

21 January 2025

abrdn plc
Q4 2024: AUMA and flows trading update

abrdn plc is today providing an update on its 2024 year-end assets under management and administration (AUMA) and its Q4 2024 net flows.

Key highlights

- AUMA up 3% in 2024 to £511bn; with a 1% increase in Q4 reflecting positive markets and a net inflow in Investments and interactive investor
- Q4 net inflow in Investments of £0.5bn driven by alternatives, quantitative strategies and liquidity. Institutional & Retail Wealth returned to a net inflow of £0.3bn in FY 2024 (FY 2023: £(17.9)bn)
- Adviser AUMA up 2% in 2024, with outflow of £3.9bn in FY 2024 offset by positive markets
- interactive investor delivering continued strong growth, with net inflow in FY 2024 almost doubling to £5.7bn (FY 2023: £2.9bn), AUMA up 17% and customers up 8% to 439k
- Good progress in transformation: FY 2024 adjusted operating expenses below £1,075m, in line with guidance; annualised run rate savings in excess of £100m achieved; on track to deliver target of at least £150m of annualised savings by the end of 2025
- FY 2024 adjusted operating profit expected to be in line with current market expectations, providing a solid base from which to grow

AUMA and flows (unaudited)

	AUMA				Net flows		
	31 Dec 24 £bn	30 Sep 24 £bn	31 Dec 23 £bn	FY 2024 £bn	FY 2023 £bn	Q4 2024 £bn	Q4 2023 £bn
Institutional & Retail Wealth	210.5	209.0	211.2	0.3	(17.9)	2.3	(5.8)
Insurance Partners	159.2	159.2	155.5	(4.3)	(1.1)	(1.8)	0.3
Investments	369.7	368.2	366.7	(4.0)	(19.0)	0.5	(5.5)
Adviser	75.2	75.1	73.5	(3.9)	(2.1)	(0.9)	(1.0)
interactive investor	77.5	74.5	66.0	5.7	2.9	1.4	0.5
Eliminations	(11.0)	(11.1)	(11.3)	1.1	0.6	0.2	0.3
Total	511.4	506.7	494.9	(1.1)	(17.6)	1.2	(5.7)

Commenting, Jason Windsor, CEO abrdn plc, said:

"We made significant progress in 2024, exceeding our cost transformation targets and also laying the foundations for the new management team to achieve growth and efficiency as we enter 2025.

"Investments returned to inflow in the quarter, and while there remain challenges to overcome, it was pleasing to see our Institutional & Retail Wealth segment report £2.3bn of positive flow in Q4.

"interactive investor, which achieved the number 1 position in UK D2C net flows, performed very strongly throughout 2024, and we expect continuation of its growth this year.

"Outflows in Adviser are being addressed, with an absolute focus on an improved service and value proposition for our clients.

"I look forward to providing further information on our performance and strategy with the Full year results on 4 March."

Investments: Significant improvement in flows, with Institutional & Retail Wealth returning to net inflow

- Investments AUM up £1.5bn in Q4 to £369.7bn, driven by inflow in Institutional & Retail Wealth (I&RW), together with positive markets.
- AUM in I&RW increased by £1.5bn in Q4 to £210.5bn. Net flow improved significantly, achieving a net inflow of £0.3bn for the year compared to a net outflow of £17.9bn in FY 2023. Net inflow in Q4 of £2.3bn was primarily driven by alternatives, quantitative strategies and liquidity.
- While equity flow continues to reflect challenging conditions in Asia and emerging markets as well as switches to passive strategies, Q4 outflow of £1.5bn improved relative to Q3 (£2.4bn outflow).
- Fixed income had a modest net outflow of £0.4bn in Q4, with a flat net flow for FY 2024 marking a significant improvement year-on-year (FY 2023: net outflow of £4.0bn).
- Our liquidity business performed well, with a net inflow of £5.0bn for the year (2023: net outflow of £3.7bn) including a net inflow of £2.3bn in Q4. Average AUM has been around £20bn during 2024, up c.4% on 2023.
- Insurance Partners AUM of £159.2bn was up 2% in 2024 and flat in the last quarter, with a net outflow offset by positive market movements. Net outflow, principally relating to run-off in the heritage business, was £4.3bn for the year (FY 2023 net outflow: £1.1bn) and £1.8bn in Q4.
- Other highlights in Q4 include a strengthening of the leadership team, including the appointment of Xavier Meyer as CEO Investments in November.

