



## NERVES GROWING

Over the past few years the growing army of self-managed super funds has been the biggest group of buyers in the sharemarket, but now they might be getting nervous, despite the impressive yields on offer from the bank shares.

Jordan Eliseo, the chief economist at ABC Bullion, says the SMSF army has been piling into gold.

Whether that proves to be a winning strategy remains to be seen but it's a sign they are looking to preserve their capital and have been put off shares by the extreme volatility witnessed this year.

Record high house prices means the property sector is also off limits to them.

It's probably not surprising. Even before this year's sell-off in the sharemarket the self managed fund army saw around \$45 billion of value wiped from their portfolios in the last three quarters of 2015.

Brokers are now recommending investors to go for the three "S" in shares – stability, safety and strength. But where do investors get that?

Just outside the top 10 shares by market cap are Transurban, Macquarie Group and Brambles.

One of the most striking trends last year was the performance of small caps, long considered to be the very risky end of the sharemarket spectrum.

They still are, but for now they are also the only real avenue to growth.