Adelaide University

Self-managed super fund performance

2023–2024

Contents

Executive Summary

This research note presents findings from a joint venture between the SMSF Association and Adelaide University's International Centre for Financial Services (ICFS). The underlying work examines the financial performance of a large sample of self-managed superannuation funds (SMSFs) for the 2023–2024 financial year. Our analyses rely on data from over 400,000 unique SMSFs for the period (i.e., more than 65% of the available SMSFs in Australia).

The key findings of the research are outlined below:

- Based on median rates of return, we observe that SMSFs underperform APRA funds by 1.4% during the 2023-24 financial year:
  - Median SMSF ROR was 7.2%.
  - Median APRA fund ROR was 8.6%.

  This performance differential is 0.4% narrower than in the prior period (FY 2022-23).

- Based on mean rates of return, we observe that SMSFs outperform APRA funds by 0.1% during the 2023-2024 financial year (with data truncation at ~5%):
  - Mean SMSF ROR was 8.4%.
  - Mean APRA fund ROR was 8.3%.

  This is a reversal on the prior period performance differential and represents an overall swing of 1.0% mean ROR in favour of the SMSF sector between FY23 and FY24.

- Consistent with prior studies, we again find a substantial difference in the SMSF and APRA fund performance distributions. Our data indicate that the middle 50% of SMSFs achieve RORs of between 1.9% and 13.0% in FY24, whereas the middle 50% of APRA funds achieve RORs of between 8.0% and 9.5% over the same period.
  - Upper tail distributional differences explain the observed median-mean performance split, where APRA funds outperform at the median, but SMSFs outperform at the mean. A large minority of SMSFs (~25%) achieve rates of return that are significantly above the typical performance of an individual fund (i.e., $\geq$ 13%), pulling mean SMSF performance higher across the sector.

- We find that, on aggregate, the SMSF sector consistently outperforms APRA funds over successive rolling 5-year periods. Annualised SMSF rates of return, based on geometric means, are approximately between 1.1% and 1.3% higher than the equivalent APRA fund metric for the five year periods ending in the 2022, 2023, and 2024 financial years.

Section 1: Project overview and objectives

This research note continues a joint research venture between the SMSF Association (SMSFA) and Adelaide University's International Centre for Financial Services (ICFS). The project examines the financial performance of self-managed superannuation funds (SMSFs) for the 2023-2024 financial year, extending earlier work on SMSF performance over the 2017-2023 period (see Mihaylov and Zurbruegg, 2022; Mihaylov, Cheong and Zurbruegg, 2023; Mihaylov, Obaydin and Zurbruegg, 2024; Mihaylov, Indriawan and Zurbruegg, 2025). The research relies on median Rate of Return (ROR) measures for SMSF performance to ensure that the results are directly comparable with those produced by the Australian Prudential Regulation Authority (APRA) for APRA-regulated funds. The analytical methods applied here, including the approach taken to generate SMSF RORs, replicate the approach outlined in Mihaylov and Zurbruegg (2022: pp. 6-9).

Our focus is to provide an update on SMSF performance, benchmarked to the APRA fund sector, for the financial year ending June 2024. We also verify the robustness of our primary results to using mean RORs instead of median RORs (see Appendix for details).

Section 2: Analyses and results

2.1 Sample

The sample made available for this project, jointly by BGL Corporate Solutions, Class Limited, and SuperMate™, is again a significant point of strength and differentiation for the research we present. We observe the financial performance of over 401,000 unique SMSFs during FY 2024. The data collected contains 29 line items for each SMSF along with fund net assets at the beginning of the financial year, captured using the prior period closing net asset balance for each fund. Table 1 presents a summary of the sample size, highlighting the sampling proportion as a percentage of the full population of SMSFs. The sampling proportion for the study is 65.4%, roughly in line with prior studies, but 3.6 percentage points lower than the prior period sampling ratio of 69.0% (see Mihaylov, Indriawan and Zurbruegg, 2025).

Table 1. Sample size and sampling proportion

	2023-2024
Sampled SMSFs	401,684
Total SMSFs	614,613
Sampling proportion	65.4%

Note: The sampling proportion is calculated as the ratio between the number of sampled SMSFs available for this study and the total number of registered SMSFs listed in APRA's Annual Superannuation Bulletin as of June 2024 (Table 1a, APRA 2025b), with this latter figure subject to revision by APRA.

2.2 SMSF performance

In this section, we calculate headline SMSF performance results in line with our prior research and the method outlined in Mihaylov and Zurbruegg (2022: pp. 6-9). To ensure compatibility with the equivalent metrics published for APRA funds, we report ROR medians along with 25th and 75th percentiles for ROR spread, based on our sample of 401,684 individual SMSFs. The results are displayed in Table 2.

