

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

According to Charles Schwab's [SDBA Indicators Report](#), an benchmark on retirement plan ...

Aug. 26, 2020



The average account balance across all participant accounts finished Q2 2020 at \$285,616, a 3.3% increase year-over-year and a 13% increase from Q1 2020. That's according to Charles Schwab's [SDBA Indicators Report](#), an benchmark on retirement plan participant investment activity within self-directed brokerage accounts (SDBAs)

SDBAs are brokerage accounts within retirement plans, including 401(k)s and other types of retirement plans, that participants can use to invest retirement savings in stocks, bonds, exchange-traded funds, mutual funds and other securities that are not part of their retirement plan's core investment offerings.

The second quarter SDBA Indicators Report also showed trading volumes were

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

The data also reveals specific sector holdings within each investment category:

- **Mutual funds:** Large-cap funds had the largest allocation at approximately 31% of all mutual fund allocations, followed by taxable bond (21%) and international (14%) funds.
- **Equities:** Information technology remained the largest equity sector holding at 30%, up from 29% in Q1 2020. Apple (AAPL) continues to be the top overall equity holding, comprising 11% of the equity allocation of portfolios. The other equity holdings in the top five include Amazon (AMZN) (7.1%), Microsoft (MSFT) (3.5%), Tesla (TSLA) (3.0%), and Berkshire Hathaway (BRKA) (1.9%).
- **ETFs:** Among ETFs, investors allocated the most dollars to U.S. equity (47%), followed by U.S. fixed income (18%), international equity (12%) and sector ETFs (12%).

Report Highlights

- On average, participants held 10.5 positions in their SDBAs at the end of Q2 2020, which has remained consistent both year-over-year and quarter-over-quarter. Baby Boomers held more positions in their SDBA than other generations (11.9 vs. Gen X: 10.3, Millennials: 7.9).
- Gen X made up approximately 43% of SDBA participants, followed by Baby Boomers (36%) and Millennials (15%).
- Baby Boomers had the highest SDBA balances at an average of \$418,743, followed by Gen X at \$231,798 and Millennials at \$76,282.
- Gen X had the most advised accounts at 46%, followed by Baby Boomers (40%) and Millennials (11%).
- Mobile trades were most popular among Millennials (33%), followed by Gen X (28%) and Baby Boomers (20%).

About the SDBA Indicators Report

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

(PCRA), ranging from asset allocation trends and asset flow in various equity, exchange-traded fund and mutual fund categories, to age trends and trading activity. The SDBA Indicators Report provides insight into PCRA users' perceptions of the markets and the investment decisions they make.

Data contained in this quarterly report is from the second quarter of 2020, and can be found [here](#), along with prior reports.

Payroll • Technology

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved