

PRESS RELEASE

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RECORD SALES FOR PLATFORMS IN THE SECOND QUARTER

The second quarter kicked off with a bang. Stock markets were on the rise and one ISA season was coming to its feverish close while another was just beginning. The UK's ongoing economic recovery, shock budget announcements and the lead up to the world cup also provided that all-important feel-good factor that helps to drive investment.

Total platform assets under administration rose by £14bn to £317.3bn, a rise of 5% on the previous quarter, while new records were set for sales. Gross sales for the first three months of the year totalled £21.2bn, up 19% on like-for-like sales in 2013, and net sales rose by 21% to £11.0bn.

Bella Caridade-Ferreira, CEO of Fundscape, said "The second quarter is when ISA investments reach their peak thanks to a combination of late and early-bird investors, and so it's usually the best quarter of the year. However, the good news in the March 2014 budget is likely to have boosted investor sentiment and flows even further."

TOP 3 PLATFORMS BY GROSS SALES IN Q214 (£bn)	
Cofunds	£5.3bn
Fidelity	£4.2bn
Hargreaves Lansdown (est)*	£2.8bn

TOP 3 PLATFORMS BY NET SALES IN Q214 (£bn)	
Fidelity	£2.5bn
Hargreaves Lansdown (est)*	£1.9bn
Standard Life	£1.1bn

Fidelity, Hargreaves Lansdown and Standard Life were the top three platforms by net sales. Each platform was there for different reasons. Fidelity has a strong presence across all its channels, but this quarter it was its defined contribution (DC) pension activity that propelled it to the top of the net sales board. Hargreaves Lansdown continues to reign supreme in the direct-to-consumer (D2C) world, while Standard Life rose to third place as a result of its core retail advised wrap business.

Channels**	Retail Advised	Corp/Instit	D2C/XO	Total
AUA (£bn)	£190.9bn	£55.9bn	£70.4bn	£317.3bn
AUA (%)	60.2%	17.6%	22.2%	100.0%
Gross sales (£bn)	£10.2bn	£7.0bn	£4.0bn	£21.2bn
Gross sales (%)	48.1%	33.0%	18.9%	100.0%
Net sales (£bn)	£5.0bn	£3.5bn	£2.4bn	£11.0bn
Net sales (%)	45.7%	32.0%	22.3%	100.0%

Standard Life was also the top platform for gross and net sales in the all-important retail advised channel. Most platforms have several propositions making like-for-like comparisons difficult, so as well as the overall platform trends, Fundscape also analyses platform data by distribution channel. Caridade-Ferreira said, “Despite the strong growth of the DC and D2C channels, sales through the retail advised channel remained robust, accounting for nearly half of all platform sales in the quarter. The platform industry is growing in many directions, and splitting the data allows us to monitor actual trends in each channel.”

Channel leaders**	Retail Adv	Corp/Instit	D2C/XO
AUA	Cofunds	Cofunds	Hargreaves Lansdown
Gross sales	Standard Life	Cofunds	Hargreaves Lansdown
Net sales	Standard Life	Fidelity	Hargreaves Lansdown

- Ends -

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 18 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 information, Hargreaves Lansdown reports its figures to Fundscape a quarter in arrears. The figures shown here have been estimated for the current quarter based on actual data for the first quarter.

**The channel mix has been estimated for some platforms.

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