



The Defaqto Conference

**Defaqto In Focus:  
Exploring Adviser behaviour  
and trends across wealth  
products and MPS**

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# Operating at scale in UK financial services



Our database contains over

# 45,000

products and we monitor

# £50 billion

recommendations in the past 12 months



We influence at least

# 52 million

## EXPERT RATED

decisions each year in GI through our Star Ratings

# 80+



World class Net Promoter Score

Matrix customers produce over

# 4,000



custom built reports every month that are distributed across their businesses

Our brand is recognised by

# 72%

of UK consumers



# Breadth and depth

Protection plans

**894**

Equity release

**488**

ISAs

**822**

Platforms

**58**

Pensions

**267**

Drawdown and annuities

**171**

Onshore and International Bonds

**84**

DFM MPS

**2,892**

Funds

**18,282**

# Advice and service, requirements and expectations

- Financial strength, ie minimum rating of XXX
- Quality of service, ie minimum rating of XX
- Online functionality for client and THE advice firm, including:
  - Wrapper type(s)
  - Online access for adviser and/or client
  - Online applications and payments
  - Online valuations and history (contributions, transactions, etc.)



# Product specific

## 2024 – Adviser Platforms

Rank	Top 10 Additional Criteria	Top 10 recommended	% of Top 10
1	ISA	Quilter Investment Platform	27%
2	PPP or SIPP Available	Aviva Platform	24%
3	Online Illustrations	Transact	10%
4	General Investment Ac	AJ Bell	10%
5	FAD	Fidelity Adviser Solutions	7%
6	ISA Transfer	Aegon Retirement Choices ARC	6%
7	Unit Trust/OEICs	Aberdeen Wrap	5%
8	Number of Funds	Aberdeen Elevate	5%
9	Consolidated Tax Voucher	Scot Widows Platform	3%
10	CGT Reporting	True Potential Platform	3%

# Product specific

## 2024 – Personal Pension Plan PPPs

Rank	Top 10 Additional Criteria	Top 10 Recommended	% of Top 10
1	Capped Drawdown	Royal Lond Pension Portfolio Core Investments	33.4%
2	Self Investment Facility	Aviva Pension Portfolio (PPP)	18.1%
3	Free Switches (pa)	Quilter Collective Retirement Account	16.7%
4	Full Erosion Flag	Prudential Retirement Account	11.0%
5	Passive/Index Funds	Transact Personal Pension (PPP)	5.2%
6	External Funds	Scottish Widows Retirement Ac – Pension Funds	4.1%
7	Set-up Fee	Aegon Retirement Choices SIPP	3.0%
8	Min Set-up Fee	Aviva Pension Portfolio – Core	2.9%
9	FAD	Aberdeen Elevate Pension Investment Ac	2.9%
10	Minimum Age	AJ Bell InvestCentre Retirement Investment Account	2.7%

# Product specific

## 2024 – Self-Invested Personal Pensions SIPP

Rank	Top 10 Additional Criteria	Top 10 Recommended	% of Top 10
1	Unit Trusts/OEICs	Aviva Pension Portfolio	20.9%
2	Minimum Insured Investment	Aberdeen Wrap SIPP	19.6%
3	Funds Non-UK	Quilter Collective Retirement Account	12.4%
4	In-Specie Transfers	AJ Bell InvestCentre SIPP	11.0%
5	Funds Insured Unit Linked	Aegon Retirement Choices SIPP	10.3%
6	UFPLS	AJ Bell InvestCentre Retirement Investment Account	6.8%
7	Fixed Interest UK	Prudential Retirement Account	6.1%
8	Borrowing	Scottish Widows Platform Pension	4.5%
9	VAT on Fees	Transact SIPP	4.3%
10	Equities Non-UK Index	Aberdeen Elevate Pension Investment Ac PIA	4.1%

# Product specific

## 2024 – Investment Bond

Rank	Top 10 Additional Criteria
1	Online valuations
2	Ongoing adviser charging
3	With profits / smoothed funds
4	Online quotes available
5	Available to UK investors
6	Online fund switching
7	Online applications
8	Online literature
9	Initial charge (%)
10	Top ups

