

# **VALUE FOCUS**

# **Asset Management Industry**



## **Segment Focus**

## **Mutual Funds**

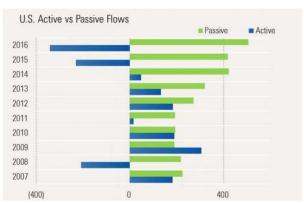
Actively managed mutual funds (in aggregate) have not been competitive with passive strategies in terms of fee pricing or investment performance for quite some time. As a result of this trend and the proliferation of ETFs in recent years, passive investing has dominated the battle for investor capital over the last decade despite a decent start for active managers in 2017.

These dynamics are problematic for many mutual fund companies that rely on active equity products with higher fee schedules and profit margins. Accordingly, most publicly exchanged mutual fund companies are down while the market is up about 15% over the last year.

Another potential headwind is the GOP's current proposal to treat all 401(k) deferrals as after-tax contributions, which could disincentivize employers from offering defined contribution plans that often invest in mutual funds and other active managers. Republican lawmakers still have a lot of work to do in getting this passed, but it is being seriously considered as one way to help finance the new administration's proposed tax cuts.

So we don't foresee a huge shift back to active management any time soon but realize that we are probably overdue for some mean reversion. It is conceivable that the current market environment could be more conducive to stock picking, but we'll need more time to judge whether this is truly the case. Regardless, it is hard to imagine that passive investing will completely replace active management. Such a scenario could lead to significant mispricing in the securities markets, which would be fertile ground for enterprising investors and mutual funds.

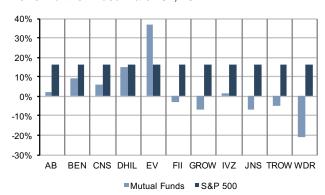
#### U.S. Active vs. Passive Flows



Source: Morningstar Direct

### **Total Returns**

Twelve Months Ended March 31, 2017



Source: S&P Global Market Intelligence

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## **Market Overview**

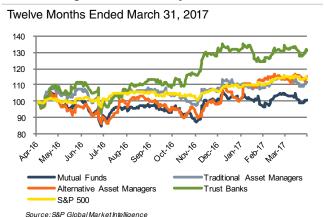
# Asset Manager Performance by Size and Type

There has been a wide disparity of performance among certain classes of asset managers over the last year. The stagnant returns of mutual fund businesses in a rising market are likely attributable to fund outflows in the face of heightened competition from ETF products as discussed in the previous section. Trust banks, on the other hand, have been buoyed by a steepening yield curve and the prospect of higher reinvestment income with rising interest rates.

Breaking down the same group (excluding trust banks) by size suggests that smaller RIAs have significantly underperformed their larger peers over the last twelve months. The reality is that this segment is the least diversified (only two components, both of which are thinly traded) and certainly not a good representation of how RIAs with under \$10 billion in AUM are performing. Most of our clients fall under this category, and we can definitively say that these businesses (in aggregate) haven't lost half their value since August as suggested by this graph. Other publicly traded asset managers have performed reasonably in line with the market over this period.

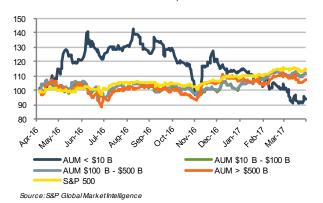
The outlook for these businesses is similarly market driven – though it does vary a bit by sector. Trust banks are more susceptible to changes in interest rates and yield curve positioning. Alternative asset managers tend to be more idiosyncratic but still influenced by investor sentiment regarding their hard-to-value assets. Mutual funds and traditional asset managers are more vulnerable to trends in active and passive investing. All are off to a rocky start in 2017 after a strong end to 2016 as the market weighs the impact of the new administration on the sector's regulatory environment.

## **Asset Manager Performance by Sector**



## **Asset Manager Performance by Size**

### Twelve Months Ended March 31, 2017



## **M&A Review**

Fund outflows and poor performance may actually have positive implications for RIA deal-making this year. The maturation of the mutual fund industry and active managers will likely spur consolidation and buying opportunities for those looking to add scale. With valuations and market caps down over the last eighteen months or so, the affordability index has gotten a lot better for many of these businesses. Standard Life was clearly taking notice when it purchased Aberdeen Asset Management for \$4.6 billion last month amidst shareholder pressure to right the ship after years of significant underperformance from both firms.

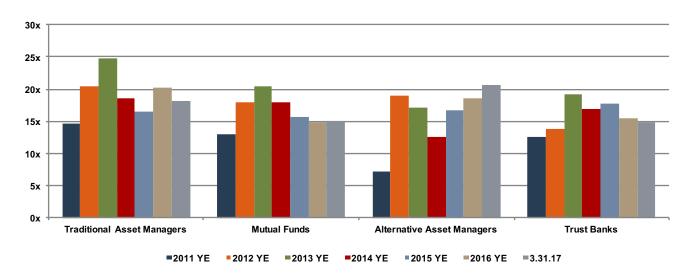
Expectations for slower growth (reflected in lower multiples) could be another driver of M&A activity, as RIAs look to other asset managers to build or replace AUM depleted by outflows and market movements. If organic growth opportunities are truly stalling, acquisitions are a viable means to offset falling management fees and collect market share for those

that can afford to do so. Rising cap rates should also help, as the embedded return on investment improves with lower multiples.

It is difficult to say if this kind of deal is an anomaly or sign of things to come for the struggling sector. The trend may have started in November with Henderson Group's purchase of Janus Capital and may be a viable way to improve earnings following years of client outflows.

We believe the backlog of available deals remains fairly robust given the four year pause in transactions from 2009 to 2013 and the aging demographics of many investment management firms. Still, we acknowledge that the decline in transaction activity following the financial crisis of 2008 and 2009 could be indicative of what another bear market could do to M&A trends when the dust settles and AUM has cratered.

