

Money: Superannuation

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DIY investors stick to super strategy

By **Anthony Keane** September 23, 2008 06:42am

- ✦ Most DIY super funds are sticking to long-term plans
- ✦ 25 per cent see slump as a buying opportunity
- ✦ [More super news in our Money section](#)

TWO-THIRDS of Australia's 379,000 self-managed superannuation funds are leaving their long-term investment plans unchanged despite the tumbling share markets.

A survey by AMP Capital and Investment Trends found 66 per cent were maintaining their strategy and 25 per cent saw the slump as a buying opportunity.

Forty-six per cent of funds had incurred only paper losses and had not sold assets. Only 1 per cent of fund members said they would have to delay retirement because of fund losses.

Self-managed super funds have between one and four members and federal government figures say the average fund size is \$820,000 and the average member balance is \$435,000.

The 2008 SMSF Investor Report, which surveyed more than 2500 funds between May and July, found just 7 per cent recently had invested significant new money into shares.

AMP Capital Investors business director Brian Delaney said many SMSF investors were waiting for market conditions to stabilise before investing their excess cash.

"The report also found 49 per cent of SMSF investors are using a financial planner or specialist superannuation consultant to help with investment decisions," he said.

Investment Trends principal Mark Johnston said that in the current climate, it was difficult to convince SMSFs to invest in anything other than blue-chip shares or term deposits.

The report found 55 per cent of SMSF investors would like more assistance in running their fund. Nineteen per cent sought investment advice while 12 per cent wanted help with regulations and compliance.

"Choosing what to invest in, working out accounting fees and charges are some of the hardest aspects of running as SMSF," Mr Johnston said.

"We can see that despite these challenges, investors think it is becoming easier to administer their funds compared with previous years."

Where to invest?

* Blue-chip shares are the favourite destination of self-managed super funds, with 61 per cent planning to buy them within 12 months.

* The next favourite was high-yielding shares at 21 per cent.

* Resource stocks would be bought by 21 per cent of SMSFs.

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