

PRESS RELEASE – EMBARGOED UNTIL 2PM 17TH MARCH

LEADING PLATFORMS IN 2019

This is the second press release on the platform industry in 2019. The February press release covered platform industry highlights for 2019. This press release is about individual platform performance.

Assets under administration (AUA)

2019 was a tough year for platforms because of geopolitical uncertainty, Brexit concerns and a DB transfer pipeline that trickled to a halt. Annual asset growth for the year was a robust 19% — or £112bn — and four times higher than the £30bn achieved in 2018.

The upturn in assets was mainly the result of increased asset values, the FTSE All Share recording an increase of 14.2% for the year. Several platforms delivered above-average growth for the year, however True Potential stood out with a growth rate of 35%.

2019 ASSET TRENDS							
	Q418	Q319	Q419	Q419 Grth £m	Q419 Grth %	2019 Grth £m	2019 Grth %
Hargreaves L	85,495.0	100,417.0	105,200.0	4,783.0	4.8	19,705.0	23.0
Fidelity	77,323.4	90,114.5	92,657.3	2,542.8	2.8	15,333.9	19.8
Aegon Cofunds	85,995.8	91,100.4	92,362.4	1,262.0	1.4	6,366.6	7.4
St Life	54,248.6	61,257.8	62,561.3	1,303.5	2.1	8,312.7	15.3
OMW	50,713.3	57,075.7	58,557.2	1,481.5	2.6	7,843.9	15.5
Aegon Arc	41,655.9	51,408.4	53,401.4	1,993.0	3.9	11,745.5	28.2
AJ Bell	37,300.0	44,900.0	47,200.0	2,300.0	5.1	9,900.0	26.5
Transact	31,650.0	37,799.0	39,312.0	1,513.0	4.0	7,662.0	24.2
Aviva	22,654.6	27,713.6	29,084.7	1,371.1	4.9	6,430.1	28.4
J Hay	25,332.4	27,320.3	27,587.2	266.9	1.0	2,254.8	8.9
Ascentric	14,491.1	15,930.6	16,207.8	277.2	1.7	1,716.7	11.8
Nucleus	13,883.7	15,697.2	16,141.3	444.1	2.8	2,257.6	16.3
ATS (est)	14,618.7	15,912.9	16,100.0	187.1	1.2	1,481.3	10.1
Zurich	9,456.0	11,380.0	11,827.0	447.0	3.9	2,371.0	25.1
7im	9,081.0	10,465.3	10,705.6	240.3	2.3	1,624.6	17.9
TPI	7,726.3	9,765.6	10,443.1	677.5	6.9	2,716.8	35.2
Next four	19,357.0	22,667.0	23,743.0	1,076.0	4.7	4,386.0	22.7
Total	600,982.8	690,925.3	713,091.2	22,165.9	3.2	112,108.4	18.7

Plummeting sales

Stock markets may have been strong, but Brexit led to investors sitting on the fence until the outlook was clearer. Net sales for the year amounted to just £29.7bn – the worst net sales figure since 2013 – and accounted for just over a quarter of asset growth. Fidelity was the only platform home to a year-on-year rise in net sales.

TOP 5 PLATFORMS (all channels) BY GROSS SALES Q419 (£bn)	
Aegon (Cofunds)	£7.3bn
Fidelity	£3.8bn
Hargreaves Lansdown ¹	£2.5bn
Aegon	£2.4bn
Standard Life ²	£1.8bn
TOP 5 PLATFORMS (all channels) BY GROSS SALES 2019 (£bn)	
Aegon (Cofunds)	£26.1bn
Fidelity	£15.7bn
Hargreaves Lansdown ¹	£13.4bn
Aegon	£8.8bn
Standard Life ²	£7.1bn

TOP 5 PLATFORMS (all channels) BY NET SALES Q419 (£bn)	
Aviva	£1.3bn
Aegon	£1.0bn
Transact	£959m
AJ Bell	£900m
Hargreaves Lansdown ¹	£900m
TOP 5 PLATFORMS (all channels) BY NET SALES 2019 (£bn)	
Hargreaves Lansdown ¹	£6.6bn
Aegon	£4.6bn
AJ Bell	£4.1bn
Aviva	£3.8bn
Transact	£3.6bn

Retailed advised platforms

Transact is the leading adviser platform of the year with net flows of £3.6bn. Having topped the charts all year, in the fourth quarter it was pipped to the post by Aviva which has recovered from its re-platforming issues and surged ahead with exceptionally strong flows. Its flows have been boosted by the conversion of legacy business.

TOP 5 ADVISER PLATFORMS BY GROSS SALES Q419	
Standard Life ²	£1.8bn
Aviva	£1.7bn
Old Mutual Wealth	£1.6bn
Transact	£1.5bn
Fidelity	£1.2bn
TOP 5 ADVISER PLATFORMS BY GROSS SALES 2019	
Aegon (Cofunds)	£26.1bn
Fidelity	£15.7bn
Hargreaves Lansdown	£13.4bn
Aegon	£8.8bn
Standard Life ²	£7.1bn

TOP 5 ADVISER PLATFORMS BY NET SALES Q419	
Aviva	£1.2bn
Transact	£959m
AJ Bell	£600m
Standard Life ²	£540m
Fidelity	£462m
TOP 5 ADVISER PLATFORMS BY NET SALES 2019	
Transact	£3.6bn
Aviva	£3.5bn
AJ Bell	£2.6bn
Standard Life ²	£2.3bn
Aegon	£1.7m

Bella Caridade-Ferreira, CEO of Fundscape said, ‘Everyone breathed a sigh of relief after the election as it meant that business would finally resume. And indeed it did — flows surged in the last few weeks of the year and continued in the first two months of 2020. But as we now know, that resurgence was short-lived. 2019 will pale into utter insignificance compared to the bloodletting we’re going to experience in 2020.’

ASSETS AND SALES BY CHANNEL (£m)				
	Retail advised	Corp/Institutional	D2C	Totals
AUA (£m)	438,317.9	119,373.3	155,400.1	713,091.3
AUA (%)	61.5	16.7	21.8	100.0
Gross sales Q419 (£m)	15,460.6	9,036.2	4,819.8	29,316.5
Gross sales Q419 (%)	52.7	30.8	16.4	100.0
Gross sales 2019 (£m)	58,978.8	33,209.3	22,528.7	114,716.7
Gross sales 2019 (%)	51.4	28.9	19.6	100.0
Net sales Q419 (£m)	6,223.0	523.2	1,311.1	8,057.3
Net sales Q419 (%)	77.2	6.5	16.3	100.0
Net sales 2019 (£m)	22,061.3	-457.3	8,115.7	29,719.7
Net sales 2019 (%)	74.2	-1.5	27.3	100.0

Caridade-Ferreira said, ‘What we thought was the light at the end of the tunnel has morphed into a train roaring down the track towards us at terrifying speed. The coronavirus will have a deep and long impact on the world and the global economy. There is no doubt that 2020 will be many times worse than 2019. Given the spread of the disease, it’s unlikely that 2021 will be any better either.’

- Ends-

Notes to Editors:

The Platform Report is a confidential report published by Fundscape. 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.

¹ Hargreaves Lansdown reports in arrears. Assets are actual for this quarter, but sales are estimated.

² Includes Elevate but excludes Parmenion.

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