

## ICI VIEWPOINTS

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## Top 5 Takeaways from ICI's 2022 Investment Company Fact Book

By ICI Strategic Communications

For more than half a century, ICI has produced an annual *Investment Company Fact Book* featuring research, analysis and data compiled over the previous year. These data are key to ICI's efforts to help support the foundation of the asset management industry for the ultimate benefit of the long-term individual investor.

Whether you're new to the industry or the chair of the Securities and Exchange Commission (who [recently cited](#) *Fact Book* multiple times in congressional testimony), *Fact Book* has information needed to understand and analyze the current and future state of the industry, and provide information useful for regulatory and policy priorities.

Here are five key takeaways from this year's *Fact Book* that influence ICI's viewpoint and shape our advocacy efforts throughout 2022:

1. **Worldwide fund assets grew.** At year-end 2021, regulated funds worldwide managed \$71.1 trillion in total net assets, a 13 percent increase from \$63.0 trillion at year-end 2020. This increase partly reflects a surge in demand by investors with worldwide net sales of regulated funds reaching nearly \$4 trillion in 2021.

The tremendous interest in funds has been met by providers offering more than 131,000 regulated funds worldwide, which provide a vast array of choices to investors.

2. **ESG investing expanded.** In the United States, 740 mutual funds and ETFs with assets of \$529 billion at year-end 2021 invested according to ESG criteria, a sharp increase from year-end 2020—when there were 583 funds with assets of \$381 billion.

Environmental, social, and governance (ESG) matters include topics related to climate change, diversity and inclusion, human rights, corporate governance, and companies' compensation structures. The sharp increase from 2020 to 2021 reflects consumer interest in these funds.

3. **Mutual fund ownership helps millions reach their investment goals.** In 2021, more than 100 million individual investors in the United States owned mutual funds, with the vast majority expressing confidence in mutual funds' ability to help them reach their investment goals.

With \$27.0 trillion in total net assets, the US mutual fund industry remained the largest in the world. Demand for mutual funds is, in part, related to the types of investors who hold mutual fund shares. Retail investors (households) held 88 percent of the \$27.0 trillion.

4. **ETFs continue to rise in popularity.** In 2021, investors put a record \$935 billion of new money in ETFs, helping to fuel a rise in total net assets of ETFs from \$5.4 trillion at year-end 2020 to \$7.2 trillion at year-end 2021.

With 2,570 funds and \$7.2 trillion in total net assets, the US ETF market remained the largest in the world, accounting for 71 percent of the \$10.1 trillion in ETF net assets worldwide.

5. **Majority of US households hold retirement resources in addition to Social Security.** At year-end 2021, Americans had \$39.4 trillion earmarked for retirement, and 92 percent of mutual fund-owning households indicated that saving for retirement was one of their financial goals, with 71 percent saying it was their primary financial goal.

With such a wealth of information in this year's edition, narrowing the book down to five key takeaways is difficult! Be sure to explore

our [2022 Investment Company Fact Book](#) to learn more about the industry and identify your own most important findings.

*Staff members across ICI Strategic Communications contribute to various ICI publications, including ICI Viewpoints.*

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