

RIA Market Update

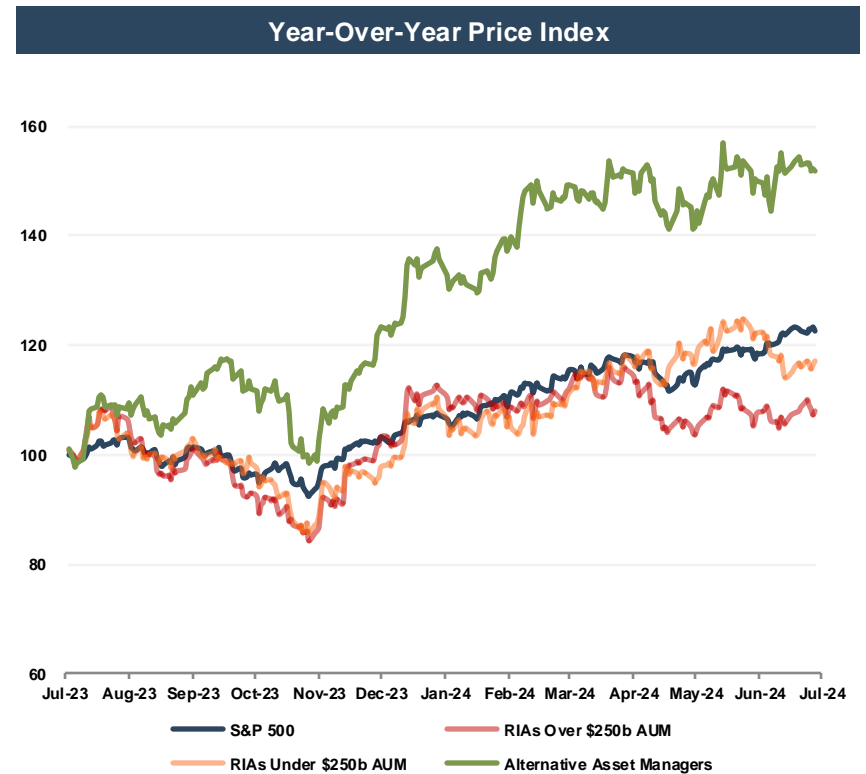
Q2 2024

Data as of June 30, 2024. Sourced from S&P Capital IQ Pro.

Changes in Price

Despite continued market growth in Q2, many RIAs faced unsteady performance. Alternative asset managers and smaller RIAs (AUM under \$250 billion) ended the quarter with a price increase below 1% while larger RIAs (AUM over \$250 billion) saw an aggregate market cap decrease of almost 6%. These measures can be contrasted against a 4% gain for the S&P 500 during the quarter.

