
Annual 401(k) contributions to reach \$500 billion by 2019: Cerulli

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Total private defined contribution (DC) assets are expected to surpass \$6 trillion in 2018, according to new research from global analytics firm Cerulli Associates.

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"Private DC plans have emerged as one of the most important savings vehicles in the overall U.S. retirement system, surpassing all other retirement channels, with the exception of the retail IRA market. Contributions are anticipated to grow steadily and will approach \$500 billion by 2019, almost doubling what it was just three years ago.

"As defined benefit (DB) plans become rarer, particularly within the private sector, 401(k) accounts will likely be the primary savings vehicles for a large portion of U.S. workers. Asset managers are sharpening their focus on defined contribution investment-only (DCIO) opportunities, refining their strategy and products, thereby creating an increasingly competitive marketplace," she said.

These findings are from Cerulli's latest report, *Retirement Markets 2014: Sizing Opportunities in Private and Public Retirement Plans*, which examines the size and segmentation of public and private U.S. retirement markets, including DB, DC, and IRA. This report is the twelfth report in an annual series.

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