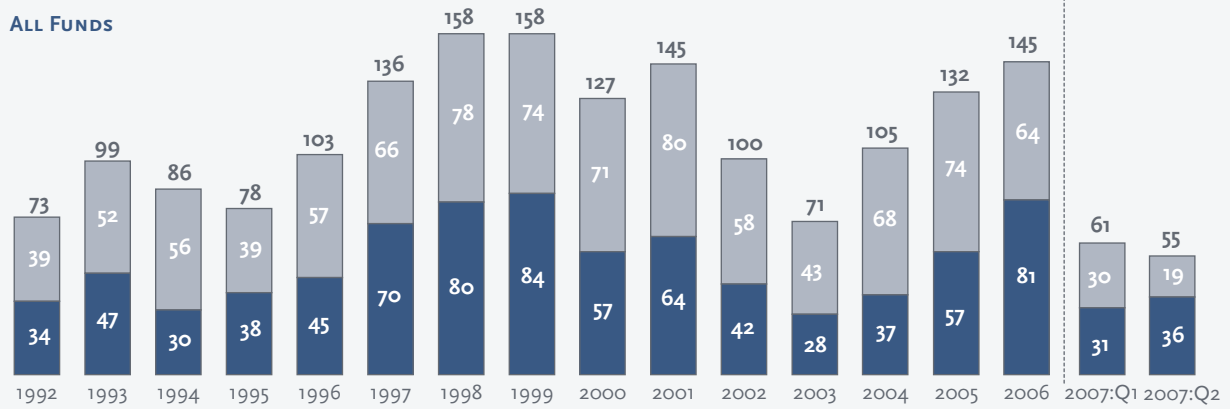
FIGURE A7

ESTIMATED NET NEW CASH FLOW¹ TO MUTUAL FUNDS FROM RETIREMENT ACCOUNTS

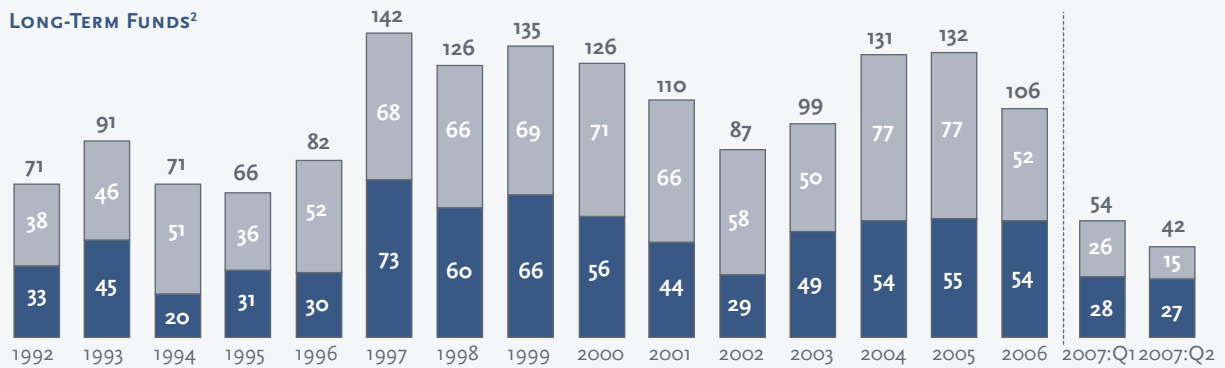
Billions of dollars, 1992–2007:Q2

Employer-Sponsored Defined Contribution Plans
 Individual Retirement Accounts

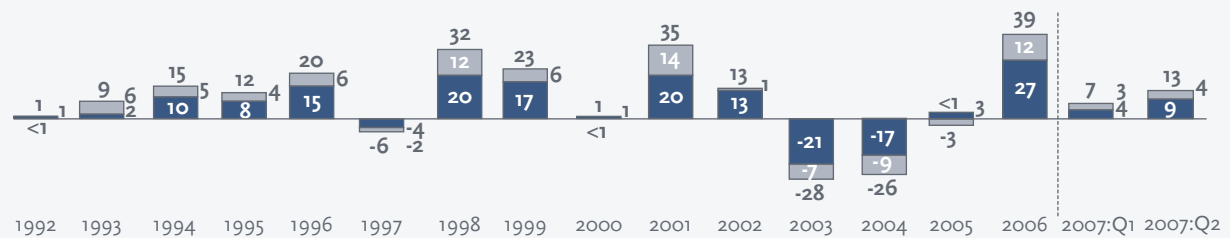
ALL FUNDS



LONG-TERM FUNDS²



MONEY MARKET FUNDS



¹See Appendix: Additional Data on the U.S. Retirement Market, 2006; Fundamentals, Vol. 16, No. 3A, July 2007 (endnote 4) for an explanation of the procedure used to estimate net new cash flows.

