
Value of U.S. pension and retirement accounts exceeds \$21 trillion

By Editorial Staff Fri, Mar 27, 2015

The total assets held in employer-sponsored retirement plans were \$11.3 trillion at the end of 2014, an increase of 11.5% percent from the \$10.1 trillion one year earlier, according to a new report by Spectrem.

Public sector retirement plan assets have exceeded \$4 trillion for the first time, according to Spectrem's annual Retirement Market Insights report, which examines the affluent investor market size in the U.S., the retirement market, and the public and private accounts investors use to save for retirement.

The total assets held in employer-sponsored retirement plans were \$11.3 trillion at the end of 2014, an increase of 11.5% percent from the \$10.1 trillion one year earlier, according to the report. Individual retirement accounts (IRAs) hold another \$5.4 trillion.

Total retirement assets, including public, private, 403(b) plans and IRAs are about \$21.5 trillion. In addition to the estimated \$3.537 trillion in public sector defined benefit accounts, there is \$458 billion in defined contribution accounts and \$241 billion in 457 plans, the report said.

In the last five years, the defined benefit amount has grown by almost \$1 trillion, and both the defined contribution and 457 plans have grown by more than \$100 billion.

Public sector defined benefit plan assets have almost fully recovered from losses suffered in the 2008 financial crisis, while defined contribution plans, including employee-funded 457 plans, have grown beyond the pre-recession amounts.

Among corporate sector retirement assets, defined contribution plans accounts for two-thirds of the total amount, at an estimated \$8.53 trillion. Almost three-quarters of union assets are held in defined benefit plans (\$458 billion). Private sector defined benefit assets have been slowest to recover from the 2008 financial crisis, and are at \$2.6 trillion in 2014.