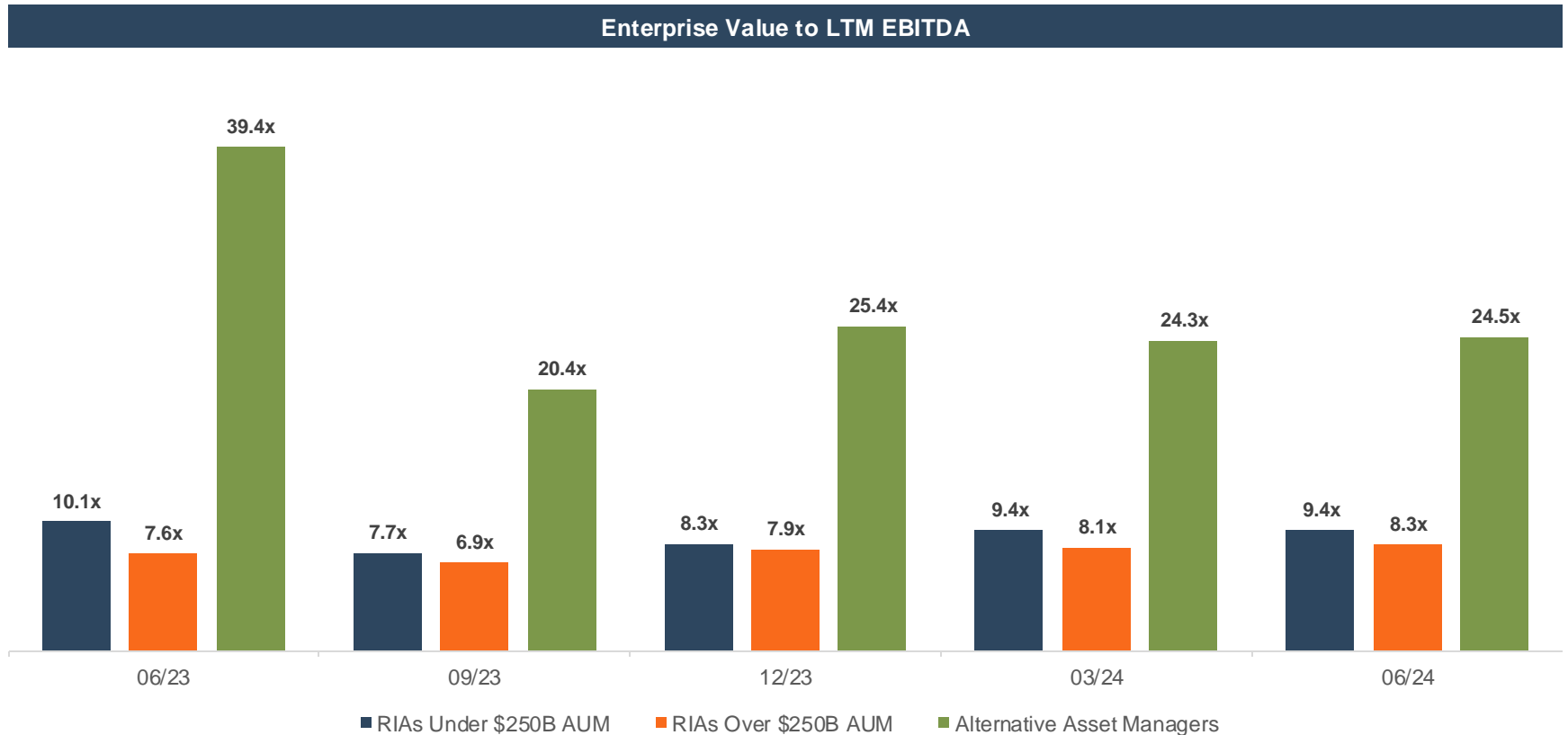
Year-over-year performance was positive for all groups of RIAs, as well as the S&P, especially so for alternative asset managers which saw a price increase of over 50% on signs of easing inflation and rate hike expectations. Other classes of RIAs didn't fare so well and underperformed the S&P over the year.



Changes in Valuation

The median Enterprise Value to LTM EBITDA multiples for public RIAs increased modestly during Q2, but remained the same for smaller RIAs.