Top 10 recommended	% of Top 10
Prudential Investment Plan	51%
Quilter Collective Investment Bond	22%
Prudential International Portfolio Bond	6%
Transact Onshore Bond	4%
Aviva Select Inv Growth & Income Option	4%
Prudential International Investment Bond WOL	4%
Prudential International Investment Bond CR	3%
Standard Life Portfolio Bond for Wrap	3%
Transact Offshore Bond	2%
HSBC Onshore Investment Bond select	2%

# Product specific

## 2024 – Individual Savings Accounts (ISA)

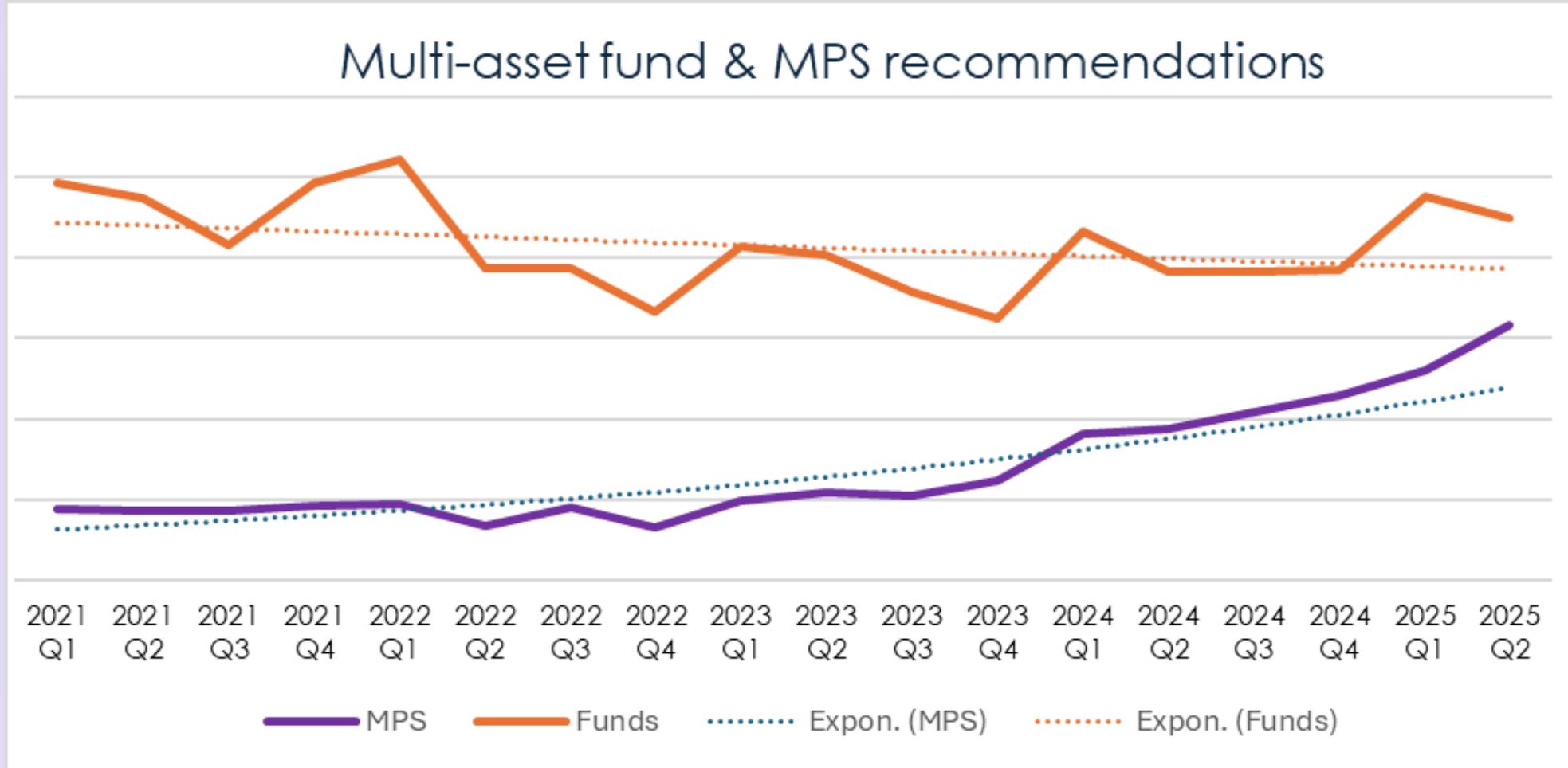
Rank	Top 10 Additional Criteria	Top 10 Recommended	% of Top 10
1	Online valuations	Quilter ISA	23%
2	Online applications	Aviva Wrap ISA portfolio	19%
3	Online transaction history	FundsNetwork ISA	17%
4	Number of funds	Prudential ISA	10%
5	Online contribution history	Aegon ISA	7%
6	Free unit trust / OEIC switches	Elevate ISA	6%
7	Initial adviser charging	Transact ISA	6%
8	Ongoing adviser charging	Sippcentre Investment ISA	5%
9	Ongoing adviser charging frequencies	Standard Life Wrap S&S ISA	4%
10	Unit Trust / OEICs	Scottish Widows Platform S&S ISA	3%

