

# The State of the Target-Date Market: 2017

Examining Asset Trends Across Providers, Products, Vehicles, Management Styles, and Key Features

## Overview

Sway's annual in-depth study of the Target-Date market is based on a proprietary database of mutual fund and collective trust Target-Date portfolio and asset data, which includes 128 different Target-Date series spread across 5,029 individual mutual fund share classes and CITs. The database includes assets as of year-end 2013 through 2016 for mutual fund Target-Dates, and year-end 2015 and 2016 for CIT Target-Dates. This data is harnessed to provide insights into shifts within the \$1.33 trillion Target-Date market, including across products and providers, investment vehicles, underlying investments, management styles, glide paths, and so on. The data was gathered from an array of sources, including contacts at Target-Date providers, plan intermediaries, public filings, and marketing collateral.



## Study Sections:

- I. Market Overview: Trends in Products and Across Providers
- II. Underlying Investments and Proprietary vs. Multi-Manager
- III. Active, Hybrid and Passive Management
- IV. Glide Path, To vs. Through, Increment, and Fees

## Report Contents:

80+ Pages  
51 Exhibits and 24 Data Tables

## This Research Will Help You

- Identify key opportunities to generate assets in the Target-Date space
- Expand sales by targeting the largest opportunities within Multi-manager Target-Date products
- Enhance Target-Date design and marketability
- Position Target-Date products against key competitors
- Measure the market share of Target-Date series, providers, and key features across the full universe of mutual fund and CIT offerings

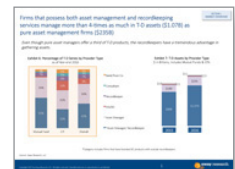
## Key Findings

- Assets in T-D mutual fund and CIT portfolios reached \$1.3T in 2016 – a 20% rise over 2015.
- Assets in CIT-based T-Ds grew at nearly twice the rate of mutual fund-based offerings in 2016.
- In 2016, assets in T-D mutual funds grew by a total of \$118B, but the 10 fastest-growing providers expanded by \$121B.
- Assets in Multi-manager T-Ds increased 13% in 2016.
- Assets in Passively-managed T-Ds surpassed Actively-managed T-Ds in 2016.

## Key Benchmarks/Analysis

Tables and exhibits reveal the market share and assets of mutual fund and CIT-based Target-Date solutions by:

- Provider, T-D Series and Provider Type
- Fund of Funds/ETF Format
- Proprietary, Non-Proprietary, or Multi-Manager Format
- Active, Hybrid and Passive Management
- Glide Path Type
- Tactical Glide Path Deviation
- "To" vs. "Through" Status
- Equity Landing Point
- 5- and 10-Year Increment
- Expense Ratio Quartile
- 12b-1 Fee Level



Sample pages.

Price: \$7,500

Order Form attached.

[www.swayresearch.com](http://www.swayresearch.com)

For more information contact:  
Chris J. Brown, Tel: 603.382.5300  
Email Us: [chris@swayresearch.com](mailto:chris@swayresearch.com)

## Sway Research Order Form:

Complete the form and scan and email to [chris@swayresearch.com](mailto:chris@swayresearch.com)

I would like to purchase **The State of the Target-Date Market: 2017** *Examining Asset Trends Across Providers, Products, Vehicles, Management Styles, and Key Features*. This license for internal use includes two printed reports and an electronic copy (with internal distribution rights), for which I agree to pay \$7,500 within 30 days of receipt of the report.

## Shipping and Billing Information:

---

Name

---

Title

---

Company

---

Address

---

City

State

Zip

---

Phone

---

Email

By signing below, I acknowledge that I am authorized to make this purchase on behalf of my company. I agree to the terms of use, which are that the report and its contents are for my company's internal use only. No study content is to be distributed outside of my company without the express written consent of Sway Research, LLC.

---

Signature

Date

For more information contact:  
Chris J. Brown, Tel: 603.382.5300  
Email Us: [chris@swayresearch.com](mailto:chris@swayresearch.com)



# Contents

	<b>Page</b>
<i>Foreword &amp; Methodology</i>	7
<i>Executive Summary: Key Themes, Findings, and Considerations</i>	8-10
<b>Exhibits &amp; Analysis</b>	
<i>Section I: Market Overview</i>	
1. Percentage of Target-Date Series and Assets by Investment Vehicle	12
2. Assets in Target-Date Portfolios by Investment Vehicle	12
3. Percentage of Long-term Mutual Fund Assets in Target-Date Portfolios	13
4. Net Flows to Long-term and Target-Date Mutual Funds	13
5. Percentage of Defined Contribution Plan Assets in Target-Date Portfolios	14
6. Percentage of T-D Series by Provider Type	15
7. T-D Assets by Provider Type	15
8. Market Share of T-D Assets by Provider Type	16
9. Market Share of T-D Assets by Category	17
10. Ranking the Market Share Leaders in T-D AUM: 2015 and 2016	18
11. Market Share Leaders 2015 and 2016: T-D Mutual Fund & CIT Assets	19
12. Market Share Leaders 2015 and 2016: T-D Mutual Fund Assets	20
13. Market Share Leaders 2015 and 2016: T-D CIT Assets	21
14. Top-15 Providers of T-D Assets: 2016	22
15. Fastest-Growing Providers 2013 to 2016: T-D Mutual Fund Assets	23
16. Fastest-Growing Providers 2015 to 2016: T-D Mutual Fund Assets	24
17. Fastest-Growing Providers 2015 to 2016: T-D CIT Assets	25
18. Market Share of Leading Mutual Fund T-D Series: 2015 to 2016	26
19. Market Share of Leading CIT T-D Series: 2015 to 2016	27