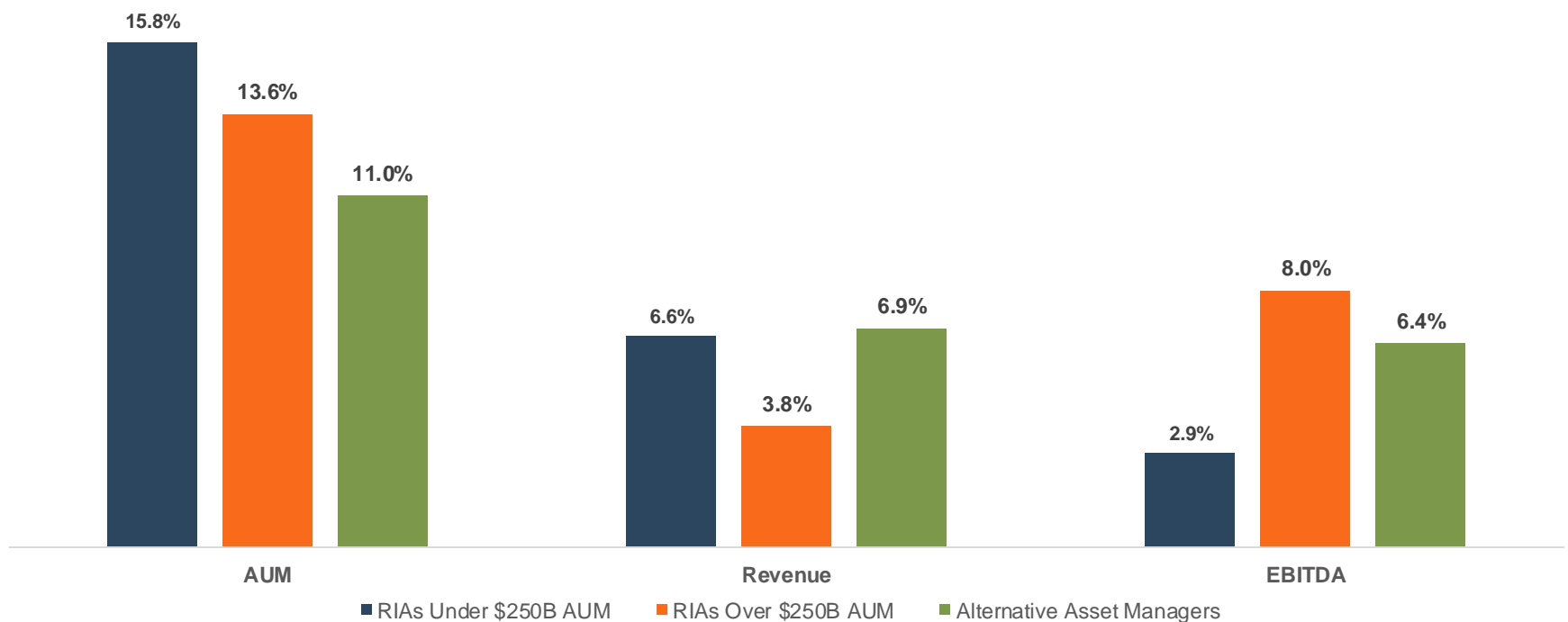
After trending downwards for most of 2023, multiples began to increase with the overall market during the fourth quarter of 2023 and the first half of 2024.



Changes in Fundamentals

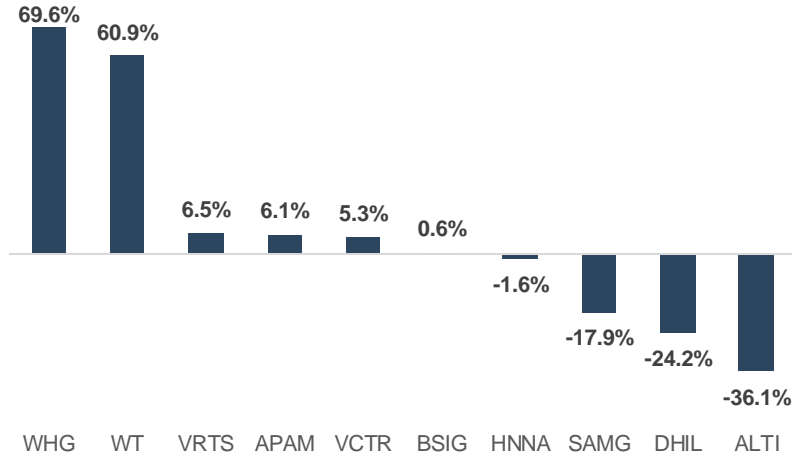
All groups we reviewed experienced growth in fundamentals (AUM, revenue, and EBITDA) over the past year. As shown on the following slide, this growth is not evenly distributed among group constituents.

Year-Over-Year Change in...