## Historical Median Price / LTM EPS by Sector



## **Asset Manager Multiples by Sector**

Tabor   Stock Price   Stock				52 Week		Pricing as of N	larch 31, 2017	
Affiliated Managers Group, Inc.  AMG 163.94 9127% 10.11 11.72 1.79 14.23 Black Rock, Inc.  BLK 983.51 96.61% 20.10 1794 123 12.2 12.2 12.2 12.2 12.2 12.3 12.2 12.3 12.3		Ticker				Forward	Value /	
BlackRock, Inc.   BLK   383.51   96.61%   20.10   17.94   123   12.55   Logg Mason, Inc.   LM   36.11   93.17%   15.53   16.38   0.74   12.55   12.75   12.55   16.38   0.74   12.55   12.75	TRADITIONAL ASSET MANAGERS							
Legg Mason, Inc.	Affiliated Managers Group, Inc.	AMG	163.94	91.27%	10.11	11.72	1.79	14.30
Penal Investment Management, Inc.  PZN  9,84  85,34%  84,41%  18,24  16,67  179  12,6  froup Median  11,1  MUTUAL FUNDS  AllianceBerstein Investments, Inc.  AB  22,85  93,48%  10,11  11,72  0,46  6,4  6,4  6,5  10,11  11,72  0,46  6,4  6,4  10,5  10,11  11,72  0,46  6,4  10,5  10,11  11,72  0,46  6,4  10,5  10,11  11,72  0,46  6,4  10,5  10,11  11,72  0,46  6,4  10,5  10,11  11,72  0,46  6,4  10,5  10,11  11,72  0,46  6,4  10,5  10,11  11,72  0,46  10,4  10,4  10,4  10,4  10,4  10,4  10,4  10,4  10,4  10,5  10,4  10,	BlackRock, Inc.	BLK	383.51	96.61%	20.10	17.94	1.23	12.56
Westwood Holdings Group, Inc.   WHG   53.41   84.41%   18.24   nm   2.06   11.66   17.9   12.66   12.72   18.24   16.67   1.79   12.66   17.96   12.66   17.96   12.66   17.96   12.66   17.96   12.66   17.96   17.	Legg Mason, Inc.	LM	36.11	93.17%	15.53	16.38	0.74	12.01
MUTUAL FUNDS   MUTUAL FUNDS   MILES   MARCH	Pzena Investment Management, Inc.	PZN	9.84	85.34%	23.78	16.97	2.26	nm
MUTUAL FUNDS  AllianceBerstein Investments, Inc. AB 22.85 93.48% 10.11 11.72 0.46 6.4  Calamos Asset Management, Inc. CLMS 8.28 93.08% 43.10 55.20 0.30 3.3  Calamos Asset Management, Inc. CNS 39.97 94.48% 20.34 18.51 2.94 11.5  GAMOC Investors, Inc. GAMOC Investors, Inc. GGBL 9.08 68.80% 46.29 37.68 2.57 19.0  INVESCO Ltd. IVZ 30.63 91.54% 14.65 12.22 2.21 12.5  Franklin Resources, Inc. DBEN 42.14 95.47% 14.51 15.71 2.34 55.  Eaton Vance Corp. EV 44.96 94.00% 22.63 18.13 nm 11.5  Hennessy Advisors, Inc. MN 5.70 58.30% 93.4 10.44 nm 1.5  T. Rowe Price Group, Inc. TROW 68.15 87.63% 14.67 14.09 1.96 8.2  U.S. Global Investors, Inc. GROW 1.56 67.55% 81.43 nm 2.71 12.4  Waddell & Reed Financial, Inc. FIL 26.34 84.22% 13.27 14.55 0.75 7.7  Virtus Investment Partners, Inc. VRDR 17.00 77.09% 8.53 10.63 10.9 1.9  Virtus Investment Partners, Inc. VRTS 105.90 83.01% 16.36 10.75 1.98 11.5  Janus Capital Group Inc. JNS 13.20 80.85% 15.34 14.47 1.22 6.6  Group Median Management, Inc. BAMA 36.46 97.54% 10.64 10.58 3.18 5.7  Fortress Investment Group LIC APO 24.32 99.27% 10.64 10.58 3.18 5.7  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  FOR Deltain Management, Inc. BAMA 36.48 97.54% 10.64 10.58 3.18 15.7  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  FOR Deltain Management, Inc. BAMA 36.49 96.37% 11.65 14.86 10.52 11.4  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  FOR Deltain Management, Inc. BAMA 36.49 96.37% 11.65 14.86 10.52 11.4  FOR Deltain Management, Inc. BAMA 36.49 96.37% 11.65 14.86 10.52 11.4  FOR Deltain Management, Inc. BAMA 36.49 96.37% 11.65 14.86 10.52 11.4  FOR Deltain Management, Inc. BAMA 36.49 96.37% 11.65 1	Westwood Holdings Group, Inc.	WHG	53.41	84.41%	18.24	nm	2.06	11.83
AllianceBerstein Investments, Inc.  AB  22.85  93.48%  10.11  11.72  0.46  6.4.  Calamos Asset Management, Inc.  CLMS  8.28  93.08%  43.10  55.20  0.30  3.3.  Cohen & Steers, Inc.  CNS  39.97  94.48%  20.34  18.51  2.94  11.2  GAMCO Investors, Inc.  GBL  9.08  68.880%  46.29  37.688  25.7  19.10  INVESCO Ltd.  IVZ  30.63  91.54%  14.65  12.72  2.21  12.5  Franklin Resources, Inc.  BEN  42.14  95.47%  14.51  15.71  2.34  65.  Diamond Hill Investment Group, Inc.  DHIL  194.55  90.66%  16.84  nm  3.30  82.  Baton Vance Corp.  EV  44.96  94.00%  22.63  18.13  nm  11.15  Hennessy Advisors, Inc,  HNNA  16.81  64.46%  8.93  nm  2.38  64.  Manning & Napier, Inc.  MN  5.70  58.30%  9.34  10.44  nm  nn  7. Rowe Price Group, Inc.  U.S. Global Investors, Inc.  GROW  1.56  67.85%  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  1	Group Median			91.27%	18.24	16.67	1.79	12.29
Calamos Asset Management, Inc.         CLMS         8.28         93.08%         43.10         55.20         0.30         33.1           Cohen & Steers, Inc.         CNS         39.97         94.48%         20.34         18.51         2.94         11.2           GAMCO Investors, Inc.         GBL         9.08         68.80%         46.29         37.68         2.57         198.1           INVESCO Ltd.         IVZ         30.63         91.54%         14.65         12.72         2.21         12.5           Franklin Resources, Inc.         BEN         42.14         95.47%         14.51         15.71         2.34         65.5           Diamond Hill Investment Group, Inc.         DHIL         194.55         90.66%         16.84         nm         3.30         8.3           Eaton Vance Corp.         EV         44.96         94.00%         22.63         18.13         nm         11.5           Hennessy Advisors, Inc.         HNNA         16.81         64.46%         8.93         nm         2.38         6.3           Manning & Napier, Inc.         MN         5.70         58.30%         9.34         10.44         nm         nm         11.5           U.S. Global Investors, Inc.         GROW	MUTUAL FUNDS							
Cohen & Steers, Inc.  CNS 39.97 94.48% 20.34 18.51 2.94 11.2  GAMCO Investors, Inc.  GBL 9.08 88.80% 46.29 37.88 2.57 19.0  INVESCO Ltd.  IVZ 30.63 91.54% 14.65 12.72 2.21 12.5  Franklin Resources, Inc.  BEN 42.14 95.47% 14.51 15.71 2.34 6.6  Diamond Hill Investment Group, Inc.  DHIL 194.55 90.66% 16.84 nm 3.30 8.2  Eaton Vance Corp.  EV 44.96 94.00% 22.63 18.13 nm 11.8  Hennessy Advisors, Inc,  HNNA 16.81 64.46% 8.9.3 nm 2.38 6.4  Manning & Napier, Inc.  MN 5.70 88.30% 9.34 10.44 nm 17.  T. Rowe Price Group, Inc.  TROW 68.15 87.63% 14.67 14.09 1.96 8.2  U.S. Global Investors, Inc.  GROW 1.56 67.85% 81.43 nm 2.71 12.4  Waddell & Reed Financial, Inc.  WDR 17.00 77.09% 8.53 10.63 1.19 3.1  Federated Investors, Inc.  FII 26.34 84.32% 13.27 13.45 0.75 7.7  Virtus Investment Partners, Inc.  VRTS 10.59 83.01% 16.36 10.75 1.98 11.5  Janus Capital Group Inc.  JNS 13.20 80.85% 15.34 14.47 1.22 6.6  Group Median  T. ROW Price Group, L.P.  GG 15.95 92.04% 20.52 9.48 3.51 11.5  Fortress investment, Inc.  BAMA 36.46 97.55% 20.43 35.06 3.18 15.5  Blackstone Group, L.P.  GG 15.95 92.04% 20.52 9.48 3.51 11.5  Fortress investment Group, LLC  GAMC 45.30 96.37% 14.65 14.86 10.52 14.5  Carlye Group, L.P.  GG 15.95 92.04% 20.52 9.48 3.51 11.5  Fortress investment Group LLC  GAMC 45.30 96.37% 14.65 14.86 10.52 14.5  Carlye Group, L.P.  GG 15.95 92.04% 20.52 9.48 3.51 11.5  Fortress investment Group LLC  GAMC 45.30 96.37% 14.65 14.86 10.52 14.5  Coch-Ziff Capital Mgmt Group LLC  OAK 45.30 96.37% 14.65 14.86 10.52 14.5  Coch-Ziff Capital Mgmt Group LLC  OAK 45.30 96.37% 14.65 14.86 10.52 14.5  Coch-Ziff Capital Mgmt Group LLC  OAK 45.30 96.37% 14.65 14.86 10.52 0.39 nm  Bank of New York Mellon Corporation  SK 47.23 95.74% 14.92 13.65 0.39 nm  Group Median  Franklin Reserved Average and the complex of the complex o	AllianceBerstein Investments, Inc.	AB	22.85	93.48%	10.11	11.72	0.46	6.41
GAMCO Investors, Inc.  GBL  9.08  68.80%  46.29  37.68  2.57  19.00  INVESCO Ltd.  IVZ  30.63  91.54%  14.65  12.72  2.21  12.56  Franklin Resources, Inc.  BEN  42.14  95.47%  14.51  15.71  2.34  65.  Diamond Hill Investment Group, Inc.  DHIL  194.55  90.66%  16.84  nm  3.30  8.2.  Eaton Vance Corp.  EV  44.96  94.00%  22.63  18.13  nm  11.56  Hennessy Advisors, Inc,  HNNA  16.81  64.46%  8.93  nm  2.38  6.40  Manning & Napier, Inc.  MN  5.70  68.30%  9.34  10.44  nm  n.  T. Rowe Price Group, Inc.  GROW  1.56  67.856%  81.43  nm  2.71  12.00  Waddell & Reed Financial, Inc.  WDR  1700  77.09%  8.53  10.63  1.19  3.37  Federated Investors, Inc.  VPRTS  105.90  80.856%  15.34  14.47  12.20  6.66  6.7666%  14.49  15.34  14.47  12.20  6.67  6.73  14.47  14.49  15.34  ALTERNATIVE ASSET MANAGERS  Apollo Global Management, Inc.  BAM.A  36.46  97.54%  20.43  35.06  3.18  5.75  15.07  15.06  16.84  16.85  16.95  16.95  16.94  16.94  16.95  16.94  16.94  16.95  16.94  16.	Calamos Asset Management, Inc.	CLMS	8.28	93.08%	43.10	55.20	0.30	3.09
INVESCO Ltd.	Cohen & Steers, Inc.	CNS	39.97	94.48%	20.34	18.51	2.94	11.23
Franklin Resources, Inc. BEN 42.14 95.47% 14.51 15.71 2.34 6.5 Diamond Hill Investment Group, Inc. DHIL 194.55 90.66% 16.84 nm 3.30 8.2 Eaton Vance Corp. EV 44.96 94.00% 22.63 18.13 nm 115. Hennessy Advisors, Inc, HNNA 16.81 64.46% 8.93 nm 2.38 6.4 Hennessy Advisors, Inc, MN 5.70 58.30% 9.34 10.44 nm nn T. Rowe Price Group, Inc. TROW 68.15 87.63% 14.67 14.09 196 8.2 U.S. Global Investors, Inc. GROW 1.56 67.85% 81.43 nm 2.71 12.4 Waddell & Reed Financial, Inc. WDR 17.00 77.09% 8.53 10.63 1.19 3.3 Federated Investors, Inc. Fill 26.34 84.32% 13.27 13.45 0.75 7.7 Virtus investment Partners, Inc. VRTS 105.90 83.01% 16.36 10.75 1.98 11.5 Janus Capital Group Inc. JNS 13.20 80.85% 15.34 14.47 1.22 6.6 Group Median 88 Apagement, Inc. BAM.A 36.46 97.54% 20.43 35.06 3.18 15.7 Brookfield Asset Management, Inc. BAM.A 36.46 97.54% 20.43 35.06 3.18 15.7 Brookfield Asset Management Group LP. CG 15.95 99.62% 26.58 9.48 3.51 1.7 Cartye Group, L.P. CG 15.95 99.62% 28.76 7.50 4.07 10.6 KKRR 18.23 98.43% 33.76 8.93 19.37 In Cartye Group LP. CAR 18.23 98.43% 33.76 8.93 19.37 In Cartye Group, L.P. CG 15.95 99.62% 28.76 7.50 4.07 10.5 Coh-zif Capital Group LLC OAK 45.30 95.37% 14.65 14.86 10.52 14.7 Coh-zif Capital Group LLC OAK 45.30 95.67% 14.65 14.86 10.52 14.7 Coh-zif Capital Group LLC OAK 45.30 95.44% 10.10 6.06 3.30 In Group Median NTRS 86.58 95.44% 20.20 18.44 nm nm nm and the complex of the com	GAMCO Investors, Inc.	GBL	9.08	68.80%	46.29	37.68	2.57	19.05
