



Defined Contribution  
Institutional Investment  
Association

*Dedicated to Enhancing Retirement Security*

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**DEFINED CONTRIBUTION INSTITUTIONAL INVESTMENT ASSOCIATION  
RETIREMENT RESEARCH CENTER PUBLISHES KEY FINDINGS FROM  
INAUGURAL CUSTOM TARGET DATE FUND SURVEY**

*Retirement industry's first asset allocation analysis of custom target date strategies is intended to aid plan sponsors and asset allocators during custom glidepath discussions*

WASHINGTON, DC (March 20, 2019) – The Defined Contribution Institutional Investment Association (DCIIA) announced today that its Retirement Research Center has published a summary of key findings from its inaugural custom target date fund (cTDF) survey, the retirement industry's first asset allocation analysis of custom target date strategies. This data is intended to aid plan sponsors and asset allocators during custom glidepath discussions.

Contributors to the cTDF research initiative, including the creation, administration, and analysis of the inaugural survey results, included DCIIA member firm representatives Joshua Dietch, T. Rowe Price; Brett Hammond, The Capital Group; and Chris Nikolich, AB along with DCIIA research consultant Bridget Bearden. DCIIA's [Resource Library on Investment Options and Best Practices](#) offers additional thought leadership publications – from DCIIA and its member firms -- for further reference.

“Publicly available information on institutional strategies in the defined contribution market, specifically cTDFs, has been limited,” said Lew Minsky, DCIIA’s CEO and president. “With roughly half of the \$2 trillion of target date assets residing in institutional vehicles, DCIIA is uniquely positioned to gather the necessary data and provide information about these default investment options.”

Survey participants were asset allocation service providers for cTDFs who submitted non-attributable plan statistics and asset allocation detail for cTDF clients. The sample used for asset allocation statistics reflects 65 plans and 673 unique funds. The cTDF assets represented in the sample exceed \$340 billion, while plan assets exceed \$990 billion. In the summary of the survey results, DCIIA categorizes more than 40 asset classes into four broad asset categories: equity, fixed income, inflation-sensitive, and diversifiers.

*(continued)*

Some of the key findings from the inaugural survey include:

- The total cTDF market was an estimated \$430 billion at year-end 2017, with the DCIIA sample accounting for roughly 80% of the total market.
- A majority of the average cTDF exposure is allocated to equities and fixed income. The average allocation to equities for 2060 funds was 85%, falling to 28% for income funds, while the average allocation to fixed income increased from 7% for 2060 funds to 52% for income funds.

DCIIA is pleased to provide this previously unavailable information and looks forward to the evolution of the cTDF research initiative over time. DCIIA seeks to expand its coverage of the cTDF universe and incorporate other data elements. While the first iteration was limited to asset allocation data to gain broad participation, future areas of research may include comparative glidepath analysis of “to” versus “through” strategies, corporate versus public DC plans, or “off-the-shelf” versus custom structures. DCIIA may also expand the scope of the project beyond cTDFs to include other custom implementations such as balanced funds, managed accounts, and model portfolios.

The DCIIA Retirement Research Center (RRC) was launched in 2018 with a mission to develop original research that is practical, actionable, collaborative, credible, product agnostic, and transparent. For more information please visit the [RRC on the DCIIA website](#).

### **About DCIIA**

The Defined Contribution Institutional Investment Association (DCIIA) is a non-profit association dedicated to enhancing the retirement security of America’s workers. To do this, DCIIA fosters a dialogue among the leaders of the defined contribution community who are passionate about improving defined contribution outcomes. DCIIA’s diverse group of members include investment managers, consultants and advisors, law firms, record keepers, insurance companies, plan sponsors and other thought leaders who are collectively committed to the best interests of plan participants. For more information, visit: [www.dciia.org](http://www.dciia.org).

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