²Long-term funds include equity, hybrid, and bond mutual funds. note: Components may not add to the total because of rounding.

source: Investment Company Institute

FIGURE A8

ESTIMATED NET NEW CASH FLOW¹ TO MUTUAL FUNDS FROM RETIREMENT ACCOUNTS BY TYPE OF FUND

Billions of dollars, 1998–2007:Q2

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007:Q1	2007:Q2
Total Retirement²	\$158	\$158	\$127	\$145	\$100	\$71	\$105	\$132	\$145	\$61	\$55
IRAs	79	84	57	65	42	28	37	57	81	31	36
Defined Contribution Plans	79	74	70	81	59	43	68	74	64	30	19
Long-Term Funds	126	135	126	111	87	99	131	132	106	54	42
IRAs	60	66	56	44	29	49	54	55	54	28	27
Defined Contribution Plans	66	68	70	66	58	50	77	77	52	26	15
Equity Funds	100	131	147	53	22	67	82	57	49	18	11
IRAs	48	66	71	22	-4	29	27	24	27	12	10
Defined Contribution Plans	51	65	75	31	26	38	54	33	22	6	2
Hybrid Funds ^{3,4}	8	(*)	-6	20	13	30	44	66	46	26	21
IRAs	2	-2	-7	6	6	18	25	30	21	11	11
Defined Contribution Plans	7	1	1	14	7	12	19	36	26	16	10
Bond Funds	18	4	-14	37	52	1	5	8	10	10	9
IRAs	10	2	-9	16	28	2	1	1	6	6	6
Defined Contribution Plans	8	2	-6	21	25	-1	4	7	4	4	3
Money Market Funds	32	23	1	35	13	-28	-26	(*)	39	7	13
IRAs	20	17	1	20	13	-21	-17	3	27	3	9
Defined Contribution Plans	12	6	(*)	14	1	-7	-9	-3	12	4	4
Memo:											
Industry Net New Cash Flow²	477	363	388	504	74	-43	53	255	474	167	153
Long-Term Funds	242	170	229	129	121	216	210	192	227	119	72
Equity Funds	157	188	309	32	-28	152	178	136	159	64	24
Hybrid Funds ³	10	-14	-31	10	8	32	43	25	7	10	6
Bond Funds	75	-4	-50	88	141	32	-11	31	61	45	42
Money Market Funds	235	194	159	375	-46	-258	-157	63	247	48	80

¹See Appendix: Additional Data on the U.S. Retirement Market, 2006; Fundamentals, Vol. 16, No. 3A, July 2007 (endnote 4) for an explanation of the procedure used to estimate net new cash flows to mutual funds from retirement accounts.

²Retirement flows to fund of funds are counted in the investment objective of the fund of funds. Industry flows to fund of funds are counted in the investment objectives of the underlying funds.

³Hybrid funds invest in a mix of equities and fixed-income securities.

⁴The bulk of lifecycle and lifestyle funds are counted in this category.

(*)=between \$500 million and -\$500 million

note: Components may not add to the total because of rounding.