# Product specific

## 2024 – Individual Protection Products

Rank	Top 10 Additional Criteria	Top 10 Recommended	% of Top 10
1	Total number of CI conditions	Aviva Life Insurance + Upgraded	24%
2	Claims support services	Royal London Personal Menu	18%
3	Waiver of Premium	Vitality Personal Protection Serious Illness 2x	14%
4	Health & wellbeing services	Zurich Life, CI & Children's Cover	11%
5	Heart attack	Aviva Life Insurance +	9%
6	Cancer	Royal London Personal Menu Enhance Children's CI	7%
7	Stroke	Scottish Widows Protect Personal Protection	6%
8	Number of ABI+ definitions the provider declares	Legal & General Multi Protection + CI & Children's Extra	4%
9	Personal claims handler	Legal & General Multi Protection	4%
10	Claims stats published	Legal & General Multi Protection + CI Extra	3%

# Adviser recommendations



Excludes life and pension funds and reviews

# Industry & regulation

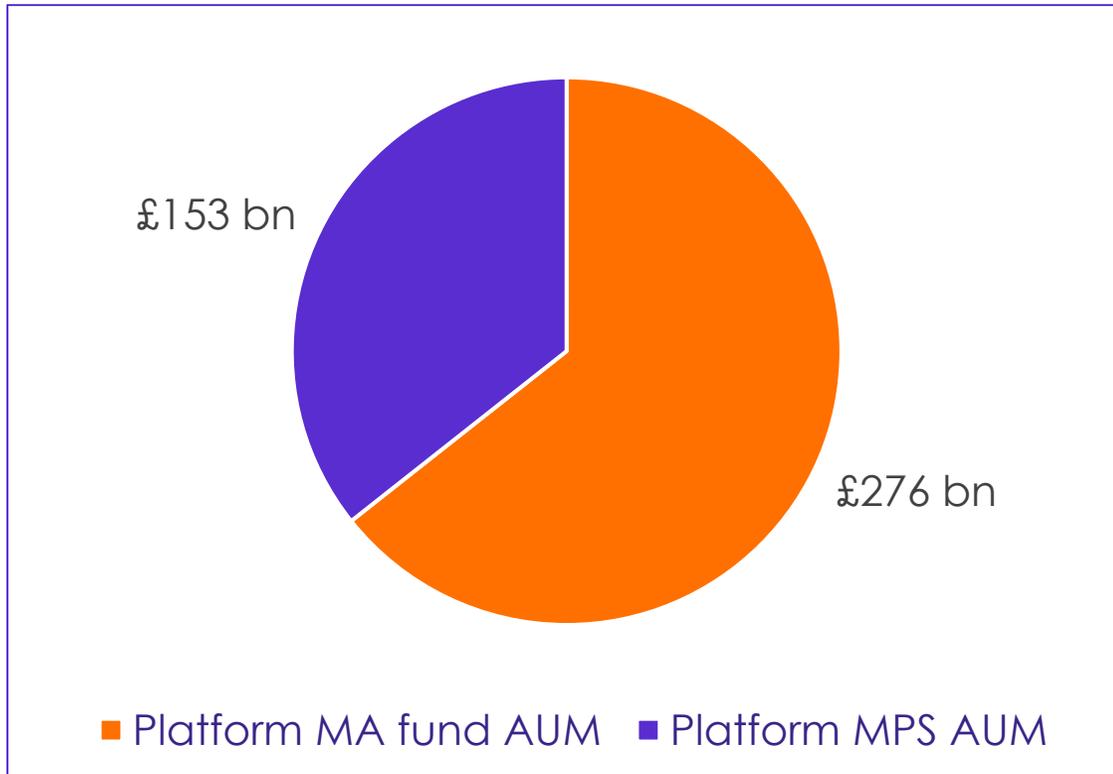
Adviser behavior - most used filters in Engage

