
Retirement assets dip to \$23.5 trillion in 3Q2015: ICI

By Editorial Staff Thu, Dec 24, 2015

IRAs, since 2007 the largest component of US retirement savings, held \$7.3 trillion in assets at the end of the third quarter of 2015, down 4.8% from the previous quarter, ICI reported. Almost half of IRA assets, or \$3.4 trillion, was invested in mutual funds.

Total U.S. retirement assets were \$23.5 trillion as of September 30, 2015, down 4.3% from the end of June, according to just-released [data](#) from the Investment Company Institute.

The new estimate of \$24.5 trillion for June reflects a slight downward revision based on new information. Retirement assets accounted for 34% of all household financial assets in the United States at the end of the third quarter of 2015.

Assets in individual retirement accounts (IRAs) totaled \$7.3 trillion at the end of the third quarter of 2015, a decrease of 4.8% from the end of the second quarter. Defined contribution (DC) plan assets fell 4.1% in the third quarter to \$6.5 trillion. Government defined benefit (DB) plans—including federal, state, and local government plans—held \$5.0 trillion in assets as of the end of September, a 3.9% decrease from the end of June. Private sector DB plans held \$2.8 trillion in assets at the end of the third quarter of 2015, and annuity reserves outside of retirement accounts accounted for another \$1.9 trillion.

Defined contribution plans

Americans held \$6.5 trillion in all employer-based DC retirement plans on September 30, 2015, of which \$4.5 trillion was held in 401(k) plans. In addition to 401(k) plans, at the end of the third quarter \$504 billion was held in other private-sector DC plans, \$842 billion in 403(b) plans, \$255 billion in 457 plans, and \$426 billion in the Federal Employees Retirement System's Thrift Savings Plan (TSP). Mutual funds managed \$3.5 trillion, or 54%, of assets held in DC plans at the end of September.

Individual Retirement Accounts (IRAs)

IRAs held \$7.3 trillion in assets at the end of the third quarter of 2015, down 4.8% from the end of the second quarter of 2015. Forty-seven percent of IRA assets, or \$3.4 trillion, was invested in mutual funds.

Technical notes

The Investment Company Institute's total retirement market estimates reflect revisions to

previously published data. Revisions to the Financial Accounts of the United States, published by the Federal Reserve Board, resulted in a substantial downward revision to assets of annuities held outside of retirement plans for the past 10 to 15 years, with smaller revisions going back to 1992; and minor, mostly upward, revisions to estimates of 403(b) plan and IRA assets at life insurance companies from 2007 through 2015:Q2.

In addition, newly released U.S. Department of Labor (DOL) Form 5500 data for 2013 were incorporated, resulting in slight downward revisions to DC plan assets (both the “401(k) plans” and the “other private-sector DC plans” categories) and private-sector DB plan assets beginning in the first quarter of 2013.

The reported assets of federal pension plans for the first, second, and third quarters of 2015 are adjusted for U.S. Treasury financing activities undertaken in anticipation of hitting the legal limit on federal government borrowing. These actions have reduced the amount of Treasury securities reported on the balance sheet of federal government DB plans, an effect that we anticipate will be fully reversed in the fourth quarter of 2015.

© 2015 Investment Company Institute.