Asset Management Sector View 2025

Assets Under Management Are Growing—And So Is Complexity

Jan. 21, 2025

S&P Global
Ratings

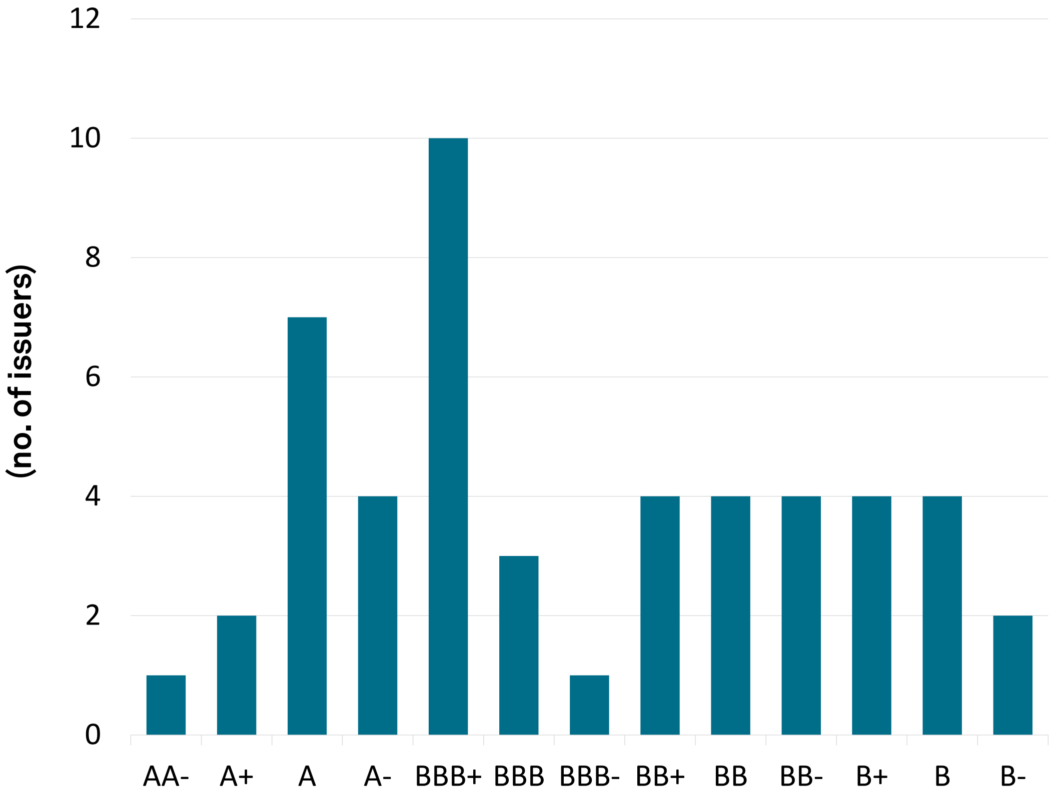
This report does not constitute a rating action

Key takeaways

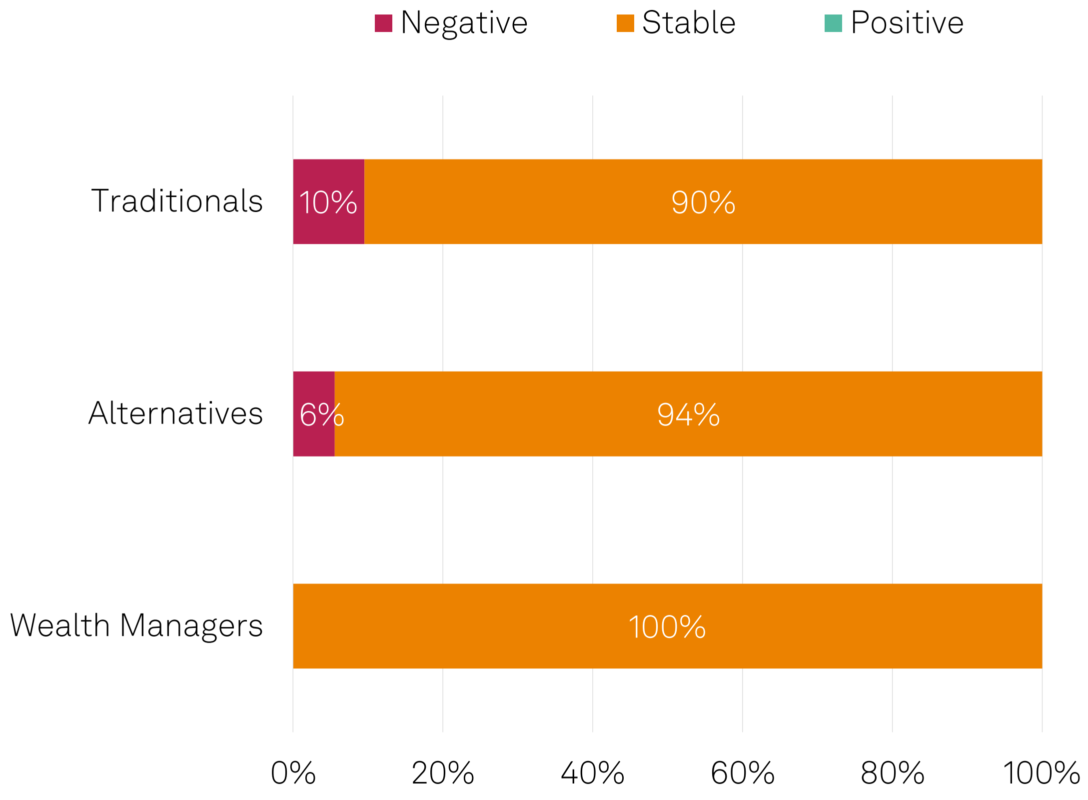
- S&P Global Ratings views the asset management sector as stable in 2025. In traditional asset management, the outlook has improved since last year, while conditions in alternative asset management and wealth management have remained steady.
- Market appreciation has boosted assets under management (AUM) and cushion to credit metric downsides as traditional asset managers face pressures including market volatility, redemptions, and lower yield due to asset mix changes.
- Wealth managers' relatively sticky asset bases result in more stable earnings, but frequent debt-funded M&A, rising market volatility, or higher-than-expected interest rates could pressure their credit metrics.
- Alternative asset managers are the best positioned due to their locked-up AUM and growing demand, though risks remain as complexity increases.
- Key risks to credit quality include market volatility, slowing economic growth, uncertainty around the trajectory of inflation and interest rates, potential worsening of geopolitical tensions, and uncertainty around tariffs and regulation.
- We anticipate more M&A activity in 2025. While this may diversify and scale offerings, sizable M&A could also weaken credit metrics.

Rating and outlook snapshot

Global asset managers rating dispersion



Global asset managers outlook dispersion



As of Jan 17, 2025. Source: S&P Global Ratings.

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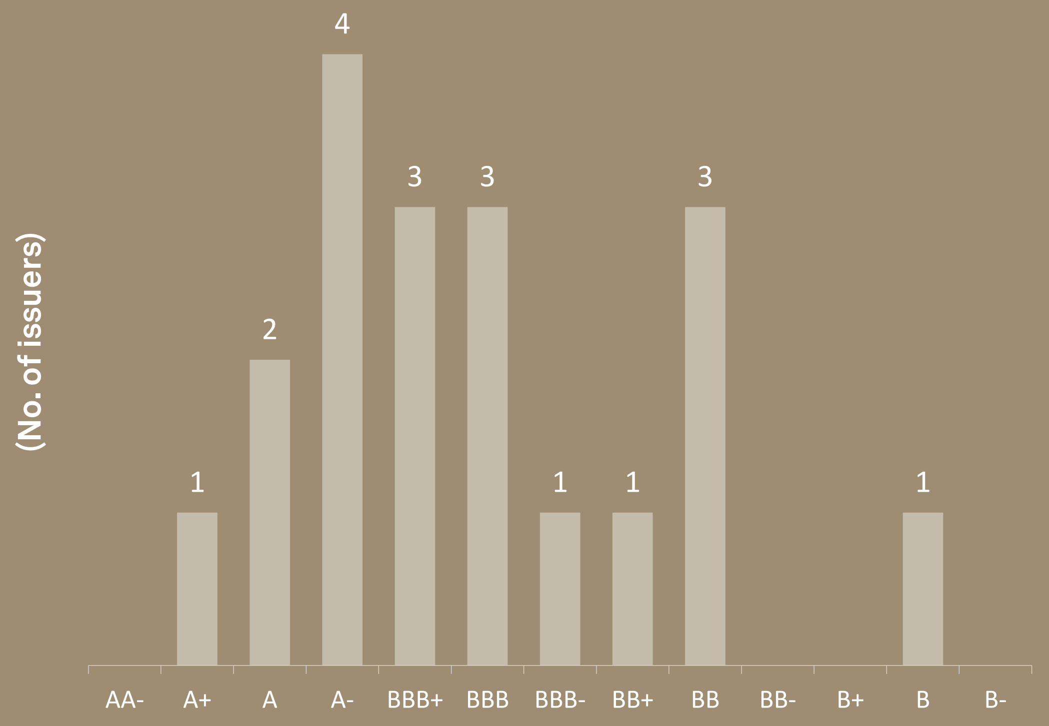
Alternative asset managers sector view and rating triggers

Rating dispersion of global alternative asset managers



As of Jan 17, 2025. Source: S&P Global Ratings.

