

24 April 2024

abrdrn plc
Q1 2024: AUMA and flows trading update

abrdrn plc is today providing an update on its Q1 assets under management and administration (AUMA) and net flows.

Key highlights

- AUMA growth of 3% to £507.7bn reflecting stronger markets and positive net flows
- Continued organic growth in interactive investor, with customer numbers up to 414k
- Actions underway to address outflows in Adviser and equities
- Implementation of cost transformation on track

AUMA and flows (unaudited)

	AUMA		Net flows	
	31 Mar 24 £bn	31 Dec 23 £bn	Q1 2024 £bn	Q1 2023 £bn
Institutional/Retail Wealth	215.1	211.2	0.7	(5.2)
Insurance Partners	159.2	155.5	(0.5)	(1.5)
Investments	374.3	366.7	0.2	(6.7)
Adviser	75.2	73.5	(0.9)	(0.1)
interactive investor	69.6	66.0	1.2	0.7
Eliminations	(11.4)	(11.3)	0.3	(0.1)
Total	507.7	494.9	0.8	(6.2)

AUMA was £507.7bn as at 31 March 2024 benefiting from positive market performance and net inflows of £0.8bn, including £2.6bn of net inflows into liquidity. Q1 2023 net outflows were £6.2bn, including £1.8bn of net outflows from liquidity.

Investments

- Investments AUM increased to £374.3bn primarily reflecting positive market movements across most asset classes.
- The industry saw continued net outflows in Q1 2024 across global active mutual funds¹, particularly within equities and multi-asset. However, the pace of outflows showed signs of slowing, primarily driven by the growing demand for fixed income.
- Institutional and Retail Wealth net inflows in Q1 2024 were £0.7bn including strong inflows of £2.6bn into liquidity. There were also net inflows into quantitatives and fixed income. It was a challenging quarter for equities with continued net outflows primarily reflecting industry asset allocation away from Asia and emerging markets.
- Insurance Partners net outflows in Q1 2024 were £0.5bn reflecting outflows from heritage business in run-off, largely offset by inflows from growing workplace pensions.

Adviser

- AUMA increased to £75.2bn as at 31 March 2024, driven by stronger markets.
- Q1 2024 net outflows were £0.9bn. Gross inflows were in line with Q1 2023; however as we saw in Q4, redemptions were elevated owing to the continued impact of the higher cost of living and further IFA consolidation.

1. Morningstar global active mutual fund net sales 31 March 2024 YTD

interactive investor

- Total customers were 414k at 31 March 2024, up 3% in the last year (31 March 2023: 401k) and up 2% in the quarter (31 December 2023: 407k). Of this, SIPP customers grew to 68.5k at 31 March 2024, up 25% in the last year (31 March 2023: 54.7k) and up 10% in the quarter (31 December 2023: 62.4k).
- AUA as at 31 March 2024 was £69.6bn benefiting from stronger markets and year on year growth in net inflows.
- Q1 2024 net inflows were £1.2bn, up 71% on Q1 2023, which included £0.2bn of outflows from the exited Pension Trading Accounts and £0.1bn of outflows from our financial planning business.

Commenting, Stephen Bird, CEO abrdn plc, said:

"Our AUMA grew 3% in the period to £507.7bn, supported by a positive contribution from markets across all three businesses. We had net inflows at a group level, including strong liquidity flows which contributed to positive overall flows within Investments. At interactive investor, we saw continued organic growth in customers and flows. We were particularly pleased with the growth in SIPP customers. Yet clearly there is more work to be done in Investments and Adviser, where we have actions underway to improve performance.

Our cost transformation programme is on track as we take action to sustainably restore our business to a more acceptable level of profitability. Our key focus, and our most important priority, is on delivering investment performance for all of our clients."

All figures to the end of 31 March 2024 in this announcement are unaudited, and subject to revision.

Management will be hosting a call for analysts and investors at 8:30am (BST) on 24 April 2024. To access a webcast of the conference call, please go to the following link:

https://brrmedia.news/ABDN_Q1TS

Enquiries:

Media

Duncan Young +44 (0) 7920 868865

Iain Dey (Teneo) +44 (0) 7976 295906

Institutional equity investors and analysts

Jo Blackshaw +44 (0) 7771 786275

Corbin Chaplin +44 (0) 7774 332428

LEI: OTMBS544NMO7GLCE7H90

Appendix 1

Analysis of AUMA

	Opening AUMA at 1 Jan 2024 £bn	Gross inflows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Corporate actions £bn	Closing AUMA at 31 Mar 2024 £bn
3 months ended 31 March 2024							
Institutional/Retail Wealth	211.2	9.5	(8.8)	0.7	3.2	-	215.1
Insurance Partners	155.5	5.5	(6.0)	(0.5)	4.2	-	159.2
Investments	366.7	15.0	(14.8)	0.2	7.4	-	374.3
Adviser¹	73.5	1.6	(2.5)	(0.9)	2.6	-	75.2
interactive investor²	66.0	3.3	(2.1)	1.2	2.4	-	69.6
Eliminations	(11.3)	(0.5)	0.8	0.3	(0.4)	-	(11.4)
Total AUMA	494.9	19.4	(18.6)	0.8	12.0	-	507.7

