

(The following letter and material was received by the committee:)

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., November 6, 1967.

Hon. JOHN E. MOSS,
Chairman, Subcommittee on Commerce and Finance, Committee on Interstate
and Foreign Commerce, House of Representatives, Washington, D.C.

DEAR MR. MOSS: Enclosed are the responses to your requests of October 26, 1967. They include:

1. A table showing net assets, total expenses and advisory fees, and fee rates and expense ratios for all active mutual funds which had reported a full year's operations on June 30, 1967;

2. A table showing the basic management fee rate, and each level at which that rate is reduced, for mutual funds registered with the Commission;

3. The Commission's June 30, 1967 index of active registered investment advisers, principal underwriters, sponsors and underlying companies (may be found in committee's files);

4. A table showing the income, expenses and profits of 13 publicly held advisory organizations;

5. A table showing the sales loads, and breakpoints for quantity purchases, of mutual fund shares;

6. Two tables showing sales and redemptions of mutual fund shares by size of fund for the sixteen months ended September 30, 1967.

With respect to item 3, I would like to point out that additional data for earlier years may be found in tables III-8 and III-9, at pages 122 and 124 of our Report. These tables are limited to organizations which are required to publish reports under the 1934 Act because they are publicly held. Attempts by the Commission to obtain such data on a regular basis from other advisory organizations have been opposed by the industry.

The tables referred to in item 6 show that of 158 funds reporting data, 110 were in a net sales status for the 16 months ended September 30, 1967. Of the 48 that were in a net redemption status, 12 were not offering shares, and 28 of the remaining 36 had average net assets of under \$100 million during this period. The 36 funds offering shares that were in a net redemption status accounted for a total of \$165 million in net outflow, with about 27 percent of that figure coming from one large fund. The 110 funds in a net sales status had about \$4 billion in net sales, with over \$3 billion coming from the 65 funds in which sales were more than double redemptions.

I hope we have been responsive to your requests.

Sincerely,

MANUEL F. COHEN, *Chairman.*

Enclosure.

ITEM 1

Name of fund	Net assets as of June 30, 1967 (thousands)	Total expenses (thou- sands)	Advisory fee (thou- sands)	Expense ratios (percent)	Advisory fee rate (percent)
1. Investors Mutual, Inc.	\$2,660,836.5	\$9,743.9	\$9,743.9	0.34	0.34
2. United Funds, Inc.	2,433,744.6	9,047.7	8,529.4	.39	.38
3. Massachusetts Investors Trust.	1,967,048.8	3,933.6	2,749.0	.19	.14
4. Wellington Fund, Inc.	1,849,140.1	7,286.7	4,838.2	.38	.26
5. Investors Stock Fund, Inc.	1,692,047.6	6,337.1	6,337.1	.36	.36
6. Dreyfus Fund Inc.	1,634,845.5	8,870.0	7,497.7	.59	.50
7. Affiliated Fund, Inc.	1,227,065.2	4,160.1	3,027.8	.33	.24
8. Fundamental Investors, Inc.	1,086,646.2	5,752.2	4,717.9	.51	.42
9. Insurance Securities Trust Fund, as sponsored by Insurance Securities, Inc.	1,083,099.6	6,345.5	6,345.5	.58	.58
10. Fidelity Trend Fund, Inc.	983,109.6	4,780.6	3,814.1	.54	.43
11. Massachusetts Investors Growth Stock Fund, Inc.	890,853.5	3,137.1	1,778.1	.35	.20
12. National Securities Series.	757,636.3	4,492.2	3,213.4	.78	.56
13. Fidelity Fund, Inc.	605,037.0	3,079.3	2,444.8	.50	.40
14. Investors Variable Payment Fund, Inc.	576,215.2	1,673.5	1,673.5	.34	.34
15. Investment Co. of America.	561,591.4	2,809.6	1,846.5	.52	.34
16. National Investors Corp.	554,563.7	1,035.9	528.0	.19	.10
17. Television-Electronics Fund, Inc.	545,671.0	2,990.1	2,097.5	.62	.43
18. Hamilton Funds, Inc.	489,971.7	3,180.1	2,521.3	.66	.50
19. Puritan Fund, Inc.	478,315.8	2,232.1	1,753.6	.49	.38
20. Fidelity Capital Fund, Inc.	425,176.9	2,276.5	1,786.0	.59	.46
21. Chemical Fund, Inc.	411,280.6	1,626.4	1,268.6	.38	.30