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Our sector view for alternative asset managers is stable.

- Most alternative asset managers grew AUM significantly in 2024, but their key credit metrics, while largely stable, are unlikely to strengthen.
- Our view could improve if the proportion of fee-related earnings rose and the sector showed successful performance during a downturn while maintaining conservative financial policies.
- Protracted, severe market dislocation could pressure EBITDA and leverage, while increasingly shareholder-friendly financial policies could also weaken financial metrics.
- Newer strategies, riskier investment pursuits, and increasing competition for deployment also pose risks.

Alternative asset managers credit overview | Key rating supports

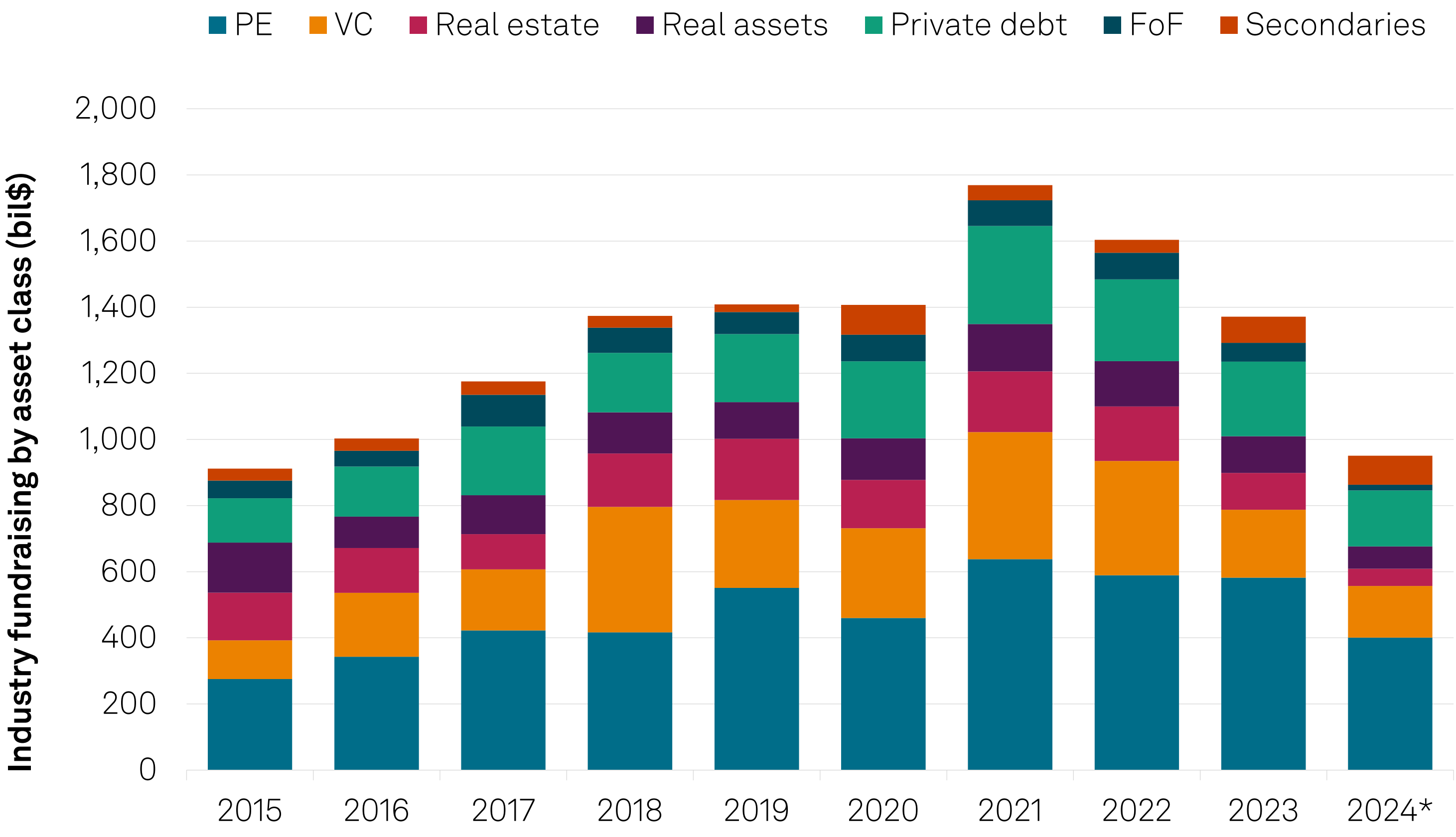
- Demand for alternative investment products from institutional and private wealth limited partners (LPs) remains robust, and exits are stabilizing.
- Continuation funds and the expanding secondary market for illiquid assets support liquidity and fees.
- Locked-up AUM bases provide earnings stability and predictability.
- Most managers have significant dry powder available to deploy opportunistically.
- Corporate borrowers are increasingly accessing private markets, which offer greater execution certainty and more flexible terms, and some asset managers have sourced deals from and partnered with banks, which look to maintain lending relationships while navigating regulatory requirements.
- The earnings mix is shifting toward more stable sources (management fees versus performance fees), while margins remain above average.
- We apply a significant haircut to net realized performance fees and investment income, so our leverage metrics are relatively conservative and should accommodate historical levels of volatility.

Alternative asset managers credit overview | Key rating risks

- Increasing M&A to build scale and expand capabilities could worsen credit metrics, depending on how the inorganic growth is financed.
- Increasing competition among bank and nonbank lenders could loosen underwriting standards, weakening investment performance, and vintage risk could arise if capital is deployed rapidly.
- A sustained negative turn in macroeconomic conditions or poor investment performance could pressure realization activity, performance-related income, and fundraising.
- Growth in unseasoned strategies and product structures could pose risks. Products for private wealth clients, for instance, may have greater liquidity needs, draw greater regulatory scrutiny, and require investment in client education.
- Private markets offer less transparency than public markets. Asset valuation is subjective, making it challenging to assess risk.
- Investors or regulators could bring more attention to the return disclosures of alternative asset managers, particularly as new products are developed for private wealth investors.

Alternatives continue to grow rapidly

- Most of the industry's AUM is in private equity assets, though credit is a growing percentage of total fundraising.
- Secondaries fundraising has grown, in part due to managers lengthening private equity asset hold periods amid less predictable interest rates.
- We expect the nascent improvement in private equity and real estate realizations, deployment, and fundraising to strengthen in 2025.



*Through Sept. 30, 2024. Sources: PitchBook and S&P Global Ratings.

