2025 Investment Company Fact Book

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2024 FACTS AT A GLANCE

Total worldwide assets invested in regulated open-end funds:* $73.9 trillion			
United States **$38.8 trillion**	Europe **$23.0 trillion**	Asia-Pacific **$8.1 trillion**	Rest of the world **$4.0 trillion**

US-registered investment company total net assets: $39.2 trillion			
Mutual funds **$28.5 trillion**	Exchange-traded funds **$10.3 trillion**	Traditional closed-end funds **$249 billion**	Unit investment trusts **$90 billion**

US-registered investment companies' share of:				
US corporate equity **32%**	US and foreign corporate bonds **24%**	US Treasury and government agency securities **17%**	US municipal securities **28%**	Commercial paper **24%**

US household ownership of US-registered funds				
Number of households owning funds **74.0 million**	Number of individuals owning funds **126.8 million**	Percentage of households owning funds **56.0%**	Median mutual fund assets of mutual fund–owning households **$125,000**	Median number of mutual funds owned **3**

US retirement market		
Total retirement market assets **$44.1 trillion**	Percentage of households with tax-advantaged retirement savings **74%**	DC plan and IRA assets invested in mutual funds **$13.2 trillion**

* Regulated open-end funds include mutual funds, exchange-traded funds (ETFs), and institutional funds.

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2025 Fact Book

2025 Fact Book Data Tables

Letter from the Chief Economist

Welcome to the 65th edition of the *Investment Company Fact Book*! *Fact Book* serves as a summary of the work ICI's Research Department does all year long. In 2024, we published more than 300 statistical reports and 26 research and policy publications alongside *ICI Viewpoints* and issue-specific summary fact sheets on various topics such as target date funds and activism in closed-end funds. Research Department staff also conducted countless presentations to ICI members, policymakers, and academia covering a wide range of issues related to trends in the fund industry, financial stability, retirement, and investor demographics.

ICI has always been a data-centered organization. In fact, our first data collections go back to 1940, when the National Association of Investment Companies (NAIC)—which later became ICI—was formed. We have always made those data open and found ways to make them more accessible: first in printed tables, then PDFs, and more recently in Excel files.

That's why I am so pleased to announce with this year's publication the launch of our new data visualization tool, designed specifically for the *Fact Book*. This innovative charting tool provides interactive and insightful visual representations of ICI's comprehensive statistical information.

Data Visualization Tool Key Features:

- **Interactive Charts:** Easily explore trends and patterns with dynamic visualizations. In addition, the charts you create can be downloaded as an image for you to use in other documents or media. The underlying data are still available to download as an Excel file.
- **User-Friendly Interface:** Navigate through data effortlessly with our intuitive design. Drop-down menus allow you to choose the data series and time frame you'd like to plot.

Every data series contained in each one of our 69 data tables in the *Fact Book* can be viewed in graphical form. Simply go to **www.icifactbook.org**, click on "2025 Data Tables," select the data table of your choice and click on the icon to access the data tool for that specific table.

We believe this tool will significantly improve your ability to analyze and interpret the data provided in the *Fact Book*. Whether you are tracking trends in mutual fund assets (shown in Table 1) or conducting in-depth research on the composition of money market fund portfolios (Tables 40 and 41), we hope our data visualization tool will be an invaluable resource to you.

Today is another step forward in ICI's long tradition of producing accessible research to inform policymakers, the press, and the public for the ultimate benefit of the long-term individual investor. We're excited for you to try our new data experience, but we're not stopping to rest. Let us know how we can improve the charting tool with additional features and send us any (hopefully rare) bug reports at **factbook@ici.org**.

Best regards,

Shelly

Shelly Antoniewicz
Chief Economist

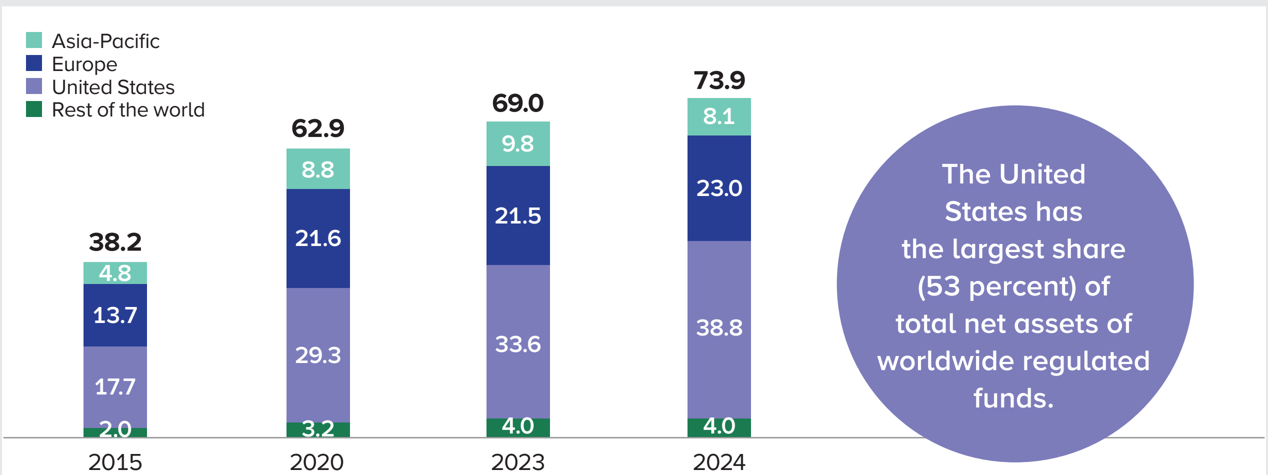
CHAPTER 1

FULL CHAPTER

Worldwide Regulated Open-End Funds

Investors around the world have demonstrated strong demand for regulated open-end funds. Fund providers have responded to the increasing demand for investing through funds by offering nearly 144,000 regulated funds, which provide a vast array of choices to investors. In many countries, markets for regulated funds are well-developed and highly competitive.

Worldwide Regulated Funds Had $74 Trillion in Total Net Assets at Year-End 2024
Trillions of US dollars, year-end



The size of the regulated fund market in a country or region reflects a broad range of factors, including strong and appropriate regulation of funds and financial markets and the availability of distribution structures that facilitate access to regulated funds.