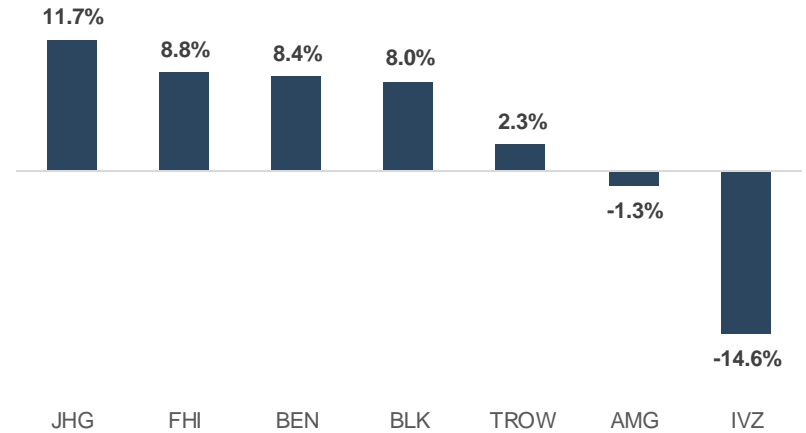


Winners and Losers

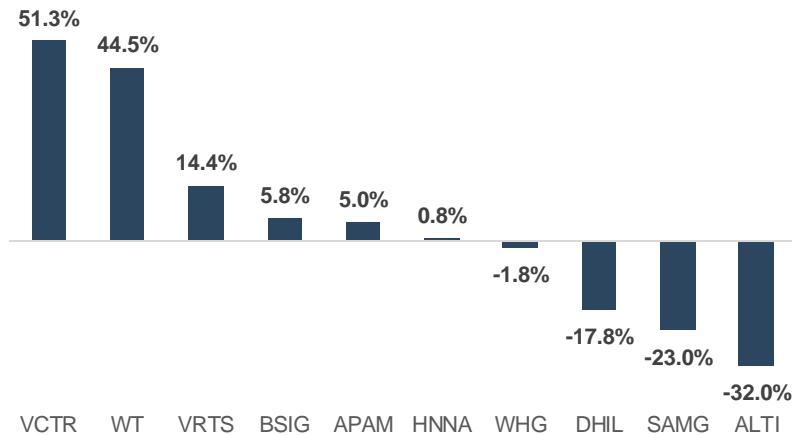
YoY EBITDA Growth (RIAs Under \$250B AUM)



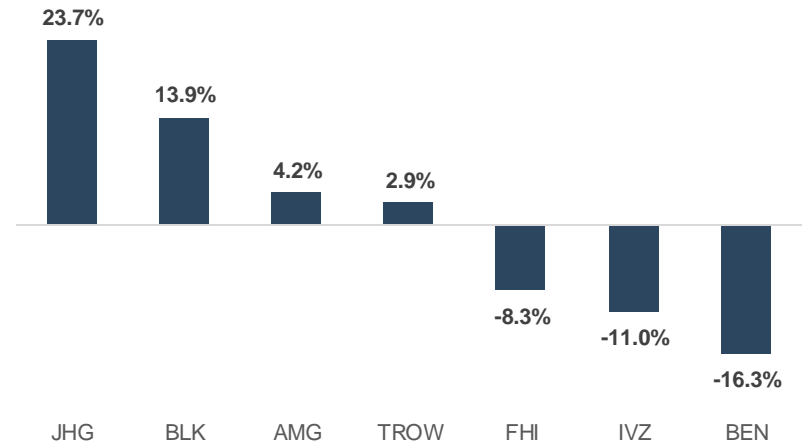
YoY EBITDA Growth (RIAs Over \$250B AUM)



YoY Price Growth (RIAs Under \$250B AUM)



YoY Price Growth (RIAs Over \$250B AUM)