1. Includes Platform AUA as at 31 March 2024 of £72.5bn (31 December 2023: £70.9bn).

2. Includes financial planning business assets as at 31 March 2024 of £4.2bn (31 December 2023: £4.3bn).

Quarterly AUMA

	31 Mar 24 £bn	31 Dec 23 £bn	30 Sep 23 £bn	30 Jun 23 £bn	31 Mar 23 £bn
12 months ended 31 March 2024					
Institutional/Retail Wealth	215.1	211.2	214.2	219.0	225.3
Insurance Partners	159.2	155.5	145.9	148.6	146.5
Investments	374.3	366.7	360.1	367.6	371.8
Adviser	75.2	73.5	70.9	71.8	69.7
interactive investor	69.6	66.0	62.1	67.4	69.3
Eliminations	(11.4)	(11.3)	(10.8)	(11.1)	(11.8)
Total AUMA	507.7	494.9	482.3	495.7	499.0

Quarterly net flows

	3 months to 31 Mar 24 £bn	3 months to 31 Dec 23 £bn	3 months to 30 Sep 23 £bn	3 months to 30 Jun 23 £bn	3 months to 31 Mar 23 £bn
15 months ended 31 March 2024					
Institutional/Retail Wealth	0.7	(5.8)	(5.4)	(1.5)	(5.2)
Insurance Partners	(0.5)	0.3	(1.6)	1.7	(1.5)
Investments	0.2	(5.5)	(7.0)	0.2	(6.7)
Adviser	(0.9)	(1.0)	(0.5)	(0.5)	(0.1)
interactive investor	1.2	0.5	0.6	1.1	0.7
Eliminations	0.3	0.3	0.2	0.2	(0.1)
Total net flows	0.8	(5.7)	(6.7)	1.0	(6.2)

Institutional and Retail Wealth AUM
Detailed asset class split

	Opening AUM at 1 Jan 2024 £bn	Gross inflows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Corporate actions £bn	Closing AUM at 31 Mar 2024 £bn
3 months ended 31 March 2024							
Developed markets equities	11.8	0.3	(0.7)	(0.4)	0.5	-	11.9
Emerging markets equities	11.1	0.2	(0.8)	(0.6)	0.2	-	10.7
Asia Pacific equities	16.3	0.6	(1.7)	(1.1)	0.3	-	15.5
Global equities	8.5	0.3	(0.5)	(0.2)	0.4	-	8.7
Total equities	47.7	1.4	(3.7)	(2.3)	1.4	-	46.8
Developed markets credit	21.4	1.5	(0.9)	0.6	(0.3)	-	21.7
Developed markets rates	3.3	0.1	(0.2)	(0.1)	(0.1)	-	3.1
Emerging markets fixed income	9.8	0.3	(0.4)	(0.1)	0.1	-	9.8
Total fixed income	34.5	1.9	(1.5)	0.4	(0.3)	-	34.6
Absolute return	3.4	0.1	(0.1)	-	-	-	3.4
Diversified growth/income	0.2	-	-	-	-	-	0.2
MyFolio	16.2	0.4	(0.7)	(0.3)	0.6	-	16.5
Other multi-asset	5.3	0.2	(0.4)	(0.2)	(0.1)	-	5.0
Total multi-asset	25.1	0.7	(1.2)	(0.5)	0.5	-	25.1
Total private equity	7.2	-	-	-	(0.2)	-	7.0
UK real estate	15.9	0.2	(0.6)	(0.4)	(0.1)	-	15.4
European real estate	13.6	0.2	-	0.2	(0.3)	-	13.5
Global real estate	1.2	-	(0.2)	(0.2)	0.1	-	1.1
Real estate multi-manager	1.5	-	-	-	-	-	1.5
Infrastructure equity	6.1	0.1	-	0.1	(0.2)	-	6.0
Total real assets	38.3	0.5	(0.8)	(0.3)	(0.5)	-	37.5
Total alternative investment solutions (including private credit)	24.0	0.2	(0.3)	(0.1)	1.9	-	25.8
Total quantitative	17.1	1.4	(0.5)	0.9	0.4	-	18.4
Total liquidity	17.3	3.4	(0.8)	2.6	-	-	19.9
Total	211.2	9.5	(8.8)	0.7	3.2	-	215.1

Forward-looking statements

This announcement contains statements that are or may be "forward-looking statements". All statements other than statements of historical facts included in this announcement may be forward-looking statements, including statements that relate to the abrdn Group's future prospects, developments and strategies. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects", "is expected", "believes", "targets", "aims", "anticipates", "projects", "would", "could", "should", "may", "might", "envisages", "estimates", "intends", "underway", or the negative of those, or by the use of references to assumptions, budgets, strategies, prospects and schedules.

Although the abrdn Group believes that the expectations reflected in such forward-looking statements are reasonable as at the date of this announcement, it can give no assurance that such expectations will prove to be correct.

By their nature, forward-looking statements involve risk and uncertainty because they are based on information available at the time they are made, including current expectations and assumptions, and relate to future events and/or depend on circumstances which may be or are beyond the abrdn Group's control.

Neither abrdn plc, its affiliates nor any of its associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Recipients of this announcement should not place any reliance on these forward-looking statements and all forward-looking statements contained in this announcement are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except as required by law or regulation, neither abrdn plc nor its affiliates assume any obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise. Past performance is not an indicator of future results and the results of abrdn plc and its affiliates in this document may not be indicative of, and are not an estimate, forecast or projection of, abrdn plc's or its affiliates' future results.

Please see abrdn plc's most recent Annual Report and Accounts for further detail of the risks, uncertainties and other factors relevant to its business and securities.