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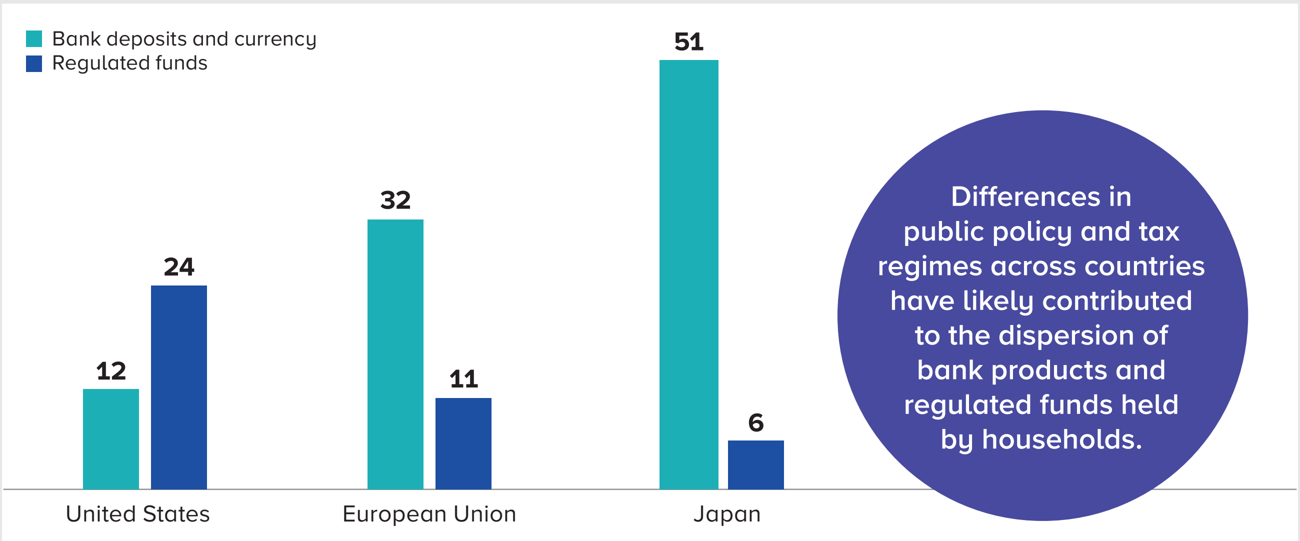
Worldwide Regulated Open-End Fund Assets and Flows

Bank-Based Countries Tend to Have Fewer Assets in Regulated Funds

The financial landscape in some jurisdictions has been historically dominated by banks. The European Union and Japan are two examples of jurisdictions where households tend to hold more of their financial assets in bank products and less in regulated funds. By contrast, US households hold a relatively small fraction (12 percent) of their assets in bank products.

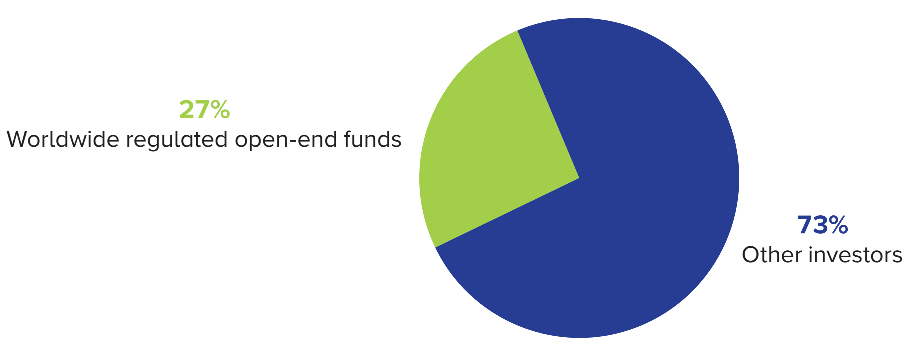
US Households Hold More of Their Wealth in Regulated Funds
Percentage of household financial wealth, year-end 2024



Regulated Funds Are an Important Source of Capital for Worldwide Financial Markets

Regulated funds held 27 percent of worldwide capital markets at year-end 2024. A wide range of other investors—such as central banks, sovereign wealth funds, pension plans, banks, insurance companies, hedge funds, broker-dealers, and households owning stocks and bonds directly—held the remaining 73 percent.

Regulated Funds Help Finance Business, Government, and Household Activities
Percentage of worldwide equity and debt markets, year-end 2024



CHAPTER 2

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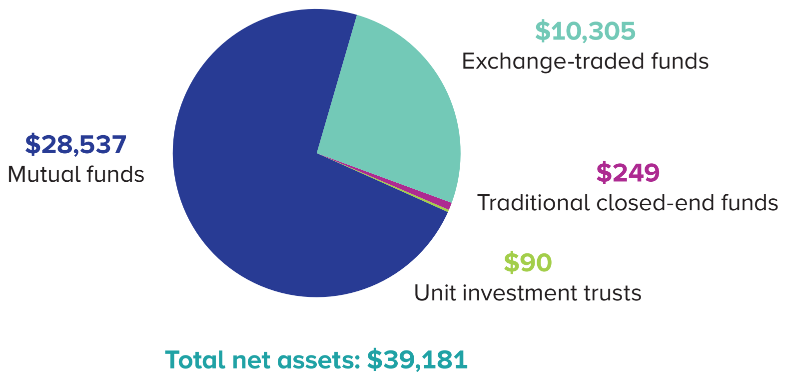
US-Registered Investment Companies

Registered investment companies are an important segment of the asset management industry in the United States. US-registered investment companies play a major role in the US economy and financial markets and a growing role in global financial markets. These funds managed $39.2 trillion in total net assets at year-end 2024, largely on behalf of more than 125 million US retail investors.

Most Investment Company Net Assets Are in Mutual Funds
Billions of dollars, year-end 2024



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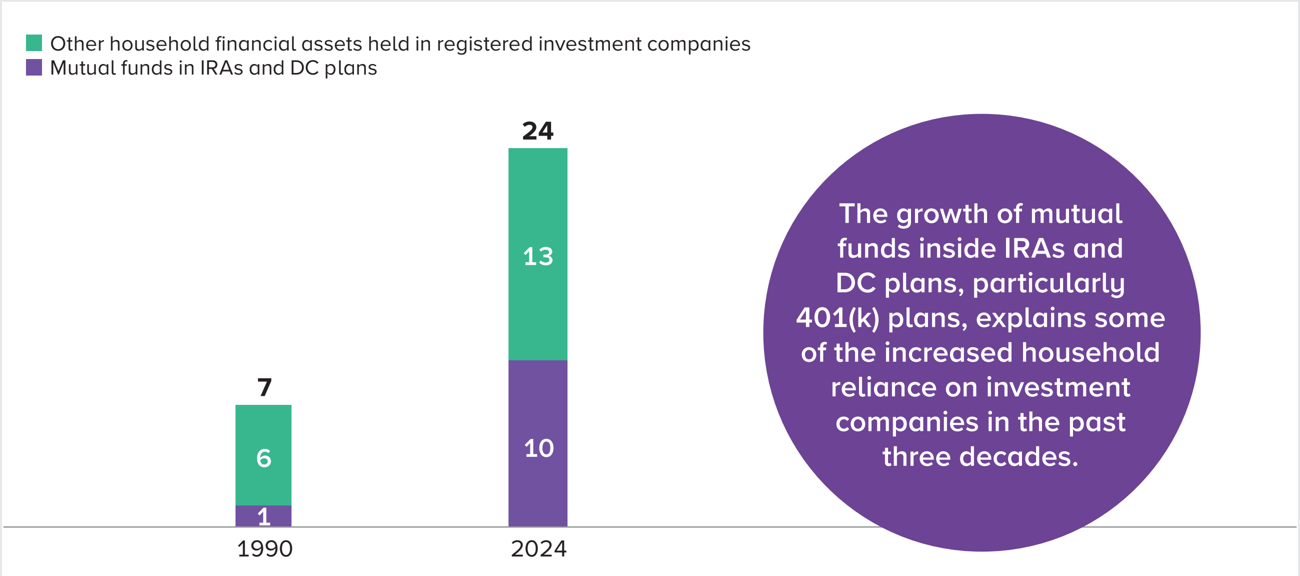
ICI Statistical Publications

The industry has experienced robust growth over the past quarter century from asset appreciation and strong demand from households due to rising household wealth, the aging US population, and the evolution of employer-based retirement systems. During this time, investment companies have been important investors in domestic financial markets.