Adviser: Strengthened leadership team in place, with focus on delivering improved service for clients

- AUMA up 2% year-on-year to £75.2bn with positive markets offsetting continued net outflow.
- Net outflow remains elevated despite a modest uptick in new business, with an outflow of £0.9bn in Q4. Overall outflow of £3.9bn for the year.
- Consistent with our priority to return to net inflow as soon as possible, we have redoubled our efforts to deliver improved service for our clients. Improvements delivered include reduced sign-up and transfer-in times for clients on our Wrap platform. This has helped drive more favourable client sentiment, with average service net promoter scores ending the year at 41, up from an average of 29 in H1 2024.
- Strengthened senior leadership team all now in place, including a new Chief Financial Officer, Chief Product and Technology Officer, and Chief Distribution Officer.

interactive investor (ii): Consistent strong growth, with customers responding to increased brand awareness and value proposition, market-leading SIPP, reliable service delivery and global trading capabilities

- Strong and sustained organic growth, with total customers up 8% to 439k in the year and up 2% in Q4, helped by an increase in brand awareness.
- SIPP customers, a key growth area, increased to 81k, up 29% in the year (31 December 2023: 62k) and 5% in Q4 (30 September 2024: 76k).
- AUMA up 17% year-on-year and 4% in Q4 to £77.5bn, driven by robust growth in net inflows and positive markets.
- Net inflow in Q4 of £1.4bn compared to £0.5bn in Q4 2023. Net inflow for FY 2024 of £5.7bn almost doubled year-on-year (FY 2023: £2.9bn) and ranked ii as number one for UK D2C net flow in Q1–Q3¹.

- Trading volumes in 2024 up 29% year-on-year, with a notable increase in international trading supported by increased use of the platform's global trading and FX capabilities.

Transformation: Building a more efficient and focused company

- Transformation programme delivering cost savings while allowing investment in our people, technology and data enablement, and process and control enhancements.
- Strong progress against our transformation targets, with in excess of £100m of the programme's total targeted annualised run rate savings (of at least £150m by the end of 2025) achieved from actions completed in 2024.
- FY 2024 adjusted operating expenses to be in line with guidance given at our H1 2024 results (i.e. below £1,075m), and exceeding the c.£60m in-year target.
- Sale of Focus Solutions business in December consistent with our strategy to simplify the Group.

Outlook: FY 2024 adjusted operating profit expected to be in line with current market expectations, providing a solid base from which to grow

- Our confidence in the outlook for the group reflects:
 - o An anticipated significant uplift in contribution from interactive investor – building on the strong growth in customer numbers and AUMA achieved in 2024, coupled with increased customer trading activity and ongoing cost discipline.
 - o Strong momentum in transformation, with the programme on track to deliver its target of at least £150m of annualised savings by the end of 2025.
 - o Continued improvement in Investments, driven by the new team's disciplined client focus, underpinned by greater cost efficiency.
 - o An ongoing focus on returning to net inflow in Adviser through service improvement and repricing. In line with previous guidance, platform revenue margin expected to be 2-3bps lower in FY 2025 as repricing of back book takes effect.

All figures to 31 December 2024. All figures in this announcement are unaudited and subject to revision.

