

14 January 2020

Charles Stanley Group PLC

Third quarter trading update for the three months ended 31 December 2019

Charles Stanley Group PLC (“Charles Stanley” or the “Group”) today issues a trading update for the third quarter of its financial year, covering the three months ended 31 December 2019.

Total Funds under Management and Administration (“FuMA”) at 31 December 2019 have risen by 2.8% over the three month period to £25.3 billion, (30 September 2019: £24.6 billion). The increase in funds largely reflects market improvement of £1.0 billion, offset by net outflows of £0.3 billion in the quarter. Over the same period, the MSCI WMA Private Investor Balanced Index increased by 0.8%.

Group revenues for the quarter rose by 14.2% to £42.7 million from £37.4 million in the same period in 2018. This was driven by increased commission income and fee income, up 19.5% and 13.5% respectively.

Paul Abberley, Chief Executive Officer of Charles Stanley, said: “Growth in FuMA over the third quarter mainly reflected market improvements. Group revenues have continued to improve year-on-year benefiting from higher trading volumes, market volumes and repricing, and our transformation programme is on track.”

Charles Stanley Group PLC LEI: 213800LBSEGKE5MCYC90

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Notes to editors:

Charles Stanley provides holistic wealth management services to private clients, charities, trusts and institutions. Its origins trace back to 1792 and it is one of the oldest firms on the London Stock Exchange. The Company has a national presence, with 27 locations and 850 professionals. Its wealth management services are provided direct to clients and to intermediaries.

FUNDS UNDER MANAGEMENT AND ADMINISTRATION

	<i>Dec 2019</i> <i>£bn</i>	<i>Sep 2019</i> <i>£bn</i>	<i>Mar 2019</i> <i>£bn</i>
Discretionary funds	14.4	13.9	13.1
Advisory managed funds	1.4	1.5	1.5
Total managed funds	15.8	15.4	14.6
Advisory dealing funds	1.2	1.2	1.3
Execution-only funds	8.3	8.0	8.2
Total administered funds	9.5	9.2	9.5
Total FuMA	25.3	24.6	24.1
MSCI WMA Private Investor Balanced Index	1,679	1,665	1,587

The change in FuMA since 30 September 2019 is explained in more detail in the table below:

	Discretionary managed £bn	Advisory managed £bn	Advisory dealing £bn	Execution- only £bn	Total £bn
Funds at 1 October 2019	13.9	1.5	1.2	8.0	24.6
New clients	0.2	-	-	-	0.2
Transfers	-	-	(0.1)	0.1	-
Net outflows from existing clients	-	(0.1)	-	(0.1)	(0.2)
Lost clients	(0.2)	-	-	(0.1)	(0.3)
Net outflows of funds	-	(0.1)	(0.1)	(0.1)	(0.3)
Market movement	0.5	-	0.1	0.4	1.0
Funds at 31 December 2019	14.4	1.4	1.2	8.3	25.3

REVENUE

The table below set out the revenues of the Group for the quarter ended 31 December 2019 along with the prior year comparatives on a like-for-like basis.

Quarter to 31 December 2019

	<i>Investment Management Services</i> £m	<i>Financial Planning</i> £m	<i>Charles Stanley Direct</i> £m	Total £m
Fee income	27.5	2.2	1.4	31.1
Commission	8.9	-	0.3	9.2
Interest income	1.9	-	0.5	2.4
Total	38.3	2.2	2.2	42.7

Quarter to 31 December 2018

	<i>Investment Management Services¹</i> £m	<i>Financial Planning</i> £m	<i>Charles Stanley Direct</i> £m	Total £m
Fee income	24.1	1.9	1.4	27.4
Commission	7.4	-	0.3	7.7
Interest income	1.9	-	0.4	2.3
Total	33.4	1.9	2.1	37.4

¹The figures have been restated to reflect the amalgamation of the Asset Management division into the Investment Management Services division with effect from 1 April 2019.

Year-to-date 31 December 2019

	<i>Investment Management Services</i> £m	<i>Financial Planning</i> £m	<i>Charles Stanley Direct</i> £m	Total £m
Fee income	82.3	6.1	4.3	92.7
Commission	27.3	-	1.0	28.3
Interest income	5.6	-	1.5	7.1
Total	115.2	6.1	6.8	128.1

Year-to-date 31 December 2018

	<i>Investment Management Services¹</i> £m	<i>Financial Planning</i> £m	<i>Charles Stanley Direct</i> £m	Total £m
Fee income	73.6	5.4	3.6	82.6
Commission	26.3	-	1.1	27.4
Interest income	4.2	-	0.9	5.1
Total	104.1	5.4	5.6	115.1

¹The figures have been restated to reflect the amalgamation of the Asset Management division into the Investment Management Services division with effect from 1 April 2019.