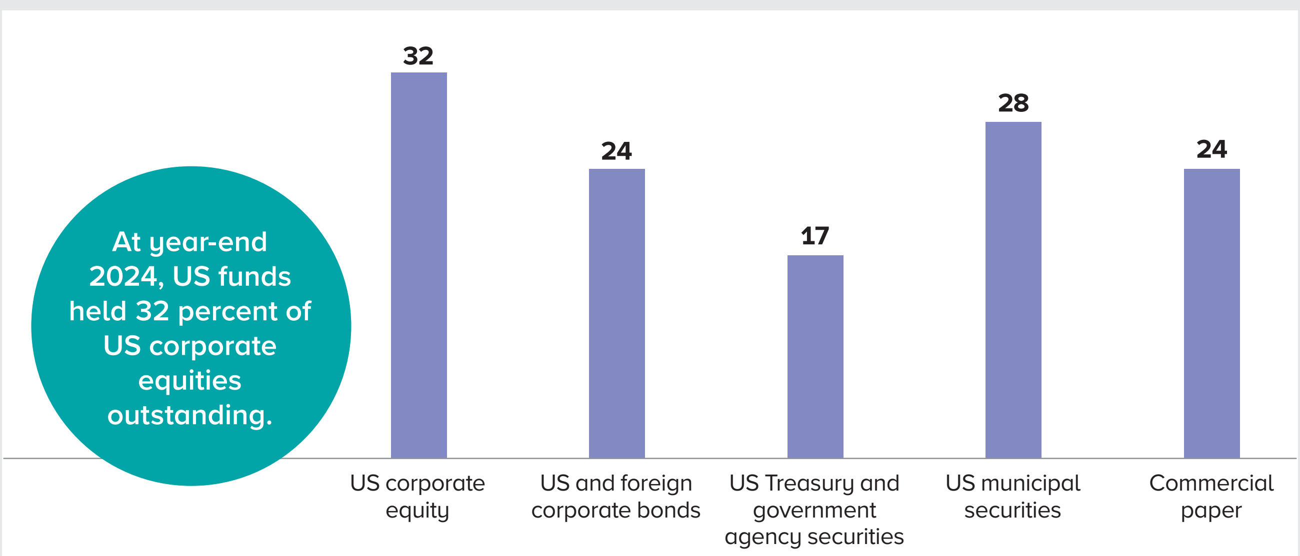
Households Rely More on Investment Companies—Partly from Increased Holdings Inside DC Plans and IRAs

Percentage of household financial assets, year-end



US Funds Are Important Investors in Domestic Financial Markets and Supply Investment Capital to Stock, Bond, and Money Markets

Percentage of total market value, year-end 2024



CHAPTER 3

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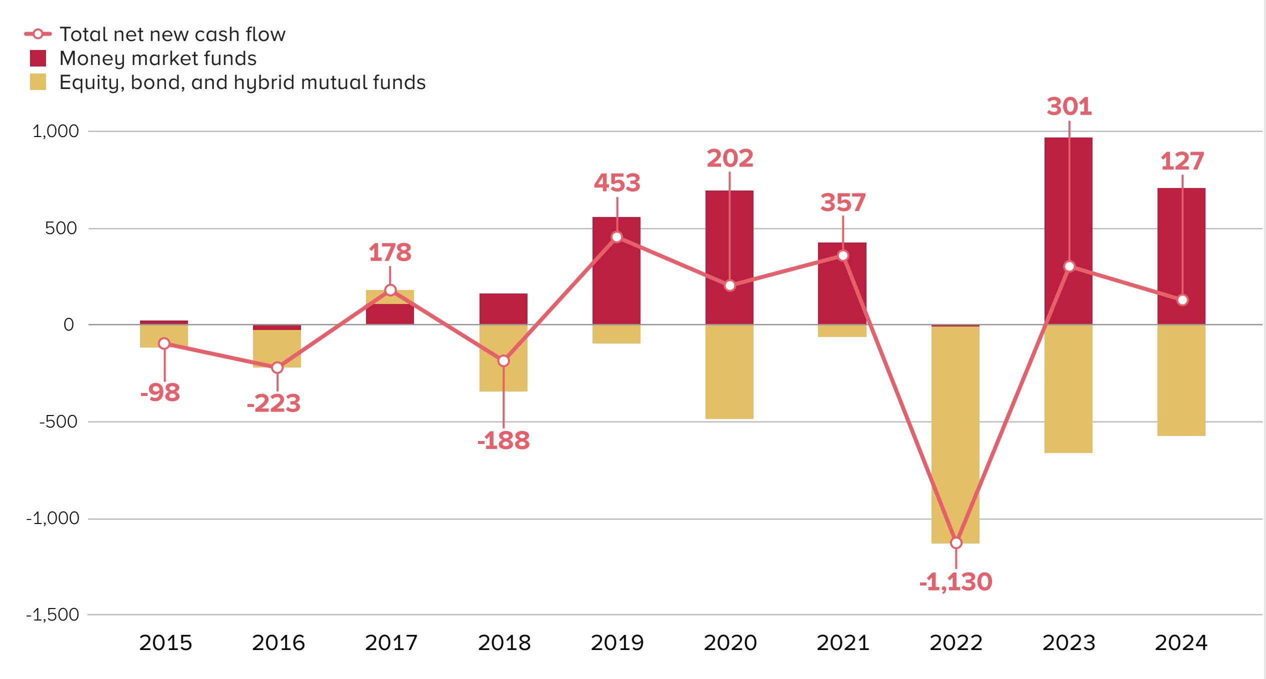
US Mutual Funds

A mutual fund is an investment company that pools money from shareholders and invests in a portfolio of securities. In 2024, 71.0 million US households owned mutual funds, representing more than 120 million individual investors. These households rely on mutual funds to meet long-term personal financial objectives, such as education, a home purchase, or preparing for retirement. US households hold the vast majority (94 percent) of long-term mutual fund total net assets.

Changing demographics, portfolio rebalancing, and investors' reactions to US and worldwide economic and financial conditions play important roles in determining how demand for specific types of mutual funds—and for mutual funds in general—evolves. But over the past decade, some long-term trends have persisted.

