

EMBARGOED UNTIL 7TH MARCH 2024 AT 7AM

MARKETS GIVE PLATFORMS A REPRIEVE IN 2023

We published our headline platform figures for 2023 in early February. Today we publish stats on the top performers.

2023 was a bruising year for platforms and the final quarter was the worst on record with net sales of -£8m. For the second year in a row, investor sentiment has been battered by the cost-of-living crisis, the UK's poor economic outlook, geopolitical uncertainty and the outbreak of wars. Customers and new flows have been hard to come by. But despite sluggish flows, market performance pushed assets to their highest level ever, enabling platforms to finish the year on a positive note... and better revenues!

Assets and asset growth

Indeed, several platforms recorded their highest assets under administration on Fundscape records — 7IM, Aviva, Fidelity, Morningstar, Quilter, Transact and True Potential — with both 7IM and Morningstar setting new milestones. In percentage terms, the best growth was from Morningstar and True Potential, which recorded growth rates of 26% and 23% respectively.

2023 ASSET TRENDS							
	Q422	Q323	Q423	Q423 Grth £m	Q423 Grth %	2023 Grth £m	2023 Grth %
Aegon	157,371.6	163,917.7	172,718.9	8,801.2	5.4	15,347.3	9.8
Hargreaves L	120,801.0	126,610.0	132,972.0	6,362.0	5.0	12,171.0	10.1
Fidelity	114,196.5	120,993.2	126,421.1	5,427.9	4.5	12,224.6	10.7
AJ Bell	66,300.0	70,900.0	76,200.0	5,300.0	7.5	9,900.0	14.9
Quilter	66,991.9	69,652.5	73,846.4	4,193.9	6.0	6,854.5	10.2
abrdn	68,537.1	68,463.0	70,897.2	2,434.2	3.6	2,360.1	3.4
Transact	52,063.1	54,959.0	58,009.7	3,050.7	5.6	5,946.6	11.4
Aviva	41,850.7	44,834.8	47,928.6	3,093.8	6.9	6,077.9	14.5
Nucleus	43,523.5	43,786.2	45,536.1	1,749.9	4.0	2,012.7	4.6
Scot Widows	27,029.6	27,639.9	29,044.9	1,405.0	5.1	2,015.3	7.5
True Potential	23,263.5	26,351.2	28,648.4	2,297.2	8.7	5,384.9	23.1
Hubwise ¹	4,031.0	16,591.0 E	17,254.0	663.0	3.6	13,223.0	328.0
M&G Wealth ²	15,601.6	15,555.0	16,200.0 E	645.0 E	4.2	598.5 E	3.9
7IM	14,184.6	15,118.8	16,058.3	939.5	6.2	1,873.7	13.2
R James	13,800.0	14,800.0	15,860.0	1,060.0	7.2	2,060.0	14.9
Wealthtime	11,076.7	11,007.1	11,357.1	350.0	3.2	280.3	2.5
Parmenion	8,612.8	8,424.1	8,708.2	284.1	3.4	95.4	1.1
Morningstar	3,423.3	3,897.3	4,300	402.7	10.3	876.8	25.6
Total	852,658.1	903,500.8	951,960.9	48,460.1	5.4	99,302.6	11.7

Gross and net flows

Gross and net flows were well below par across the platform industry³. For all-channel business, Aegon topped for gross flows thanks to strong workplace business and AJ Bell for net thanks to a combination of advised and direct activity.

The adviser-only platform sector fared better for sales in 2023. Quilter was in pole position for gross, closely followed by Transact and Aviva. For net sales, True Potential led the field, again with Aviva and Transact not far behind. Although these platforms have different business models, they have stuck to their knitting and delivered a great service.

The Morningstar platform deserves a special mention. Although too small to be ranked in the tables below, it was home to its best gross and net flows ever, which is quite an achievement given the dearth of sales in 2023.

TOP 5 PLATFORMS (all channels) BY GROSS SALES 2023 (£bn)		TOP 5 PLATFORMS (all channels) BY NET SALES 2023 (£bn)	
Aegon	£33.1bn	AJ Bell	£4.7bn
Fidelity	£23.8bn	True Potential	£3.5bn
Hargreaves Lansdown	£14.0bn	Aviva	£2.8bn
AJ Bell	£10.1bn	Transact	£2.2bn
Quilter	£8.2bn	Aegon	£1.8bn
TOP 5 PLATFORMS (all channels) BY GROSS SALES Q423 (£bn)		TOP 5 PLATFORMS (all channels) BY NET SALES Q423 (£bn)	
Aegon	£7.5bn	AJ Bell	£1.3bn
Fidelity	£4.5bn	True Potential	£802m
Hargreaves Lansdown	£2.9bn	Aviva	£665m
AJ Bell	£2.7bn	Quilter	£497m
Quilter	£2.2bn	Hubwise	£353m

TOP 5 PLATFORMS (retail advised channel) BY GROSS SALES 2023 (£bn)		TOP 5 PLATFORMS (retail advised channel) BY NET SALES 2023 (£bn)	
Quilter	£8.2bn	True Potential	£3.3bn
Transact	£6.6bn	Aviva	£2.7bn
Aviva	£6.6bn	Transact	£2.2bn
True Potential	£5.7bn	AJ Bell	£2.0bn
abrdn	£5.5bn	Quilter	£1.8bn
TOP 5 PLATFORMS (retail advised channel) BY GROSS SALES Q423 (£bn)		TOP 5 PLATFORMS (retail advised channel) BY NET SALES Q423 (£bn)	
Quilter	£2.2bn	True Potential	£766m
Aviva	£1.7bn	Aviva	£642m
Transact	£1.7bn	AJ Bell	£600m
AJ Bell	£1.5bn	Quilter	£497m
True Potential	£1.5bn	Hubwise	£333m



Bella Caridade-Ferreira, CEO of Fundscope said, ‘2023 could have been a lot worse, but market performance gave platforms a well-deserved reprieve from the arid sales conditions. The period of painful economic adjustment appears to be finally coming to an end, and cautious optimism is beginning to tick up.

‘2024 should see platform activity slowly but surely improve. The ISA season is unlikely to be good, but we expect investor sentiment to improve as the year wears on, although much will depend on positive inflation and interest rates news and the impact of sweeteners in the government’s budget. With general elections on both sides of the pond, this could be a very interesting year...’

- Ends-

Notes to Editors:

The Platform Report is a confidential report published by Fundscope. To subscribe to the report, platforms must contribute asset and sales data on a quarterly basis. For further information about the report and Fundscope, 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 Hubwise institutional assets for Q323 are estimated. Hubwise gross and net institutional flows are estimated.

² M&G Wealth’s Q423 assets are estimated.

³ For 2023 asset and sales highlights and trends, visit: <https://fundscape.co.uk/wp-content/uploads/2024/02/Platform-industry-highlights-for-2023.pdf>

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