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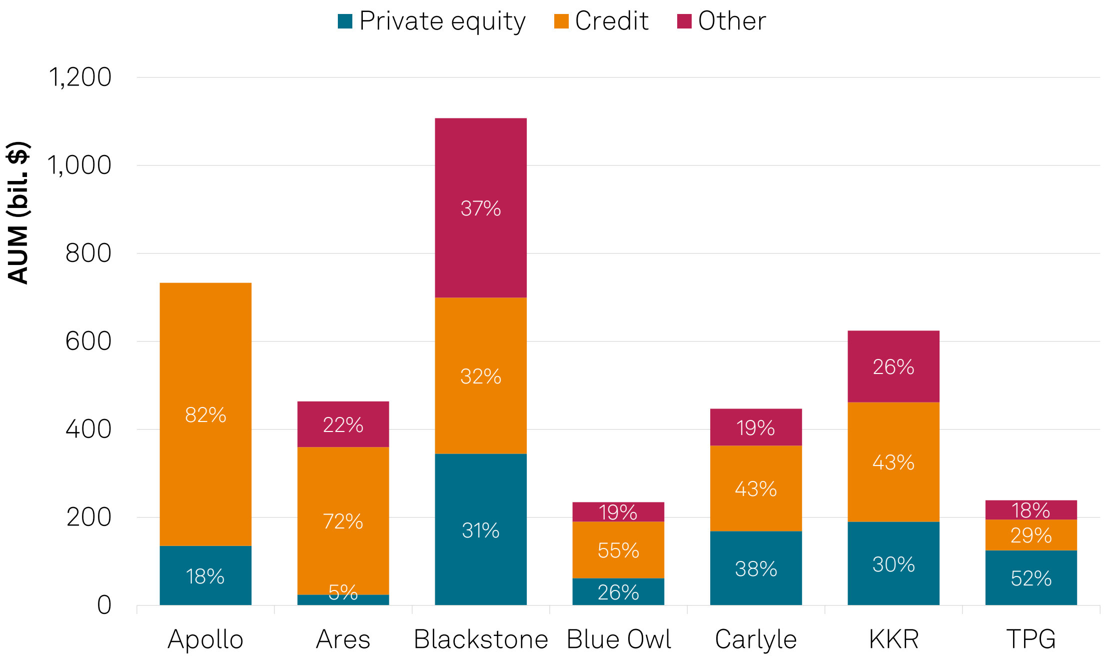
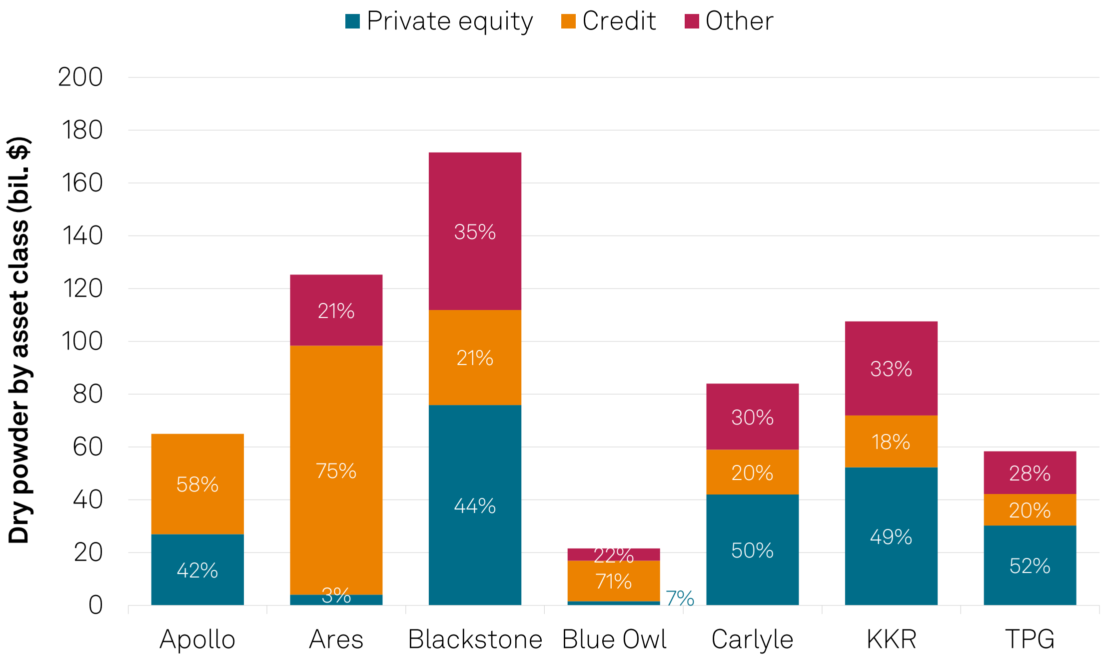
Most alternative asset managers are well diversified with sizable dry powder

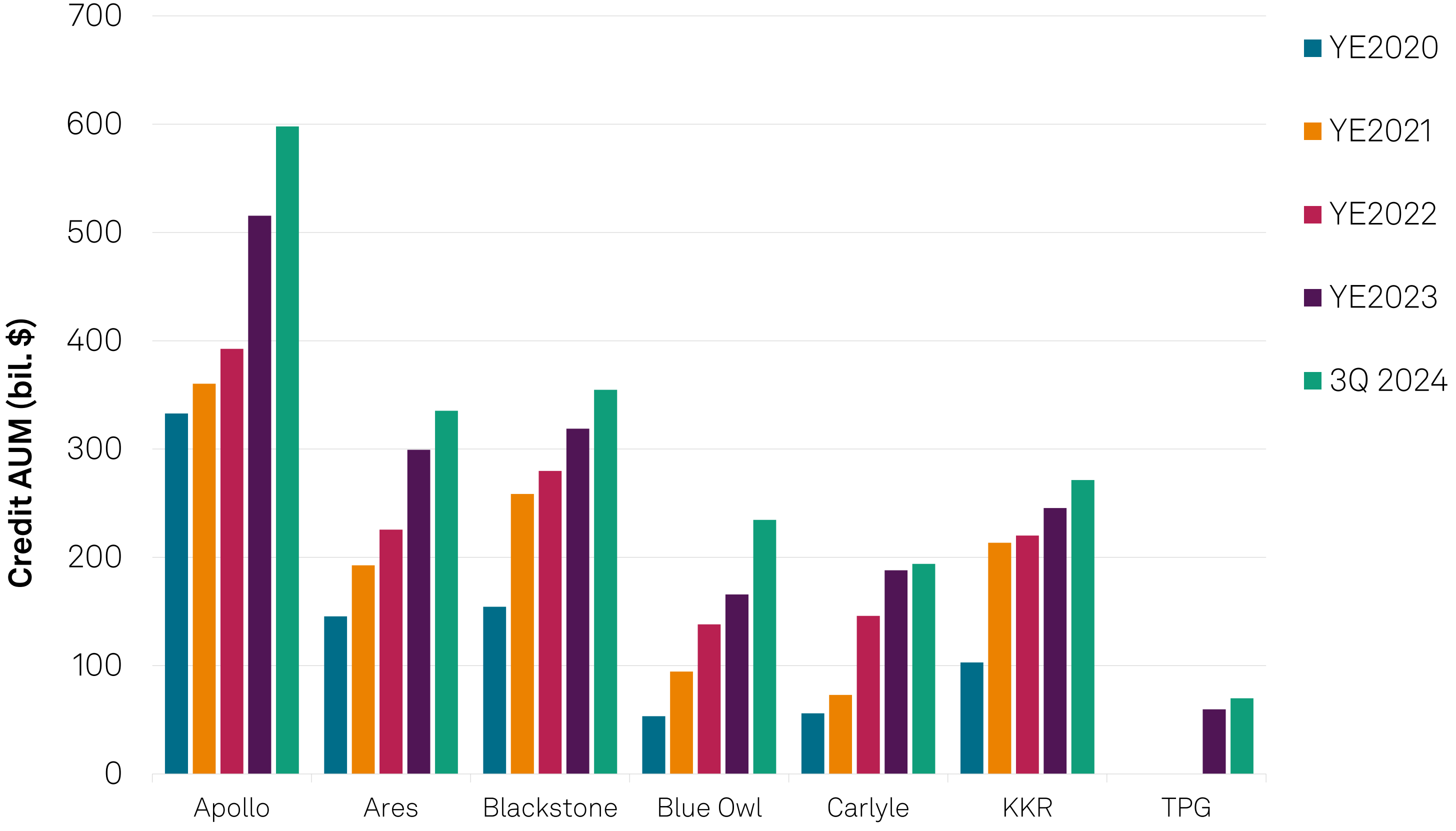
- Most alternative asset managers we rate are well diversified by asset class and strategy, allowing for continued growth as strategies come in and out of favor.
- Dry powder allows issuers to deploy capital opportunistically, even if fundraising slows, and allows insight into fee-related earnings growth.





As of Sept. 30, 2024. Sources: Company data and S&P Global Ratings.

Private credit remains a focus in 2025

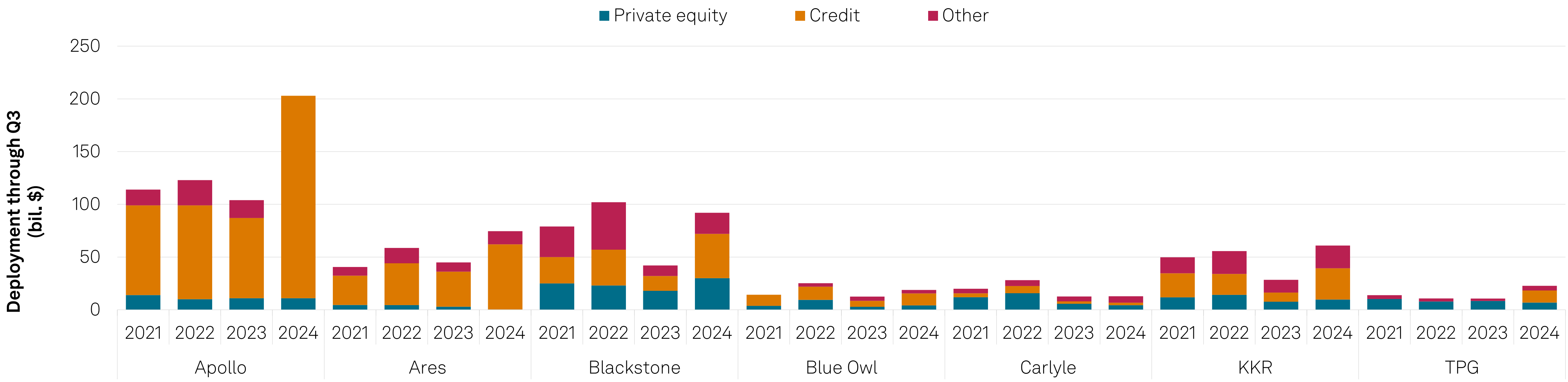


- Higher yields and investment diversification have attracted increasing institutional allocations to private credit.
- Managers have also created products with risk/return suited to private wealth, expanding the target investor base.
- Private credit competes against banks by offering corporate borrowers an alternative to CLO-eligible leveraged loans and through asset-backed finance.
- Its performance has been solid, but corporate default rates will likely rise, particularly if funding remains expensive and market dislocation hits vulnerable borrowers.