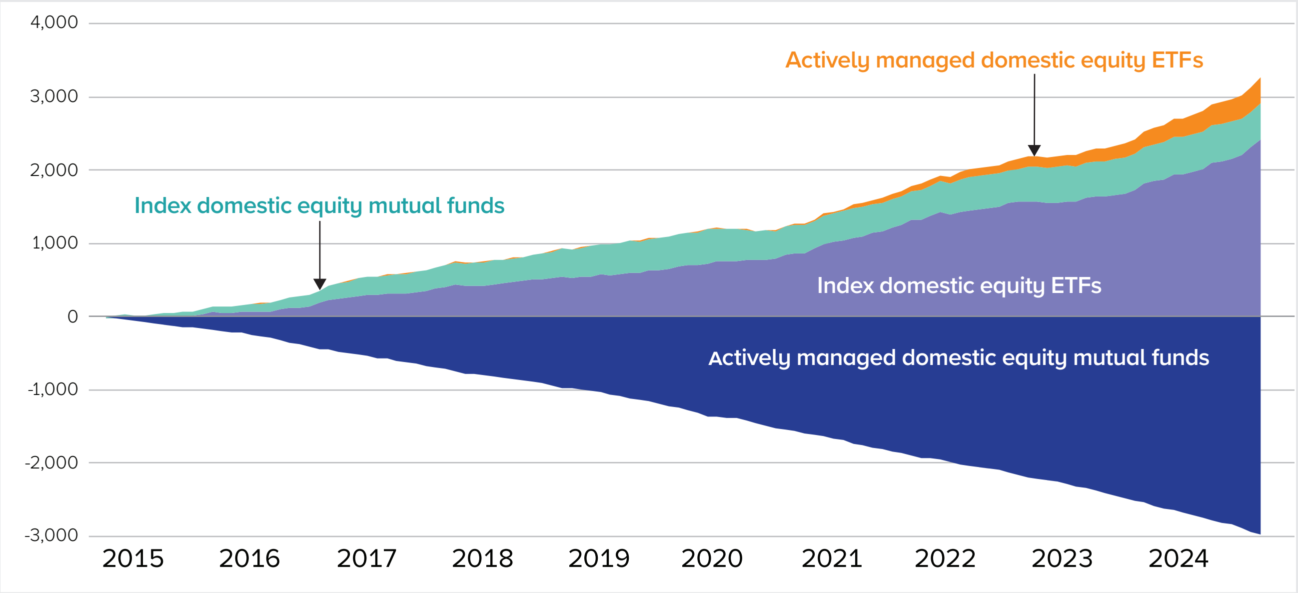
Inflows to Money Market Funds More Than Offset Outflows from Long-Term Mutual Funds in 2024
Billions of dollars, annual



Long-Term Trends Influencing Mutual Fund Demand

- Increased investor demand for index-based investment products.

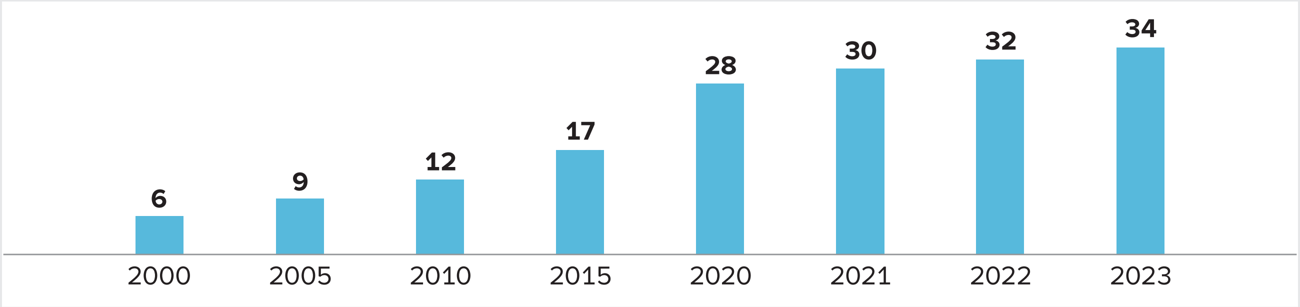
Some of the Outflows from Domestic Equity Mutual Funds Have Gone to ETFs
Cumulative flows to domestic equity mutual funds and net share issuance of domestic equity ETFs, billions of dollars, monthly



Note: Mutual fund data include net new cash flow and reinvested dividends; ETF data for net share issuance include reinvested dividends.

- **Portfolio rebalancing.** Investors seeking to maintain a target asset allocation may reallocate their investments from equities to bonds, or vice versa. Target date funds—a popular investment choice for 401(k) participants—gradually reallocate their assets from stocks to bonds over time.
- **Growth of collective investment trusts (CITs).** CITs are an alternative to mutual funds in 401(k) plans, and CITs represent a rising share of 401(k) assets.

Assets of Large 401(k) Plans Are Increasingly Held in Collective Investment Trusts
Percentage of assets in large 401(k) plans



Monthly Trends in Mutual Fund Investing

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CHAPTER 4

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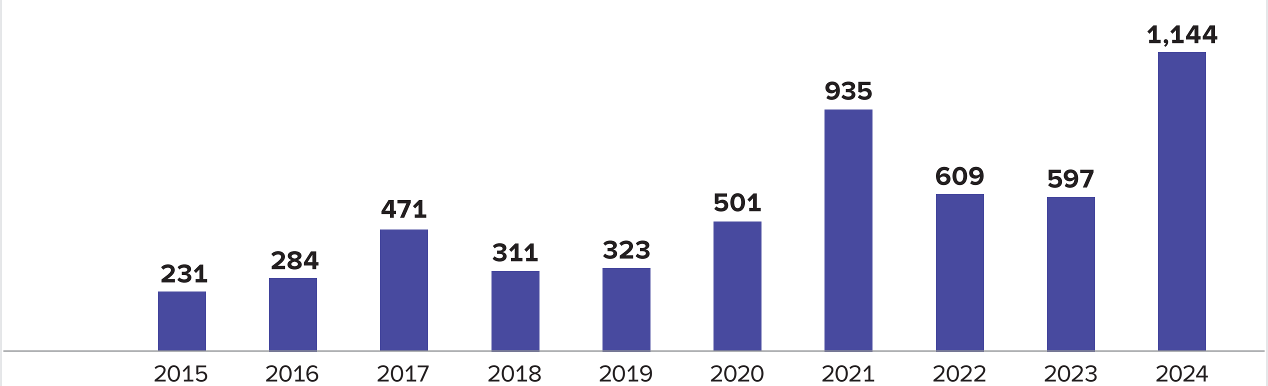
US Exchange-Traded Funds

ETFs are a convenient, cost-effective tool for investors seeking to gain or shed exposure to broad markets, particular sectors or geographical regions, or specific investment strategies. Over the past decade, demand for ETFs has grown markedly as investors—both institutional and retail—increasingly turn to them as investment options. In 2024, ETF net share issuance surged to a record $1.1 trillion, up from 2023's robust $597 billion.

Net Share Issuance of ETFs Surged to a Record $1.1 Trillion in 2024

Net share issuance, billions of dollars, annual



Memo: total net assets

Trillions of dollars, year-end

$2.1 $2.5 $3.4 $3.4 $4.4 $5.4 $7.2 $6.5 $8.1 $10.3

Note: Data for net share issuance include reinvested dividends.