Filters	Funds	MPS
Primary	3-year quartile ranking	Total cost
Second	Sector classification	Stock selection (active/passive)
Third	5-year quartile ranking	3-year quartile ranking
Fourth	1 year quartile ranking	5 Yr Quartile
Fifth	Ongoing Charges	Multi Asset

- Top 3 fund filters:
  - 3 & 5 year quartile ranking
  - Sector
- Top 3 MPS filters:
  - Total cost
  - Stock selection
  - 3-year quartile ranking
- Fund focus = performance then cost
- MPS focus = cost then performance

# The multi-asset market

Size of the UK platform multi-asset market



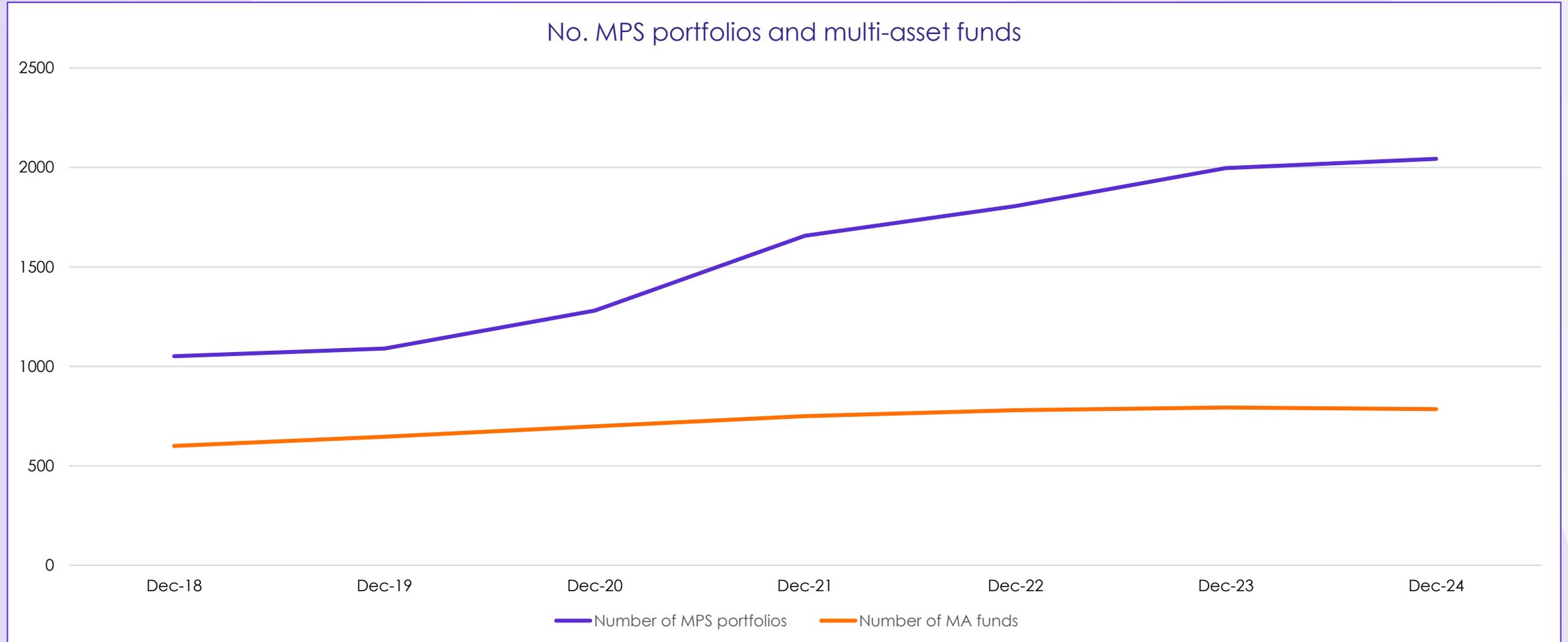
Multi-asset defined as:

- Unit trusts
- OEICs
- MPS
- Includes
  - Fund of funds (fettered and unfettered)
  - Manager of managers
- Invest in a mixture of asset classes
- Includes IA Mixed & Vol Managed sectors
- Have at least one GBP class
- Segmented by solutions available on platforms for this presentation

As at 31<sup>st</sup> December 2024

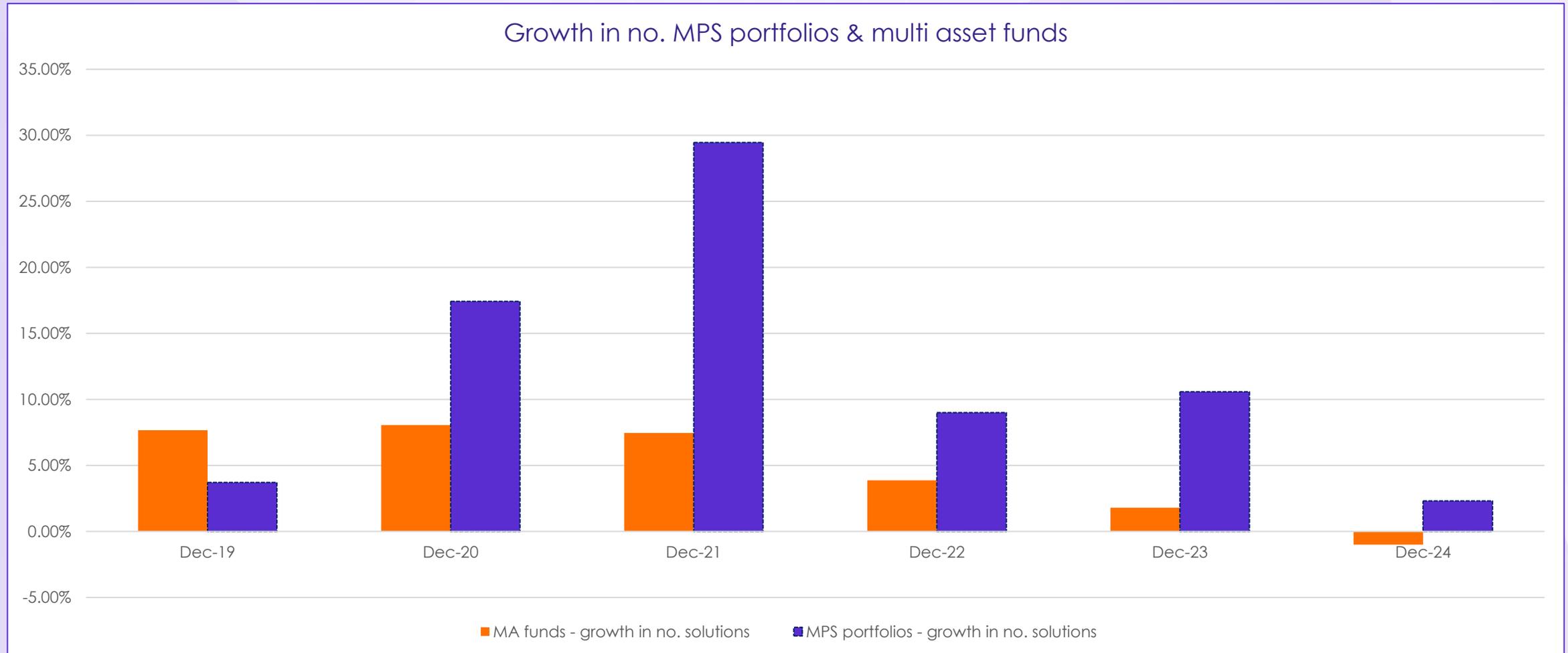
# The multi-asset market

100% increase in number of MPS portfolios over 6 years



# The multi-asset market

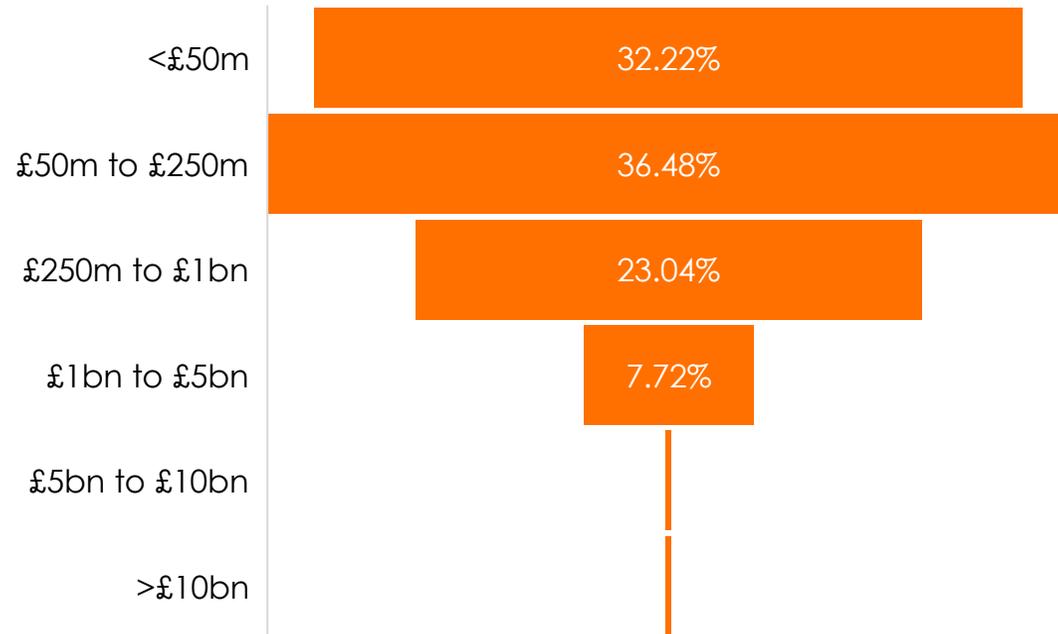
## Annual launches



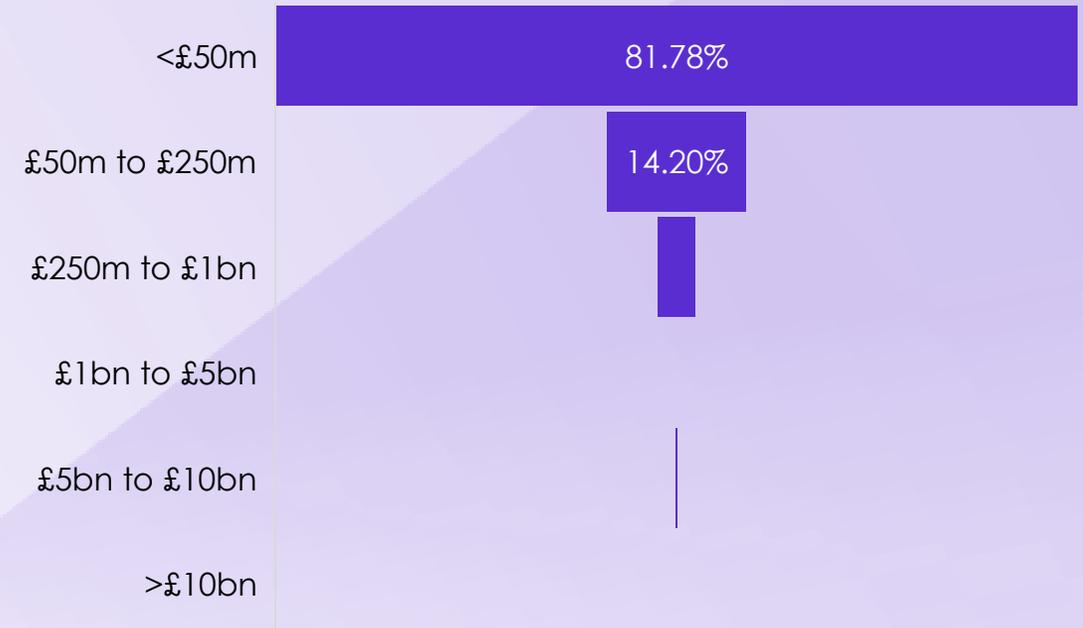
# The multi-asset market

## Portfolio sizes

Distribution of multi-asset funds by AUM



Distribution of platform MPS portfolios by AUM



- A wider distribution of AUMs across the MA Fund market when compared with the MPS market
- MPS portfolios tend to be smaller in size than MA funds (Parmenion have 160 portfolios)

As at 31<sup>st</sup> December 2024

	Multi-asset funds				MPS
	Direct holdings %	MoM %	Fettered FoF %	Unfettered FoF %	MPS %