Sources: Company data and S&P Global Ratings.

Deployment is set to remain strong for most alternative asset managers

- We expect fundraising and deployment to remain strong in 2025, especially in asset-backed finance, infrastructure, and direct lending.
- Increasing competition for deployment could compromise underwriting standards and weaken investment performance. Similarly, vintage risk could arise if capital is deployed rapidly.
- Growth in unseasoned strategies and product structures could pose reputational and operational risks.



Sources: Company data and S&P Global Ratings.

Bank partnerships facilitate growth but add complexity

- Partnerships and transactions between banks and asset managers allow banks to manage their balance sheets and lending relationships and sometimes gain a toehold in private credit.

- In recent examples, alternative managers have purchased loan portfolios from banks or established lending partnerships or flow agreements (see right).

- We expect bank partnerships to support AUM growth, but they could introduce risk from third parties underwriting acquired portfolios.

- These partnerships could also draw increasing regulatory scrutiny.

- KKR and Carlyle purchased $10 billion in prime student loans from Discover Financial Services in July 2024.

- Apollo purchased $8 billion of Credit Suisse's securitized products business and assets from UBS in March 2024.

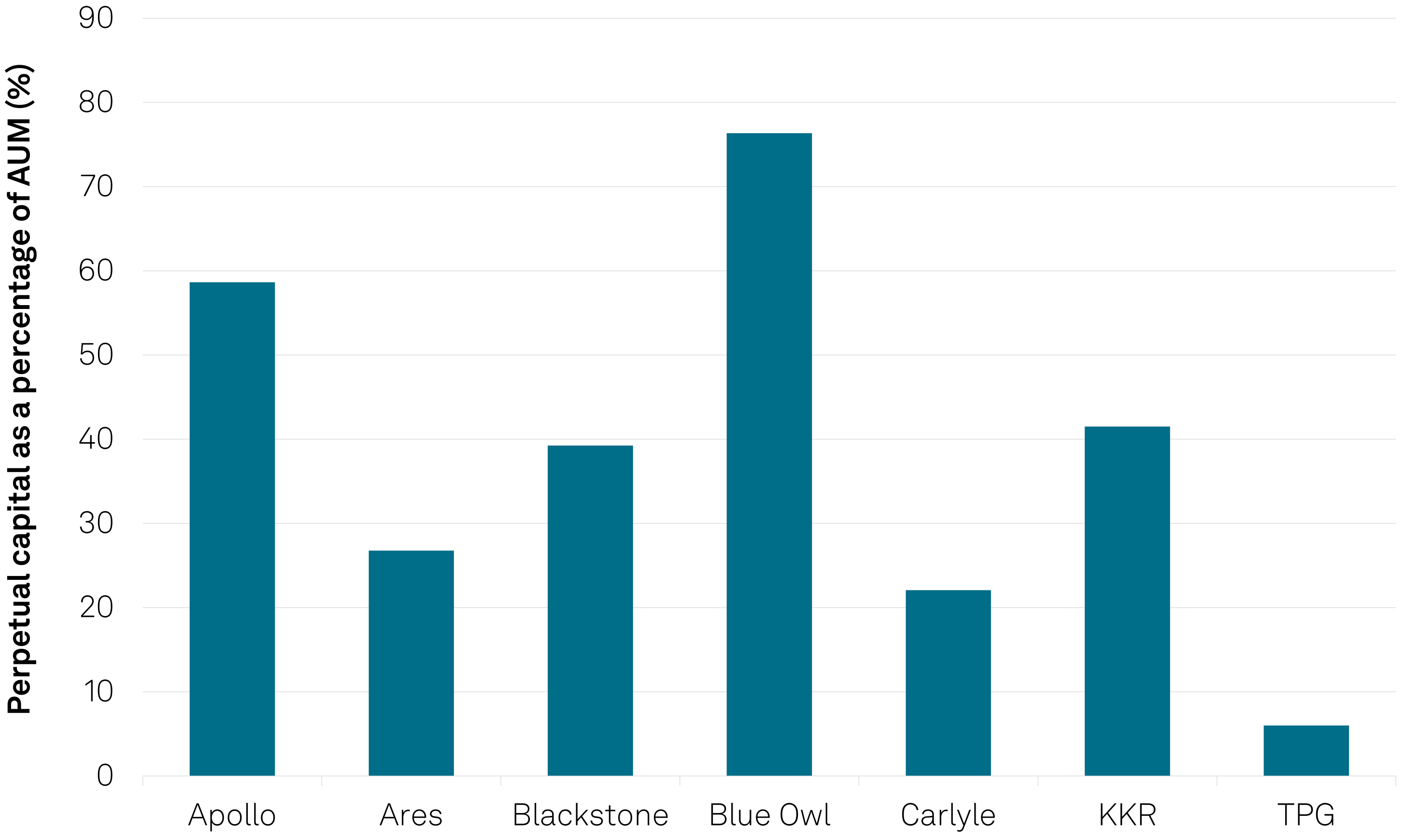
- Apollo also partnered with Citi on lending ventures, with a goal of reaching $25 billion in flows by 2029.

- Oaktree partnered with Lloyd's Bank on a new European direct lending fund, expected to launch in 2025.

- BNP Paribas acquired AXA Investment Managers for €5.1 billion in December 2024 after signing a share purchase agreement.

Perpetual capital provides earnings stability

- AUM in perpetual capital vehicles has grown, supported by insurance partnerships and broadening alternative strategies and LP bases.
- Such partnerships include large-scale and minority acquisitions and allocation agreements.
- Perpetual capital offers more flexible hold durations and provides a stable, transparent management fee stream.



As of Sept. 30, 2024. Sources: Company data and S&P Global Ratings.

Key credit metrics and leverage triggers for alternative asset managers

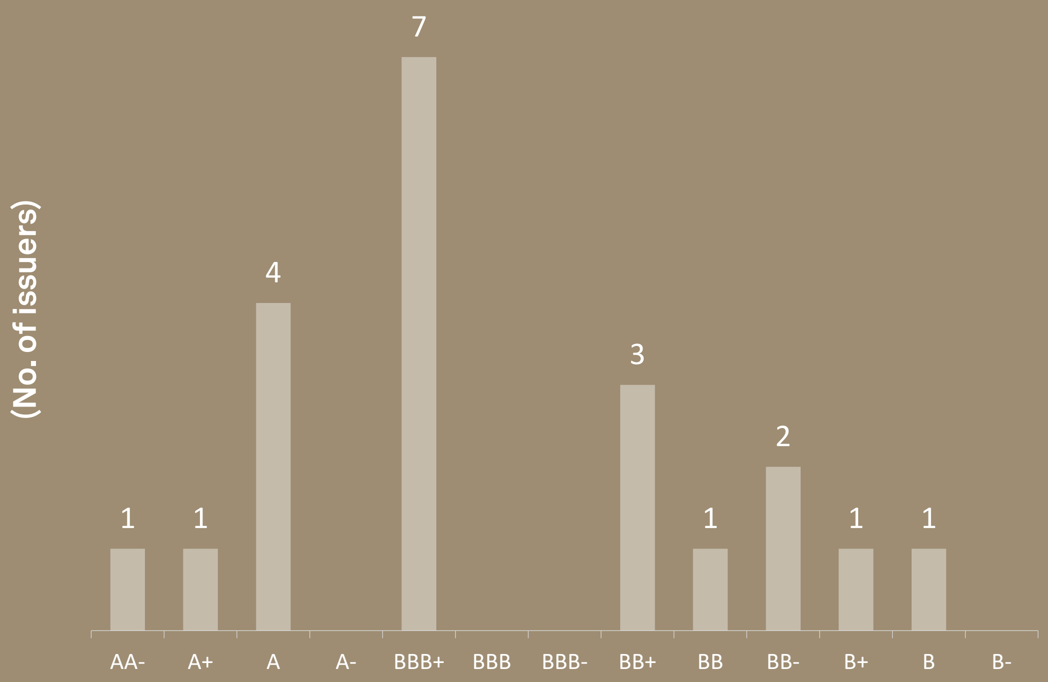
- Most issuers' downside leverage thresholds have comfortable cushions, given predictable management fees and conservative haircuts on performance-related income.
- In some cases, rating upside is contingent on business-related factors.