Part of the increasing popularity of ETFs is because more brokers and financial advisers are using them in their clients' portfolios. In 2023, full-service brokers and fee-based advisers had 31 percent and 45 percent, respectively, of their clients' household assets invested in ETFs, up sharply from 9 percent and 18 percent in 2013.

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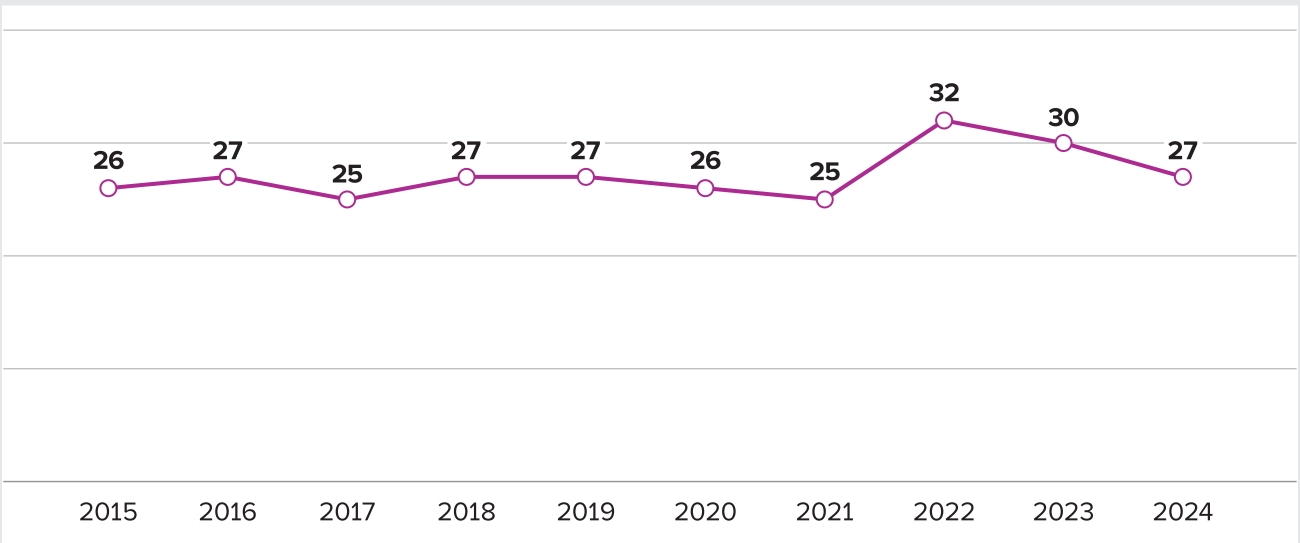
ETF Resource Center

Retail investors access ETFs through the secondary market (e.g., on an exchange), which is where most ETF activity occurs. While ETF secondary market trading is a substantial share of total trading on US stock exchanges and other venues, the average remained relatively flat through 2021. In 2022, ETFs' share of trading volume increased somewhat, which was likely related to elevated market volatility, as investors often turn to ETFs to quickly transfer or hedge investment risk. This share decreased to 27 percent in 2024 as market volatility abated.

ETFs' Share of Total Secondary Market Trading Decreased in 2024

Average daily ETF share of total US stock market trading, percentage, annual



Who Are ETF Investors?

NEARLY
17 million
US households held ETFs in 2024

ETF-owning households tend to be **younger** with **more household financial assets**

ETF-owning households are more willing to take investment risk

51% of ETF-owning households are willing to take above-average or substantial risk

VS.

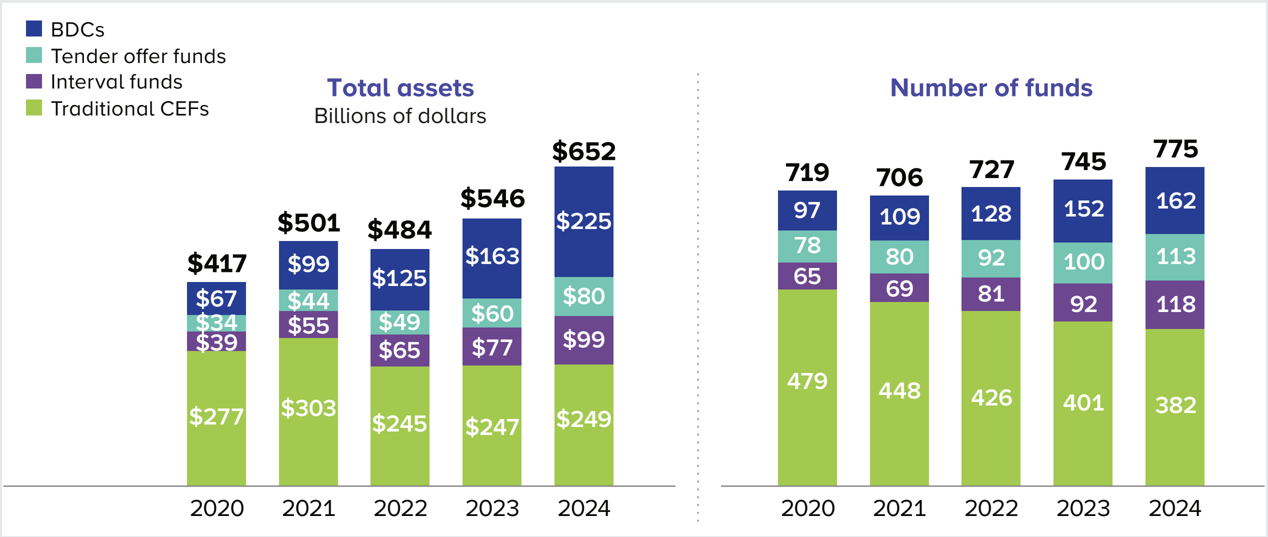
24% of all US households are willing to take above-average or substantial risk

FULL CHAPTER

US Closed-End Funds

There are four types of closed-end funds (CEFs): traditional funds, interval funds, tender offer funds, and business development companies (BDCs). Traditional CEFs (and some interval funds and BDCs) issue a fixed number of shares that are listed on a stock exchange or traded in the over-the-counter market. Other CEFs— like tender offer funds, most interval funds, and BDCs—are not listed on stock exchanges and are permitted to continuously offer their shares at net asset value. The assets of a CEF are professionally managed in accordance with the fund's investment objectives and policies and may be invested in stocks, bonds, and other securities. Because CEFs do not face daily redemptions, there is little need to maintain cash reserves and they can typically be fully invested according to their strategies. Total assets of CEFs were $652 billion at year-end 2024.

Waning Presence of Traditional CEFs Is Offset by Growth of Interval Funds, Tender Offer Funds, and BDCs
Year-end



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The Closed-End Fund Market, 2024

How Do CEFs and Mutual Funds Compare?