Table 2. Headline SMSF and APRA fund performance – 2023-24

	25th Percentile	Median ROR	75th Percentile
Sampled SMSFs[1]	1.9%	7.2%	13.0%
APRA funds[2]	8.0%	8.6%	9.5%

Notes: Data is not truncated since extreme observations do not materially influence medians and $25^{th}/75^{th}$ percentiles.
1. Annual sample size for the full sample of SMSFs is: N_{2024} = 401,684.
2. The number of APRA funds with available performance data is: N_{2024} = 85 (Table 3a, APRA 2025a).

The results in Table 2 show that during the expansionary financial environment of FY 2024, SMSFs, on aggregate, underperformed the APRA fund sector by 1.4% (7.2% versus 8.6% median ROR). Performance dispersion is also greater among SMSFs, consistent with our observations from prior years (Mihaylov and Zurbruegg, 2022; Mihaylov, Cheong and Zurbruegg, 2023; Mihaylov, Obaydin and Zurbruegg, 2024; Mihaylov, Indriawan and Zurbruegg, 2025). This means that the top 25% of SMSFs outperform the top 25% of APRA funds (13.0% versus 9.5% at the 75th percentile), while the bottom 25% of SMSFs underperform the bottom 25% of APRA funds (1.9% versus 8.0% at the 25th percentile). We further note two additional trends relative to prior years. First, consolidation in the APRA fund sector continued, with the total number of APRA funds reporting reducing from 96 in FY23 to just 85 in FY24 (APRA, 2025a). Second, we highlight that the degree to which APRA funds are 'benchmark hugging' seems to have stabilised, with the 25th–75th percentile range increasing slightly, from 1.3% in FY23, to 1.5% in FY24.

Feedback from industry experts on prior editions of this research has prompted us to also examine the robustness of our primary results in Table 2 to using an arithmetic mean measure of aggregate SMSF ROR (alongside our primary median metric). We report on this alternative approach in the Appendix, along with some of the limitations and subsequent assumptions that underpin that analysis. Interestingly, the results for FY24 are novel in that they show a reversal in the general tone of our results from Table 2 above. While we find that in FY24 SMSFs underperform relative to APRA funds at the median (by 1.4%, see Table 2), SMSFs outperform the APRA fund sector at the mean (by 0.1%, see Table A2). While we are not surprised to see a mean-median variation in outcomes (given what we know about differences in the skewness of the performance distributions for both fund types), this finding is new in the sense that it is the first time we have observed ROR skewness severe enough to flip the performance relationship. This is indicative of a higher rate of extreme performance outcomes across either one, or both, cohorts. To adjust for this, we increased our truncation rate (i.e., the rate at which we remove extreme outliers from both ends of the performance distributions) from 2% to 5% (see Appendix and Mihaylov, Indriawan and Zurbruegg, 2025, for further details).

2.3 Annualised rates of return

We conclude our analyses in Table 3 by replicating APRA's method for calculating 5-year annualised RORs based on geometric averages of the mean (not median) SMSF sector ROR for each of the five most recent financial years.[1] We do this for rolling 5-year windows between the 2017-18 and 2023-24 financial years, benchmarking these results against the equivalent statistics published for APRA funds in APRA's Annual Superannuation Bulletin (APRA Table 2, 2025b).

Table 3. SMSF 5-year annualised rates of return

Individual financial year	Annual ROR	Annual ROR	Annual ROR
2017 – 2018	8.0%	–	–
2018 – 2019	7.3%	7.3%	–
2019 – 2020	0.7%	0.7%	0.7%
2020 – 2021	17.8%	17.8%	17.8%
2021 – 2022	-0.1%	-0.1%	-0.1%
2022 – 2023	–	7.7%	7.7%
2023 – 2024	–	–	8.4%

5-year annualised ROR	June 2022	June 2023	June 2024
SMSF sector	6.5%	6.5%	6.7%
APRA fund sector #	5.2%	5.3%	5.6%

Notes: Annual SMSF RORs are extracted from Mihaylov and Zurbruegg (2022), Mihaylov, Cheong and Zurbruegg (2023), Mihaylov, Obaydin and Zurbruegg (2024), Mihaylov, Indriawan and Zurbruegg (2025). The values in this table are based on mean SMSF RORs (not median RORs), where the underlying samples are truncated to minimise the influence of outlier ROR observations (see Appendix for details).
APRA fund 5-year annualised RORs are obtained from APRA's Annual Superannuation Bulletin for entities with more than four/ six members (Table 2, APRA 2025b).

