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Sticking to the Flight Plan

Ben Hammond – Platforms Director



Altus









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The Christmas tippie of

COST

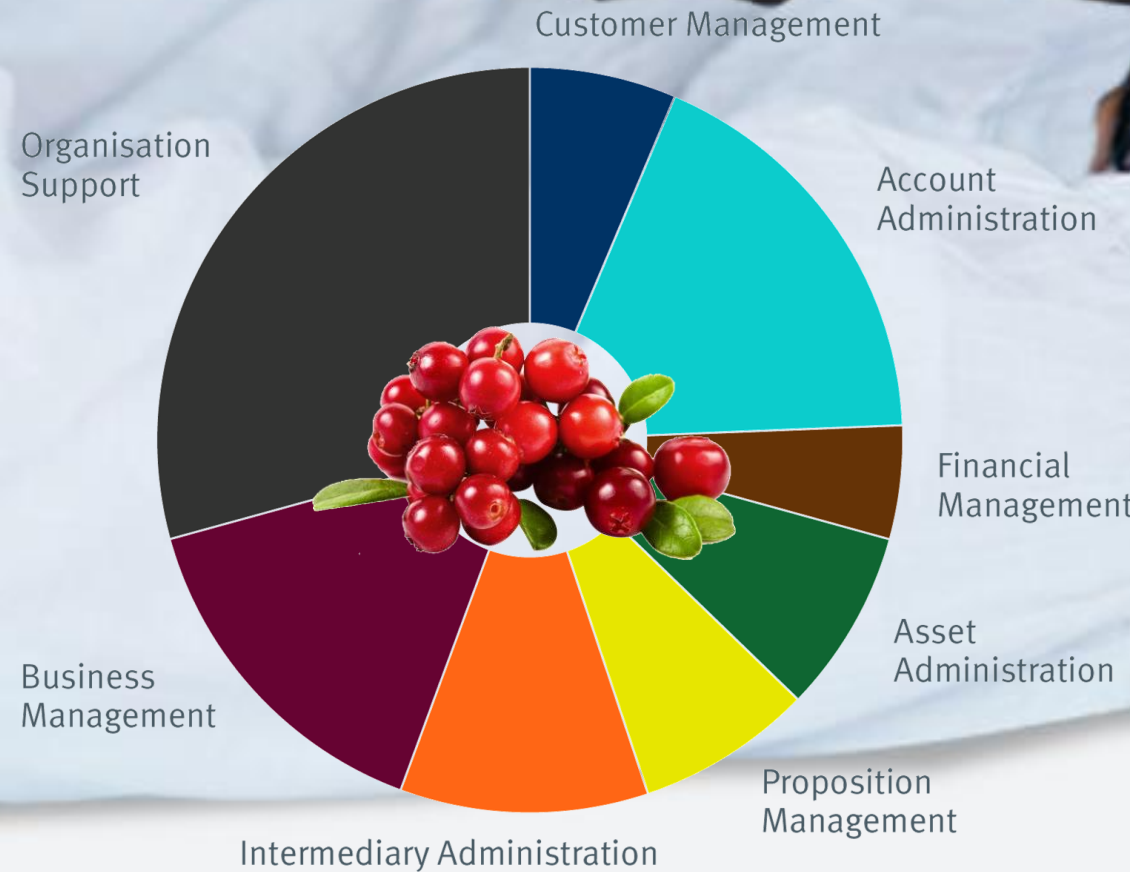
— Typical Platform Capability Cost View —