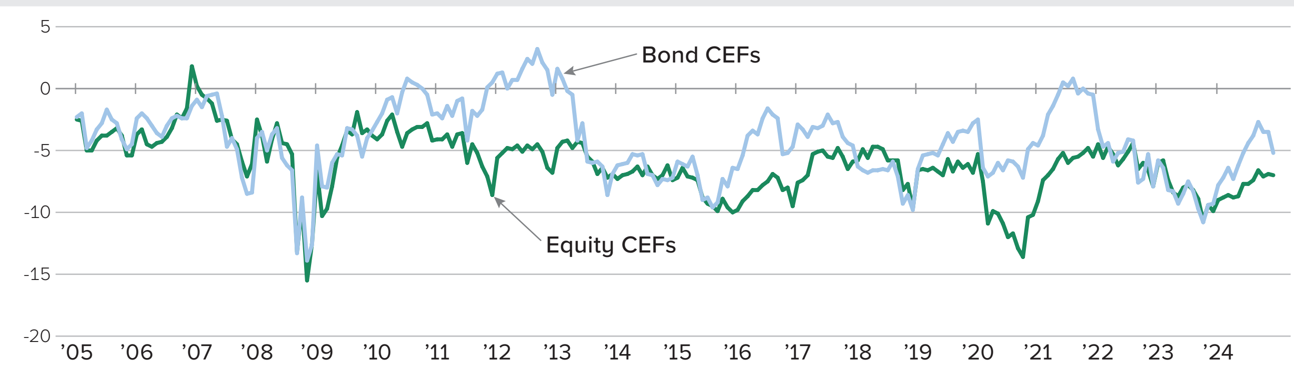
Listed CEFs	Unlisted CEFs	Mutual funds
• Issue a fixed number of shares • Trade in the secondary market (e.g., on an exchange) like ETFs • No liquidity restrictions for assets (i.e., they may fully invest to their strategies) • Include traditional CEFs, some interval funds, and some BDCs	• Typically continuously offered • Manage redemptions on a periodic (e.g., quarterly) basis • Must have liquid assets necessary to fulfill a scheduled repurchase offer • Include tender offer funds, most interval funds, and some BDCs	• Are continuously offered • Manage redemptions once per day, as of 4 p.m. eastern time • Up to 15% of net assets may be illiquid (but vast majority hold much less in illiquid assets)

Secondary Market Trading of Traditional CEFs

The market price of a traditional CEF share fluctuates like that of other publicly traded securities and is determined by supply and demand in the marketplace. This may cause it to trade at a price higher or lower than its net asset value (NAV). Traditional CEFs typically trade at prices lower than their NAVs, which is referred to as trading at a discount.

Traditional CEFs Generally Trade at Discounts to NAV

Percent, month-end



Note: The premium/discount rate is the simple average of the percent difference between share price and NAV at month-end.

Who Are CEF Investors?

More than **3 million** US households held CEFs in 2024

More CEF-owning households are **retired** than **all US households**

CEF-owning households are more willing to take investment risk

49% of CEF-owning households are willing to take above-average or substantial risk

VS.

24% of all US households are willing to take above-average or substantial risk

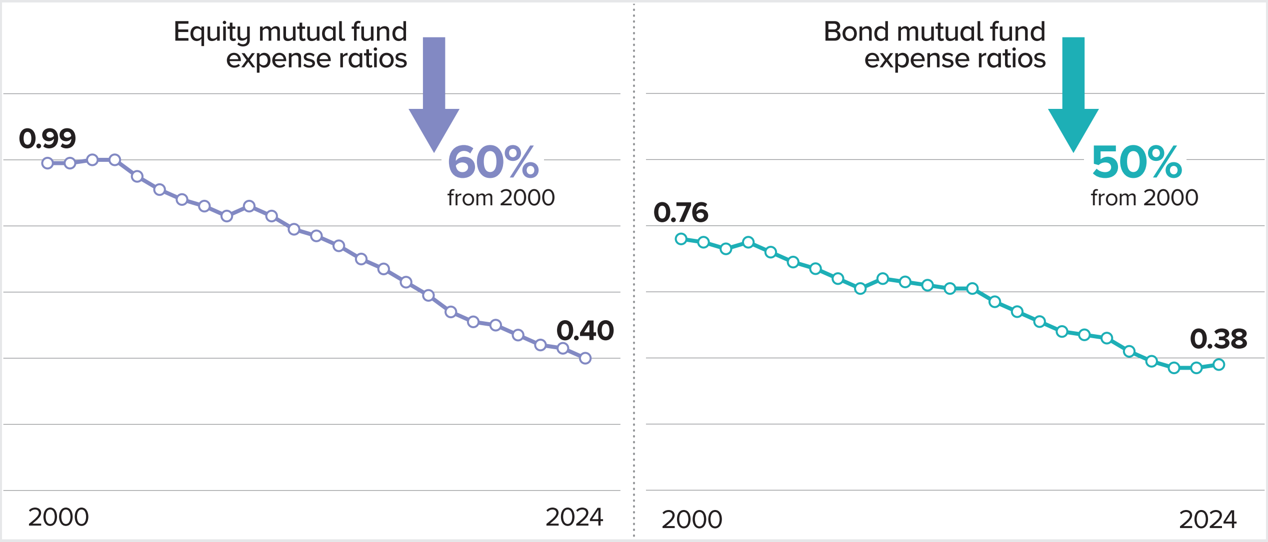
CHAPTER 6

FULL CHAPTER

US Fund Expenses and Fees

US funds provide investors with many investment-related services. For those services, investors incur two primary types of expenses and fees: ongoing expenses and sales loads. Average expense ratios (i.e., ongoing expenses) paid by US mutual fund investors have fallen substantially over time.

Average Expense Ratios of Equity and Bond Mutual Funds Are Down Substantially from 2000
Asset-weighted average, percent



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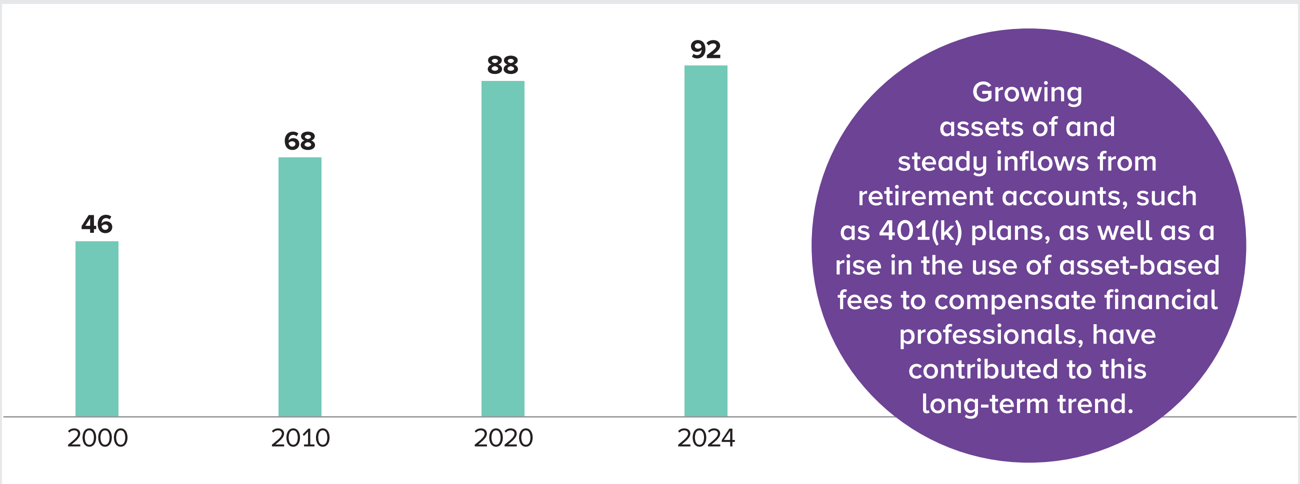
Trends in the Expenses and Fees of Funds, 2024

