

PRESS RELEASE

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PLATFORMS SHAKE OFF MARKET CORRECTION WITH STRONG FLOWS IN Q3

With a stock market correction of 8% during the quarter, it was no surprise that platform assets shrank by 0.7% to £377bn — robust flows and a strong interest in all things pensions cushioned platforms from the worst. Fundscope’s Q3 Platform Report showed that gross flows were slightly lower than the last quarter at £24bn, but net flows rose to a new high of £13bn¹. On a YTD basis, gross sales were £72bn v £60bn in 2014, while net sales were £35bn v £30bn the previous year.

Bella Caridade-Ferreira CEO of Fundscope said “In spite of economic uncertainty across three continents and a marked stock-market correction, platforms held their own in the third quarter. Pent-up demand for pensions and transfers was a big driver of flows, and this high-octane pace should continue until the end of the year at least.”

TOP 5 PLATFORMS BY GROSS SALES IN Q315 (£m)	
Cofunds	£5.3bn
Fidelity	£2.4bn
Hargreaves Lansdown (est)*	£2.2bn
Old Mutual	£1.7bn
James Hay	£1.7bn

TOP 5 PLATFORMS BY NET SALES IN Q315 (£m)	
James Hay	£1.6bn
Cofunds	£1.4bn
Hargreaves Lansdown (est) *	£1.3bn
Standard Life	£1.3bn
Alliance Trust Savings	£1.2bn

TOP 5 PLATFORMS BY GROSS SALES IN 2015 (£m)	
Cofunds	£16.3bn
Fidelity	£8.7bn
Hargreaves Lansdown (est)*	£8.0bn
Old Mutual	£5.1bn
Standard Life	£4.6bn

TOP 5 PLATFORMS BY NET SALES IN 2015 (£m)	
Hargreaves Lansdown (est)*	£5.2bn
Standard Life	£3.6bn
Aegon*	£2.9bn
Cofunds	£2.5bn
Zurich	£2.4bn

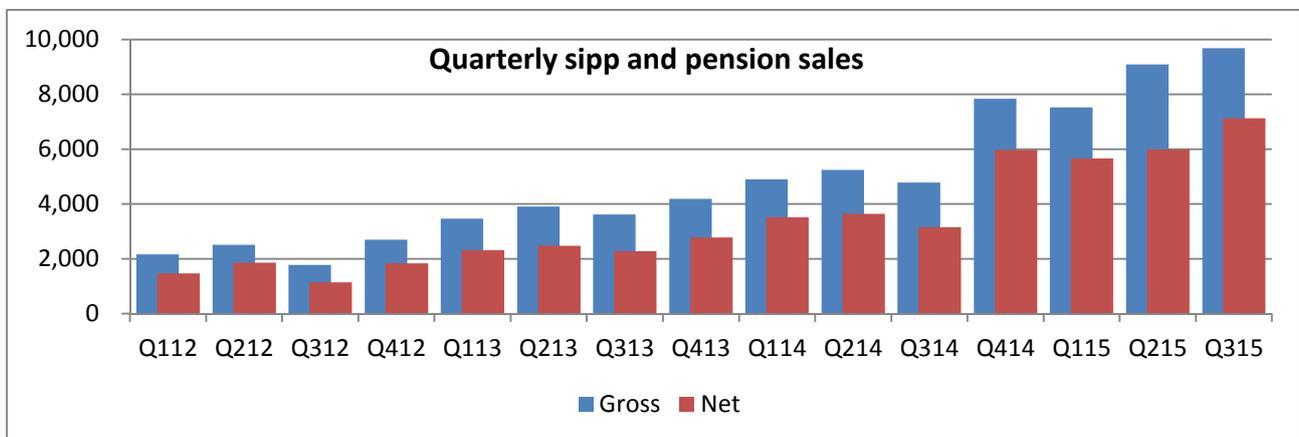
As expected, the large platforms dominated the gross sales table, but there were some surprises in the net sales arena. Punching well above its weight due to pension expertise was the James Hay

¹ In Q2 gross sales totalled £24.8bn and net sales were £11bn.

platform with net flows of £1.6bn. In particular, it benefited from the bulk transfer of Towry Sipp accounts during the quarter. Despite a mature book of business and a lower net/gross sales ratio, Cofunds moved into second place with net flows of £1.4bn, again thanks to pension-related activity. For the year to date, Cofunds is also fourth for net sales.

Sipps and pensions represent circa 30% of platform assets, but they account for 40% of gross flows and 54% of net flows. “Volumes have been rising fast. Pension sales in Q315 represented a twofold increase on the same quarter in 2014. We’re still very much in a transitional period with flows yet to settle down to a more stable pattern, nonetheless pension freedom is and will continue to be a boon for platforms,” said Caridade-Ferreira.

PRODUCTS (£bn)	ISAs	Pensions/ Sipps	DC/ Workplace	Rest	Total
AUA	107.3	115.8	24.3	129.6	377.1
Q315 gross flows	3.6	9.7	1.1	9.7	24.1
YTD gross flows	13.7	26.3	4.1	27.6	71.7
Q315 net flows	1.7	7.1	0.3	4.0	13.1
YTD net flows	7.2	18.7	1.0	7.9	34.8



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Notes to Editors:

The Platform Report is a confidential report published by Fundscape LLP. To subscribe to the report, platforms must contribute asset and sales data on a quarterly basis. For further information about the report and Fundscape, please visit www.fundscape.co.uk.

A total of 19 platforms are included in the analysis. Platform coverage is estimated at 98% of the platform universe.

*For timing reasons and because the data is market sensitive, Hargreaves Lansdown reports its figures to Fundscape a quarter in arrears. The figures shown here have been estimated from actual Q215 data and historical trends. Aegon is not a contributor. Its figures are estimated from actual Q2 figures.

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