source: Investment Company Institute

FIGURE A9

IRA HOLDINGS OF MUTUAL FUNDS BY TYPE OF FUND

End-of-period, 1990–2007:Q2

	Domestic Equity		Foreign Equity		Hybrid ¹		Bond		Money Market		Total Assets (billions)
	Assets (billions)	Share ² (percent)	Assets (billions)	Share ² (percent)	Assets (billions)	Share ² (percent)	Assets (billions)	Share ² (percent)	Assets (billions)	Share ² (percent)	
1990	\$52	38%	\$5	4%	\$9	7%	\$31	23%	\$40	29%	\$138
1991	80	43	8	4	14	8	43	23	40	21	185
1992	106	46	10	4	20	9	54	23	42	18	233
1993	143	45	23	7	37	12	65	20	48	15	315
1994	153	45	31	9	41	12	55	16	61	18	341
1995	236	51	31	7	57	12	66	14	74	16	464
1996	293	50	63	11	66	11	76	13	85	15	582
1997	434	57	75	10	83	11	85	11	87	11	763
1998	569	59	88	9	94	10	98	10	111	12	960
1999	792	63	131	10	99	8	101	8	135	11	1,257
2000	782	63	121	10	93	8	96	8	142	12	1,233
2001	693	59	98	8	96	8	115	10	168	14	1,169
2002	535	51	81	8	95	9	151	14	184	18	1,045
2003	733	56	113	9	135	10	166	13	166	13	1,313
2004	842	56	149	10	177	12	176	12	150	10	1,494
2005	913	55	195	12	218	13	182	11	159	10	1,667
2006	1,045	53	273	14	271	14	200	10	192	10	1,980
2007:Q1	1,066	52	290	14	287	14	209	10	197	10	2,050
2007:Q2	1,133	52	324	15	308	14	216	10	208	10	2,189

¹Hybrid funds invest in a mix of equities and fixed-income securities. The bulk of lifecycle and lifestyle funds are counted in this category.

²Share is the percent of total mutual fund assets in IRAs.

note: Components may not add to the total because of rounding.

source: Investment Company Institute

FIGURE A10

IRA HOLDINGS OF MUTUAL FUNDS BY TYPE OF IRA

Year-end, 1992–2007: Q2

	Traditional ¹		SEP and SAR-SEP		Roth ²		SIMPLE		Education ³		Total Assets (billions)
	Assets (billions)	Share ⁴ (percent)	Assets (billions)	Share ⁴ (percent)	Assets (billions)	Share ⁴ (percent)	Assets (billions)	Share ⁴ (percent)	Assets (billions)	Share ⁴ (percent)	
1992	\$226	97%	\$7	3%	–	–	–	–	–	–	\$233
1993	303	96	13	4	–	–	–	–	–	–	315
1994	328	96	14	4	–	–	–	–	–	–	341
1995	441	95	23	5	–	–	–	–	–	–	464
1996	550	95	32	5	–	–	–	–	–	–	582
1997	718	94	44	6	–	–	(*)	(**)	–	–	763
1998	870	91	56	6	\$31	3%	\$3	(**)	(*)	(**)	960
1999	1,123	89	73	6	54	4	7	(**)	\$1	(**)	1,257
2000	1,097	89	70	6	56	5	9	1%	1	(**)	1,233
2001	1,037	89	65	6	54	5	11	1	2	(**)	1,169
2002	919	88	58	6	53	5	13	1	2	(**)	1,045
2003	1,140	87	75	6	74	6	21	2	3	(**)	1,313
2004	1,290	86	84	6	90	6	27	2	3	(**)	1,494
2005	1,428	86	95	6	106	6	33	2	4	(**)	1,667
2006	1,687	85	111	6	134	7	42	2	5	(**)	1,980
2007:Q1	1,745	85	115	6	141	7	44	2	5	(**)	2,050
2007:Q2	1,861	85	123	6	153	7	47	2	6	(**)	2,189

¹Traditional IRAs include contributory and rollover IRAs.²Roth IRAs include contributory and conversion Roth IRAs.³Education IRAs were renamed Coverdell Education Savings Accounts (ESAs) in July 2001.⁴Share is the percent of total mutual fund assets in IRAs.

(*)=less than \$500 million

(**)=less than 1/2 percent

note: Components may not add to the total because of rounding.

source: Investment Company Institute

FIGURE A11

ROTH IRAS

Billions of dollars, 1998–2006

	Contributions	Conversions	Total Assets (year-end)	Of Which: Assets Held in Mutual Funds (year-end)
1998	\$8.6	\$39.3	\$56.8	\$31
1999	10.7	3.7	76.2	54
2000	11.6	3.2	77.6	56
2001	11.0	3.1	79.3	54
2002	13.2	3.3	77.6	53
2003	13.4 ^p	2.4 ^p	105.8 ^p	74
2004	14.9 ^p	2.8 ^p	126.0 ^e	90
2005	N/A	N/A	147.0 ^e	106
2006	N/A	N/A	178.0 ^e	134

e=estimated

p=preliminary

N/A=not available

sources: Investment Company Institute and Internal Revenue Service Statistics of Income Division