Mutual Fund Expense Ratios Can Vary Widely for Multiple Reasons

- **Economies of scale:** For larger funds, fixed costs are a smaller share of overall fund assets, which naturally lowers a fund's expense ratio.
- **Specialization:** Some asset classes (e.g., small-cap equity, sector equity) require more investment research, which increases the costs to manage the fund.
- **Load versus no-load:** No-load funds tend to have lower expense ratios because payments for distribution and advice are often paid directly with an asset-based fee.

Long-Term Mutual Fund Investors Have Increasingly Purchased No-Load Mutual Funds Without 12b-1 Fees

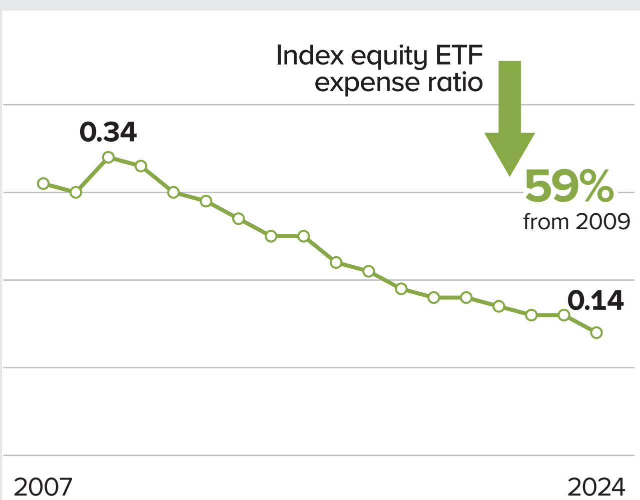
Percentage of long-term mutual fund gross sales, annual

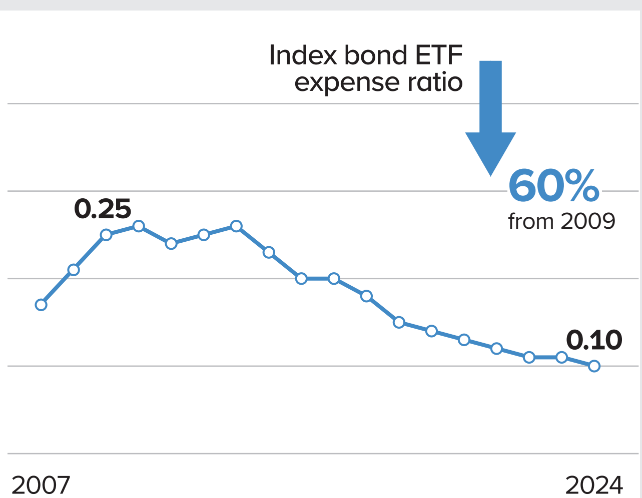


Like mutual fund investors, ETF shareholders tend to invest in funds with below-average expense ratios. In 2024, the simple average expense ratio for index equity ETFs was 0.45 percent, while the asset-weighted average expense ratio was 0.14 percent.

Average Expense Ratios of Exchange-Traded Funds Have Fallen Significantly Since 2009

Asset-weighted average, percent





CHAPTER 7

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Characteristics of US Mutual Fund Owners

Mutual fund–owning households represent a broad range of the US population—coming from all age, income, and ethnic groups. Mutual fund investors primarily save for retirement, among other savings goals. Mutual funds are an important way US households build their financial wealth, with 71.0 million US households—representing over 120 million individual investors—owning mutual funds in 2024.

Who Is the "Typical" Mutual Fund–Owning Head of Household?

Middle-aged, employed, and educated	The "typical" mutual fund–owning household	Using mutual funds to save for retirement
Moderate household income		Held at least one equity mutual fund
Purchased their first mutual fund through an employer-sponsored retirement plan		Had more than half of the household's financial assets (excluding the primary residence) invested in mutual funds

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Investor Research: Mutual Fund Ownership

Mutual Fund–Owning Households Make Informed Purchasing Decisions

93% review a fund's investment objective	**96%** consider a fund's risk profile	**94%** consider a fund's performance compared with an index	**95%** review fund fees and expenses

Generational Ownership of Mutual Funds

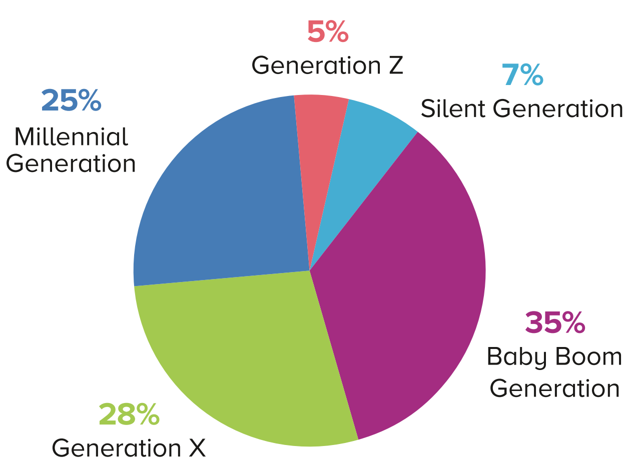
Households across all generations own mutual funds, but members of the Baby Boom Generation households were the largest share of mutual fund–owning households in 2024. This reflects both their generation's size and their high rates of mutual fund ownership. The next largest generations of mutual fund–owning households were Generation X households and Millennial households.

How households own mutual funds often depends on where they are in the lifecycle of investing. Because younger generations are more likely to be early in their careers, they are more likely to own mutual funds only inside employer-sponsored retirement plans. As Americans change jobs over their careers, they may roll over retirement savings to IRAs, and older generations are more likely to own funds outside employer-sponsored retirement plans.

