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Alternatives lift the Jersey Fund Industry

New findings from Monterey Insight, the independent fund research company, reveal the market shares of all service providers in Jersey's fund industry.

The 29th annual Monterey Jersey Fund Report highlights that fund assets serviced in Jersey increase from US\$585.2bn in 2022 to US\$593.5bn at the end of June 2023, up 1.4% in US Dollar. This represents a decrease of 3.1% in Pound Sterling compared to 2022.

The number of serviced schemes increase to 1,883, up 16.4% and the total number of sub-funds recorded were also up to 2,390 which represents an 11.8% increase (from 1,618 and 2,137 respectively).

The Jersey fund industry is primarily driven by private equity/venture capital funds, which are the most popular products. These funds account for US\$424.1bn of assets for domiciled and serviced funds, totalling 1,262 funds and sub-funds. Property/Real Estate Funds rank second with US\$68.0bn and a total of 350 funds.

Private debt funds have seen the highest growth in net assets, with a 21% increase compared to 2022, for funds with assets over US\$10bn.

During the period, over 210 newly launched and newly serviced sub-funds were accounted for, reaching US\$39.4bn for new products of domiciled and non-domiciled funds. Of these newly launched or reported serviced funds and sub-funds, over 130 were private equity/venture capital products totalling US\$30.7bn.

For the Jersey domiciled market share, over 145 new Jersey funds and sub-funds were launched or newly reported during the year, totalling US\$14.0bn of assets.

Turning to service providers, among fund management companies of both domiciled and non-domiciled serviced schemes, CVC Capital Partners US\$77.1bn take the first position ahead of ARDIAN rising to the second place with US\$73.8bn. SoftBank drop to third place with assets totalling US\$54.5bn (information publicly sourced).

For fund administration services across both domiciled and non-domiciled funds, Aztec Group with US\$224.8bn in assets, maintain the largest market share for fund assets under administration for the eight consecutive year. They are followed in second place by Saltgate with US\$72.0bn and R&H Fund Services in third position with US\$29.2bn.

Among transfer agents, Aztec Group also maintain their lead, with total net assets of US\$208.1bn. Second spot remain unchanged from last year with Computershare Investor Services in second position with US\$30.3bn. However, EFG Fund Services gain one rank to come in third position with US\$19.6bn.

Simon King, Aztec Group - Head of Jersey, said:

"Retaining our position as Jersey's leading fund administrator and transfer agent is a testament to the hard work and commitment of all of our teams in Jersey and across the wider Group. They are dedicated to delivering the best possible service to our clients, and we're proud to once again see that dedication reflected in this year's report."

BNP Paribas, once again secure top position as the largest custodian by assets with US\$16.0bn followed by Apex Group in second position (following the acquisition of Sanne Trustee Services who were second last year) with US\$10.3bn and RBC Wealth Management, benefiting of the Apex/Sanne consolidation, gain one rank and come in third place with US\$8.2bn.

Among legal firms of serviced and distributed funds, Mourant remain on the overall top spot in the rankings, advising on 989 funds. They are followed by Carey Olsen with 941 funds and Ogier maintaining third position with 711 funds.

Joel Hernandez, Jersey Funds Practice Leader, Mourant said:

"We are proud that Mourant has once again been recognised as the overall leading funds adviser in Jersey. The Mourant team has held this top position for over 20 years and it reflects the team's quality and strength-in-depth. This is also the latest independent recognition for our team which maintains its top tier status in the leading legal directories for 2023/2024. Despite the disruptions in the market, we are looking forward to another positive year for the Jersey funds industry in 2024."

For the market share of Jersey domiciled funds, Carey Olsen continue in first place for the fourth consecutive year with 610 Jersey funds while Mourant rank second advising 405 funds. They are followed by Ogier with 335 funds.

Among auditors of serviced funds, as has been the case for many years, PwC are once again the largest auditor with 588 funds ahead of KPMG with 440 funds. EY remain in third place with 253 funds ahead of Deloitte with 173 funds.

For assets, PwC also lead with US\$149.9bn, followed in second position by Deloitte in second position with US\$125.0bn. KPMG create the surprise and jump in third position ahead of EY.

Mike Byrne, Partner and Asset Management Leader at PwC Channel Islands, said:

"I'm delighted that we have retained our market-leading position in Jersey once again as the largest auditor of Jersey serviced funds. Despite the current economic challenges, the Island has demonstrated its resilience, strength and adaptability and continues to be a well-recognised, global centre of excellence for investment funds, providing flexible structures, a robust regulatory environment and first-class professional services. This news reflects our teams' commitment to both our clients and to the local funds industry and we're so proud of them for the part they continue to play in helping us consolidate this leading position for a number of consecutive years. I'm also confident that Jersey will continue to play a really important role in providing top quality advice to both local and global organisations across all sectors of the financial services industry."

Karine Pacary, Managing Director of Monterey Insight, commented:

“We are pleased to reveal the new results of the Jersey Fund Industry in our 29th edition of our Monterey Jersey Fund Report 2023.

The Jersey fund industry has shown resilience in the current climate and has demonstrated great performance. Alternative investments have been the most positive area of growth across jurisdictions, and the Jersey fund industry reflects this trend. During the period, private debt, ETF, and private equity products were the top performers. On new business, over 80 promoters launched a new fund during the year, totalling 34.5 billion dollars with just over 190 funds and sub-funds, excluding the funds transferred to the island.”

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Notes to Editors

Monterey Insight is an independent fund research company that provides comprehensive statistical analysis of the Jersey, Guernsey, Ireland, Luxembourg and UK fund industries: the only complete reference of service providers for all funds serviced in these jurisdictions.

As at 30th June 2023, leading service providers for all funds serviced in Jersey (i.e., including non-domiciled funds with an appointed administrator, custodian or transfer agent in Jersey) were as follows:

Source: Monterey Insight, Jersey Fund Report 2023.

Rank	Administrators	Total Net Assets US\$bn
1	Aztec Group	224.8
2	Saltgate	72.0
3	R&H Fund Services	29.2

Rank	Custodians	Total Net Assets US\$bn
1	BNP Paribas	16.0
2	Apex Group	10.3
3	RBC Wealth Management	8.2

Rank	Transfer Agents	Total Net Assets US\$bn
1	Aztec Group	208.1
2	Computershare Inv. Services	30.3
3	EFG Fund Services	19.6

Rank	Auditors	No.Funds
1	PwC	588
2	KPMG	440
3	EY	253

Legal advisers table includes distributed funds in Jersey

Rank	Legal Advisers	No.Funds
1	Mourant	989
2	Carey Olsen	941
3	Ogier	711