Diamond Hill Investment Group, Inc.   DHIL   194.55   90.66%   16.84   nm   3.30   8.25	INVESCO Ltd.	IVZ	30.63	91.54%	14.65	12.72	2.21	12.93
Eaton Vance Corp. EV 44.96 94.00% 22.63 18.13 nm 11.55	Franklin Resources, Inc.	BEN	42.14	95.47%	14.51	15.71	2.34	6.98
Hennessy Advisors, Inc, HNNA 16.81 64.46% 8.93 nm 2.38 6.4 Manning & Napier, Inc. MN 5.70 58.30% 9.34 10.44 nm nn	Diamond Hill Investment Group, Inc.	DHIL	194.55	90.66%	16.84	nm	3.30	8.20
Manning & Napier, Inc.         MN         5.70         58.30%         9.34         10.44         nm         n           T. Rowe Price Group, Inc.         TROW         68.15         87.63%         14.67         14.09         1.96         8.2           U.S. Global Investors, Inc.         GROW         1.56         67.85%         81.43         nm         2.71         12.4           Waddell & Reed Financial, Inc.         WDR         17.00         77.09%         8.53         10.63         1.19         3.3           Federated Investors, Inc.         FII         26.34         84.32%         13.27         13.45         0.75         7.7           Virtus Investment Partners, Inc.         VRTS         105.90         83.01%         16.36         10.75         1.98         11.5           Janus Capital Group Inc.         JNS         13.20         80.85%         15.34         14.47         1.22         6.6           Group Median         JNS         13.20         80.85%         15.01         14.09         2.10         8.2           ALTERNATIVE ASSET MANAGERS         4         4         10.58         3.18         5.7           Apolio Global Management, LLC         APO         24.32         99.27% <t< td=""><td>Eaton Vance Corp.</td><td>EV</td><td>44.96</td><td>94.00%</td><td>22.63</td><td>18.13</td><td>nm</td><td>11.96</td></t<>	Eaton Vance Corp.	EV	44.96	94.00%	22.63	18.13	nm	11.96
T. Rowe Price Group, Inc.  TROW 68.15 87.63% 14.67 14.09 1.96 8.2 U.S. Global Investors, Inc. GROW 1.56 67.85% 81.43 nm 2.71 12.1 Waddell & Reed Financial, Inc. WDR 17.00 77.09% 8.53 10.63 1.19 3.3 Federated Investors, Inc. FII 26.34 84.32% 13.27 13.45 0.75 7.7 Virtus Investment Partners, Inc. VRTS 105.90 83.01% 16.36 10.75 1.98 11.5 Janus Capital Group Inc. JNS 13.20 80.85% 15.34 14.47 1.22 6.6 Group Median  ALTERNATIVE ASSET MANAGERS Apollo Global Management, LLC APO 24.32 99.27% 10.64 10.58 3.18 5.7 Brookfield Asset Management, Inc. BAM.A 36.46 97.54% 20.43 35.06 3.18 15.7 Brookfield Asset Management, Inc. BX 29.70 94.80% 20.87 10.32 11.96 11.62 Carlye Group, L.P. CG 15.95 99.62% 20.87 7.50 4.07 10.65 KKR 18.23 98.43% 33.76 8.93 19.37 n Caktree Capital Group, LLC OAK 45.30 96.37% 14.65 14.86 10.52 14. Coch-Ziff Capital Mgmt Group LLC OAK 45.30 96.37% 14.65 14.86 10.52 14. Coch-Ziff Capital Mgmt Group LLC OAK 45.30 96.96% 20.85 9.90 3.79 12.5  TRUST BANKS Northern Trust Corporation NTRS 86.58 95.41% 20.20 18.44 nm n Bank of New York Mellon Corporation BK 47.23 95.74% 14.92 13.65 0.39 n Group Median  Group Median  n Group Median n n Group Median n n Group Median n n Group Median n n n Group Median n n n n n n n n n n n n n n n n n n	Hennessy Advisors, Inc,	HNNA	16.81	64.46%	8.93	nm	2.38	6.41
U.S. Global Investors, Inc.  GROW  1.56 6785% 81.43 nm 2.71 12.0  Waddell & Reed Financial, Inc.  WDR 17.00 77.09% 8.53 10.63 1.19 3.3  Federated Investors, Inc.  FII 26.34 84.32% 13.27 13.45 0.75 77.  Virtus Investment Partners, Inc.  VRTS 105.90 83.01% 16.36 10.75 1.98 11.5  Janus Capital Group Inc.  JNS 13.20 80.85% 15.34 14.47 1.22 6.6  Group Median  ALTERNATIVE ASSET MANAGERS  Apollo Global Management, LLC APO 24.32 99.27% 10.64 10.58 3.18 5.7  Brookfield Asset Management, Inc. BAM.A 36.46 97.54% 20.43 35.06 3.18 15.7  Blackstone Group L.P. BX 29.70 94.80% 20.87 10.32 11.96 16.2  Carlye Group, L.P, CG 15.95 92.04% 205.28 9.48 3.51 11.7  Fortress Investment Group LLC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Kohlberg Kravis Roberts & Co. KKR 18.23 98.43% 33.76 8.93 19.37 n Oaktree Capital Group, LLC OAK 45.30 96.37% 14.65 14.86 10.52 14.5  Coch-Ziff Capital Mgmt Group LLC OZM 2.26 47.44% 10.10 6.06 3.30 n Group Median  NTRS 86.58 95.41% 20.20 18.44 nm n Bank of New York Mellon Corporation BK 47.23 95.74% 14.92 13.65 0.39 n State Street Corporation STT 79.61 95.74% 14.92 13.78 nm n Group Median	Manning & Napier, Inc.	MN	5.70	58.30%	9.34	10.44	nm	nm
Waddell & Reed Financial, Inc.         WDR         17.00         77.09%         8.53         10.63         1.19         3.3           Federated Investors, Inc.         FII         26.34         84.32%         13.27         13.45         0.75         7.7           Virtus Investment Partners, Inc.         VRTS         105.90         83.01%         16.36         10.75         1.98         11.5           Janus Capital Group Inc.         JNS         13.20         80.85%         15.34         14.47         1.22         6.6           Group Median         85.97%         15.01         14.09         2.10         82.2           ALTERNATIVE ASSET MANAGERS         AUTHORISM MANAGERS           Apollo Global Management, ILC         APO         24.32         99.27%         10.64         10.58         3.18         5.7           Brookfield Asset Management, Inc.         BAM.A         36.46         97.54%         20.43         35.06         3.18         15.7           Blackstone Group L.P.         BX         29.70         94.80%         20.87         10.32         11.96         16.2           Carlye Group, L.P.         CG         15.95         92.04%         205.28         9.48         3.51         11.7	T. Rowe Price Group, Inc.	TROW	68.15	87.63%	14.67	14.09	1.96	8.29
Federated Investors, Inc. FII 26.34 84.32% 13.27 13.45 0.75 7.7 Virtus Investment Partners, Inc. VRTS 105.90 83.01% 16.36 10.75 1.98 11.9 Janus Capital Group Inc. JNS 13.20 80.85% 15.34 14.47 1.22 6.6 Group Median 85.97% 15.01 14.09 2.10 8.2 ALTERNATIVE ASSET MANAGERS  Apollo Global Management, LLC APO 24.32 99.27% 10.64 10.58 3.18 5.7 Brookfield Asset Management, Inc. BAM.A 36.46 97.54% 20.43 35.06 3.18 15.7 Blackstone Group L.P. BX 29.70 94.80% 20.87 10.32 11.96 16.2 Carlye Group, L.P. CG 15.95 92.04% 205.28 9.48 3.51 11.7 Fortress Investment Group LLC FIG 7.95 99.62% 28.76 7.50 4.07 10.5 Kohlberg Kravis Roberts & Co. KKR 18.23 98.43% 33.76 8.93 19.37 n. Gaktree Capital Group, LLC OAK 45.30 96.37% 14.65 14.86 10.52 14.0 Ch-Ziff Capital Mgmt Group LLC OZM 2.26 47.44% 10.10 6.06 3.30 n. Group Median 96.96% 20.85 9.90 3.79 12.5 TRUST BANKS  Northern Trust Corporation NTRS 86.58 95.41% 20.20 18.44 nm n. Bank of New York Mellon Corporation BK 47.23 95.74% 14.92 13.65 0.39 nm n. Group Median STT 79.61 95.81% 14.74 13.78 nm n. Group Median 95.74% 14.92 13.78 nm n. Group Median 95.74%	U.S. Global Investors, Inc.	GROW	1.56	67.85%	81.43	nm	2.71	12.01
Virtus Investment Partners, Inc.         VRTS         105.90         83.01%         16.36         10.75         1.98         11.9           Janus Capital Group Inc.         JNS         13.20         80.85%         15.34         14.47         1.22         6.6           Group Median         85.97%         15.01         14.09         2.10         8.3           ALTERNATIVE ASSET MANAGERS           Apolio Global Management, LLC         APO         24.32         99.27%         10.64         10.58         3.18         5.7           Borolifield Asset Management, Inc.         BAM.A         36.46         97.54%         20.43         35.06         3.18         15.7           Blackstone Group L.P.         BX         29.70         94.80%         20.87         10.32         11.96         16.2           Carlye Group, L.P.         CG         15.95         92.04%         205.28         9.48         3.51         11.7           Fortress Investment Group LLC         FIG         7.95         99.62%         28.76         7.50         4.07         10.5           Kohlberg Kravis Roberts & Co.         KKR         18.23         98.43%         33.76         8.93         19.37         n	Waddell & Reed Financial, Inc.	WDR	17.00	77.09%	8.53	10.63	1.19	3.76
Janus Capital Group Inc.         JNS         13.20         80.85%         15.34         14.47         1.22         6.6           Group Median         85.97%         15.01         14.09         2.10         8.3           ALTERNATIVE ASSET MANAGERS           Apolio Global Management, LLC         APO         24.32         99.27%         10.64         10.58         3.18         5.7           Brookfield Asset Management, Inc.         BAM.A         36.46         97.54%         20.43         35.06         3.18         15.7           Blackstone Group L.P.         BX         29.70         94.80%         20.87         10.32         11.96         16.2           Carlye Group, L.P.         CG         15.95         92.04%         205.28         9.48         3.51         11.7           Fortress Investment Group LLC         FIG         7.95         99.62%         28.76         7.50         4.07         10.5           Kohlberg Kravis Roberts & Co.         KKR         18.23         98.43%         33.76         8.93         19.37         n           Och-Ziff Capital Mgmt Group, LLC         OAK         45.30         96.37%         14.65         14.86         10.52         14.           Group Median	Federated Investors, Inc.	FII	26.34	84.32%	13.27	13.45	0.75	7.71