The Christmas tippile of

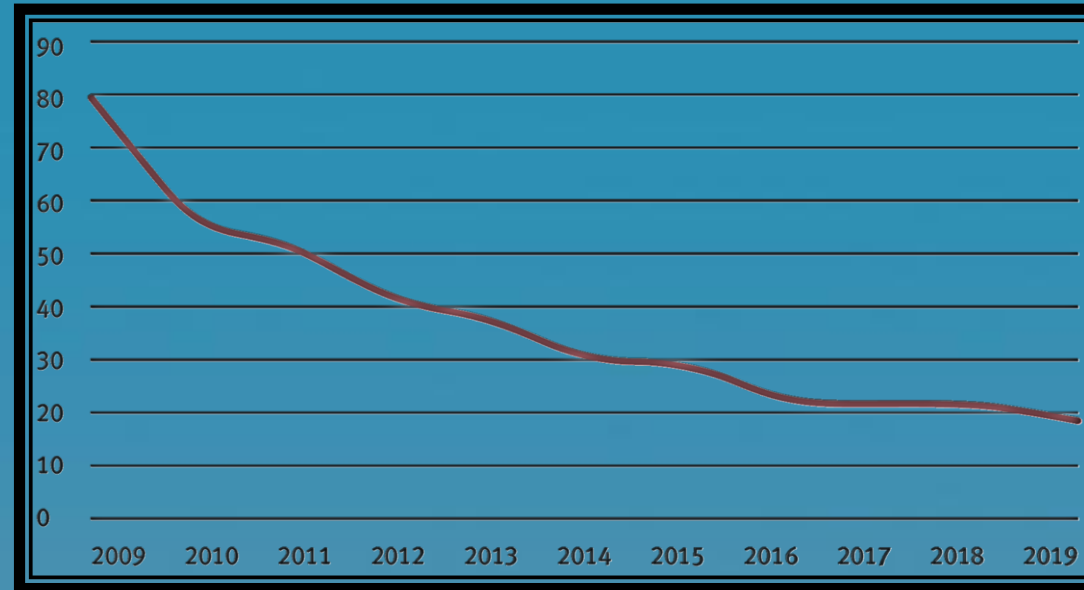
COST

— Typical Platform Capability Cost View —





Platform Industry Run Costs



Cost in Bps

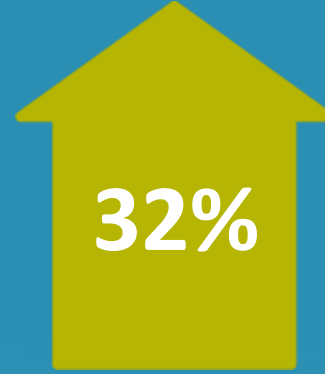


AUA

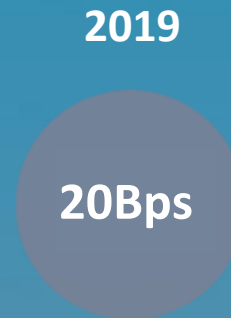
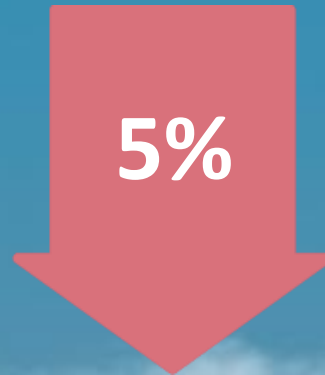
38%



Total Revenue

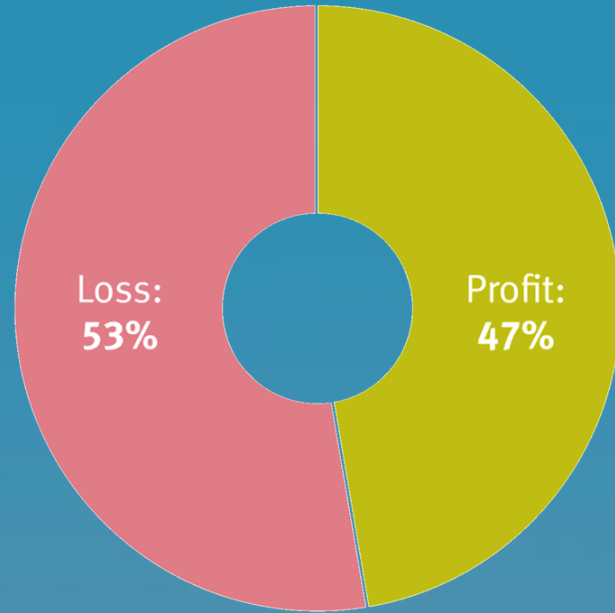


Revenue in Bps

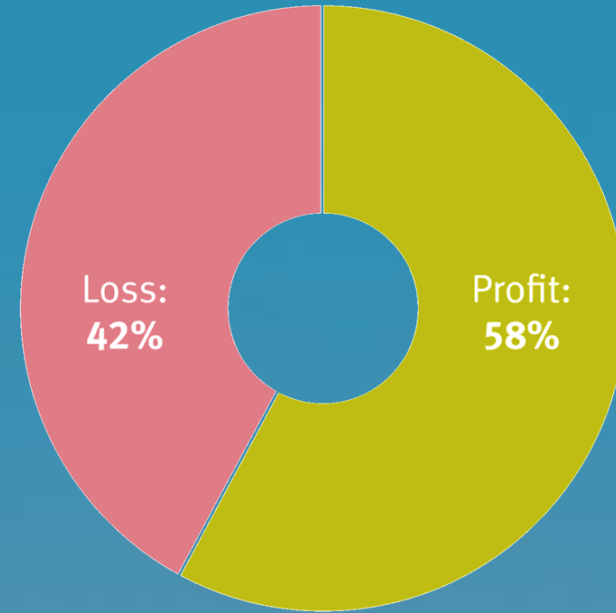


Percentage of Platforms in Profit

2017



2019





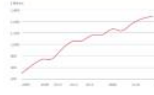
Sticking to the flight plan

How are investment platforms dealing with the turbulence of Coronavirus?

Platform wings across the industry

In a stark contrast to the aviation industry, which has been unable to recover from a catastrophic decline in business since the beginning of 2020, platforms are now very much back in the office. Some of the sector's key players have had a little off-kilter, and a couple are being taken by new players, but none of the fees have been provided.

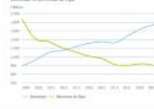
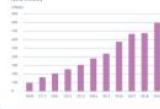
Altus Platform Group (APG) has announced that it is using the year-end period to 31st March 2020 to review its 2019-2020 performance. It is not offering a dividend, but is offering a 10% bonus to its shareholders. APG has also announced that it is offering a 10% bonus to its shareholders. APG has also announced that it is offering a 10% bonus to its shareholders.



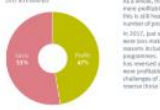
Total AUA and revenue has risen, but revenue is down



While platform has not had a great year, it has not had a bad one either. The industry has seen a significant increase in Total AUA, but revenue has fallen. This is due to a combination of factors, including a decline in asset prices and a reduction in fees.



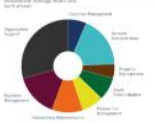
The platform industry is still struggling to make a profit



As a whole, the platform industry is still struggling to make a profit. This is due to a combination of factors, including a decline in asset prices and a reduction in fees. The industry is still in the process of recovering from the impact of the coronavirus pandemic.

Typical platform cost breakdown

Platform costs are a significant part of the total cost of providing investment services. These costs include a range of expenses, including salaries, rent, and marketing. The chart below shows a typical cost breakdown for a platform.



Key players and participants in the platform market

Platform wings in the market



Altus
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NORTH IS FASTER

To download the original Platform Wings white paper from 2018, please click here.

altus.co.uk/consulting