# Contents

## Exhibits & Analysis Cont.

	<b>Page</b>
<i>Section II: Underlying Investments and Proprietary vs. Multi-Manager</i>	
20. Percentage of T-D Series by Fund of Funds/ETF Status	30
21. T-D Assets by Fund of Funds/ETF Status	30
22. Market Share of T-D Assets by Fund of Funds/ETF Status	31
23. Percentage of T-D Series by Proprietary, Non-Proprietary, or Multi-Manager Status	32
24. T-D Assets by Proprietary, Non-Proprietary, or Multi-Manager Status	32
25. Market Share of T-D Assets by Proprietary, Non-Proprietary, or Multi-Manager Status	33
26. Largest Providers: Multi-Manager T-D Assets 2015 & 2016	34
<i>Section III: Active, Hybrid and Passive Management</i>	
27. Percentage of T-D Series: Active, Hybrid and Passive Management	36
28. T-D Assets by Active, Hybrid and Passive Management	36
29. Market Share of T-D Assets by Active, Hybrid and Passive Management	37
30. Largest Providers: Active T-D Assets	38
31. Largest Providers: Hybrid T-D Assets	38
32. Largest Providers: Passive T-D Assets	38
33. Largest T-D Series: Active Mutual Fund	39
34. Largest T-D Series: Active CIT	39
35. Largest T-D Series: Hybrid Mutual Fund	40
36. Largest T-D Series: Hybrid CIT	40
37. Largest T-D Series: Passive Mutual Fund	41
38. Largest T-D Series: Passive CIT	41

# Contents

## Exhibits & Analysis Cont.

	Page
<i>Section IV: Glide Path, To vs. Through, Increment, &amp; Fees</i>	
39. Percentage of T-D Series by Glide Path Structure	44
40. Growth of Tactical T-D Series: 2013 to 2016	44
41. Market Share of T-D Assets by Glide Path Structure	45
42. Percentage of Tactical Retirement T-D Series by Glide Path Deviation	46
43. Market Share of Tactical Retirement T-D Assets by Glide Path Deviation	46
44. Percentage of T-D Series by "To" vs. "Through" Status	47
45. Growth of "Through" Status T-D Series: 2013 to 2016	47
46. Market Share of T-D Assets by "To" vs. "Through" Status	48
47. Percentage of "Through" Retirement T-D Series and Assets by Equity Landing Point	49
48. Percentage of T-D Series by 5- and 10-Year Increment	50
49. Market Share of T-D Assets by 5- and 10-Year Increment	50
50. Market Share of T-D Mutual Fund Assets by Expense Ratio Quartile	51
51. Market Share of T-D Mutual Fund Assets by 12b-1 Fee Level	51

## Data Tables

	Page		Page
<i>A. Market Overview</i>		<i>D. Glide Path, To vs. Through, Increment, and Fees</i>	
1: T-D Series and Assets by Provider Type	54	16: T-D Series & Assets by Glide Path Structure	75
2: Largest T-D Providers - 1 to 50	55-57	17: Largest T-D Series with a Pre-determined Glide Path	76
3: Largest T-D Series - 1 to 100	58-62	18: Largest T-D Series with a Tactical Glide Path	77
<i>B. Investment Vehicle and Proprietary vs. Multi-Manager</i>		19: T-D Series & Assets by "To" vs. "Through" Status	78
4: T-D Series and Assets by Fund of Funds/ETF Status	63	20: Largest T-D Providers by "To" vs. "Through" Assets	79
5: T-D Series and Assets by Proprietary, Non-Proprietary, or Multi-Manager Status	64	21: Largest "To" Retirement T-D Series	80
6: Largest Multi-Manager T-D Providers	65	22: Largest "Through" Retirement T-D Series	81
7: Largest Multi-Manager T-D Series	66	23: T-D Series & Assets by 5- or 10-Year Increment	82
<i>C. Active, Hybrid and Passive Management</i>		24: Largest T-D Series: 10-Year Increment	83
8: T-D Series and Assets by Active vs. Passive Status	67		
9: Largest Providers: T-D Assets by Active, Hybrid, and Passive Products	68		
10: Largest Providers: Actively-Managed T-D Assets	69		
11: Largest Providers: Hybrid T-D Assets	70		
12: Largest Providers: Passively-Managed T-D Assets	71		
13: Largest Actively-Managed T-D Series	72		
14: Largest Hybrid T-D Series	73		
15: Largest Passively-Managed T-D Series	74		