FIGURE A12

SEP AND SAR-SEP IRAs

Billions of dollars, 1997–2006

	Contributions	Total Assets (year-end)	Of Which: Assets Held in Mutual Funds (year-end)
1997	\$6.9	\$84.7	\$44
1998	8.7	115.4	56
1999	9.1	142.9	73
2000	10.1	134.0	70
2001	10.1	131.3	65
2002	10.3	117.0	58
2003	11.7 ^p	145.0 ^e	75
2004	13.6 ^p	165.0 ^e	84
2005	N/A	185.0 ^e	95
2006	N/A	219.0 ^e	111

e=estimated

p=preliminary

N/A=not available

sources: Investment Company Institute and Internal Revenue Service Statistics of Income Division

FIGURE A13

SIMPLE IRAs

Billions of dollars, 1997–2006

	Contributions	Total Assets (year-end)	Of Which: Assets Held in Mutual Funds (year-end)
1997	\$0.6	\$0.6	(*)
1998	2.2	3.6	\$3
1999	3.4	9.1	7
2000	4.7	10.4	9
2001	5.5	13.6	11
2002	6.3	16.1	13
2003	6.5 ^e	23.5 ^p	21
2004	7.6 ^p	31.0 ^e	27
2005	N/A	40.0 ^e	33
2006	N/A	51.0 ^e	42

e=estimated

p=preliminary

N/A=not available

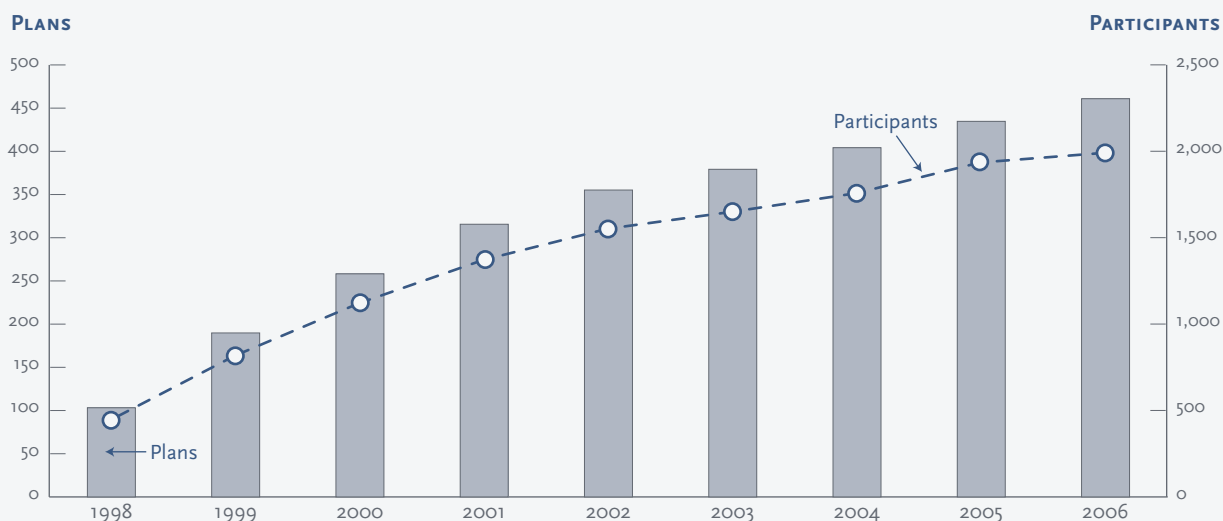
()=less than \$500 million*

sources: Investment Company Institute and Internal Revenue Service Statistics of Income Division

FIGURE A14

SIMPLE IRA PLANS AND PARTICIPANTS FOR A SAMPLE OF MUTUAL FUND COMPANIES

Thousands, year-end, 1998–2006



note: The firms surveyed held about 75 percent of all SIMPLE IRA mutual fund assets at year-end 2006.

source: Investment Company Institute, Survey of a Segment of Member Mutual Fund Companies

