
ICI releases first-half DC participant activity study

By Editorial Staff Thu, Dec 3, 2015

Only 1.8% of DC plan participants stopped contributing in the first half of 2015, compared with 2.1% in the first half of 2014.

The Investment Company Institute has released its [study](#), “Defined Contribution Plan Participants’ Activities, First Half 2015,” which is based on DC plan recordkeeper data for more than 26 million participant accounts at employer-based DC plans.

Among the study’s findings:

- The majority of DC plan participants continued contributing to their plans. Only 1.8% of DC plan participants stopped contributing in the first half of 2015, compared with 2.1% in the first half of 2014.
- Most DC plan participants stayed the course in their asset allocations, as stock values increased slightly. In the first half of 2015, 6.6% of DC plan participants changed the asset allocation of their account balances, the same share as in the first half of 2014. Nearly 6% changed the asset allocation of their contributions, a small increase from 5.1% in the first six months of 2014.
- DC plan withdrawal activity remained low and was in line with the prior year’s first half activity. Only 2.2% of DC plan participants took withdrawals in the first half of 2015, compared with 2.3% percent in the first half of 2014. Only 0.9% took hardship withdrawals during the first six months of this year, the same share as in comparable periods over the past three years.
- Loan activity was flat at the end of June 2015, despite a seasonal pattern observed over the past several years. Historically, the share of participants with loans outstanding tends to increase after the first quarter of each year. Nevertheless, at the end of June 2015, 17.5% of DC plan participants had loans outstanding, compared with 17.4% at the end of March 2015.