

ICI Retirement Recordkeeper Data Show Plan Participants' Continued Commitment to Saving

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Washington, DC, November 5, 2013 - Americans' commitment to saving for retirement remains strong in the first half of 2013, according to ICI's latest study of retirement plan savers' actions, based on defined contribution (DC) plan recordkeeper data covering about 24 million DC plan participant accounts.

The study, [Defined Contribution Plan Participants' Activities, First Half 2013](#), includes data from January through June 2013. 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 June.

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 half of 2013. Findings include:

- Commitment to contribution activity in the first six months continued at the high rate observed in the first half of 2012. Only 1.5 percent of DC plan participants stopped contributing in the first half of 2013, compared with 1.6 percent during the first half of each of the two prior years, 2011 and 2012.
- DC plan withdrawal activity in the first half remained low and was similar to the activity observed in the first half of 2012; participants generally did not tap their accounts. Only 2.1 percent of DC plan participants took withdrawals in the first half of 2013, the same pace as in the first half of 2012. Levels of hardship withdrawal activity remained low. Only 0.9 percent of DC plan participants took hardship withdrawals during the first six months of 2013—the same share as during the first half of 2012.
- Loan activity continues to remain elevated compared with five years ago. This pattern of activity also was observed in the wake of the bear market and recession earlier in the decade. At the end of June 2013, 18.1 percent of DC plan participants had loans outstanding, compared with 17.9 percent at the end of March 2013, 18.2 percent at year-end 2012, and 15.3 percent at year-end 2008.
- Most DC plan participants stayed the course in their asset allocations as stock values generally rose during the first six months of the year. In the first half of 2013, 7.4 percent of DC plan participants changed the asset allocation of their account balances and 6.0 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.