Min	0.15	0.64	0.12	0.14	0.14
Average	0.99	0.92	<b>0.59</b>	1.03	<b>0.71</b>
Max	2.78	1.23	1.62	2.77	1.85

- The lowest **average** cost solution = fettered fund of funds @ **0.59%**
- Closely followed by MPS @ **0.71%**

# MPS Managers

What are they buying / holding?

## Top 10 allocations

- Fidelity Index US Fund
- Vanguard Global Bd Idx
- CASH
- HSBC American Index Fund
- Vanguard Global S/T Bd Idx
- Vanguard US Government Bond Index Fund
- Vanguard FTSE Dev World ex-UK Eq Idx Fd
- HSBC European Index Fund
- Vanguard US Equity Index Fund
- Vanguard UK Government Bond Index Fund

## Top 10 active funds (exc cash funds)

- Rathbone Ethical Bond
- Brown Advisory US Sust Growth
- Royal London Short Dur Gilt
- Royal London Sustainable Leaders Trust
- JPM Emerging Market Income
- Schroder Global Sustainable Value Eq
- IFSL Evenlode Income
- Dimensional Global Sust Core Eq
- Eden Tree Responsible & Sust Short Dated Bond
- Ninety One Global Environment

# Most recommended MPS portfolios as at end June 2025



Rank	Portfolio Name	% Share of Top 25
1	Tatton Core Balanced	8.91
2	Tatton Core Active	7.01
3	Timeline 0.09% Tracker – 80	5.51
4	Quilter WealthSelect Managed Blend 6	5.11
5	ebi Vantage Earth 60	4.99
6	Timeline 0.09% Tracker – 60	4.59
7	Tatton Tracker Balanced	4.59
8	Tatton Core Aggressive	4.35
9	Tatton Tracker Aggressive	4.21
10	Tatton Core Cautious	4.14
11	Timeline 0.09% Tracker – 70	4.00
12	Tatton Tracker Active	3.89

Rank	Portfolio Name	% Share of Top 25
13	Quilter WealthSelect Managed Blend 7	3.78
14	Quilter WealthSelect Managed Active 6	3.47
15	Quilter WealthSelect Managed Blend 5	3.16
16	ebi Vantage Core 60	3.13
17	Waverton Balanced Portfolio	3.13
18	Quilter WealthSelect Managed Passive 8	2.98
19	Timeline 0.09% Classic 50	2.93
20	Brewin Dolphin MPS Balanced	2.91
21	Quilter WealthSelect Managed Passive 7	2.76
22	Quilter WealthSelect Managed Blend 8	2.63
23	Brewin Dolphin MPS Income Higher Equity	2.55
24	ebi Vantage Core 80	2.50
25	HSBC Global MPS Dynamic	2.44