		Current	Prior Year	Avg. AUM	LTM	2024E	2025E	LTM	2024E	2025E	LTM	2024E	2025E	Fees Realized	EBITDA Margin
Companies Under \$250B AUM															
ATI Global, Inc.	ALTI	\$38,000	\$30,408	\$36,622	\$244	\$229	\$267	(\$32)	\$36	\$80	(\$64.5)	\$20.9	\$55.7	0.67%	-13.1%
Artisan Partners Asset Management Inc.	APAM	160,384	138,498	145,707	1,005	1,106	1,180	322	382	408	231.0	250.9	261.8	0.69%	32.1%
BrightSphere Investment Group Inc.	BSIG	110,400	97,500	101,780	441	473	513	137	146	160	68.4	na	na	0.43%	31.0%
Diamond Hill Investment Group, Inc.	DHIL	29,979	24,927	26,675	139	na	na	34	na	na	42.5	na	na	0.52%	24.6%
Hennessey Advisors, Inc.	HNNA	3,853	2,844	3,195	25	na	na	7	na	na	5.2	na	na	0.78%	26.9%
Silvercrest Asset Management Group Inc.	SAMG	34,500	29,900	32,160	118	125	134	22	34	37	8.9	16.3	17.8	0.37%	18.7%
Victory Capital Holdings, Inc.	VCTR	170,342	158,621	162,140	836	891	945	412	455	482	219.6	258.6	385.6	0.52%	49.3%
Virtus Investment Partners, Inc.	VRTS	179,311	154,849	167,455	869	830	863	222	293	314	121.9	na	na	0.52%	25.6%
Westwood Holdings Group, Inc.	WHG	16,150	14,951	15,192	90	na	na	8	na	na	11.1	na	na	0.59%	9.1%
WisdomTree, Inc.	WT	107,230	90,740	97,099	364	410	447	99	146	153	108.4	95.1	104.1	0.37%	27.2%

Summary Statistics for <\$250B AUM Group

First Quartile	\$31,109	\$26,170	\$28,046	\$123	\$320	\$357	\$12	\$91	\$117	\$9	\$21	\$56	0.49%	20.2%
Average	\$85,015	\$74,324	\$78,802	\$413	\$581	\$621	\$123	\$213	\$233	\$75	\$128	\$165	0.59%	23.1%
Median	\$72,615	\$60,574	\$66,860	\$304	\$473	\$513	\$67	\$146	\$160	\$55	\$95	\$104	0.52%	26.2%
Third Quartile	\$147,888	\$128,249	\$134,725	\$737	\$860	\$904	\$201	\$338	\$361	\$118	\$251	\$262	0.65%	30.1%

Companies Over \$250B AUM

	Ticker														
Affiliated Managers Group, Inc.	AMG	\$699,400	\$668,000	\$669,960	2,040	2,048	2,113	1,060	868	910	688.2	491.0	590.0	0.30%	52.0%
Franklin Resources, Inc.	BEN	1,644,700	1,422,100	1,465,600	8,099	8,404	8,722	2,088	1,882	2,184	898.5	1,048.9	1,236.6	0.55%	25.8%
BlackRock, Inc.	BLK	10,472,500	9,090,271	9,619,561	18,344	20,180	22,447	7,055	8,252	9,476	5,918.0	6,276.6	6,898.9	0.19%	38.5%
Federated Hermes, Inc.	FH	778,686	701,037	731,307	1,624	1,619	1,684	422	624	457	304.4	300.2	320.7	0.22%	26.0%
Invesco Ltd.	IVZ	1,662,700	1,483,000	1,551,300	5,774	4,401	4,601	1,051	1,433	1,565	(100.4)	744.3	827.9	0.37%	18.2%
Janus Henderson Group plc	JHG	352,600	310,500	325,680	2,158	2,306	2,333	524	627	632	434.7	460.0	410.4	0.66%	24.3%
T. Rowe Price Group, Inc.	TROW	1,542,200	1,341,700	1,414,860	6,673	7,134	7,321	2,544	2,835	2,860	1,941.0	2,092.7	2,050.8	0.47%	38.1%