Group Median         85.97%         15.01         14.09         2.10         8.2           ALTERNATIVE ASSET MANAGERS           Apollo Global Management, LLC         APO         24.32         99.27%         10.64         10.58         3.18         5.7           Brookfield Asset Management, Inc.         BAM.A         36.46         97.54%         20.43         35.06         3.18         15.7           Blackstone Group L.P.         BX         29.70         94.80%         20.87         10.32         11.96         16.2           Carlye Group, L.P.         CG         15.95         92.04%         205.28         9.48         3.51         11.7           Fortress Investment Group LLC         FIG         7.95         99.62%         28.76         7.50         4.07         10.9           Kohlberg Kravis Roberts & Co.         KKR         18.23         98.43%         33.76         8.93         19.37         n           Oaktree Capital Group, LLC         OAK         45.30         96.37%         14.65         14.86         10.52         14.7           Correct Capital Mgmt Group LLC         OZM         2.26         47.44%         10.10	Virtus Investment Partners, Inc.	VRTS	105.90	83.01%	16.36	10.75	1.98	11.97
ALTERNATIVE ASSET MANAGERS  Apollo Global Management, LLC APO 24.32 99.27% 10.64 10.58 3.18 5.7  Brookfield Asset Management, Inc. BAM.A 36.46 97.54% 20.43 35.06 3.18 15.7  Blackstone Group L.P. BX 29.70 94.80% 20.87 10.32 11.96 16.2  Carlye Group, L.P, CG 15.95 92.04% 205.28 9.48 3.51 11.7  Fortress Investment Group LLC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Kohlberg Kravis Roberts & Co. KKR 18.23 98.43% 33.76 8.93 19.37 n  Caktree Capital Group, LLC OAK 45.30 96.37% 14.65 14.86 10.52 14.5  Och-Ziff Capital Mgmt Group LLC OZM 2.26 47.44% 10.10 6.06 3.30 n  Group Median 96.96% 20.65 9.90 3.79 12.5  TRUST BANKS  Northern Trust Corporation NTRS 86.58 95.41% 20.20 18.44 nm n  Bank of New York Mellon Corporation BK 47.23 95.74% 14.92 13.65 0.39 n  State Street Corporation STT 79.61 95.81% 14.74 13.78 nm n  Group Median 95.74% 14.92 13.78 nm n	Janus Capital Group Inc.	JNS	13.20	80.85%	15.34	14.47	1.22	6.63
Apollo Global Management, LLC       APO       24.32       99.27%       10.64       10.58       3.18       5.7         Brookfield Asset Management, Inc.       BAM.A       36.46       97.54%       20.43       35.06       3.18       15.7         Blackstone Group L.P.       BX       29.70       94.80%       20.87       10.32       11.96       16.2         Carlye Group, L.P.       CG       15.95       92.04%       205.28       9.48       3.51       11.7         Fortress Investment Group LLC       FIG       7.95       99.62%       28.76       7.50       4.07       10.5         Kohlberg Kravis Roberts & Co.       KKR       18.23       98.43%       33.76       8.93       19.37       n         Oaktree Capital Group, LLC       OAK       45.30       96.37%       14.65       14.86       10.52       14.         Och-Ziff Capital Mgmt Group LLC       OZM       2.26       47.44%       10.10       6.06       3.30       n         Group Median       NTRS       86.58       95.41%       20.20       18.44       nm       n         Bank of New York Mellon Corporation       BK       47.23       95.74%       14.92       13.65       0.39       n <td>Group Median</td> <td></td> <td></td> <td>85.97%</td> <td>15.01</td> <td>14.09</td> <td>2.10</td> <td>8.20</td>	Group Median			85.97%	15.01	14.09	2.10	8.20
Brookfield Asset Management, Inc.  BAM.A  36.46  97.54%  20.43  35.06  3.18  15.7  Blackstone Group L.P.  BX  29.70  94.80%  20.87  10.32  11.96  16.2  Carlye Group, L.P,  CG  15.95  92.04%  205.28  9.48  3.51  11.7  Fortress Investment Group LLC  FIG  7.95  99.62%  28.76  7.50  4.07  10.5  Kohlberg Kravis Roberts & Co.  KKR  18.23  98.43%  33.76  8.93  19.37  n  Oaktree Capital Group, LLC  OAK  45.30  96.37%  14.65  14.86  10.52  14.  Och-Ziff Capital Mgmt Group LLC  OZM  2.26  47.44%  10.10  6.06  3.30  n  Group Median  TRUST BANKS  Northern Trust Corporation  NTRS  86.58  95.41%  20.20  18.44  nm  n  Bank of New York Mellon Corporation  BK  47.23  95.74%  14.92  13.65  0.39  n  Group Median  n  Group Median	ALTERNATIVE ASSET MANAGERS							
Blackstone Group L.P.         BX         29.70         94.80%         20.87         10.32         11.96         16.2           Carlye Group, L.P,         CG         15.95         92.04%         205.28         9.48         3.51         11.7           Fortress Investment Group LLC         FIG         7.95         99.62%         28.76         7.50         4.07         10.5           Kohlberg Kravis Roberts & Co.         KKRR         18.23         98.43%         33.76         8.93         19.37         n           Oaktree Capital Group, LLC         OAK         45.30         96.37%         14.65         14.86         10.52         14.3           Och-Ziff Capital Mgmt Group LLC         OZM         2.26         47.44%         10.10         6.06         3.30         n           Group Median         96.96%         20.65         9.90         3.79         12.5           TRUST BANKS           Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         S	Apollo Global Management, LLC	APO	24.32	99.27%	10.64	10.58	3.18	5.71
Carlye Group, L.P,         CG         15.95         92.04%         205.28         9.48         3.51         11.7           Fortress Investment Group LLC         FIG         7.95         99.62%         28.76         7.50         4.07         10.5           Kohlberg Kravis Roberts & Co.         KKRR         18.23         98.43%         33.76         8.93         19.37         n           Oaktree Capital Group, LLC         OAK         45.30         96.37%         14.65         14.86         10.52         14.7           Och-Ziff Capital Mgmt Group LLC         OZM         2.26         47.44%         10.10         6.06         3.30         n           Group Median         96.96%         20.65         9.90         3.79         12.5           TRUST BANKS           Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           Group Median         95.74%         14.92         13.78         nm         n	Brookfield Asset Management, Inc.	BAM.A	36.46	97.54%	20.43	35.06	3.18	15.77
Fortress Investment Group LLC FIG 7.95 99.62% 28.76 7.50 4.07 10.5 Kohlberg Kravis Roberts & Co. KKR 18.23 98.43% 33.76 8.93 19.37 n Oaktree Capital Group, LLC OAK 45.30 96.37% 14.65 14.86 10.52 14.7 Och-Ziff Capital Mgmt Group LLC OZM 2.26 47.44% 10.10 6.06 3.30 n Group Median 96.96% 20.65 9.90 3.79 12.5 TRUST BANKS  Northern Trust Corporation NTRS 86.58 95.41% 20.20 18.44 nm n Bank of New York Mellon Corporation BK 47.23 95.74% 14.92 13.65 0.39 n State Street Corporation STT 79.61 95.81% 14.74 13.78 nm n Group Median	Blackstone Group L.P.	вх	29.70	94.80%	20.87	10.32	11.96	16.23
Kohlberg Kravis Roberts & Co.       KKR       18.23       98.43%       33.76       8.93       19.37       n         Oaktree Capital Group, LLC       OAK       45.30       96.37%       14.65       14.86       10.52       14.3         Och-Ziff Capital Mgmt Group LLC       OZM       2.26       47.44%       10.10       6.06       3.30       n         Group Median       96.96%       20.65       9.90       3.79       12.9         TRUST BANKS         Northern Trust Corporation       NTRS       86.58       95.41%       20.20       18.44       nm       n         Bank of New York Mellon Corporation       BK       47.23       95.74%       14.92       13.65       0.39       n         State Street Corporation       STT       79.61       95.81%       14.74       13.78       nm       n         Group Median       95.74%       14.92       13.78       nm       n	Carlye Group, L.P,	CG	15.95	92.04%	205.28	9.48	3.51	11.70
Oaktree Capital Group, LLC         OAK         45.30         96.37%         14.65         14.86         10.52         14.7           Och-Ziff Capital Mgmt Group LLC         OZM         2.26         47.44%         10.10         6.06         3.30         n           Group Median         96.96%         20.65         9.90         3.79         12.5           TRUST BANKS           Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	Fortress Investment Group LLC	FIG	7.95	99.62%	28.76	7.50	4.07	10.56
Och-Ziff Capital Mgmt Group LLC         OZM         2.26         47.44%         10.10         6.06         3.30         n           Group Median         96.96%         20.65         9.90         3.79         12.9           TRUST BANKS           Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	Kohlberg Kravis Roberts & Co.	KKR	18.23	98.43%	33.76	8.93	19.37	nm
Group Median         96.96%         20.65         9.90         3.79         12.55           TRUST BANKS           Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	Oaktree Capital Group, LLC	OAK	45.30	96.37%	14.65	14.86	10.52	14.18
TRUST BANKS           Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	Och-Ziff Capital Mgmt Group LLC	OZM	2.26	47.44%	10.10	6.06	3.30	nm
Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	Group Median			96.96%	20.65	9.90	3.79	12.94
Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	TRUST BANKS							
Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n		NTRS	86.58	95.41%	20.20	18.44	nm	nm
State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	•					13.65		nm
	·							nm
OVERALL MEDIAN 92.56% 15.95 13.71 2.30 117	Group Median			95.74%	14.92	13.78	nm	nm
	OVERALL MEDIAN			92.56%	15.95	13.71	2.30	11.70



