

For immediate release

The industry must not underestimate impact of CP 12/12 says Momentum white paper on ‘the future of fund platforms’

Momentum publishes today a white paper looking at how the FSA’s much anticipated ‘platform paper’, CP12/12, will impact the UK platform industry along with the broader retail investment landscape and warns the industry not to underestimate its impact.

The white paper delves deeper into the future of fund platforms, the resulting pressure on margins, future considerations and developments for advisors, the relationship between platforms and investment managers. It can be viewed at www.momentumgim.co.uk

Key finds of the paper:

- Platform growth is expected to continue, but the market will be consolidated by an increase in acquisitions
- The importance of scale set to increase
- CP12/12 will complement the RDR and create a better long-term environment for retail investors
- Short to medium-term transition will create natural winners and losers across the industry
- Platform charging will become explicit and dependent on products and services, providing clearer differentiators between providers
- Increased transparency will create greater competition and fee compression

Commenting on the findings, Russell Andrews, author of the white paper said: “With the implementation of RDR complete and the reliance on fund platforms ever increasing, I was not surprised that the regulator shifted its focus to fund platforms. While this has not necessarily made the headlines like the RDR, the industry must not underestimate its impact.”

David Thomas, Head of Retail Sales added “Wraps and platforms are a crucial component of the services offered by professional advisers to their clients and Momentum is very focused on ensuring that advisers using our Factor Series and Blackbridge funds are able to do so through the wrap or platform of their choice”.



The FSA's consultation paper can be found at www.fsa.gov.uk/static/pubs/cp/cp12-12.pdf

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Notes to editors

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