

Generation X and Baby Boomers Head Two-Thirds of Mutual Fund-Owning Households, New Study Shows

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Washington, DC; October 29, 2019—In 2019, two-thirds of mutual fund–owning households were headed by Generation X or Baby Boomers, according to new survey results released today by the Investment Company Institute (ICI). Generation Z and Millennials headed nearly one-quarter of mutual fund–owning households.

The new data are published in “Ownership of Mutual Funds, Shareholder Sentiment, and Use of the Internet, 2019” and “Characteristics of Mutual Fund Investors, 2019.” The survey results also show that the use of mutual funds for retirement saving reflects the role of workplace retirement plans as a gateway to fund investing.

“Mutual fund investors span a wide range of ages, and shareholders trust these investment vehicles to achieve their most important financial goals, particularly retirement saving,” said Sarah Holden, ICI senior director of retirement and investor research. “This year’s survey shows that Generation Z and Millennials are continuing this trend: among the millions of households headed by these cohorts, more than 40 percent owned mutual funds. They typically purchase them through employer retirement plans, which highlights the critical role that these plans play in introducing younger generations to fund investing.”

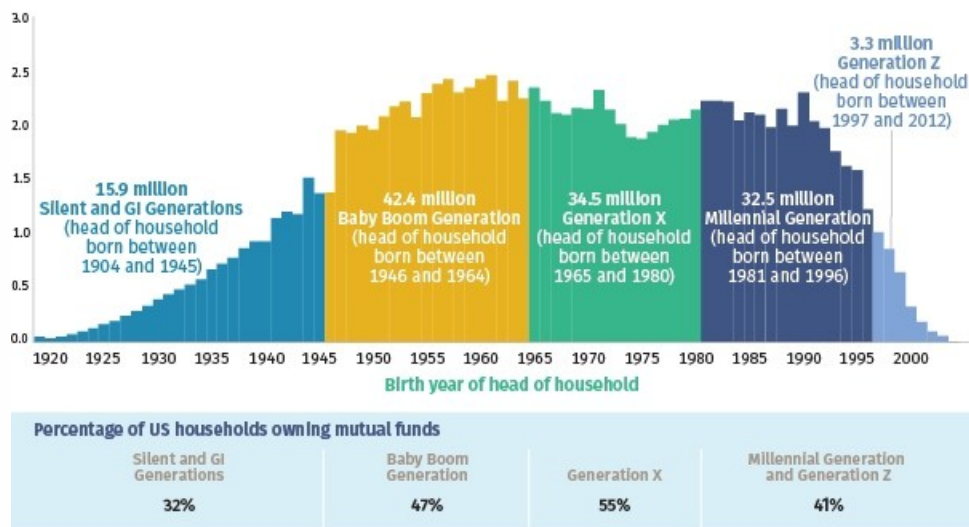
Households Across All Generations Held Mutual Funds

Nearly 59 million US households representing more than 100 million individual investors owned mutual funds in 2019, according to the study. Nearly half of the more than 42 million US households headed by a Baby Boomer owned mutual funds, and their mutual fund holdings accounted for 51 percent of US households’ mutual fund assets in 2019. These data reflect the fact that Baby Boomers have had decades to accumulate savings.

In addition, more than half of the nearly 35 million Generation X households owned mutual funds, accounting for 33 percent of US households’ mutual fund assets. Forty-one percent of the more than 35 million Generation Z and Millennial households owned mutual funds, holding 9 percent of household mutual fund assets—reflecting the shorter time these younger generations have had to save and invest.

Members of Every Generation Use and Trust Mutual Funds

Millions of US households, 2019



Note: In 2019, there were 128.6 million US households.

Source: ICI tabulations of the US Census Bureau's Current Population Survey and Investment Company Institute Annual Mutual Fund Shareholder Tracking Survey

Other Key Survey Findings for 2019 Include:

- **Mutual fund–owning households often held several funds, and equity funds were the most commonly owned type of mutual fund.** Among households owning mutual funds, 84 percent held more than one fund and 88 percent owned equity funds.
- **Many US mutual fund shareholders had moderate or lower household incomes and were in their peak earning and saving years.** Nearly half of US households owning mutual funds had incomes less than \$100,000, and individuals between ages 35 and 64 headed 61 percent of mutual fund–owning households.
- **Almost all mutual fund investors were focused on retirement saving.** Saving for retirement is a financial goal for 92 percent of mutual fund–owning households. That's not the only financial goal, however, as 50 percent cited emergencies and 24 percent cited education as savings objectives.

About the Annual Mutual Fund Shareholder Tracking Survey

ICI conducts the Annual Mutual Fund Shareholder Tracking Survey each year to gather information on the demographic and financial characteristics of mutual fund–owning households in the United States. The most recent survey was conducted from May to July 2019 and was based on a dual frame telephone sample of 4,000 US households. Of these, 1,800 households were reached from a landline random digit dial (RDD) frame and 2,200 households were from a cell phone RDD frame.

Of the households contacted, 1,821 (45.5 percent) owned mutual funds. All interviews were conducted over the telephone with the member of the household who was either the sole or the co-decisionmaker most knowledgeable about the household's savings and investments. The standard error for the 2019 sample of households owning mutual funds is ± 2.3 percentage points at the 95 percent confidence level.

Interested in more data? Download the [supplemental tables](#) for "Ownership of Mutual Funds, Shareholder Sentiment, and Use of the Internet, 2019" and the [supplemental tables](#) for "Characteristics of Mutual Fund Investors, 2019."

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