1. Source: Fundscape, Direct Matters, Q3 2024

Management will be hosting a call for analysts at 8:30am (GMT) today. To access a webcast of the conference call, please use the following link: https://brrmedia.news/ABDN_Q4

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Appendix 1

Analysis of AUMA

	Opening AUMA at 1 Oct 2024 £bn	Gross inflows £bn	Redemptions £bn	Net flows £bn	Market and other movements ¹ £bn	Corporate actions £bn	Closing AUMA at 31 Dec 2024 £bn
3 months ended 31 December 2024							
Institutional & Retail Wealth	209.0	9.5	(7.2)	2.3	(0.8)	-	210.5
Insurance Partners	159.2	7.7	(9.5)	(1.8)	1.8	-	159.2
Investments	368.2	17.2	(16.7)	0.5	1.0	-	369.7
Adviser²	75.1	1.8	(2.7)	(0.9)	1.0	-	75.2
interactive investor³	74.5	3.5	(2.1)	1.4	1.6	-	77.5
Eliminations	(11.1)	(0.7)	0.9	0.2	(0.1)	-	(11.0)
Total AUMA	506.7	21.8	(20.6)	1.2	3.5	-	511.4

	Opening AUMA at 1 Jan 2024 £bn	Gross inflows £bn	Redemptions £bn	Net flows £bn	Market and other movements ¹ £bn	Corporate actions ⁴ £bn	Closing AUMA at 31 Dec 2024 £bn
12 months ended 31 December 2024							
Institutional & Retail Wealth	211.2	36.7	(36.4)	0.3	5.6	(6.6)	210.5
Insurance Partners	155.5	23.8	(28.1)	(4.3)	8.0	-	159.2
Investments	366.7	60.5	(64.5)	(4.0)	13.6	(6.6)	369.7
Adviser²	73.5	6.5	(10.4)	(3.9)	5.6	-	75.2
interactive investor³	66.0	13.7	(8.0)	5.7	5.8	-	77.5
Eliminations	(11.3)	(2.4)	3.5	1.1	(0.8)	-	(11.0)
Total AUMA	494.9	78.3	(79.4)	(1.1)	24.2	(6.6)	511.4

1. Market and other movements includes transfer of £1.7bn assets from Quantitative mandates in Institutional & Retail Wealth to Insurance Partners.
2. Includes Platform AUA as at 31 December 2024 of £72.4bn (1 October 2024: £72.3bn, 1 January 2024: £70.9bn).
3. Includes D2C platform AUA as at 31 December 2024 of £73.8bn (1 October 2024: £70.6bn, 1 January 2024: £61.7bn). Associated net inflows in 2024 of £6.1bn representing c.10% net flows on opening AUA. Also includes financial planning business AUA as at 31 December 2024 of £3.7bn (1 October 2024: £3.9bn, 1 January 2024: £4.3bn).
4. Corporate actions relate to the disposal of our European-headquartered Private Equity business in April 2024 (£7.0bn) and the acquisition of closed-end funds from First Trust in July 2024 (£0.3bn) and September 2024 (£0.1bn).

Quarterly AUMA

	31 Dec 24 £bn	30 Sep 24 £bn	30 Jun 24 £bn	31 Mar 24 £bn	31 Dec 23 £bn
12 months ended 31 December 2024					
Institutional & Retail Wealth	210.5	209.0	210.7	215.1	211.2
Insurance Partners	159.2	159.2	158.6	159.2	155.5
Investments	369.7	368.2	369.3	374.3	366.7
Adviser	75.2	75.1	75.0	75.2	73.5
interactive investor	77.5	74.5	72.9	69.6	66.0
Eliminations	(11.0)	(11.1)	(11.3)	(11.4)	(11.3)
Total AUMA	511.4	506.7	505.9	507.7	494.9

Quarterly net flows

	3 months to 31 Dec 24 £bn	3 months to 30 Sep 24 £bn	3 months to 30 Jun 24 £bn	3 months to 31 Mar 24 £bn	3 months to 31 Dec 23 £bn
15 months ended 31 December 2024					
Institutional & Retail Wealth	2.3	(2.4)	(0.3)	0.7	(5.8)
Insurance Partners	(1.8)	(1.1)	(0.9)	(0.5)	0.3
Investments	0.5	(3.5)	(1.2)	0.2	(5.5)
Adviser	(0.9)	(1.0)	(1.1)	(0.9)	(1.0)
interactive investor	1.4	1.2	1.9	1.2	0.5
Eliminations	0.2	0.2	0.4	0.3	0.3
Total net flows	1.2	(3.1)	-	0.8	(5.7)

