

Funds on platforms top £100bn

Financial research company Defaqto's sixth annual report into the platform market announces today that assets under administration have just reached £100bn for the first time with the Retail Distribution Review (RDR) acting as a real catalyst for the growth.

Fraser Donaldson, author of Defaqto's report and Insight Analyst - Funds said: "Although there are still decisions to be made by the regulators, the publication of the RDR policy statement and the RDR platform discussion paper has removed much uncertainty in the market. Between them, these papers give a good indication of how the regulators see platforms integrating with the retail investment market post 2012."

Mr Donaldson continued: "The growth in platforms looks set to continue. Our study of independent financial advisers (IFAs) using platforms shows that the majority are placing more of their client's investment funds on platform than ever before. Over 60% of IFAs place more than half of their clients' investment business on platform, indicating that the platform trialing period is well and truly over."

Defaqto's IFA study also revealed:

- 21% had changed their platform provider in the last 12 months compared to less than 10% in 2008;
- Less than 25% use the platform investment tools on a 'very frequent' basis;
- Commission is still the dominant form of remuneration, even among platform users.

As the activity to the RDR mounts, the report entitled: *'The final countdown'* constitutes a unique and comprehensive review of the platform market in the UK and is underpinned by research carried out with IFA platform users as well as data from Defaqto's own platform selection tool 'Defaqto Engage'¹. The report is available via www.defaqto.com/adviser/ifa/market-reports and focuses on the following key areas:

- Market landscape
- Regulatory landscape (including analysis of the RDR policy statement and platform discussion paper)
- IFA platform requirements
- IFA platform selection processes
- IFA platform user profile
- Overview of the platforms currently available in the market.

Notes to editors:

The report is available at www.defaqto.com/adviser/ifa/market-reports

Fraser Donaldson is Insight Analyst - Funds

Fraser joined Defaqto in November 1994. Prior to joining Defaqto, he worked at national IFA Towry Law where he was involved in building best advice panels for investment products and was instrumental in setting up a Towry Law Discretionary Management Service in partnership with Mercury Asset Management (now BlackRock). Fraser is responsible for producing Insight Reports and guides in the investment arena, having written several reports and guides on investment subjects such as platforms, onshore and offshore bonds and he authors a half yearly guide on the multi-manager market. He is also responsible for developing Defaqto's investment proposition.

www.defaqto.com/media-centre/fraser-donaldson

¹ Defaqto Engage

An integrated system for independent financial advisers (IFAs) and insurance brokers. The system makes the reporting, analysis, recommendation and review process easy, delivering the perfect product to meet client needs.

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31 March 2010

About Defaqto: www.defaqto.com

Defaqto is an independent financial research company specialising in rating, comparing and analysing financial products.

Since 1994, Defaqto has built the largest, whole of market, financial product database and become one of the leading providers of financial product data in the UK. We now cover over 30,000 products across banking, life, pensions, investments and general insurance.

Our experts validate and analyse the data to provide insight and consultancy to all layers of the financial services sector including IFAs, mortgage and general insurance brokers, providers, web aggregators and the public sector.

Our products and services include the following:

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Our Star Ratings reflect the quality of a financial product and help to identify the range of features and benefits in each one. We review and assess every financial product across various categories and award a Star Rating from 1 to 5. The ratings are aimed at helping consumers and advisers decide which product suits their specific needs. Providers also use the ratings to ensure they offer products to meet differing consumer demands.

Aequos Online

An extensive, independent, financial product analysis and comparison database available in the UK. The database contains feature, rate and fees information on more than 30,000 products from nearly 2,000 providers. Our customers include leading insurance and assurance companies, banks and building societies and investment organisations.

Defaqto Engage

An integrated system for independent financial advisers (IFAs) and insurance brokers. The system makes the reporting, analysis, recommendation and review process easy, delivering the perfect product to meet client needs.



Defaqto Compare

An interactive, comparison tool enabling consumers to easily compare product features against each other on a host of key features, using a simple 'traffic light' system.

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