Summary Statistics for >\$250B AUM Group

First Quartile	\$739,043	\$684,519	\$700,633	\$2,099	\$2,242	\$2,278	\$499	\$808	\$841	\$297	\$427	\$401	0.26%	25.0%
Average	\$2,450,398	\$2,145,230	\$2,254,038	\$6,387	\$6,188	\$6,602	\$1,843	\$2,204	\$2,417	\$1,295	\$1,468	\$1,588	0.40%	31.8%
Median	\$1,542,200	\$1,341,700	\$1,414,860	\$5,774	\$3,906	\$4,099	\$1,056	\$1,272	\$1,407	\$561	\$618	\$709	0.37%	26.0%
Third Quartile	\$1,653,700	\$1,452,550	\$1,508,450	\$7,386	\$7,451	\$7,671	\$2,202	\$2,121	\$2,353	\$1,159	\$1,310	\$1,440	0.51%	38.3%

Alternative Asset Managers

	Ticker														
Associated Capital Group, Inc.	AC	\$1,549	\$1,799	1,615	13	na	na	(\$16)	na	na	33.5	na	na	0.85%	-124.2%
Apollo Global Management, Inc.	APO	671,004	597,729	633,555	33,663	3,561	4,049	0	6,600	7,651	5,464.0	4,603.4	5,616.3	5.02%	0.0%
Ares Management Corporation	ARES	428,339	360,295	395,999	3,526	3,682	4,911	1,205	1,878	2,591	453.3	873.1	1,249.9	0.82%	34.2%
Bridge Investment Group Holdings Inc.	BRDG	48,029	na	48,366	326	371	487	(5)	na	na	0.3	108.4	151.0	0.68%	-1.7%
Blackstone Inc.	BX	1,061,263	991,294	1,020,292	9,927	12,112	14,845	(182)	6,768	8,237	2,152.5	6,166.6	7,620.3	0.94%	-1.8%
The Carlyle Group Inc.	CG	425,465	381,247	399,951	2,218	4,153	4,573	(53)	1,534	2,057	(643.5)	1,404.0	1,573.0	0.52%	-2.4%
Cohen & Steers, Inc.	CNS	81,235	79,905	79,969	486	502	539	166	171	200	127.7	148.6	170.5	0.60%	34.2%
GCM Grosvenor Inc.	GCMG	78,780	75,252	76,576	452	505	584	(12)	202	233	16.1	17.0	20.6	0.57%	-2.7%
Hamilton Lane Incorporated	HLINE	125,000	112,000	118,620	554	512	618	290	235	297	140.9	191.7	247.3	0.44%	52.5%
KKR & Co. Inc.	KKR	577,633	510,069	537,347	26,057	6,904	8,955	(95)	5,270	7,025	4,074.5	3,641.2	4,528.8	4.51%	-0.4%
P10, Inc.	PX	23,846	21,601	22,713	251	267	283	57	123	133	(2.7)	25.3	34.6	1.05%	22.6%

Summary Statistics for Alternative Asset Managers

First Quartile	\$63,405	\$76,415	\$62,481	\$389	\$503	\$550	(\$36)	\$202	\$233	\$8	\$118	\$156	0.59%	-2.1%
Average	\$320,195	\$313,119	\$303,184	\$7,043	\$3,257	\$3,984	\$123	\$2,531	\$3,158	\$1,074	\$1,718	\$2,121	1.46%	0.9%
Median	\$125,000	\$236,148	\$118,620	\$554	\$2,037	\$2,334	(\$5)	\$1,534	\$2,057	\$128	\$532	\$749	0.82%	-0.4%
Third Quartile	\$502,986	\$477,864	\$468,649	\$6,727	\$4,035	\$4,826	\$111	\$5,270	\$7,025	\$1,303	\$3,082	\$3,790	0.99%	28.4%