# Benchmarking

- Multi-asset funds:
  - Risk Ratings
  - IA (generally)
  - Category averages
- MPS:
  - Risk Ratings
  - IA – not appropriate
  - ARC indices – not appropriate
  - Defaqto Comparator
    - Defensive, Cautious, Balanced, Growth & Adventurous
    - Risk adjusted return classification – not asset allocation
    - 15 years of data
    - 2,700 portfolios
    - A broad range of metrics available in Engage

# Performance – MPS winners

## Defaqto Defensive Comparator

5 year cumulative to end of June 2025

Rank	Portfolio name	Return
1	Premier Conservative	33.88%
2	Rivers Balanced	31.97%
3	Quilter WealthSelect Managed Active 5	31.01%
4	Quilter WealthSelect Managed Blend 5	30.69%
5	Ascencia Safety First 5	30.34%
6	Ascencia Portfolio of Sharia Compliant Solutions 4	29.48%
7	Brooks Macdonald Low to Medium Risk	28.62%
8	Evelyn Partners Core Cautious	28.61%
9	Ascencia Safety First 4	27.47%
10	Evelyn Partners Core Conservative	25.96%

## Defaqto Cautious Comparator

5 year cumulative to end of June 2025

Rank	Portfolio name	Return
1	Quilter WealthSelect Managed Active 7	43.71%
2	Quilter WealthSelect Managed Blend 7	43.35%
3	Brooks Macdonald Medium Risk	42.90%
4	Tatton Income Balanced	42.22%
5	Momentum Passive Plus Moderate	39.02%
6	Ascencia Portfolio of Sharia Compliant Solutions 5	38.56%
7	Fundhouse Global Balanced	37.74%
8	OFNPM Balanced (Passive)	37.70%
9	Fundhouse Responsible Global Balanced	37.33%
10	Quilter WealthSelect Managed Active 6	37.27%

Source: Defaqto Engage

# Performance – MPS winners ctd

## Defaqto Balanced Comparator

5 year cumulative to end of June 2025

Rank	Portfolio name	Return
1	Tatton Income Active	56.50%
2	AJ Bell Pactive MPS 5	54.66%
3	Voyager Growth (Direct Equity)	52.12%
4	Fundhouse Global Growth	51.33%
5	Quilter WealthSelect Managed Active 8	50.47%
6	Quilter WealthSelect Managed Blend 8	50.42%
7	Fundhouse Responsible Global Growth	50.30%
8	Tatton Managed Active	49.91%
9	Tatton Core Active	49.22%
10	Credo MAP Core 70/30	49.05%

## Defaqto Growth Comparator

5 year cumulative to end of June 2025

Rank	Portfolio name	Return
1	Fundhouse Global Equity	62.60%
2	Aberdeen Index MPS 5	62.10%
3	AJ Bell Passive MPS 5	61.40%
4	Tatton Managed Aggressive	60.31%
5	AJ Bell Passive MPS 6	59.80%
6	Tatton Core Aggressive	59.75%
7	Morningstar Governed Portfolio Adventurous Growth	59.67%
8	Morningstar Blended Adventurous	59.30%
9	Tatton Tracker Aggressive	59.14%
10	Parmenion Strategic Passive – Risk Grade 10	59.13%

Source: Defaqto Engage

# Performance – MPS winners ctd

## Defaqto Adventurous Comparator

5 year cumulative to end of June 2025

Rank	Portfolio name	Return
1	Timeline 0.09% Tracker – 100	71.72%
2	Timeline 0.15% Tracker – 100	71.21%
3	Tatton Income Aggressive	69.59%
4	Sparrows Capital SCore Market Equity 100 (Funds)	67.57%
5	Parmenion Vanguard Lifestrategy Portfolio 10	67.09%
6	ebi Vantage Earth UK Bias 100	67.02%
7	Quorum Capital Aggressive Portfolio	66.91%
8	Timeline 0.09% ESG Tracker – 100	66.69%
9	Timeline 0.15% ESG Tracker – 100	66.19%
10	Tatton Managed Global Equity	65.82%

Source: Defaqto Engage