### In This Issue

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M&A Review

Asset Manager Multiples by Sector

## **About Value Focus** Asset Management Industry

Mercer Capital's Value Focus is a quarterly publication providing perspective on valuation issues pertinent to asset managers, trust companies, and investment consultants. Each issue highlights a market segment: 1st quarter: Mutual Fund Companies, 2nd quarter: Traditional Asset Managers, 3rd quarter: Alternative Asset Managers, and 4th quarter: Trust Banks. View past issues at www.mercercapital.com.

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As one of the largest valuation firms in the United States, Mercer Capital provides asset managers, trust companies, and investment consultants with corporate valuation, financial reporting valuation, transaction advisory, portfolio valuation, and related services.

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# **VALUE FOCUS**

# **Asset Management Industry**



## **Segment Focus**

## **Mutual Funds**

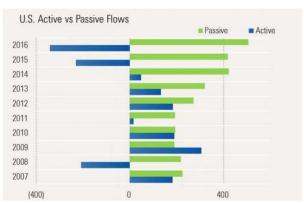
Actively managed mutual funds (in aggregate) have not been competitive with passive strategies in terms of fee pricing or investment performance for quite some time. As a result of this trend and the proliferation of ETFs in recent years, passive investing has dominated the battle for investor capital over the last decade despite a decent start for active managers in 2017.

These dynamics are problematic for many mutual fund companies that rely on active equity products with higher fee schedules and profit margins. Accordingly, most publicly exchanged mutual fund companies are down while the market is up about 15% over the last year.

Another potential headwind is the GOP's current proposal to treat all 401(k) deferrals as after-tax contributions, which could disincentivize employers from offering defined contribution plans that often invest in mutual funds and other active managers. Republican lawmakers still have a lot of work to do in getting this passed, but it is being seriously considered as one way to help finance the new administration's proposed tax cuts.

So we don't foresee a huge shift back to active management any time soon but realize that we are probably overdue for some mean reversion. It is conceivable that the current market environment could be more conducive to stock picking, but we'll need more time to judge whether this is truly the case. Regardless, it is hard to imagine that passive investing will completely replace active management. Such a scenario could lead to significant mispricing in the securities markets, which would be fertile ground for enterprising investors and mutual funds.

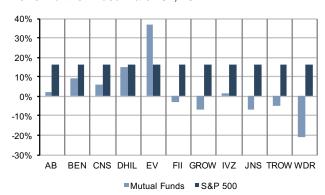
#### U.S. Active vs. Passive Flows



Source: Morningstar Direct

### **Total Returns**

Twelve Months Ended March 31, 2017



Source: S&P Global Market Intelligence

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## **Market Overview**

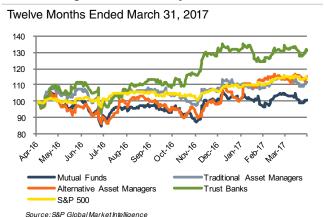
# Asset Manager Performance by Size and Type

There has been a wide disparity of performance among certain classes of asset managers over the last year. The stagnant returns of mutual fund businesses in a rising market are likely attributable to fund outflows in the face of heightened competition from ETF products as discussed in the previous section. Trust banks, on the other hand, have been buoyed by a steepening yield curve and the prospect of higher reinvestment income with rising interest rates.

Breaking down the same group (excluding trust banks) by size suggests that smaller RIAs have significantly underperformed their larger peers over the last twelve months. The reality is that this segment is the least diversified (only two components, both of which are thinly traded) and certainly not a good representation of how RIAs with under \$10 billion in AUM are performing. Most of our clients fall under this category, and we can definitively say that these businesses (in aggregate) haven't lost half their value since August as suggested by this graph. Other publicly traded asset managers have performed reasonably in line with the market over this period.

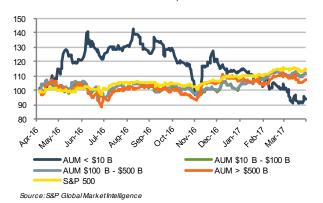
The outlook for these businesses is similarly market driven – though it does vary a bit by sector. Trust banks are more susceptible to changes in interest rates and yield curve positioning. Alternative asset managers tend to be more idiosyncratic but still influenced by investor sentiment regarding their hard-to-value assets. Mutual funds and traditional asset managers are more vulnerable to trends in active and passive investing. All are off to a rocky start in 2017 after a strong end to 2016 as the market weighs the impact of the new administration on the sector's regulatory environment.

## **Asset Manager Performance by Sector**



## **Asset Manager Performance by Size**

### Twelve Months Ended March 31, 2017



## **M&A Review**

Fund outflows and poor performance may actually have positive implications for RIA deal-making this year. The maturation of the mutual fund industry and active managers will likely spur consolidation and buying opportunities for those looking to add scale. With valuations and market caps down over the last eighteen months or so, the affordability index has gotten a lot better for many of these businesses. Standard Life was clearly taking notice when it purchased Aberdeen Asset Management for \$4.6 billion last month amidst shareholder pressure to right the ship after years of significant underperformance from both firms.

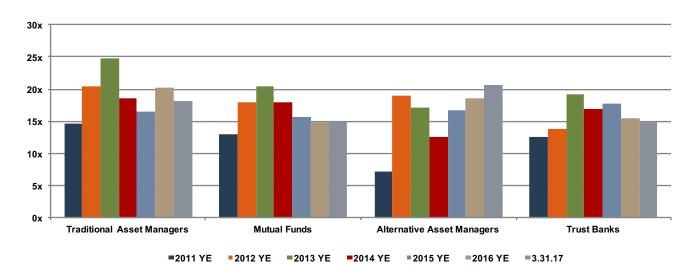
Expectations for slower growth (reflected in lower multiples) could be another driver of M&A activity, as RIAs look to other asset managers to build or replace AUM depleted by outflows and market movements. If organic growth opportunities are truly stalling, acquisitions are a viable means to offset falling management fees and collect market share for those

that can afford to do so. Rising cap rates should also help, as the embedded return on investment improves with lower multiples.

It is difficult to say if this kind of deal is an anomaly or sign of things to come for the struggling sector. The trend may have started in November with **Henderson Group's purchase of Janus Capital** and may be a viable way to improve earnings following years of client outflows.

We believe the backlog of available deals remains fairly robust given the four year pause in transactions from 2009 to 2013 and the aging demographics of many investment management firms. Still, we acknowledge that the decline in transaction activity following the financial crisis of 2008 and 2009 could be indicative of what another bear market could do to M&A trends when the dust settles and AUM has cratered.