Companies Under \$250B AUM	Ticker												
ALTI Global, Inc.	ALTI	nm	17.9x	6.7x	2.44%	3.8x	4.0x	3.5x	nm	25.6x	11.5x	\$926	
Artisan Partners Asset Management Inc.	APAM	12.5x	11.5x	11.0x	2.53%	4.0x	3.7x	3.4x	12.6x	10.6x	9.9x	4,051	
BrightSphere Investment Group Inc.	BSIG	12.2x	nm	nm	1.01%	2.5x	2.4x	2.2x	8.1x	7.6x	7.0x	1,111	
Diamond Hill Investment Group, Inc.	DHIL	9.2x	nm	nm	1.24%	2.7x	nm	nm	10.9x	nm	nm	373	
Hennessy Advisors, Inc.	HNNA	10.5x	nm	nm	0.89%	1.4x	nm	nm	5.1x	nm	nm	34	
Silvercrest Asset Management Group Inc.	SAMG	16.6x	9.1x	8.3x	0.60%	1.8x	1.7x	1.6x	9.4x	6.1x	5.6x	208	
Victory Capital Holdings, Inc.	VCTR	14.1x	11.9x	8.0x	2.35%	4.8x	4.5x	4.2x	9.7x	8.8x	8.3x	3,999	
Virtus Investment Partners, Inc.	VRTS	13.2x	nm	nm	1.07%	2.2x	2.2x	2.2x	8.6x	6.5x	6.1x	1,918	
Westwood Holdings Group, Inc.	WHG	9.0x	nm	nm	0.38%	0.7x	nm	nm	7.5x	nm	nm	61	
WisdomTree, Inc.	WT	13.4x	15.3x	14.0x	1.57%	4.6x	4.1x	3.8x	17.0x	11.5x	11.0x	1,688	

Summary Statistics for <\$250B AUM Group

First Quartile	10.5x	11.5x	8.0x	0.92%	1.9x	2.3x	2.2x	8.1x	7.1x	6.5x	\$249
Average	12.3x	13.1x	9.6x	1.41%	2.8x	3.2x	3.0x	9.9x	11.0x	8.5x	\$1,437
Median	12.5x	11.9x	8.3x	1.16%	2.6x	3.7x	3.4x	9.4x	8.8x	8.3x	\$1,019
Third Quartile	13.4x	15.3x	11.0x	2.15%	4.0x	4.1x	3.6x	10.9x	11.1x	10.5x	\$1,860

Companies Over \$250B AUM

Companies Over \$250B AUM	Ticker											
Affiliated Managers Group, Inc.	AMG	7.2x	10.1x	8.4x	1.10%	3.8x	3.8x	3.6x	7.2x	8.9x	8.4x	\$7,684
Franklin Resources, Inc.	BEN	13.1x	11.2x	9.5x	0.82%	1.7x	1.6x	1.5x	6.5x	7.2x	6.2x	13,473
BlackRock, Inc.	BLK	19.8x	18.6x	17.0x	1.14%	6.5x	5.9x	5.3x	16.9x	14.5x	12.6x	119,271
Federated Hermes, Inc.	FHI	8.7x	8.8x	8.2x	0.32%	1.5x	1.5x	1.5x	5.9x	4.0x	5.5x	2,502
Invesco Ltd.	IVZ	nm	9.0x	8.1x	0.75%	2.1x	2.8x	2.7x	11.8x	8.7x	7.9x	12,400
Janus Henderson Group plc	JHG	12.4x	11.8x	13.2x	1.23%	2.0x	1.9x	1.9x	8.3x	6.9x	6.9x	4,336
T. Rowe Price Group, Inc.	TROW	13.3x	12.3x	12.6x	1.58%	3.6x	3.4x	3.3x	9.5x	8.6x	8.5x	24,292

Summary Statistics for >\$250B AUM Group

First Quartile	10.6x	9.9x	8.4x	0.78%	1.8x	1.7x	1.7x	6.8x	7.0x	6.5x	\$6,010
Average	12.7x	11.7x	10.9x	0.99%	3.0x	3.0x	2.8x	9.5x	8.4x	8.0x	\$26,280
Median	13.1x	11.5x	10.0x	1.10%	2.1x	2.8x	2.7x	8.3x	8.6x	7.9x	\$12,400
Third Quartile	13.7x	12.0x	12.7x	1.18%	3.7x	3.6x	3.5x	10.7x	8.8x	8.5x	\$18,883

