

ICI Defined Contribution Plan Recordkeeper Data Show Continued Commitment to Retirement Saving

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Washington, DC, February 6, 2014 - Americans' commitment to saving for retirement remained strong in the first three quarters of 2013, according to ICI's latest study of retirement plan savers' actions.

The study, "[Defined Contribution Plan Participants' Activities, First Three Quarters of 2013](#)," includes data from defined contribution (DC) plan recordkeepers from January through September 2013, covering about 24 million DC plan participant accounts. Assets in all DC plans represented one-quarter of assets in the total retirement market and accounted for almost one-tenth of U.S. households' aggregate financial assets at the end of September.

DC Plan Participants Continued to Save, Withdrawal Activity Remained Low

The study finds that participants continued to save in their retirement plans at work during the first three quarters of 2013. Findings include:

- **Commitment to contribution activity in the first three quarters of 2013 continued at the high rate observed in the first three quarters of 2012.** Only 2.5 percent of DC plan participants stopped contributing in the first three quarters of 2013, compared with 2.1 percent during the first three quarters of 2012 and 2.2 percent for the same period in 2011.
- **Participants generally did not tap their accounts. DC plan withdrawal activity in the first three quarters remained low and was similar to the activity observed in the first three quarters of 2012.** Only 3.0 percent of DC plan participants took withdrawals in the first three quarters of 2013, about the same pace as in the first three quarters of 2012. Levels of hardship withdrawal activity also remained low. Only 1.4 percent of DC plan participants took hardship withdrawals during the first nine months of 2013—the same share as during the first nine months of 2012.

- **Loan activity continues to remain elevated compared with five years ago.** At the end of September 2013, 18.3 percent of DC plan participants had loans outstanding, compared with 18.2 percent at year-end 2012, and 15.3 percent at year-end 2008. This pattern of activity also was observed in the wake of the bear market and recession earlier in the decade.
- **Most DC plan participants stayed the course in their asset allocations as stock values generally rose during the first nine months of the year.** In the first three quarters of 2013, 9.2 percent of DC plan participants changed the asset allocation of their account balances and 6.8 percent changed the asset allocation of their contributions—similar reallocation levels as observed in the same time frame a year earlier.

ICI has been tracking participant activity through DC plan recordkeeper surveys since 2008. This update reports results from ICI's survey of a cross section of recordkeeping firms representing a broad range of DC plans. Please visit ICI's 401(k) [resource page](#) for more information.

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