Institutional & Retail Wealth AUM
Detailed asset class split

	Opening AUM at 1 Oct 2024 £bn	Gross inflows £bn	Redemptions £bn	Net flows £bn	Market and other movements ¹ £bn	Corporate actions £bn	Closing AUM at 31 Dec 2024 £bn
3 months ended 31 December 2024							
Developed markets equities	11.2	0.2	(0.5)	(0.3)	(0.3)	-	10.6
Emerging markets equities	9.6	0.4	(0.8)	(0.4)	(0.3)	-	8.9
Asia Pacific equities	15.6	0.5	(1.1)	(0.6)	-	-	15.0
Global equities	8.6	0.2	(0.4)	(0.2)	0.1	-	8.5
Total equities	45.0	1.3	(2.8)	(1.5)	(0.5)	-	43.0
Developed markets credit	22.3	0.6	(0.8)	(0.2)	-	-	22.1
Developed markets rates	2.9	0.2	(0.3)	(0.1)	(0.1)	-	2.7
Emerging markets fixed income	9.8	0.5	(0.6)	(0.1)	0.6	-	10.3
Total fixed income	35.0	1.3	(1.7)	(0.4)	0.5	-	35.1
Absolute return ²	-	-	-	-	-	-	-
Diversified growth/income	1.0	-	(0.1)	(0.1)	-	-	0.9
MyFolio	16.4	0.4	(0.6)	(0.2)	-	-	16.2
Other multi-asset ²	7.6	0.2	(0.2)	-	-	-	7.6
Total multi-asset	25.0	0.6	(0.9)	(0.3)	-	-	24.7
Total private equity	-	-	-	-	-	-	-
UK real estate	15.1	0.3	(0.1)	0.2	(0.5)	-	14.8
European real estate	12.8	0.1	-	0.1	(0.2)	-	12.7
Global real estate	1.7	0.1	(0.1)	-	-	-	1.7
Real estate multi-manager	1.4	-	-	-	-	-	1.4
Infrastructure equity	6.4	0.1	-	0.1	0.1	-	6.6
Total real assets	37.4	0.6	(0.2)	0.4	(0.6)	-	37.2
Total alternative investment solutions (including private credit)	25.1	1.1	(0.4)	0.7	1.8	-	27.6
Total quantitative	21.1	1.8	(0.7)	1.1	(1.9)	-	20.3
Total excluding liquidity	188.6	6.7	(6.7)	-	(0.7)	-	187.9
Total liquidity	20.4	2.8	(0.5)	2.3	(0.1)	-	22.6
Total	209.0	9.5	(7.2)	2.3	(0.8)	-	210.5

1. Market and other movements includes transfer of £1.7bn assets from Quantitative mandates in Institutional & Retail Wealth to Insurance Partners.
2. Other multi-asset includes opening AUM of £3.4bn, flows of nil, market and other movements of nil and closing AUM of £3.4bn relating to assets previously classified as Absolute return.

