

# InvestorDaily

Wealthy investors favour SMSFs

**Popular among HNW individuals**

Darin Tyson-Chan

Tue 08 Mar 2011

A soon-to-be-released analysis of superannuation trends confirms the popularity of self-managed superannuation funds (SMSF) among high net worth (HNW) individuals.

Preliminary results obtained from the Investment Trends December 2010 HNW Investor Report showed SMSFs became more popular as portfolios swelled.

The study found 29 per cent of investors with a portfolio value of between \$250,000 and \$500,000 had an SMSF.

This segment of HNW individuals with an SMSF jumped to 47 per cent for those with a portfolio valued between \$500,000 and \$1 million.

And in keeping with this trend, the report showed 70 per cent of people with a portfolio balance of between \$1 million and \$2.5 million owned an SMSF and 84 per cent of investors with a portfolio of \$10 million or more had this type of superannuation structure.

In all, 28 per cent of SMSFs contained assets valued at \$1 million or more. They accounted for 70 per cent of all SMSF assets held.

The Investment Trends survey determined there were 310,000 HNW investors in total and 231,000 were using an SMSF. The study also found that group held \$358 billion worth of assets in their various funds.

In relation to asset classes, the report indicated the popularity of direct shares was also linked to the balance held in the SMSF.

According to the survey, SMSFs with balances over \$1 million had 41 per cent of their portfolios allocated to direct shares, while SMSFs with under \$1 million allocated 32 per cent of their portfolios to the same asset class.

In contrast, managed funds were more popular with funds containing less than \$1 million in assets and made up 13 per cent of portfolios compared to a 10 per cent allocation by funds with a balance over \$1 million.

The survey was conducted online between November and December 2010 and

The survey was conducted online between November and December 2010 and received 7811 valid responses.

---

This story appeared on [InvestorDaily.com.au](http://InvestorDaily.com.au) ©2006 InvestorDaily