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Fast Fact from EBRI:

How IRAs Are Invested, by Gender and Age

WASHINGTON—Do the investing habits of individual retirement account (IRA) owners differ by gender? How about by age?

According to a study from the nonpartisan Employee Benefit Research Institute (EBRI), men and women have very similar investing styles with their IRAs (even by age), although men tend to be more likely to invest in other investment options.

Also, both genders as a group reduced their exposure to equities as they age, while bond and other assets grew with age.

Specifically, in 2008, females and males under age 25 had invested 49.1 percent and 49.5 percent, respectively, in equities, while women 70 or older had invested 33.1 percent and men had 33.6 percent in equities. Overall, male and female IRA owners had virtually identical allocations in bonds, equities (not including the balanced fund portion), and money. However, males were slightly more likely to have assets in the “other” category, while females had a higher percentage of assets in balanced funds.

Furthermore, IRA owners (both genders) under age 45 were significantly more likely to be invested in equities and balanced funds combined than those over age 45. Those over age 45 were more likely to be invested in bonds and other assets. The percentage of assets in money across each age group was around 21 percent.

The data come from the EBRI IRA Database,TM an ongoing project of EBRI that collects data from IRA plan administrators, and currently contains information on 14.1 million accounts of 11.1 million unique individuals with total assets of \$732.9 billion, as of year-end 2008.

These findings also represent the first look at detailed IRA asset allocation information from the only database that is able to anonymously link individual IRA owners across multiple IRA providers. This allows for more accurate measurement of IRA assets and ownership, and tracking of retirement assets as they move through different types of retirement plans.

Full details about IRA plan asset allocations appear in the May 2011 EBRI *Notes*, “IRA Asset Allocation,” online at www.ebri.org

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