			--Debt to adj. EBITDA (x)--			--Leverage (coverage§) outlook triggers--		--Adj. EBITDA to interest (x)--		
Entity	**Rating**	**Outlook**	**FY 2023a**	**FY 2024e**	**FY 2025e**	**Downside**	**Upside**	**FY 2023a**	**FY 2024e**	**FY 2025e**
Apollo Asset Management, Inc.	A	Stable	1.1	<1.5	<1.5	>1.5	-	14.3	10.0-15.0	10.0-15.0
Ares Management Corp.	BBB+	Stable	2.4	1.5-2.0	1.5-2.0	>2.0	<1.5	10.0	10.0-15.0	10.0-15.0
Blackstone Group Inc.	A+	Stable	1.1	<1.5	<1.5	>1.5	-	13.0	>15	>15
Blue Owl Capital Inc.	BBB	Negative	>3.0	3.0-3.2	2.0-3.0	>3.0	<3.0	>10.0	10.0-15.0	13.0-15.0
Brookfield Corp.	A-	Stable	2.4	2.0-3.0	2.0-3.0	>3.5	<2.0	8.0	8.0-10.0	8.0-10.0
Brookfield Oaktree Holdings LLC	A-	Stable	1.9	1.5-2.0	1.0-1.5	>2.0	-	9.7	9.0-11.0	9.0-11.0
Carlyle Group Inc. (The)	A-	Stable	1.0	0.8-1.0	0.7-1.0	>2.0	~1.0	10.5	14.0-16.0	15.0-17.0
Citadel Limited Partnership	BBB	Stable	NA	<1.5	<1.5	>2.0	-	NA	>15	>15
EIG Management Company, LLC	BB	Stable	2.9	2.5-3.0	<2.5	>3.5	<2.5	3.0	>3.0	>3.0
EQT AB	A-	Stable	1.0	<1.0	<1.0	>1.5	-	>15	>15	>15
Finco I LLC (Fortress)	BB	Stable	3.9	3.0-4.0	3.0-4.0	>4.0	<3.0	1.8	2.0-3.0	2.0-3.0
Franklin Square Holdings, L.P.	BB	Stable	3.7	3.0-4.0	3.0-4.0	>4.0	<3.0	3.8	3.5-4.5	3.5-4.5
Grosvenor Capital Management Holdings LLLP	BB+	Stable	2.9	2.0-3.0	2.0-3.0	>3.0	<2.0	6.0	5.0-10.0	5.0-10.0
Intermediate Capital Group PLC*	BBB+	Stable	2.0	1.5-2.0	<1.5	>2.0	-	10.6	10.0-15.0	>15.0
KKR & Co. Inc.	A	Stable	1.0	<1.75	<1.75	>1.75	<1.5	11.8	10.0-15.0	10.0-15.0
Tikehau Capital SCA**	BBB-	Stable	0.6	0.8	0.7	>0.8; <6.0 §	-	8.5	6.0-7.0	8.0-9.0
TPG Operating Group II, L.P.	BBB+	Stable	<1.5	<1.5	<1.5	>1.5; <15§	-	>15	>15	>15

FY--Fiscal Year. A--Actual. §EBITDA interest coverage trigger;*leverage and coverage metrics are as of fiscal year ended Sept. 30, 2024, forecast years 2025 and 2026;
**leverage measured as debt to adjusted total equity rather than debt to adjusted EBITDA

Traditional asset managers sector view and rating triggers

Rating dispersion of global traditional asset managers



As of Jan 17, 2025. Source: S&P Global Ratings.

S&P Global Ratings

Our sector view for traditional asset managers is stable.

- Most managers' credit metrics stabilized with decent cushion to downside thresholds after markets in 2023 and 2024 supported AUM and earnings growth.
- Our current ratings incorporate our expectation for modest real GDP growth and gradually declining interest rates in 2025.
- Most managers we rate can handle moderate market volatility without material, sustained erosion in credit metrics, so we expect most rating actions this year to be idiosyncratic.

Traditional asset managers credit overview | Key rating supports

- Market performance in 2024 supported AUM growth, which should boost management fees for most managers in 2025.
- Market dislocation could allow some active managers to outperform, supporting inflows.
- Some traditional managers are growing their alternative offerings, which could support AUM growth and earnings visibility.
- More diversified managers are better positioned to maintain AUM as investment strategies come in and out of favor.
- Most asset managers have flexible operating structures and stronger margins than in other corporate sectors.

Traditional asset managers credit overview | Key rating risks

- Traditional managers are exposed to market movements.
- Profitability could decline due to further asset mix changes into lower-yielding assets or strategies.
- Redemption risk is elevated for smaller and less diversified managers or those with records of investment underperformance.
- Though the flight from active to passive strategies has largely played out for U.S. asset managers, we don't expect significant new investment in active strategies for most.

Net flows have improved for many traditional managers

- Many traditional managers' net flows improved in 2023 and 2024, but we expect them to remain mixed for some managers and asset classes.
- We expect managers with more diversified offerings to show more stable net flows over the long term.

Select traditional asset manager net flows as a percentage of beginning of period AUM

*Full fiscal year ended Sept. 30; §Including cash management AUM

Traditional asset managers are adding alternative capabilities through M&A

- Growth of private credit and investor appetite for alternatives has led to traditional managers acquiring alternative capabilities to grow AUM, increase diversification, and add to permanent capital (see right).

- We generally view alternatives diversification favorably, but debt-funded M&A could pressure credit metrics and introduce integration risks.

- BlackRock announced an acquisition of HPS Investment Partners to grow and scale its private market capabilities, after recently acquiring Global Infrastructure Partners and announcing the acquisition of Preqin.

- FEH acquired THL Credit in 2020 and Napier Park in 2022, enhancing alternative credit capabilities.

- Franklin Resources acquired Lexington Partners and Alcentra in 2022 and Benefit Street Partners in 2018, increasing secondaries and credit exposure.

- AllianceBernstein acquired CarVal, a private alternative manager focused on credit, infrastructure, specialty finance, and transportation investments, in 2022.

- In 2024, Amundi acquired Switzerland-based Alpha Associates, a private equity, private debt, and infrastructure manager.

Key credit metrics and leverage triggers for traditional asset managers

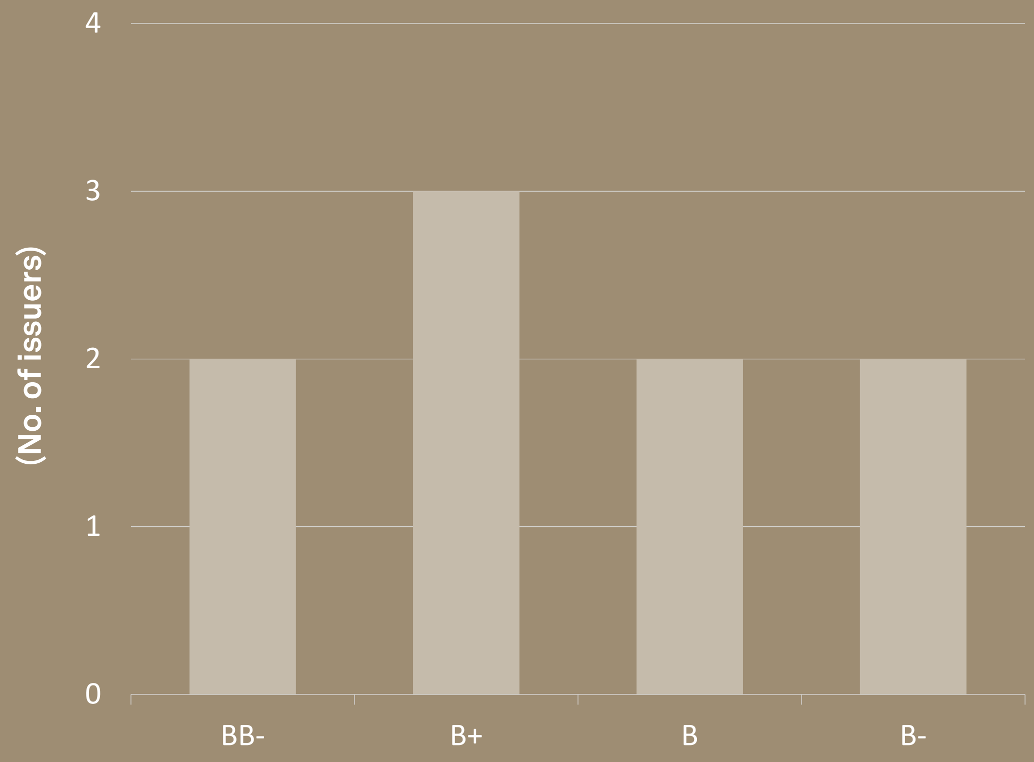
Cushion to downside thresholds has improved for most traditional asset managers in the last 24 months

