



CollegeSavings
FOUNDATION

Advisory to Media:

College Savings Foundation Releases Data on Asset Types in Section 529 College Savings Plans: Fourth Quarter 2004

April 13, 2005 – The College Savings Foundation (CSF) has released its fourth quarter 2004 report on asset types in Section 529 college savings plans.

CSF’s Industry Data Committee assembles and maintains 529 plan market information provided by a cross section of industry firms.

In addition to the detailed asset data being released today, each quarter CSF also releases data tracking total 529 plan assets under management, working with Financial Research Corporation. As reported on Feb. 14, 2005, assets in 529 college savings plans totaled an estimated \$52.3 billion at the end of 2004’s fourth quarter.

Quarterly, detailed asset data collected and analyzed by CSF includes asset data by portfolio types, assets by sales class structure (load and no-load), and assets by equity/fixed income allocations.

Below are selected highlights from the fourth quarter report. Figures represent industry activity as of December 31, 2004 and are based on data provided by CSF members **representing \$18.4 billion in Section 529 plan assets – or 35.2% of the \$52.3 billion (total assets) Section 529 college savings plan industry** (total asset figure as of December 31, 2004).

Assets by Portfolio Type

Age-based portfolios represented 68.8% of 4Q04 total assets, followed by static, or fixed, portfolios, at 24.7%. Individual fund portfolios represent just 6.5% of assets. (An age-based portfolio is a fund of funds where the asset mix becomes more conservative as the beneficiary nears entry to college; a static portfolio is a fund of funds where the allocation remains fixed.) Individual fund portfolios have experienced the greatest year-to-date percentage gain in assets, at 45.7 percent, followed by age-based portfolios, at 35.1 percent.

<u>Portfolio Type</u>	<u>4Q04 Total</u>	<u>%</u>
Age-Based Portfolio	\$12,681.1	68.8%
Individual Fund	\$1,205.1	6.5%
<u>Static Portfolio</u>	<u>\$4,545.4</u>	<u>24.7%</u>
Total	\$18,431.6	100.0%
{ \$ in millions }		

Assets by Sales Class Structure: Load and No-Load

Of the \$18.4 billion in assets represented in the survey, more than \$7.0 billion (38% of the total) was held in no-load portfolios. Broker-sold shares represented about \$11.4 billion in assets, or 62% of the total.

Assets by Equity/Fixed Income Allocation

CSF examined the asset allocation mixes for a smaller sample – about \$7.6 billion -- of the overall survey asset total. Heavily **equity-oriented investment mixes comprise an overwhelming majority of these assets.**

<u>Equity/Fixed Income Mix</u>	<u>4Q04 Total Assets</u>	<u>% of Sub-Total</u>
0/100	\$333.6	4.4%
10/90	\$2.2	0.0%
20/80	\$337.6	4.4%
30/70	n/a	n/a
40/60	\$751.1	9.8%
50/50	\$752.7	9.8%
60/40	\$417.9	5.5%
70/30	\$977.7	12.8%
80/20	\$1,383.7	18.1%
90/10	\$1,041.6	13.6%
<u>100/0</u>	<u>\$1,666.1</u>	<u>21.7%</u>
Total	\$7,664.1	100.0%

{\$ in millions}

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Note to Editors: The College Savings Foundation (CSF) is a Washington, D.C.-based not-for-profit organization with the mission of helping American families achieve their education savings goals, by working with public policy makers, media representatives and financial services industry executives in support of education savings programs. CSF serves the education savings industry as a central repository of information and an expert resource for representatives of state and federal government, institutions of higher education and other related organizations and associations. A primary focus of CSF is building public awareness of and providing public policy support for 529 plans – an increasingly vital college savings vehicle. CSF’s members include firms that offer 529 college savings programs and/or participate in those programs as investment managers; associate members include law firms, accounting and consulting firms, governmental bodies and non-profit agencies and individuals who support CSF and its mission. www.collegesavingsfoundation.org

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