

Thursday 04 December 2008

SMSFs rise as market trembles

The investment industry saw a jump in the number of self-managed super funds (SMSF) created in the March to June quarter of this year, according to research on SMSF investment trends released by **AMP Capital Investors**.

Over 10,000 new SMSFs were created in that period, a rise of almost 4,000 over the previous quarter.

AMP Investor Trends principal Mark Johnston said the number of people taking up SMSFs had increased because of the bear market.

The industry has generated \$950 million in revenue for the planning industry in 2008, or 23 per cent of revenue, an increase from \$890 million in 2007. Financial planners estimate total revenue to rise to 32 per cent of revenue within three years. Average fees per client have grown by \$600 since last year.

However, the percentage of SMSFs using financial planners has dropped by more than 10 per cent in the May to June quarter, and the percentage of financial planners advising SMSF investors has grown only slightly over the last three years, from 72 to 75 per cent.

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