Entity	Rating	Outlook	--Debt to adj. EBITDA (x)--			--Leverage (coverage§) outlook triggers--		--Adj. EBITDA to interest (x)--		
			FY 2023a	FY 2024e	FY 2025e	Downside	Upside	FY 2023a	FY 2024e	FY 2025e
abrdn PLC	BBB+	Stable	0	< 1.5	< 1.5	> 1.5	-	5.0	6.0-10.0	10.0-15.0
Affiliated Managers Group Inc.	BBB+	Stable	1.5	~2.0	~2.0	> 2.5	< 1.5	8.3	6.0-10.0	6.0-10.0
AllianceBernstein L.P.	A	Stable	1.2	0.5-1.0	0.5-1.0	> 1.5*	-	16.5	~15.0	> 15.0
Allspring Buyer LLC	BB-	Negative	6.3	~5.0	~5.0	> 5.0	< 5.0	1.7	2.0-3.0	2.0-3.0
BlackRock Inc.	AA-	Stable	0.7	0.9-1.0	0.9-1.1	> 1.5	< 0.5	21.9	>15.0	>15.0
Acadian Asset Management Inc. (f/k/a BrightSphere)	BB+	Stable	1.6	1.5-2.0	1.5-2.0	> 2.0	< 1.5	6.9	6.0-10.0	6.0-10.0
Clipper Acquisitions Corp.	BB+	Stable	2.7	2.0-3.0	2.0-3.0	> 3.0	< 2.0	3.3	5.0-7.0	4.0-5.0
FEH Inc. (First Eagle Investment Management)	BB-	Stable	5.5	4.0-5.0	4.0-5.0	> 5.0	< 4.0	2.2	2.0-3.0	3.0-3.5
Fil Ltd.	BBB+	Stable	0.5	< 1.5	< 1.5	> 1.5	~15 §	8.4	9.5-10.5	9.5-10.5
FMR LLC	A+	Stable	0.2	<0.5	<0.5	> 1.5		19.0	> 15.0	> 15.0
Franklin Resources Inc.	A	Stable	0.6	0.0-1.0	0.0-1.0	> 1.5	-	13.0	> 15.0	> 15.0
IGM Financial Inc.	A	Stable	2	1.5-2.0	1.5-2.0	> 2.0	< 1.5	9.5	9.0-11.0	9.0-11.0
Invesco Ltd.	BBB+	Stable	3.7	2.5-3.0	2.5-3.0	> 3.0	< 2.0	4.2	5.5-6.0	6.0-6.5
Janus Henderson Group PLC	BBB+	Stable	0.0	0.0	0.0	> 1.0; <15 §	< 1.0; >15 §	28.9	28.0-32.0	28.0-32.0
Lazard Group LLC	BBB+	Stable	2.8	1.5-2.0	1.5-2.0	> 2.0	< 1.5	5.5	6.0-10.0	6.0-10.0
Neuberger Berman Group LLC	BBB+	Stable	1.5	1.0-2.0	1.0-2.0	> 2.0	< 1.0	9.3	9.0-10.0	9.0-10.0
Nuveen, LLC	A	Stable	4.6	3.5-4.1	3.0-4.0	> 4.0	< 3.0	5.7	5.0-7.0	6.0-8.0
Resolute Investment Managers Inc.	B	Stable	7.0-8.0	4.0-4.5	4.0-4.5	> 5.0; <2 §	< 4.0; >3 §	-	> 2.0	> 2.0
Russell Investments Cayman Midco Ltd.	B+	Negative	>5	>5	>5	-	>2 §	-	<2.0	-
Victory Capital Holdings Inc.	BB	Stable	2.9	3.0-4.0	3.0-4.0	> 4.0	< 3.0	6.7	6.0-10.0	6.0-10.0
Virtus Investment Partners Inc.	BB+	Stable	1.7	1.5-2.0	1.5-2.0	> 3.0	< 2.0	9.9	10.0-15.0	10.0-15.0

FY--Fiscal Year. A--Actual. §EBITDA interest coverage trigger. *An increase in leverage above 1.5x alone would not result in a downgrade.

Wealth managers sector view and rating triggers

Rating dispersion of global wealth managers



As of Jan. 17, 2025. Source: S&P Global Ratings.

Our sector view for wealth managers is stable.

- We rate most wealth managers relatively low, reflecting high leverage and weak interest coverage from aggressive inorganic growth.
- Our sector view could worsen if a protracted, severe market dislocation strained interest coverage or liquidity.
- Further debt-funded acquisitions without commensurate earnings growth could also result in downgrades.
- Our sector view could improve if companies lowered leverage by repaying debt or growing EBITDA.
- Slowing M&A would provide more transparency into operating power and margins, allowing for better assessment of business sustainability through a cycle.

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Wealth managers credit overview | Key rating supports

- Wealth managers' asset bases are stickier because investment performance is only one component of client retention. Investment advisory, tax and estate planning, and insurance guidance also aid in client retention.

- The aging population's growing need for retirement and wealth transfer solutions, as well as greater availability of alternative products for private wealth clients, will support growth.

- Advisor retention remains high, though competition for advisors could become a risk.

- A portion of revenue derives from sources uncorrelated to the market, and underlying assets are better diversified than for some traditional managers.

- Lower market betas and more stable net flows result in less earnings volatility compared with traditional managers.

- Equity injections by private equity sponsors have supported adequate liquidity and interest coverage for some wealth managers we rate.

Wealth managers credit overview | Key rating risks

- Market risk exposure could affect client asset balances even if client flows are stable.
- We expect most wealth managers to continue to pursue aggressive inorganic growth amid a highly fragmented industry in 2025, while organic growth will be modest.
- High cash multiples for acquisitions have plateaued, but many deals include significant contingent considerations and deferred compensation, incorporated in our leverage calculations.
- Debt will remain the primary means to fund inorganic growth, and financing costs remain high, pressuring credit metrics and potentially stressing liquidity and interest coverage as debt service requirements grow.
- Although integration risk is low, acquisition-related expenses are perpetually high for registered investment advisor (RIA) aggregators.

Key credit metrics and leverage triggers for wealth managers

- Cushions exist, but most issuers are closer to downside than upside thresholds.
- For issuers with high leverage, declining interest coverage could result in negative rating actions.
- Business-related factors such as changes in diversification, AUM growth, and profitability could also affect ratings.

			--Debt to adj. EBITDA (x)--			--Leverage (coverage§) outlook triggers--		--Adj. EBITDA to interest (x)--		
Entity	**Rating**	**Outlook**	**FY 2023a**	**FY 2024e**	**FY 2025e**	**Downside**	**Upside**	**FY 2023a**	**FY 2024e**	**FY 2025e**
BCPE Pequod Buyer Inc. (Envestnet Inc.)	B	Stable	NA	7.0-8.0	7.0-8.0	>8 ; <1.5§	-	NA	7.0-8.0	1.0-2.0
Creative Planning Holdco, LLC	BB-	Stable	3.1	4.0-5.0	4.0-5.0	>5.0	<4.0	6.5	3.0-4.0	3.0-4.0
Focus Financial Partners Inc.	B+	Stable	7.4	5.0-7.0	5.0-7.0	>7.0; <2§	<5.0	2.3	2.0-3.0	2.0-3.0
Kane Bidco Ltd. (TP)	B+	Stable	4.7	4.2-4.5	4.0-4.3	>5.0	-	2.9	2.8-3.2	2.8-3.2
HighTower Holding LLC	B-	Stable	8.7	5.0-8.0	5.0-8.0	<1.5§	<5.0; >2§	1.4	>1.5	>1.5
Mariner Wealth Advisors	B-	Stable	8.4	5.0-7.0	5.0-7.0	<1§	<5.0	1.2	1.5-2.0	2.0-2.5
Edelman Financial Center LLC (The)	B	Stable	6.8	<8.0	<8.0	~8.0	<5.0	2.2	2.0-2.5	>2.0
GTCR Everest Borrower LLC (AssetMark)	B+	Stable	NA	5.0-6.0	5.0-6.0	>6.0; <2§	<5.0	NA	2.5-3.0	2.5-3.0
Superannuation and Investments Finco Pty Ltd.	BB-	Stable	6.7	6.1	4.8	>6.0	-	NA	NA	NA

FY--Fiscal Year. A--Actual. §EBITDA interest coverage trigger

Other items we're monitoring across asset management

- Increases in debt-financed M&A, along with competing capital management priorities like share repurchases and debt-funded dividends, could pressure credit metrics.
- Some asset managers have large cash balances. Because we net surplus cash from funded debt in our leverage calculation for some issuers, how and when this cash is deployed could affect leverage.
- Further investment in technology, including AI, could improve operating efficiency and competitive advantages, as well as introduce significant costs and potential risks.
- For companies with key-person risk, management transition and succession planning remain credit considerations.
- Geopolitical issues, including potential tariffs, could affect investment opportunities.
- A growing percentage of clients decumulating assets as the population ages, as well as rising living costs eroding retirement savings, could offset organic growth over the long term.