FIGURE A15

DEFINED CONTRIBUTION PLAN HOLDINGS OF MUTUAL FUNDS BY TYPE OF FUND

End-of-period, 1992–2007:Q2

	Domestic Equity		Foreign Equity		Hybrid ¹		Bond		Money Market		Total Assets (billions)
	Assets (billions)	Share ² (percent)	Assets (billions)	Share ² (percent)	Assets (billions)	Share ² (percent)	Assets (billions)	Share ² (percent)	Assets (billions)	Share ² (percent)	
1992	\$132	72%	\$5	3%	\$8	4%	\$16	9%	\$22	12%	\$184
1993	178	68	14	6	17	6	24	9	30	11	263
1994	211	66	14	7	22	7	26	8	37	12	320
1995	308	69	32	7	31	7	29	7	44	10	445
1996	385	66	39	7	57	10	43	7	59	10	582
1997	533	69	3	0	77	10	50	6	60	8	773
1998	690	70	64	6	95	10	60	6	75	8	984
1999	925	72	105	8	105	8	62	5	84	7	1,281
2000	895	71	108	9	107	9	60	5	87	7	1,258
2001	792	67	90	8	119	10	84	7	104	9	1,190
2002	631	60	79	8	115	11	116	11	107	10	1,049
2003	863	63	116	9	153	11	127	9	102	7	1,360
2004	1,009	64	157	10	192	12	136	9	93	6	1,587
2005	1,091	61	210	12	241	13	146	8	94	5	1,782
2006	1,226	58	303	14	302	14	158	8	110	5	2,099
2007:Q1	1,244	57	320	15	323	15	165	8	115	5	2,168
2007:Q2	1,315	57	354	15	347	15	169	7	120	5	2,306

¹Hybrid funds invest in a mix of equities and fixed-income securities. The bulk of lifecycle and lifestyle funds are counted in this category.

²Share is the percent of total mutual fund assets in defined contribution plans.

note: Components may not add to the total because of rounding.

source: Investment Company Institute

FIGURE A16

DEFINED CONTRIBUTION PLAN HOLDINGS OF MUTUAL FUNDS BY TYPE OF PLAN

Billions of dollars, end-of-period, 1992–2007:Q2

	401(k) Plans	403(b) Plans	457 Plans	Other Defined Contribution Plans*	Total
1992	\$82	\$74	\$3	\$25	\$184
1993	140	86	4	33	263
1994	184	93	6	37	320
1995	266	120	9	50	445
1996	351	148	13	69	582
1997	480	187	20	85	773
1998	618	232	30	104	984
1999	813	290	49	130	1,281
2000	824	264	47	122	1,258
2001	801	237	45	107	1,190
2002	710	198	38	104	1,049
2003	925	261	47	127	1,360
2004	1,095	294	54	143	1,587
2005	1,244	318	62	159	1,782
2006	1,475	364	71	190	2,099
2007:Q1	1,531	372	72	192	2,168
2007:Q2	1,632	393	78	203	2,306

*Other defined contribution plans include Keoghs and defined contribution plans (profit-sharing, thrift-savings, stock bonus, and money purchase) without 401(k) features.

note: Components may not add to the total because of rounding.

sources: Investment Company Institute, Federal Reserve Board, and Department of Labor

FIGURE A17

DEFINED CONTRIBUTION PLAN ASSETS BY TYPE OF PLAN

Billions of dollars, end-of-period, 1994–2007:Q2

	401(k) Plans	403(b) Plans	457 Plans	Other Defined Contribution Plans*	Total
1994	\$675	\$271	\$34	\$426	\$1,407
1995	864	319	42	492	1,717
1996	1,061	356	52	492	1,961
1997	1,264	425	72	581	2,343
1998	1,541	437	94	568	2,640
1999	1,790	527	112	572	3,001
2000	1,725	518	110	617	2,969
2001	1,682	443	105	433	2,663
2002	1,573	433	98	368	2,472
2003	1,922	533	117	472	3,043
2004	2,189	571	130	446	3,336
2005	2,387 ^p	616	143	506	3,651
2006	2,754 ^e	677	158	547	4,134
2007:Q1	2,811 ^e	689	161	558	4,219
2007:Q2	2,973 ^e	717	168	563	4,421

e=estimated

p=preliminary

*Other defined contribution plans include Keoghs and defined contribution plans (profit-sharing, thrift-savings, stock bonus, and money purchase) without 401(k) features.

note: Components may not add to the total because of rounding.

sources: Investment Company Institute, Federal Reserve Board, Department of Labor, National Association of Government Defined Contribution Administrators, and American Council of Life Insurers