## **Historical Median Price / LTM EPS by Sector**



## **Asset Manager Multiples by Sector**

Tabor   Stock Price   Stock				52 Week		Pricing as of N	larch 31, 2017	
Affiliated Managers Group, Inc.  AMG 163.94 9127% 10.11 11.72 1.79 14.23 Black Rock, Inc.  BLK 983.51 96.61% 20.10 1794 123 12.2 12.2 12.2 12.2 12.2 12.3 12.2 12.3 12.3		Ticker				Forward	Value /	
BlackRock, Inc.   BLK   383.51   96.61%   20.10   17.94   123   12.55   Logg Mason, Inc.   LM   36.11   93.17%   15.53   16.38   0.74   12.55   12.75   12.55   16.38   0.74   12.55   12.75	TRADITIONAL ASSET MANAGERS							
Legg Mason, Inc.	Affiliated Managers Group, Inc.	AMG	163.94	91.27%	10.11	11.72	1.79	14.30
Penal Investment Management, Inc.  PZN  9,84  85,34%  84,41%  18,24  16,67  179  12,6  froup Median  11,1  MUTUAL FUNDS  AllianceBerstein Investments, Inc.  AB  22,85  93,48%  10,11  11,72  0,46  6,4  6,4  6,5  10,11  11,72  0,46  6,4  6,4  10,5  10,11  11,72  0,46  6,4  10,5  10,11  11,72  0,46  6,4  10,5  10,11  11,72  0,46  6,4  10,5  10,11  11,72  0,46  6,4  10,5  10,11  11,72  0,46  6,4  10,5  10,11  11,72  0,46  6,4  10,5  10,11  11,72  0,46  10,4  10,4  10,4  10,4  10,4  10,4  10,4  10,4  10,4  10,5  10,4  10,	BlackRock, Inc.	BLK	383.51	96.61%	20.10	17.94	1.23	12.56
Westwood Holdings Group, Inc.   WHG   53.41   84.41%   18.24   nm   2.06   11.66   17.9   12.66   12.72   18.24   16.67   1.79   12.66   17.96   12.66   17.96   12.66   17.96   12.66   17.96   12.66   17.96   17.	Legg Mason, Inc.	LM	36.11	93.17%	15.53	16.38	0.74	12.01
MUTUAL FUNDS   MUTUAL FUNDS   MILES   MARCH	Pzena Investment Management, Inc.	PZN	9.84	85.34%	23.78	16.97	2.26	nm
MUTUAL FUNDS  AllianceBerstein Investments, Inc. AB 22.85 93.48% 10.11 11.72 0.46 6.4  Calamos Asset Management, Inc. CLMS 8.28 93.08% 43.10 55.20 0.30 3.3  Calamos Asset Management, Inc. CNS 39.97 94.48% 20.34 18.51 2.94 11.5  GAMOC Investors, Inc. GAMOC Investors, Inc. GGBL 9.08 68.80% 46.29 37.68 2.57 19.0  INVESCO Ltd. IVZ 30.63 91.54% 14.65 12.22 2.21 12.5  Franklin Resources, Inc. DBEN 42.14 95.47% 14.51 15.71 2.34 55.  Eaton Vance Corp. EV 44.96 94.00% 22.63 18.13 nm 11.5  Hennessy Advisors, Inc. MN 5.70 58.30% 93.4 10.44 nm 1.5  T. Rowe Price Group, Inc. TROW 68.15 87.63% 14.67 14.09 1.96 8.2  U.S. Global Investors, Inc. GROW 1.56 67.55% 81.43 nm 2.71 12.4  Waddell & Reed Financial, Inc. FIL 26.34 84.22% 13.27 14.55 0.75 7.7  Virtus Investment Partners, Inc. VRDR 17.00 77.09% 8.53 10.63 10.9 1.9  Virtus Investment Partners, Inc. VRTS 105.90 83.01% 16.36 10.75 1.98 11.5  Janus Capital Group Inc. JNS 13.20 80.85% 15.34 14.47 1.22 6.6  Group Median Management, Inc. BAMA 36.46 97.54% 10.64 10.58 3.18 5.7  Fortress Investment Group LIC APO 24.32 99.27% 10.64 10.58 3.18 5.7  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  FOR Deltain Management, Inc. BAMA 36.48 97.54% 10.64 10.58 3.18 15.7  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  FOR Deltain Management, Inc. BAMA 36.49 96.37% 11.65 14.86 10.52 11.4  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Fortress Investment Group LIC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  FOR Deltain Management, Inc. BAMA 36.49 96.37% 11.65 14.86 10.52 11.4  FOR Deltain Management, Inc. BAMA 36.49 96.37% 11.65 14.86 10.52 11.4  FOR Deltain Management, Inc. BAMA 36.49 96.37% 11.65 14.86 10.52 11.4  FOR Deltain Management, Inc. BAMA 36.49 96.37% 11.65 1	Westwood Holdings Group, Inc.	WHG	53.41	84.41%	18.24	nm	2.06	11.83
AllianceBerstein Investments, Inc.  AB  22.85  93.48%  10.11  11.72  0.46  6.4.  Calamos Asset Management, Inc.  CLMS  8.28  93.08%  43.10  55.20  0.30  3.3.  Cohen & Steers, Inc.  CNS  39.97  94.48%  20.34  18.51  2.94  11.2  GAMCO Investors, Inc.  GBL  9.08  68.880%  46.29  37.688  25.7  19.10  INVESCO Ltd.  IVZ  30.63  91.54%  14.65  12.72  2.21  12.5  Franklin Resources, Inc.  BEN  42.14  95.47%  14.51  15.71  2.34  65.  Diamond Hill Investment Group, Inc.  DHIL  194.55  90.66%  16.84  nm  3.30  82.  Baton Vance Corp.  EV  44.96  94.00%  22.63  18.13  nm  11.15  Hennessy Advisors, Inc,  HNNA  16.81  64.46%  8.93  nm  2.38  64.  Manning & Napier, Inc.  MN  5.70  58.30%  9.34  10.44  nm  nn  7. Rowe Price Group, Inc.  U.S. Global Investors, Inc.  GROW  1.56  67.85%  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  8.44  14.67  14.09  1.96  1	Group Median			91.27%	18.24	16.67	1.79	12.29
Calamos Asset Management, Inc.         CLMS         8.28         93.08%         43.10         55.20         0.30         33.1           Cohen & Steers, Inc.         CNS         39.97         94.48%         20.34         18.51         2.94         11.2           GAMCO Investors, Inc.         GBL         9.08         68.80%         46.29         37.68         2.57         198.1           INVESCO Ltd.         IVZ         30.63         91.54%         14.65         12.72         2.21         12.5           Franklin Resources, Inc.         BEN         42.14         95.47%         14.51         15.71         2.34         65.5           Diamond Hill Investment Group, Inc.         DHIL         194.55         90.66%         16.84         nm         3.30         8.3           Eaton Vance Corp.         EV         44.96         94.00%         22.63         18.13         nm         11.5           Hennessy Advisors, Inc.         HNNA         16.81         64.46%         8.93         nm         2.38         6.3           Manning & Napier, Inc.         MN         5.70         58.30%         9.34         10.44         nm         nm         11.5           U.S. Global Investors, Inc.         GROW	MUTUAL FUNDS							
Cohen & Steers, Inc.  CNS 39.97 94.48% 20.34 18.51 2.94 11.2  GAMCO Investors, Inc.  GBL 9.08 88.80% 46.29 37.88 2.57 19.0  INVESCO Ltd.  IVZ 30.63 91.54% 14.65 12.72 2.21 12.5  Franklin Resources, Inc.  BEN 42.14 95.47% 14.51 15.71 2.34 6.6  Diamond Hill Investment Group, Inc.  DHIL 194.55 90.66% 16.84 nm 3.30 8.2  Eaton Vance Corp.  EV 44.96 94.00% 22.63 18.13 nm 11.8  Hennessy Advisors, Inc,  HNNA 16.81 64.46% 8.9.3 nm 2.38 6.4  Manning & Napier, Inc.  MN 5.70 88.30% 9.34 10.44 nm 17.  T. Rowe Price Group, Inc.  TROW 68.15 87.63% 14.67 14.09 1.96 8.2  U.S. Global Investors, Inc.  GROW 1.56 67.85% 81.43 nm 2.71 12.4  Waddell & Reed Financial, Inc.  WDR 17.00 77.09% 8.53 10.63 1.19 3.1  Federated Investors, Inc.  FII 26.34 84.32% 13.27 13.45 0.75 7.7  Virtus Investment Partners, Inc.  VRTS 10.59 83.01% 16.36 10.75 1.98 11.5  Janus Capital Group Inc.  JNS 13.20 80.85% 15.34 14.47 1.22 6.6  Group Median  T. ROW Price Group, L.P.  GG 15.95 92.04% 20.52 9.48 3.51 11.5  Fortress investment, Inc.  BAMA 36.46 97.55% 20.43 35.06 3.18 15.5  Blackstone Group, L.P.  GG 15.95 92.04% 20.52 9.48 3.51 11.5  Fortress investment Group, LLC  GAMC 45.30 96.37% 14.65 14.86 10.52 14.5  Carlye Group, L.P.  GG 15.95 92.04% 20.52 9.48 3.51 11.5  Fortress investment Group LLC  GAMC 45.30 96.37% 14.65 14.86 10.52 14.5  Carlye Group, L.P.  GG 15.95 92.04% 20.52 9.48 3.51 11.5  Fortress investment Group LLC  GAMC 45.30 96.37% 14.65 14.86 10.52 14.5  Coch-Ziff Capital Mgmt Group LLC  OAK 45.30 96.37% 14.65 14.86 10.52 14.5  Coch-Ziff Capital Mgmt Group LLC  OAK 45.30 96.37% 14.65 14.86 10.52 14.5  Coch-Ziff Capital Mgmt Group LLC  OAK 45.30 96.37% 14.65 14.86 10.52 0.39 nm  Bank of New York Mellon Corporation  SK 47.23 95.74% 14.92 13.65 0.39 nm  Group Median  Franklin Reserved Average and the complex of the complex o	AllianceBerstein Investments, Inc.	AB	22.85	93.48%	10.11	11.72	0.46	6.41
GAMCO Investors, Inc.  GBL  9.08  68.80%  46.29  37.68  2.57  19.00  INVESCO Ltd.  IVZ  30.63  91.54%  14.65  12.72  2.21  12.56  Franklin Resources, Inc.  BEN  42.14  95.47%  14.51  15.71  2.34  65.  Diamond Hill Investment Group, Inc.  DHIL  194.55  90.66%  16.84  nm  3.30  8.2.  Eaton Vance Corp.  EV  44.96  94.00%  22.63  18.13  nm  11.56  Hennessy Advisors, Inc,  HNNA  16.81  64.46%  8.93  nm  2.38  6.40  Manning & Napier, Inc.  MN  5.70  68.30%  9.34  10.44  nm  n.  T. Rowe Price Group, Inc.  GROW  1.56  67.856%  81.43  nm  2.71  12.00  Waddell & Reed Financial, Inc.  WDR  1700  77.09%  8.53  10.63  1.19  3.37  Federated Investors, Inc.  VPRTS  105.90  80.856%  15.34  14.47  12.20  6.66  6.7666%  14.49  15.34  14.47  12.20  6.67  6.73  14.47  14.49  15.34  ALTERNATIVE ASSET MANAGERS  Apollo Global Management, Inc.  BAM.A  36.46  97.54%  20.43  35.06  3.18  5.75  15.07  15.06  16.84  16.85  16.95  16.95  16.94  16.94  16.95  16.94  16.94  16.95  16.94  16.	Calamos Asset Management, Inc.	CLMS	8.28	93.08%	43.10	55.20	0.30	3.09
INVESCO Ltd.	Cohen & Steers, Inc.	CNS	39.97	94.48%	20.34	18.51	2.94	11.23
Franklin Resources, Inc. BEN 42.14 95.47% 14.51 15.71 2.34 6.5 Diamond Hill Investment Group, Inc. DHIL 194.55 90.66% 16.84 nm 3.30 8.2 Eaton Vance Corp. EV 44.96 94.00% 22.63 18.13 nm 115. Hennessy Advisors, Inc, HNNA 16.81 64.46% 8.93 nm 2.38 6.4 Hennessy Advisors, Inc, MN 5.70 58.30% 9.34 10.44 nm nn T. Rowe Price Group, Inc. TROW 68.15 87.63% 14.67 14.09 196 8.2 U.S. Global Investors, Inc. GROW 1.56 67.85% 81.43 nm 2.71 12.4 Waddell & Reed Financial, Inc. WDR 17.00 77.09% 8.53 10.63 1.19 3.3 Federated Investors, Inc. Fill 26.34 84.32% 13.27 13.45 0.75 7.7 Virtus investment Partners, Inc. VRTS 105.90 83.01% 16.36 10.75 1.98 11.5 Janus Capital Group Inc. JNS 13.20 80.85% 15.34 14.47 1.22 6.6 Group Median 88 Apagement, Inc. BAM.A 36.46 97.54% 20.43 35.06 3.18 15.7 Brookfield Asset Management, Inc. BAM.A 36.46 97.54% 20.43 35.06 3.18 15.7 Brookfield Asset Management Group LP. CG 15.95 99.62% 26.58 9.48 3.51 1.7 Cartye Group, L.P. CG 15.95 99.62% 28.76 7.50 4.07 10.6 KKRR 18.23 98.43% 33.76 8.93 19.37 In Cartye Group LP. CAR 18.23 98.43% 33.76 8.93 19.37 In Cartye Group, L.P. CG 15.95 99.62% 28.76 7.50 4.07 10.5 Coh-zif Capital Group LLC OAK 45.30 95.37% 14.65 14.86 10.52 14.7 Coh-zif Capital Group LLC OAK 45.30 95.67% 14.65 14.86 10.52 14.7 Coh-zif Capital Group LLC OAK 45.30 95.44% 10.10 6.06 3.30 In Group Median NTRS 86.58 95.44% 20.20 18.44 nm nm nm and the complex of the com	GAMCO Investors, Inc.	GBL	9.08	68.80%	46.29	37.68	2.57	19.05
