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Washington, DC, August 10, 2009 - Americans held $13.4 trillion in retirement assets at the end of the first quarter of 2009, accounting for 33 percent of all household financial assets in the United States, the Investment Company Institute reported today.

The finding is from The U.S. Retirement Market, First Quarter 2009. The report covers assets held in private-sector defined benefit plans, government pension plans, defined contribution (DC) plans—including 401(k), 403(b), and 457 plans—annuities, and Individual Retirement Accounts (IRAs). Between December 31, 2008 and March 31, 2009, retirement assets fell 4.4 percent, from $14.1 trillion to $13.4 trillion. During the first quarter, total return on equities was negative11.0 percent, while bonds returned 0.2 percent, according to the Standard & Poor's 500 stock index and the Citigroup Broad Investment Grade Bond Index.

At the end of the first quarter, IRAs held $3.4 trillion of retirement market assets; another $3.4 trillion was held in employer-sponsored DC plans, of which $2.3 trillion was held in 401(k) plans. Forty-four percent of IRA assets and 45 percent of DC plan assets were invested in mutual funds.

Lifecycle, or target date, mutual funds managed $159 billion at the end of the first quarter, compared with $164 billion at the end of the fourth quarter of 2008. Almost 90 percent of assets in lifecycle mutual funds were held in retirement accounts.

Readers should refer to The U.S. Retirement Market, 2008 for detailed information on the methodology, data sources, and interpretation of the Institute's reports on retirement assets in IRAs, DC plans, private-sector DB plans, government pension plans, and annuities.