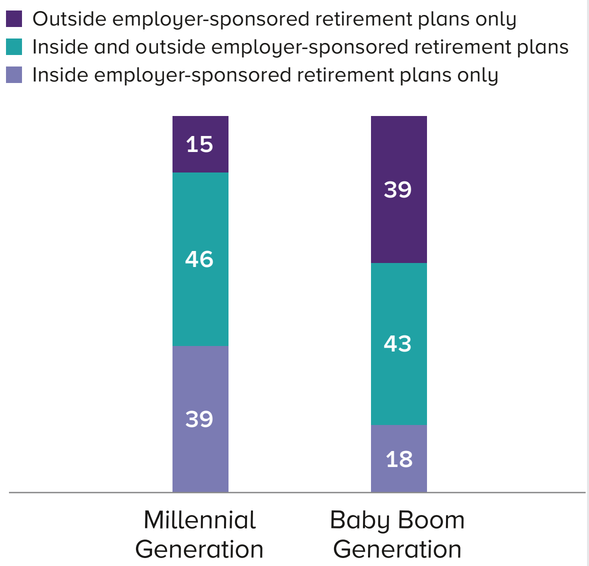
Mutual Fund Ownership Is Widespread Among All Generations, but Ownership Patterns Vary by Generation

Percentage of US households owning mutual funds by generation, 2024

All generations own mutual funds



Source of mutual fund ownership



Characteristics of Mutual Fund Investors, 2024

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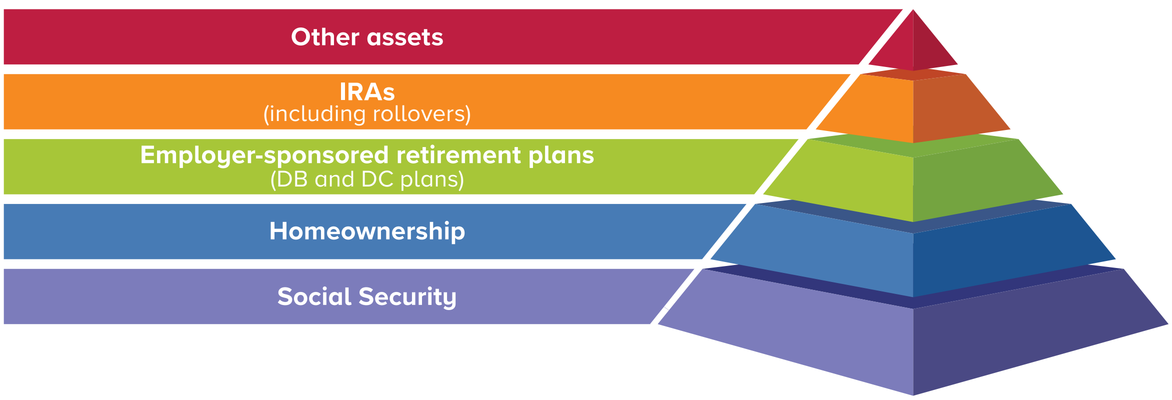
CHAPTER 8

US Retirement and Education Savings

The US Retirement System Has Many Components

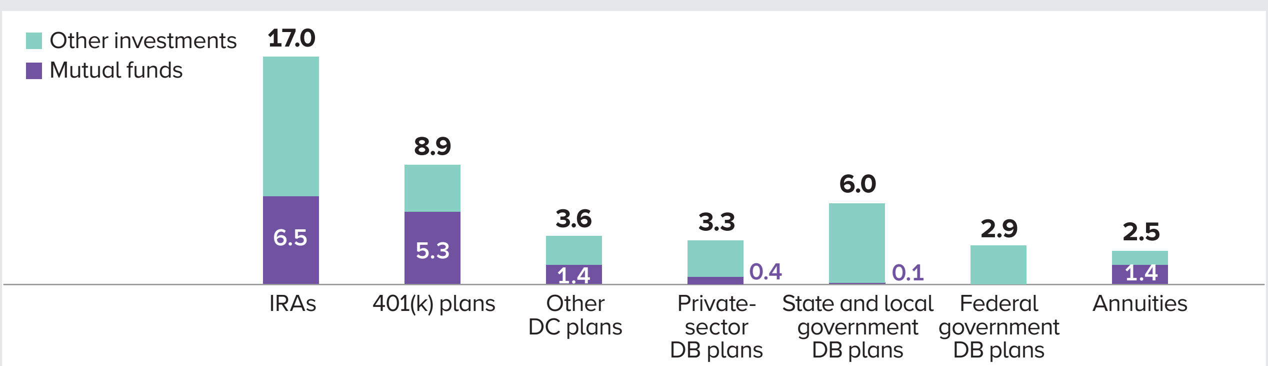
Social Security provides a broad base for American retirees, complemented by retirement accumulations through employer-sponsored retirement plans and IRAs.



Assets earmarked for retirement represent more than one-third of US households' financial assets, and many Americans use mutual funds in tax-advantaged retirement accounts. At year-end 2024, IRAs ($17.0 trillion) and DC plans ($12.4 trillion) were 67 percent of total US retirement market assets ($44.1 trillion), and mutual funds managed 45 percent of those account-based retirement assets. In addition, inflation-adjusted retirement assets per household are more than 10 times what they were a half century ago.

IRAs and DC Plans Are Vital to the US Retirement Market

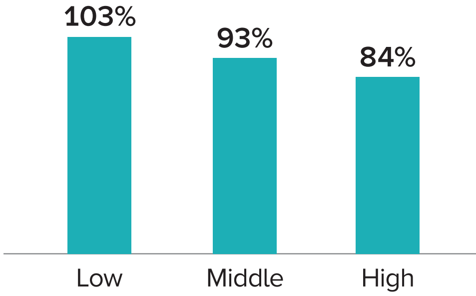
Trillions of dollars, year-end 2024



US Retirement System Produces Robust Income Replacement in Retirement

In retirement, most Americans maintain spendable income that is a high percentage of the spendable income they had in their late 50s, according to a study by ICI economists analyzing tax data.

Spendable income replacement rate at age 72, by income



Lower-income individuals rely more on Social Security but replace a higher share of their late 50s spendable income.

Overall, **75%** of individuals have income from IRAs, DB or DC employer plans, or annuities (either directly or through a spouse).

401(k) Plans Are a Powerful Saving and Investing Tool

The most common type of DC plan is the 401(k) plan. DC plan participants appreciate the savings benefits (e.g., payroll deduction, tax-advantaged treatment) and the investment line-ups of their plans.

$8.9 trillion assets in 401(k) plans	**91%** of 401(k) plan participants are in plans with employer contributions	An average of **29** investment options in 401(k) plan lineups	**68%** of 401(k) plan participants are invested in target date funds

IRAs Are Key to US Households' Retirement Saving

In 2024, 58 million US households owned IRAs—traditional IRAs are the most popular, followed by Roth IRAs. Some characteristics of traditional and Roth IRA ownership include:

Traditional IRAs	Roth IRAs
• **$14.1 trillion** in assets • More than three-quarters opened with **rollovers** • Most investors have a **planned retirement strategy**	• **$2.0 trillion** in assets • Nearly three-quarters opened with **contributions** • Investors are **younger** and more **concentrated in equity**

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How America Supports Retirement: Challenging the Conventional Wisdom on Who Benefits

Data Tables

The statistical data tables for the *2025 Investment Company Fact Book* are available online as interactive charts and Excel files. The data tables contain historical information on US mutual funds, exchange-traded funds, closed-end funds, and unit investment trusts, as well as information on worldwide regulated open-end funds.

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