Diamond Hill Investment Group, Inc.   DHIL   194.55   90.66%   16.84   nm   3.30   8.25	INVESCO Ltd.	IVZ	30.63	91.54%	14.65	12.72	2.21	12.93
Eaton Vance Corp. EV 44.96 94.00% 22.63 18.13 nm 11.55	Franklin Resources, Inc.	BEN	42.14	95.47%	14.51	15.71	2.34	6.98
Hennessy Advisors, Inc, HNNA 16.81 64.46% 8.93 nm 2.38 6.4 Manning & Napier, Inc. MN 5.70 58.30% 9.34 10.44 nm nn	Diamond Hill Investment Group, Inc.	DHIL	194.55	90.66%	16.84	nm	3.30	8.20
Manning & Napier, Inc.         MN         5.70         58.30%         9.34         10.44         nm         n           T. Rowe Price Group, Inc.         TROW         68.15         87.63%         14.67         14.09         1.96         8.2           U.S. Global Investors, Inc.         GROW         1.56         67.85%         81.43         nm         2.71         12.4           Waddell & Reed Financial, Inc.         WDR         17.00         77.09%         8.53         10.63         1.19         3.3           Federated Investors, Inc.         FII         26.34         84.32%         13.27         13.45         0.75         7.7           Virtus Investment Partners, Inc.         VRTS         105.90         83.01%         16.36         10.75         1.98         11.5           Janus Capital Group Inc.         JNS         13.20         80.85%         15.34         14.47         1.22         6.6           Group Median         JNS         13.20         80.85%         15.01         14.09         2.10         8.2           ALTERNATIVE ASSET MANAGERS         4         4         10.58         3.18         5.7           Apolio Global Management, LLC         APO         24.32         99.27% <t< td=""><td>Eaton Vance Corp.</td><td>EV</td><td>44.96</td><td>94.00%</td><td>22.63</td><td>18.13</td><td>nm</td><td>11.96</td></t<>	Eaton Vance Corp.	EV	44.96	94.00%	22.63	18.13	nm	11.96
T. Rowe Price Group, Inc.  TROW 68.15 87.63% 14.67 14.09 1.96 8.2 U.S. Global Investors, Inc. GROW 1.56 67.85% 81.43 nm 2.71 12.1 Waddell & Reed Financial, Inc. WDR 17.00 77.09% 8.53 10.63 1.19 3.3 Federated Investors, Inc. FII 26.34 84.32% 13.27 13.45 0.75 7.7 Virtus Investment Partners, Inc. VRTS 105.90 83.01% 16.36 10.75 1.98 11.5 Janus Capital Group Inc. JNS 13.20 80.85% 15.34 14.47 1.22 6.6 Group Median  ALTERNATIVE ASSET MANAGERS Apollo Global Management, LLC APO 24.32 99.27% 10.64 10.58 3.18 5.7 Brookfield Asset Management, Inc. BAM.A 36.46 97.54% 20.43 35.06 3.18 15.7 Brookfield Asset Management, Inc. BX 29.70 94.80% 20.87 10.32 11.96 11.62 Carlye Group, L.P. CG 15.95 99.62% 20.87 7.50 4.07 10.65 KKR 18.23 98.43% 33.76 8.93 19.37 n Caktree Capital Group, LLC OAK 45.30 96.37% 14.65 14.86 10.52 14. Coch-Ziff Capital Mgmt Group LLC OAK 45.30 96.37% 14.65 14.86 10.52 14. Coch-Ziff Capital Mgmt Group LLC OAK 45.30 96.96% 20.85 9.90 3.79 12.5  TRUST BANKS Northern Trust Corporation NTRS 86.58 95.41% 20.20 18.44 nm n Bank of New York Mellon Corporation BK 47.23 95.74% 14.92 13.65 0.39 n Group Median  Group Median  n Group Median n n Group Median n n Group Median n n Group Median n n n Group Median n n n n n n n n n n n n n n n n n n	Hennessy Advisors, Inc,	HNNA	16.81	64.46%	8.93	nm	2.38	6.41
U.S. Global Investors, Inc.  GROW  1.56 6785% 81.43 nm 2.71 12.0  Waddell & Reed Financial, Inc.  WDR 17.00 77.09% 8.53 10.63 1.19 3.3  Federated Investors, Inc.  FII 26.34 84.32% 13.27 13.45 0.75 77.  Virtus Investment Partners, Inc.  VRTS 105.90 83.01% 16.36 10.75 1.98 11.5  Janus Capital Group Inc.  JNS 13.20 80.85% 15.34 14.47 1.22 6.6  Group Median  ALTERNATIVE ASSET MANAGERS  Apollo Global Management, LLC APO 24.32 99.27% 10.64 10.58 3.18 5.7  Brookfield Asset Management, Inc. BAM.A 36.46 97.54% 20.43 35.06 3.18 15.7  Blackstone Group L.P. BX 29.70 94.80% 20.87 10.32 11.96 16.2  Carlye Group, L.P, CG 15.95 92.04% 205.28 9.48 3.51 11.7  Fortress Investment Group LLC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Kohlberg Kravis Roberts & Co. KKR 18.23 98.43% 33.76 8.93 19.37 n Oaktree Capital Group, LLC OAK 45.30 96.37% 14.65 14.86 10.52 14.5  Coch-Ziff Capital Mgmt Group LLC OZM 2.26 47.44% 10.10 6.06 3.30 n Group Median  NTRS 86.58 95.41% 20.20 18.44 nm n Bank of New York Mellon Corporation BK 47.23 95.74% 14.92 13.65 0.39 n State Street Corporation STT 79.61 95.74% 14.92 13.78 nm n Group Median	Manning & Napier, Inc.	MN	5.70	58.30%	9.34	10.44	nm	nm
Waddell & Reed Financial, Inc.         WDR         17.00         77.09%         8.53         10.63         1.19         3.3           Federated Investors, Inc.         FII         26.34         84.32%         13.27         13.45         0.75         7.7           Virtus Investment Partners, Inc.         VRTS         105.90         83.01%         16.36         10.75         1.98         11.5           Janus Capital Group Inc.         JNS         13.20         80.85%         15.34         14.47         1.22         6.6           Group Median         85.97%         15.01         14.09         2.10         82.2           ALTERNATIVE ASSET MANAGERS         AUTHORISM MANAGERS           Apollo Global Management, ILC         APO         24.32         99.27%         10.64         10.58         3.18         5.7           Brookfield Asset Management, Inc.         BAM.A         36.46         97.54%         20.43         35.06         3.18         15.7           Blackstone Group L.P.         BX         29.70         94.80%         20.87         10.32         11.96         16.2           Carlye Group, L.P.         CG         15.95         92.04%         205.28         9.48         3.51         11.7	T. Rowe Price Group, Inc.	TROW	68.15	87.63%	14.67	14.09	1.96	8.29
Federated Investors, Inc. FII 26.34 84.32% 13.27 13.45 0.75 7.7 Virtus Investment Partners, Inc. VRTS 105.90 83.01% 16.36 10.75 1.98 11.9 Janus Capital Group Inc. JNS 13.20 80.85% 15.34 14.47 1.22 6.6 Group Median 85.97% 15.01 14.09 2.10 8.2 ALTERNATIVE ASSET MANAGERS  Apollo Global Management, LLC APO 24.32 99.27% 10.64 10.58 3.18 5.7 Brookfield Asset Management, Inc. BAM.A 36.46 97.54% 20.43 35.06 3.18 15.7 Blackstone Group L.P. BX 29.70 94.80% 20.87 10.32 11.96 16.2 Carlye Group, L.P. CG 15.95 92.04% 205.28 9.48 3.51 11.7 Fortress Investment Group LLC FIG 7.95 99.62% 28.76 7.50 4.07 10.5 Kohlberg Kravis Roberts & Co. KKR 18.23 98.43% 33.76 8.93 19.37 n. Gaktree Capital Group, LLC OAK 45.30 96.37% 14.65 14.86 10.52 14.0 Ch-Ziff Capital Mgmt Group LLC OZM 2.26 47.44% 10.10 6.06 3.30 n. Group Median 96.96% 20.85 9.90 3.79 12.5 TRUST BANKS  Northern Trust Corporation NTRS 86.58 95.41% 20.20 18.44 nm n. Bank of New York Mellon Corporation BK 47.23 95.74% 14.92 13.65 0.39 nm n. Group Median STT 79.61 95.81% 14.74 13.78 nm n. Group Median 95.74% 14.92 13.78 nm n. Group Median 95.74%	U.S. Global Investors, Inc.	GROW	1.56	67.85%	81.43	nm	2.71	12.01
Virtus Investment Partners, Inc.         VRTS         105.90         83.01%         16.36         10.75         1.98         11.9           Janus Capital Group Inc.         JNS         13.20         80.85%         15.34         14.47         1.22         6.6           Group Median         85.97%         15.01         14.09         2.10         8.3           ALTERNATIVE ASSET MANAGERS           Apolio Global Management, LLC         APO         24.32         99.27%         10.64         10.58         3.18         5.7           Borolifield Asset Management, Inc.         BAM.A         36.46         97.54%         20.43         35.06         3.18         15.7           Blackstone Group L.P.         BX         29.70         94.80%         20.87         10.32         11.96         16.2           Carlye Group, L.P.         CG         15.95         92.04%         205.28         9.48         3.51         11.7           Fortress Investment Group LLC         FIG         7.95         99.62%         28.76         7.50         4.07         10.5           Kohlberg Kravis Roberts & Co.         KKR         18.23         98.43%         33.76         8.93         19.37         n	Waddell & Reed Financial, Inc.	WDR	17.00	77.09%	8.53	10.63	1.19	3.76
Janus Capital Group Inc.         JNS         13.20         80.85%         15.34         14.47         1.22         6.6           Group Median         85.97%         15.01         14.09         2.10         8.3           ALTERNATIVE ASSET MANAGERS           Apolio Global Management, LLC         APO         24.32         99.27%         10.64         10.58         3.18         5.7           Brookfield Asset Management, Inc.         BAM.A         36.46         97.54%         20.43         35.06         3.18         15.7           Blackstone Group L.P.         BX         29.70         94.80%         20.87         10.32         11.96         16.2           Carlye Group, L.P.         CG         15.95         92.04%         205.28         9.48         3.51         11.7           Fortress Investment Group LLC         FIG         7.95         99.62%         28.76         7.50         4.07         10.5           Kohlberg Kravis Roberts & Co.         KKR         18.23         98.43%         33.76         8.93         19.37         n           Och-Ziff Capital Mgmt Group, LLC         OAK         45.30         96.37%         14.65         14.86         10.52         14.           Group Median	Federated Investors, Inc.	FII	26.34	84.32%	13.27	13.45	0.75	7.71