Additional considerations for asset managers in Europe, Middle East, and Africa (EMEA)

- EMEA GDP is projected to grow by 1.2% in 2025, but that could change depending on new leaders' fiscal policies and responses to potential U.S. tariffs.
- We still expect faster rate cuts by the Bank of England and European Central Bank than in the U.S.
- Margin pressure on European traditional asset managers is elevated due to asset mix changes and the rising proportion of passives.
- As a result, we expect more M&A in this fragmented market, with smaller alternative managers with local market knowledge standing to benefit from an upturn in deal-making.
- As in the U.S., we expect more growth in private credit, infrastructure, and real asset strategies.
- Further diversification into U.S. and Asian markets, as well as ESG and sustainability, remains a focus.

Additional considerations for asset managers in China

- China's economy could take a hit from U.S. tariff increases on its exports, atop the persistent property downturn--notwithstanding benefits of domestic policy measures since September 2024.
- China's mutual fund industry's AUM expanded with improving market sentiment in the second half of 2024.
- But the sector's fee income will likely remain under pressure amid regulatory-driven cuts in management fees and heated competition in exchange-traded funds.
- In the trust sector, AUM has continued to recover since 2023, following years of contraction amid tightened regulations.
- However, we expect the sector's transformation toward service-type products from loan-like products to continue weighing on profitability.

Near-term debt maturities are low for North American Asset Managers

Company	2025 ($ Mil.)	2026 ($ Mil.)
Affiliated Managers Group Inc.	350	-
Apollo Global Management Inc.	-	499
BlackRock Inc.	781	-
Blackstone Inc.	339	671
Acadian Asset Management Inc. (f/k/a BrightSphere)	-	275
Brookfield Corp.	-	500
Brookfield Oaktree Holdings LLC	-	100
Franklin Resources Inc.	400	450
IDC Overseas Ltd.	-	150
Invesco Ltd.	-	500
KKR & Co. Inc.	35	-
Lazard Group LLC	164	-
Victory Capital Holdings Inc.	-	625

- Many issuers recently refinanced while capital costs were low, and most maintain few near-term debt maturities.
- Two managers we rate underwent distressed exchanges since 2023, but their post-transaction capital structures are stronger.
- Managers with maturities in 2025 and 2026 should have adequate liquidity to repay or dependable market access to refinance.

As of Sept 30, 2024. Includes maturities that have been prefunded, fully or in part. Amounts exclude revolver draws.

Global asset managers--recent rating actions

↓ -- downgrade ↑ -- upgrade

Company	Date	Rating/outlook actions	Direction
Intermediate Capital Group	November 21, 2024	Upgraded to 'BBB+' from 'BBB'; outlook stable	↑
Hangzhou Finance And Investment Group	November 11, 2024	Outlook revised to stable from negative; rating affirmed at 'BBB'	↑
Creative Planning Holdco, LLC	October 15, 2024	Downgraded to 'BB-' from 'BB'; outlook stable	↓
Blue Owl Capital Inc.	October 7, 2024	Outlook revised to negative from stable; rating affirmed at 'BBB'	↓
BCPE Pequod Buyer Inc. (Envestnet Inc.)	September 12, 2024	Assigned 'B' issuer credit rating; outlook stable	-
EQT AB	July 10, 2024	Assigned 'A-' rating; outlook stable	-
Obra Capital	June 26, 2024	Upgraded from 'CCC-' to 'CCC' with stable outlook; subsequently withdrawn	↑
FEH Inc. (First Eagle Investment Management)	June 6, 2024	Outlook revised to stable from negative; rating affirmed at 'BB-'	↑
GTCR Everest Borrower LLC (AssetMark)	May 31, 2024	Assigned 'B+' issuer credit rating; outlook stable	-
Obra Capital	May 24, 2024	Downgraded to 'CCC-' from 'CCC'; outlook negative	↓
Creative Planning Holdco, LLC	May 6, 2024	Assigned 'BB' issuer credit rating; outlook stable	-
Russell Investments Cayman Midco, Ltd.	March 12, 2024	Outlook revised to negative from stable; rating affirmed at 'B+'	↓
TPG Operating Group II, L.P.	February 26, 2024	Assigned 'BBB+' issuer credit rating; outlook stable	-
Hangzhou Finance And Investment Group	February 19, 2024	Outlook revised to negative from stable; rating affirmed at 'BBB'	↓
Victory Capital Holdings, Inc.	February 16, 2024	Upgraded to 'BB' from 'BB-'; outlook stable	↑
Resolute Investment Managers Inc.	January 4, 2024	Upgraded to 'B' from 'D' following restructuring; outlook stable	↑
Resolute Investment Managers Inc.	January 2, 2024	Downgraded to 'D' from 'CC'	↓

Source: S&P Global Ratings.

Rating factor assessments Traditional asset managers

Company	Business risk profile	Financial risk profile	Anchor	Capital structure	Financial policy assessment	Liquidity	Management and governance	Peer adjustment	SACP	Group influence	Government support	ICR	Outlook
abrdn plc	Satisfactory	Minimal	a-	Neutral	Neutral	Exceptional	Neutral	Negative	bbb+	Not applicable	Not applicable	BBB+	Stable
Affiliated Managers Group, Inc.	Satisfactory	Modest	bbb+	Neutral	Neutral	Strong	Neutral	Neutral	bbb+	Not applicable	Not applicable	BBB+	Stable
AllianceBernstein L.P.	Satisfactory	Minimal	a	Neutral	Neutral	Exceptional	Neutral	Neutral	A	Strategically important	Not applicable	A	Stable
Allspring Buyer LLC	Fair	Aggressive	bb-	Neutral	FS-5	Adequate	Moderately Negative	Neutral	bb-	Not applicable	Not applicable	BB-	Negative
BlackRock, Inc.	Strong	Minimal	aa-	Neutral	Neutral	Exceptional	Positive	Neutral	aa-	Not applicable	Not applicable	AA-	Stable
Acadian Asset Management Inc. (fka BrightSphere)	Weak	Modest	bb+	Neutral	Neutral	Strong	Moderately Negative	Neutral	bb+	Not applicable	Not applicable	BB+	Stable
Clipper Acquisitions Corp.	Fair	Intermediate	bb+	Neutral	Neutral	Exceptional	Moderately Negative	Neutral	bb+	Not applicable	Not applicable	BB+	Stable
FEH Inc.	Fair	Aggressive	bb-	Neutral	FS-5	Adequate	Moderately Negative	Neutral	bb-	Not applicable	Not applicable	BB-	Stable
FIL Ltd.	Satisfactory	Modest	bbb+	Neutral	Neutral	Exceptional	Moderately Negative	Neutral	bbb+	Not applicable	Not applicable	BBB+	Stable
FMR LLC	Strong	Minimal	aa-	Neutral	Neutral	Exceptional	Moderately Negative	Neutral	a+	Not applicable	Not applicable	A+	Stable
Franklin Resources Inc.	Satisfactory	Minimal	a	Neutral	Neutral	Exceptional	Neutral	Neutral	a	Not applicable	Not applicable	A	Stable
IGM Financial Inc.	Satisfactory	Modest	bbb+	Neutral	Neutral	Strong	Neutral	Positive	a-	Moderately strategic	Not applicable	A	Stable
Invesco Ltd.	Satisfactory	Intermediate	bbb	Neutral	Neutral	Exceptional	Neutral	Positive	bbb+	Not applicable	Not applicable	BBB+	Stable
Janus Henderson Group PLC	Fair	Minimal	bbb	Neutral	Neutral	Exceptional	Neutral	Positive	bbb+	Not applicable	Not applicable	BBB+	Stable
Lazard Group LLC	Satisfactory	Modest	bbb+	Neutral	Neutral	Exceptional	Neutral	Neutral	bbb+	Not applicable	Not applicable	BBB+	Stable
Neuberger Berman Group LLC	Satisfactory	Modest	bbb+	Neutral	Neutral	Exceptional	Neutral	Neutral	bbb+	Not applicable	Not applicable	BBB+	Stable
Nuveen LLC	Satisfactory	Significant	bbb-	Neutral	Neutral	Adequate	Neutral	Neutral	bbb-	Strategically important	Not applicable	A	Stable
Resolute Investment Managers, Inc.	Weak	Aggressive	b+	Neutral	Neutral	Adequate	Moderately Negative	Negative	b	Not applicable	Not applicable	B	Stable
Russell Investments Cayman Midco, Ltd.	Fair	Highly Leveraged	b	Neutral	FS-6	Adequate	Moderately Negative	Positive	b+	Not applicable	Not applicable	B+	Negative
Victory Capital Holdings, Inc.	Fair	Significant	bb	Neutral	Neutral	Adequate	Neutral	Neutral	bb	Not applicable	Not applicable	BB	Stable
Virtus Investment Partners Inc.	Fair	Modest	bbb-	Neutral	Neutral	Strong	Neutral	Negative	bb+	Not applicable	Not applicable	BB+	Stable