	Opening AUM at 1 Jan 2024 £bn	Gross inflows £bn	Redemptions £bn	Net flows £bn	Market and other movements ¹ £bn	Corporate actions ² £bn	Closing AUM at 31 Dec 2024 £bn
12 months ended 31 December 2024							
Developed markets equities	11.8	1.0	(2.6)	(1.6)	0.4	-	10.6
Emerging markets equities	11.1	1.4	(3.9)	(2.5)	0.3	-	8.9
Asia Pacific equities	16.3	2.0	(5.1)	(3.1)	1.8	-	15.0
Global equities	8.5	1.1	(1.8)	(0.7)	0.7	-	8.5
Total equities	47.7	5.5	(13.4)	(7.9)	3.2	-	43.0
Developed markets credit	21.4	4.0	(3.5)	0.5	(0.2)	0.4	22.1
Developed markets rates	3.3	0.5	(0.9)	(0.4)	(0.2)	-	2.7
Emerging markets fixed income	9.8	1.9	(2.0)	(0.1)	0.6	-	10.3
Total fixed income	34.5	6.4	(6.4)	-	0.2	0.4	35.1
Absolute return ³	-	-	-	-	-	-	-
Diversified growth/income	0.2	-	(0.1)	(0.1)	0.8	-	0.9
MyFolio	16.2	1.4	(2.6)	(1.2)	1.2	-	16.2
Other multi-asset ³	8.7	0.9	(1.1)	(0.2)	(0.9)	-	7.6
Total multi-asset	25.1	2.3	(3.8)	(1.5)	1.1	-	24.7
Total private equity	7.2	-	-	-	(0.2)	(7.0)	-
UK real estate	15.9	0.6	(1.4)	(0.8)	(0.3)	-	14.8
European real estate	13.6	0.3	-	0.3	(1.2)	-	12.7
Global real estate	1.2	0.9	(0.3)	0.6	(0.1)	-	1.7
Real estate multi-manager	1.5	0.2	(0.1)	0.1	(0.2)	-	1.4
Infrastructure equity	6.1	0.7	(0.1)	0.6	(0.1)	-	6.6
Total real assets	38.3	2.7	(1.9)	0.8	(1.9)	-	37.2
Total alternative investment solutions (including private credit)	24.0	2.1	(1.8)	0.3	3.3	-	27.6
Total quantitative	17.1	6.5	(2.9)	3.6	(0.4)	-	20.3
Total excluding liquidity	193.9	25.5	(30.2)	(4.7)	5.3	(6.6)	187.9
Total liquidity	17.3	11.2	(6.2)	5.0	0.3	-	22.6
Total	211.2	36.7	(36.4)	0.3	5.6	(6.6)	210.5

12 months ended 31 December 2023⁴	231.2	28.1	(46.0)	(17.9)	(1.0)	(1.1)	211.2
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1. Market and other movements includes transfer of £1.7bn assets from Quantitative mandates in Institutional & Retail Wealth to Insurance Partners
2. Corporate actions in the twelve months ended 31 December 2024 relate to the disposal of our European-headquartered Private Equity business in April 2024 (£7.0bn) and the acquisition of closed-end funds from First Trust in July 2024 (£0.3bn) and September 2024 (£0.1bn). Corporate actions in the twelve months ended 31 December 2023 relate to the acquisition of Macquarie closed-end funds in March and July 2023 (£0.5bn and £0.2bn) and Tekla healthcare fund management capabilities (£2.3bn) in October 2023 and the disposal of US private equity and venture capital business (£4.1bn) in October 2023.
3. Other multi-asset includes opening AUM of £3.4bn, flows of nil, market and other movements of nil and closing AUM of £3.4bn relating to assets previously classified as Absolute return.
4. Total Institutional & Retail Wealth figures, with opening AUM at 1 January 2023 and closing AUM at 31 December 2023.

interactive investor

Quarterly net flows and additional data

	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Total customers at period end¹ (k)	439	430	422	414	407	400	399	401
Customers holding a SIPP account ¹ (k)	81	76	73	68	62	60	57	55
Net flows (£bn)	1.4	1.2	1.9	1.2	0.5	0.6	1.1	0.7
Customer cash balances¹ (£bn)	6.2	6.1	5.9	5.7	5.5	5.5	5.7	5.7
Daily average retail trading volumes¹ (k)	20.8	18.6	21.0	20.1	15.4	14.2	15.8	17.7
Market Share: Trades UK Cash Market ^{1,2}	-	26%	25%	25%	26%	26%	25%	24%
Market Share: Trades non-UK ^{1,2}	-	32%	30%	28%	31%	29%	29%	27%
Market Share: SIPP AUA ^{1,2}	-	17%	17%	17%	16%	16%	15%	15%
Market Share: Total AUA ^{1,2}	-	20%	20%	20%	19%	19%	19%	19%

1. Excludes our financial planning business.
2. Source: Compeer, data for Q4 2024 not yet available.

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.