

The State of the Target-Date Market: 2023

Examining Asset Trends Across Providers, Products, Vehicles, Management Styles, and Glide Path Structures

Overview

This annual study is based on a proprietary database of mutual fund and collective trust Target-Date series, which included 130 Target-Date solutions as of Year-end 2022, spread across more than 6,000 mutual fund share classes and CITs. Sway harnesses this data to provide insights into shifts within the \$2.8 trillion Target-Date market, including across Target-Date series and providers, investment vehicles, underlying investments (fund of funds, ETFs, etc.), management styles (i.e., Active, Hybrid, Passive), glide path structures (i.e., To vs. Through, Tactical vs. Pre-determined), and so on. Leading Target-Date providers harness Sway's Target-Date research to measure performance, identify opportunities, and devise strategy.



Study Sections:

- I: Market Overview
 - II: Market Share Leaders
 - III: Underlying Investments and Proprietary vs. Multi-Manager
 - IV: Active, Hybrid and Passive Management
 - V: Fees and Returns
 - VI: Glide Path and Increments
- Data Tables
Leading Provider Profiles

Report Contents:

162 Pages, 86 Exhibits, 31 Data Tables and 17 Provider Profiles

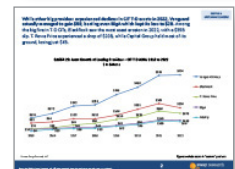
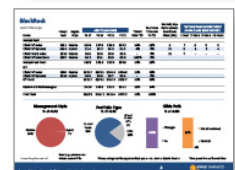
Key Findings

- Most providers experienced a double-digit drop in T-D assets in 2022. A majority of the series that managed to produce asset gains were CIT-based.
- Only four other firms—Fidelity, T. Rowe Price, BlackRock, and Capital Group manage more T-D assets than Vanguard lost in 2022.
- Relative newcomer, flexPATH Strategies, is now the 10th largest provider of T-D solutions
- T-Ds that invest in Passively-managed underlying funds finished 2022 with 60% share of T-D assets to 31% for Active T-Ds and 9% for Hybrid solutions.
- T-D expense ratios fell again in 2022 on an asset-weighted basis—to just 9 basis points. Five Passive T-D series now possess a single-digit expense ratio for the lowest cost share class.

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 and Multi-Manager Format
- Active, Hybrid and Passive Management
- Asset-weighted Expense Ratio and Returns
- Fee and Returns of Lowest-cost Shares
- Multi-Glide Path (i.e., Cons, Mod, Agg) Products
- Third-Party Trust Companies
- Tactical Glide Path Deviation
- “To” vs. “Through” Status
- Equity Landing Point
- Target-Date Increment

A sample page from the report showing a data table with multiple columns and rows of numerical data. The text above the table is partially legible, mentioning "Target-Date solutions" and "assets".

Sample pages.

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Order Form attached.

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