[1] Where 5-year annualised RORs in year t are equal to:

$$\left((1 + ROR_t) \times (1 + ROR_{t-1}) \times (1 + ROR_{t-2}) \times (1 + ROR_{t-3}) \times (1 + ROR_{t-4})\right)^{0.2} - 1$$

The results in Table 3 evidence the strong financial performance of the SMSF sector, relative to the APRA fund sector, aggregated across multiple 5-year periods. Over the five years ending in the 2021-2022 financial year, our data suggest that SMSFs outperformed APRA funds by 1.3% annualised ROR (6.5% versus 5.2%). This result extends to the five year periods ending in FY 2023 and FY 2024, where we estimate that, on aggregate, the SMSF sector outperformed the APRA fund sector by 1.2% and 1.1% on an annualised basis, respectively.

Section 3: Conclusion

The results presented here contribute to the existing evidence on the financial performance of the SMSF sector. Extending our work over the years 2017-2023, we show that SMSFs can underperform the APRA fund sector, in specific years, when financial performance is captured using median RORs. This result is particularly typical of years characterised by financial expansion and market growth, and now includes the 2023-2024 financial year. Extending our analyses further, we also examine aggregated performance using mean RORs, showing (i) that SMSFs outperform the APRA fund sector under the alternative metric in FY24, and (ii) that over three rolling five-year windows, the SMSF sector has outperformed APRA funds by an estimated 1.1% p.a. to 1.3% p.a.

Appendix

This Appendix provides details on the methods applied to extend our primary fund performance analysis, which is based on median RORs, to also consider APRA fund and SMSF performance in the context of mean RORs. Consistent with our prior approach, we truncate the data available for this robustness check (see Table A1) because the SMSF and APRA fund raw return distributions are both skewed in FY 2024. However, we also note an important adjustment from our prior work – we previously used a truncation target rate of 2% (see Mihaylov, Indriawan and Zurbruegg, 2025), but we now apply a 5% truncation target rate due to a greater number of negative extreme outliers in the APRA fund ROR distribution (see APRA, 2025a).

Table A1. Data truncation

	APRA funds	SMSFs
2024 (5% Truncation target)		
Total funds	85	401,684
Excluded funds	4	18,904
Actual truncation rate (%)	4.70	4.70

Note: Target truncation rate of 5% is industry standard. Actual truncation rates differ from the target rate based on the need to exclude an even number of whole funds from the smaller APRA population. In each case, the excluded funds totals listed in this table are taken in equal parts from either end of the ROR distribution for each fund class. So, for example, of the 18,904 SMSFs that were removed from the sample in 2024, 9,452 were taken from the extreme left of the ROR distribution (worst-performing funds) and 9,452 were taken from the extreme right of the ROR distribution (best-performing funds).

We next calculate mean RORs for both our sampled SMSFs and the APRA fund population in FY 2024 (see Table A2). While we observe a higher mean SMSF ROR (8.4%) relative to the median SMSF ROR over the same period (7.2%), APRA fund mean (8.3%) and median (8.6%) RORs remain approximately equal. This observation suggests that the subsequent results should be interpreted with caution – despite removing the influence of the most extreme ROR outliers from each distribution, other distributional differences between SMSF and APRA fund returns persist. Changes in the mean performance results, relative to the median results, likely reflect these systematic patterns (i.e., skewness in the underlying return distributions). Nevertheless, we find that APRA fund outperformance in FY 2023-2024 reverses when we switch between median and mean measures. That is, while the APRA fund sector outperforms

the SMSF sector at the median (8.6% to 7.2%, see Table 2), when using mean RORs to capture aggregated performance that relationship reverses, SMSFs now outperform the APRA fund sector (8.4% to 8.3%, see Table A2).

Table A2 also confirms the distributional differences between the two cohorts. In line with the larger 25th-to-75th percentile spread for SMSFs (see Table 2), the mean ROR SMSF distribution also returns a larger standard deviation relative to the APRA fund equivalent (11.5% to 2.5%), suggesting greater fund-level performance variability for SMSFs. This finding is consistent with prior studies (e.g., see Mihaylov and Zurbruegg, 2022). Likewise, we note that the fund-level performance distributions have opposite skewness to one another – APRA fund RORs are negatively skewed (-2.42) in 2024, whereas SMSF RORs are positively skewed (1.19) over the same period. To interpret this observation, note that the APRA mean is being influenced by atypical performance outcomes in the left tail of its distribution (i.e., a minority of APRA funds are pulling the APRA fund mean ROR lower), whereas the SMSF mean is being influenced by atypical performance outcomes in the right tail of its distribution (i.e., a minority of SMSFs are pulling the SMSF mean ROR higher).

Table A2. Robust results based on arithmetic mean RORs

	APRA funds	**SMSFs**
2024 (5% Truncation target)		
Mean ROR (%)	8.3	8.4
ROR standard deviation (%)	2.5	11.5
ROR distribution skewness	-2.42	1.19

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