Alternative Asset Managers

Alternative Asset Managers	Ticker											
Associated Capital Group, Inc.	AC	21.7x	nm	nm	21.85%	25.6x	nm	nm	nm	nm	nm	\$338
Apollo Global Management, Inc.	APO	12.3x	14.6x	12.0x	11.69%	2.3x	22.0x	19.4x	nm	11.9x	10.3x	78,431
Ares Management Corporation	ARES	58.6x	30.4x	21.2x	10.11%	12.3x	11.8x	8.8x	35.9x	23.0x	16.7x	43,295
Bridge Investment Group Holdings Inc.	BRDG	111.1x	2.8x	2.0x	2.31%	3.4x	3.0x	2.3x	nm	nm	nm	1,108
Blackstone Inc.	BX	43.7x	15.2x	12.3x	10.77%	11.5x	9.4x	7.7x	nm	16.9x	13.9x	114,324
The Carlyle Group Inc.	CG	nm	10.3x	9.2x	5.22%	10.0x	5.3x	4.9x	nm	14.5x	10.8x	22,210
Cohen & Steers, Inc.	CNS	28.7x	24.7x	21.5x	4.41%	7.4x	7.1x	6.7x	21.5x	21.0x	17.9x	3,586
GCM Grosvenor Inc.	GCMG	26.8x	25.4x	21.0x	0.89%	1.6x	1.4x	1.2x	nm	3.5x	3.0x	701
Hamilton Lane Incorporated	HLNE	35.6x	26.1x	20.3x	4.20%	9.5x	10.3x	8.5x	18.1x	22.4x	17.7x	5,254
KKR & Co. Inc.	KKR	22.9x	25.6x	20.6x	23.27%	5.2x	19.5x	15.0x	nm	25.5x	19.1x	134,430
P10, Inc.	PX	nm	37.9x	27.7x	5.35%	5.1x	4.8x	4.5x	22.5x	10.3x	9.6x	1,275

Summary Statistics for Alternative Asset Managers

First Quartile	22.9x	14.8x	12.1x	4.31%	4.2x	4.9x	4.6x	20.7x	11.9x	10.3x	\$1,191
Average	151.2x	21.3x	16.8x	9.10%	8.5x	9.5x	7.9x	24.5x	16.6x	13.2x	\$36,814
Median	28.7x	25.0x	20.4x	5.35%	7.4x	8.3x	7.2x	22.0x	16.9x	13.9x	\$5,254
Third Quartile	43.7x	26.0x	21.2x	11.23%	10.8x	11.4x	8.7x	25.9x	22.4x	17.7x	\$60,863

		Price for 6/30/2024	Price 6/30/2023	LTM High Price	LTM Low Price	Price/LTM High	Price/LTM Low	Change 1 Year	Dividend Yield (%)	5 Year Beta
Companies Under \$250B AUM										
ALTi Global, Inc.	ALTI	\$5.21	\$7.66	\$9.22	\$4.22	57%	123%	-32.0%	nm	0.71
Artisan Partners Asset Management Inc.	APAM	\$41.27	\$39.31	\$46.75	\$32.12	88%	128%	5.0%	7.0%	1.81
BrightSphere Investment Group Inc.	BSIG	\$22.17	\$20.95	\$23.63	\$15.23	94%	146%	5.8%	0.2%	1.46
Diamond Hill Investment Group, Inc.	DHIL	\$140.75	\$171.30	\$188.28	\$135.44	75%	104%	-17.8%	4.3%	0.95
Hennessy Advisors, Inc.	HNNA	\$7.12	\$7.06	\$8.00	\$6.33	89%	112%	0.8%	7.7%	0.77
Silvercrest Asset Management Group Inc.	SAMG	\$15.59	\$20.25	\$23.20	\$13.93	67%	112%	-23.0%	4.9%	0.87
Victory Capital Holdings, