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Fast Fact from EBRI:

How IRA Owners Invest Their Assets

WASHINGTON—Where do individual retirement account (IRA) owners invest their money?

According to a study from the nonpartisan Employee Benefit Research Institute (EBRI), in 2008, IRA owners put 38.5 percent of their assets in equities (stocks), 22.3 percent in money funds, 13.6 percent in bonds, 12.1 percent in balanced funds, and 13.6 percent in other assets.

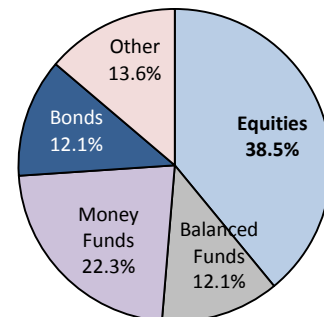
When combining the allocation of balanced funds attributable to equities to the equity allocation, the total equity holdings of IRA owners is 45.8 percent. The asset allocation found in IRAs is very similar to that in 401(k) plans, the EBRI report notes.

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 the distribution of IRA plan assets appear in the May 2011 *EBRI Notes*, "IRA Asset Allocation," available online at www.ebri.org

IRA Asset Allocation in the United States, 2008



Source: *EBRI Notes*, May 2011.

IRAs hold more than 25 percent of all retirement assets in the United States. A substantial portion of these assets originated in other tax-qualified retirement plans, such as defined benefit (pension) and 401(k) plans, and were moved to IRAs through rollovers. Thus, IRAs in many cases have become a repository for assets built up in the employment-based retirement system.

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