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Rating factor assessments Alternative asset managers

Company	Business risk profile	Financial risk profile	Anchor	Capital structure	Financial policy assessment	Liquidity	Management and governance	Peer adjustment	SACP	Group influence	Government support	ICR	Outlook
Apollo Asset Management Inc.	Satisfactory	Minimal	a	Neutral	Neutral	Exceptional	Neutral	Neutral	a	Core	Not applicable	A	Stable
Ares Management Corp.	Satisfactory	Modest	bbb+	Neutral	Neutral	Strong	Neutral	Neutral	bbb+	Not applicable	Not applicable	BBB+	Stable
Blackstone Inc.	Strong	Minimal	aa-	Neutral	Neutral	Exceptional	Positive	Negative	a+	Not applicable	Not applicable	A+	Stable
Blue Owl Capital Inc.	Satisfactory	Intermediate	bbb	Neutral	Neutral	Strong	Neutral	Neutral	bbb	Not applicable	Not applicable	BBB	Negative
Brookfield Corporation	Strong	Intermediate	bbb+	Positive	Neutral	Exceptional	Positive	Neutral	a-	Not applicable	Not applicable	A-	Stable
Citadel Limited Partnership	Fair	Minimal	bbb	Neutral	Neutral	Adequate	Neutral	Neutral	bbb	Not applicable	Not applicable	BBB	Stable
EIG Management Company, LLC	Fair	Significant	bb	Neutral	Neutral	Adequate	Neutral	Neutral	bb	Not applicable	Not applicable	BB	Stable
EQT AB	Satisfactory	Minimal	a-	Neutral	Neutral	Strong	Neutral	Neutral	a-	Not applicable	Not applicable	A-	Stable
Finco I LLC	Fair	Significant	bb	Neutral	Neutral	Exceptional	Neutral	Neutral	bb	Nonstrategic	Not applicable	BB	Stable
Franklin Square Holdings LP	Fair	Intermediate	bb+	Neutral	Neutral	Adequate	Neutral	Negative	bb	Not applicable	Not applicable	BB	Stable
Grosvenor Capital Management Holdings LLLP	Fair	Intermediate	bb+	Neutral	Neutral	Adequate	Neutral	Neutral	bb+	Not applicable	Not applicable	BB+	Stable
IDC Overseas Ltd.	Weak	Highly Leveraged	b	Neutral	Neutral	Less than adequate	Moderately Negative	Neutral	b	Not applicable	Not applicable	B	Stable
Intermediate Capital Group PLC	Satisfactory	Modest	bbb+	Neutral	Neutral	Strong	Neutral	Neutral	bbb+	Not applicable	Not applicable	BBB+	Stable
KKR & Co. Inc.	Satisfactory	Modest	bbb+	Positive	Neutral	Exceptional	Neutral	Positive	a	Not applicable	Not applicable	A	Stable
Oaktree Capital Group, LLC	Satisfactory	Modest	bbb+	Positive	Neutral	Exceptional	Neutral	Neutral	a-	Moderately strategic	Not applicable	A-	Stable
The Carlyle Group Inc.	Satisfactory	Modest	bbb+	Neutral	Neutral	Exceptional	Neutral	Positive	a-	Not applicable	Not applicable	A-	Stable
Tikehau Capital SCA	Fair	Modest	bbb-	Neutral	Neutral	Strong	Neutral	Neutral	bbb-	Not applicable	Not applicable	BBB-	Stable
TPG Operating Group II, L.P.	Fair	Minimal	bbb	Neutral	Neutral	Adequate	Moderately Negative	Positive	bbb+	Not applicable	Not applicable	BBB+	Stable

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Other asset managers Rating factor assessments

Company	Business risk profile	Financial risk profile	Anchor	Capital structure	Financial policy assessment	Liquidity	Management and governance	Peer adjustment	SACP	Group influence	Government support	ICR	Outlook
Other													
China Jianyin Investment Ltd. (JIC)	Fair	Minimal	bbb-	Neutral	Negative	Adequate	Neutral	Neutral	bb+	Not applicable	Extremely high	A	Stable
Hangzhou Finance and Investment Group Co.	Fair	Significant	bb	Neutral	Negative	Adequate	Neutral	Neutral	bb-	Not applicable	Very Strong	BBB	Stable
Wealth managers													
Creative Planning Holdco LLC	Fair	Intermediate	bb+	Neutral	Neutral	Adequate	Moderately Negative	Negative	bb	Not applicable	Not applicable	BB-	Stable
BCPE Pequod Buyer Inc. (Envestnet)	Fair	Highly Leveraged	b	Neutral	FS-6	Adequate	Moderately Negative	Neutral	b	Not applicable	Not applicable	B	Stable
Focus Financial Partners Inc.	Fair	Highly Leveraged	b	Neutral	FS-6	Adequate	Moderately Negative	Positive	b+	Not applicable	Not applicable	B+	Stable
GTCR Everest Borrower LLC (AssetMark)	Fair	Highly Leveraged	b	Neutral	FS-6	Adequate	Moderately Negative	Positive	b+	Not applicable	Not applicable	B+	Stable
Hightower Holding LLC	Weak	Highly Leveraged	b-	Neutral	FS-6	Adequate	Moderately Negative	Neutral	b-	Not Applicable	Not Applicable	B-	Stable
Kane Bidco Ltd.	Fair	Aggressive	bb-	Neutral	FS-5	Adequate	Moderately Negative	Negative	b+	Not Applicable	Not Applicable	B+	Stable
Mariner Wealth Advisors, LLC	Weak	Highly Leveraged	b-	Neutral	Negative	Adequate	Moderately Negative	Neutral	b-	Not applicable	Not applicable	B-	Stable
Superannuation and Investments Finco Pty Ltd.	Satisfactory	Highly Leveraged	b+	Neutral	FS-6	Exceptional	Moderately Negative	Positive	bb-	Not applicable	Not applicable	BB-	Stable
The Edelman Financial Engines Center LLC	Fair	Highly Leveraged	b	Neutral	FS-6	Adequate	Moderately Negative	Neutral	b	Not applicable	Not applicable	B	Stable
Investment holding companies													
Compass Group Diversified Holdings LLC	Weak	Aggressive	b+	n/a	n/a	Adequate	Neutral	Neutral	b+	Not applicable	Not applicable	B+	Stable
E-L Financial Corporation Limited	Satisfactory	Minimal	a	n/a	n/a	Exceptional	Neutral	Neutral	a	Not applicable	Not applicable	A	Stable
Hunt Companies Inc.	Weak	Intermediate	bb	n/a	n/a	Adequate	Moderately Negative	Neutral	bb	Not applicable	Not applicable	BB	Stable
Icahn Enterprises L.P.	Fair	Aggressive	bb-	n/a	n/a	Adequate	Moderately Negative	Neutral	bb	Not applicable	Not applicable	BB-	Stable
Innovate Corp.	--	--	--	--	--	--	--	--	--	--	--	CCC	Negative
Loews Corporation	Satisfactory	Minimal	a-	n/a	n/a	Exceptional	Neutral	Positive	a	Not applicable	Not applicable	A	Stable

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Related research

- Economic Outlook U.S. Q1 2025: Steady Growth, Significant Policy Uncertainty, Nov. 26, 2024
- Private Credit Casts A Wider Net To Encompass Asset-Based Finance And Infrastructure, Nov. 20, 2024
- Private Markets Monthly, August 2024: The Interplay Between Private Equity And Public Markets, Sept. 4, 2024
- Funding Costs Will Remain High As Maturities Rise For North American Nonbank Financial Institutions, March 9, 2024

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