

PRESS RELEASE

IMMEDIATE RELEASE

PLATFORMS GO FROM STRENGTH TO STRENGTH

Momentum continued to build in the platform industry during the second quarter as pension freedom and ISA business drove investment. Market growth was neutral in the second quarter, but assets under administration rose by £19bn (4%) to £539bn, while gross and net sales again climbed to new highs of £34bn and £14.4bn respectively.

TOP 5 PLATFORMS BY ASSETS IN Q217 (£bn)	
Cofunds	£89.3bn
Hargreaves Lansdown (est)*	£78.2bn
Fidelity	£76.2bn
Standard Life (inc Elevate)	£49.2bn
Old Mutual	£47.1bn

TOP 5 PLATFORMS BY ASSET GRTH IN Q217 (%)		
Aegon	£2.1bn	13.6%
Aviva	£1.6bn	11.4%
AJ Bell	£1.5bn	5.3%
Zurich	£1.2bn	5.0%
7im	£0.3bn	4.7%

Gross sales in the second quarter jumped to £34bn — up 13% on the previous quarter, and 37% on the same quarter of 2016. Year-to-date sales stand £63bn. Net sales of £14.4bn were also healthy, representing a 6% increase on Q117 and a breath-taking 50% increase on the same quarter of 2016. Year-to-date sales stand at £28bn. Apart from Hargreaves and Cofunds, platforms in the top five by net sales were there by dint of exceptionally strong sipp and pension sales.

TOP 5 PLATFORMS BY GROSS SALES Q217 (£m)	
Cofunds	£6.8bn
Fidelity	£4.8bn
Hargreaves Lansdown (est)*	£3.4bn
Standard Life	£2.7bn
Old Mutual	£2.5bn

TOP 5 PLATFORMS BY NET SALES Q217 (£m)	
Aegon	£1.9bn
Hargreaves Lansdown (est)*	£1.9bn
Standard Life	£1.8bn
Aviva	£1.5bn
Cofunds	£1.2bn

TOP 5 PLATFORMS BY GROSS SALES 2017 (£m)	
Cofunds	£12.3bn
Fidelity	£7.9bn
Hargreaves Lansdown (est)*	£6.8bn
Standard Life	£5.5bn
Old Mutual	£4.9bn

TOP 5 PLATFORMS BY NET SALES 2017 (£m)	
Hargreaves Lansdown (est)*	£4.0bn
Standard Life	£3.7bn
Aegon	£3.2bn
Aviva	£2.8bn
Old Mutual	£2.1bn

Bella Caridade-Ferreira, CEO of Fundscape said, “It was another exceptional quarter for the platform industry. With gross and net sales of £6.3bn and £3bn respectively, ISA business was the second best on platform industry records thanks to a combination of last-minute and early-bird investors taking advantage of their ISA allowances in April. Nonetheless, the real momentum came from pension flows. With the advent of pension freedoms, investors and their advisers are reorganising and consolidating pensions on one platform. As a result of high transfer values, defined benefit transfers into DB schemes are also a defining factor of the pension trend.”

Q217 ASSETS AND SALES BY PRODUCT					
	ISAs	Sipps & pensions	DC pensions	Rest	Total
Assets	£146.9bn	£168.3bn	£54.2bn	£169.9bn	£539.3bn
%	27.2%	31.2%	10.0%	31.5%	100.0%
Gross	£6.2bn	£12.2bn	£4.2bn	£10.9bn	£33.5bn
%	18.6%	36.4%	12.4%	32.5%	100.0%
Net	£3.0bn	£9.0bn	£0.6m	£2.3bn	£14.4bn
%	21.4%	62.4%	0.5%	15.7%	100.0%

Caridade-Ferreira said, “Setting aside any Brexit-related slowdown and the impact of MiFID2 and other regulations in the pipeline, we expect pension business to continue to drive strong platform activity in the mid to long term. As a result of the focus on pensions, future platform enhancements will be targeted at delivering the best possible retirement products coupled with the investment solutions to manage them.”

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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.

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