Group Median         85.97%         15.01         14.09         2.10         8.2           ALTERNATIVE ASSET MANAGERS           Apollo Global Management, LLC         APO         24.32         99.27%         10.64         10.58         3.18         5.7           Brookfield Asset Management, Inc.         BAM.A         36.46         97.54%         20.43         35.06         3.18         15.7           Blackstone Group L.P.         BX         29.70         94.80%         20.87         10.32         11.96         16.2           Carlye Group, L.P.         CG         15.95         92.04%         205.28         9.48         3.51         11.7           Fortress Investment Group LLC         FIG         7.95         99.62%         28.76         7.50         4.07         10.9           Kohlberg Kravis Roberts & Co.         KKR         18.23         98.43%         33.76         8.93         19.37         n           Oaktree Capital Group, LLC         OAK         45.30         96.37%         14.65         14.86         10.52         14.7           Correct Capital Mgmt Group LLC         OZM         2.26         47.44%         10.10	Virtus Investment Partners, Inc.	VRTS	105.90	83.01%	16.36	10.75	1.98	11.97
ALTERNATIVE ASSET MANAGERS  Apollo Global Management, LLC APO 24.32 99.27% 10.64 10.58 3.18 5.7  Brookfield Asset Management, Inc. BAM.A 36.46 97.54% 20.43 35.06 3.18 15.7  Blackstone Group L.P. BX 29.70 94.80% 20.87 10.32 11.96 16.2  Carlye Group, L.P, CG 15.95 92.04% 205.28 9.48 3.51 11.7  Fortress Investment Group LLC FIG 7.95 99.62% 28.76 7.50 4.07 10.5  Kohlberg Kravis Roberts & Co. KKR 18.23 98.43% 33.76 8.93 19.37 n  Caktree Capital Group, LLC OAK 45.30 96.37% 14.65 14.86 10.52 14.5  Och-Ziff Capital Mgmt Group LLC OZM 2.26 47.44% 10.10 6.06 3.30 n  Group Median 96.96% 20.65 9.90 3.79 12.5  TRUST BANKS  Northern Trust Corporation NTRS 86.58 95.41% 20.20 18.44 nm n  Bank of New York Mellon Corporation BK 47.23 95.74% 14.92 13.65 0.39 n  State Street Corporation STT 79.61 95.81% 14.74 13.78 nm n  Group Median 95.74% 14.92 13.78 nm n	Janus Capital Group Inc.	JNS	13.20	80.85%	15.34	14.47	1.22	6.63
Apollo Global Management, LLC       APO       24.32       99.27%       10.64       10.58       3.18       5.7         Brookfield Asset Management, Inc.       BAM.A       36.46       97.54%       20.43       35.06       3.18       15.7         Blackstone Group L.P.       BX       29.70       94.80%       20.87       10.32       11.96       16.2         Carlye Group, L.P.       CG       15.95       92.04%       205.28       9.48       3.51       11.7         Fortress Investment Group LLC       FIG       7.95       99.62%       28.76       7.50       4.07       10.5         Kohlberg Kravis Roberts & Co.       KKR       18.23       98.43%       33.76       8.93       19.37       n         Oaktree Capital Group, LLC       OAK       45.30       96.37%       14.65       14.86       10.52       14.         Och-Ziff Capital Mgmt Group LLC       OZM       2.26       47.44%       10.10       6.06       3.30       n         Group Median       NTRS       86.58       95.41%       20.20       18.44       nm       n         Bank of New York Mellon Corporation       BK       47.23       95.74%       14.92       13.65       0.39       n <td>Group Median</td> <td></td> <td></td> <td>85.97%</td> <td>15.01</td> <td>14.09</td> <td>2.10</td> <td>8.20</td>	Group Median			85.97%	15.01	14.09	2.10	8.20
Brookfield Asset Management, Inc.  BAM.A  36.46  97.54%  20.43  35.06  3.18  15.7  Blackstone Group L.P.  BX  29.70  94.80%  20.87  10.32  11.96  16.2  Carlye Group, L.P,  CG  15.95  92.04%  205.28  9.48  3.51  11.7  Fortress Investment Group LLC  FIG  7.95  99.62%  28.76  7.50  4.07  10.5  Kohlberg Kravis Roberts & Co.  KKR  18.23  98.43%  33.76  8.93  19.37  n  Oaktree Capital Group, LLC  OAK  45.30  96.37%  14.65  14.86  10.52  14.  Och-Ziff Capital Mgmt Group LLC  OZM  2.26  47.44%  10.10  6.06  3.30  n  Group Median  TRUST BANKS  Northern Trust Corporation  NTRS  86.58  95.41%  20.20  18.44  nm  n  Bank of New York Mellon Corporation  BK  47.23  95.74%  14.92  13.65  0.39  n  Group Median  n  Group Median	ALTERNATIVE ASSET MANAGERS							
Blackstone Group L.P.         BX         29.70         94.80%         20.87         10.32         11.96         16.2           Carlye Group, L.P,         CG         15.95         92.04%         205.28         9.48         3.51         11.7           Fortress Investment Group LLC         FIG         7.95         99.62%         28.76         7.50         4.07         10.5           Kohlberg Kravis Roberts & Co.         KKRR         18.23         98.43%         33.76         8.93         19.37         n           Oaktree Capital Group, LLC         OAK         45.30         96.37%         14.65         14.86         10.52         14.3           Och-Ziff Capital Mgmt Group LLC         OZM         2.26         47.44%         10.10         6.06         3.30         n           Group Median         96.96%         20.65         9.90         3.79         12.5           TRUST BANKS           Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         S	Apollo Global Management, LLC	APO	24.32	99.27%	10.64	10.58	3.18	5.71
Carlye Group, L.P,         CG         15.95         92.04%         205.28         9.48         3.51         11.7           Fortress Investment Group LLC         FIG         7.95         99.62%         28.76         7.50         4.07         10.5           Kohlberg Kravis Roberts & Co.         KKRR         18.23         98.43%         33.76         8.93         19.37         n           Oaktree Capital Group, LLC         OAK         45.30         96.37%         14.65         14.86         10.52         14.7           Och-Ziff Capital Mgmt Group LLC         OZM         2.26         47.44%         10.10         6.06         3.30         n           Group Median         96.96%         20.65         9.90         3.79         12.5           TRUST BANKS           Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           Group Median         95.74%         14.92         13.78         nm         n	Brookfield Asset Management, Inc.	BAM.A	36.46	97.54%	20.43	35.06	3.18	15.77
Fortress Investment Group LLC FIG 7.95 99.62% 28.76 7.50 4.07 10.5 Kohlberg Kravis Roberts & Co. KKR 18.23 98.43% 33.76 8.93 19.37 n Oaktree Capital Group, LLC OAK 45.30 96.37% 14.65 14.86 10.52 14.7 Och-Ziff Capital Mgmt Group LLC OZM 2.26 47.44% 10.10 6.06 3.30 n Group Median 96.96% 20.65 9.90 3.79 12.5 TRUST BANKS  Northern Trust Corporation NTRS 86.58 95.41% 20.20 18.44 nm n Bank of New York Mellon Corporation BK 47.23 95.74% 14.92 13.65 0.39 n State Street Corporation STT 79.61 95.81% 14.74 13.78 nm n Group Median	Blackstone Group L.P.	вх	29.70	94.80%	20.87	10.32	11.96	16.23
Kohlberg Kravis Roberts & Co.       KKR       18.23       98.43%       33.76       8.93       19.37       n         Oaktree Capital Group, LLC       OAK       45.30       96.37%       14.65       14.86       10.52       14.3         Och-Ziff Capital Mgmt Group LLC       OZM       2.26       47.44%       10.10       6.06       3.30       n         Group Median       96.96%       20.65       9.90       3.79       12.9         TRUST BANKS         Northern Trust Corporation       NTRS       86.58       95.41%       20.20       18.44       nm       n         Bank of New York Mellon Corporation       BK       47.23       95.74%       14.92       13.65       0.39       n         State Street Corporation       STT       79.61       95.81%       14.74       13.78       nm       n         Group Median       95.74%       14.92       13.78       nm       n	Carlye Group, L.P,	CG	15.95	92.04%	205.28	9.48	3.51	11.70
Oaktree Capital Group, LLC         OAK         45.30         96.37%         14.65         14.86         10.52         14.7           Och-Ziff Capital Mgmt Group LLC         OZM         2.26         47.44%         10.10         6.06         3.30         n           Group Median         96.96%         20.65         9.90         3.79         12.5           TRUST BANKS           Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	Fortress Investment Group LLC	FIG	7.95	99.62%	28.76	7.50	4.07	10.56
Och-Ziff Capital Mgmt Group LLC         OZM         2.26         47.44%         10.10         6.06         3.30         n           Group Median         96.96%         20.65         9.90         3.79         12.9           TRUST BANKS           Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	Kohlberg Kravis Roberts & Co.	KKR	18.23	98.43%	33.76	8.93	19.37	nm
Group Median         96.96%         20.65         9.90         3.79         12.55           TRUST BANKS           Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	Oaktree Capital Group, LLC	OAK	45.30	96.37%	14.65	14.86	10.52	14.18
TRUST BANKS           Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	Och-Ziff Capital Mgmt Group LLC	OZM	2.26	47.44%	10.10	6.06	3.30	nm
Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	Group Median			96.96%	20.65	9.90	3.79	12.94
Northern Trust Corporation         NTRS         86.58         95.41%         20.20         18.44         nm         n           Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	TRUST BANKS							
Bank of New York Mellon Corporation         BK         47.23         95.74%         14.92         13.65         0.39         n           State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n		NTRS	86.58	95.41%	20.20	18.44	nm	nm
State Street Corporation         STT         79.61         95.81%         14.74         13.78         nm         n           Group Median         95.74%         14.92         13.78         nm         n	•					13.65		nm
	·							nm
OVERALL MEDIAN 92.56% 15.95 13.71 2.30 117	Group Median			95.74%	14.92	13.78	nm	nm
	OVERALL MEDIAN			92.56%	15.95	13.71	2.30	11.70



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Mercer Capital's Value Focus is a quarterly publication providing perspective on valuation issues pertinent to asset managers, trust companies, and investment consultants. Each issue highlights a market segment: 1st quarter: Mutual Fund Companies, 2nd quarter: Traditional Asset Managers, 3rd quarter: Alternative Asset Managers, and 4th quarter: Trust Banks. View past issues at www.mercercapital.com.

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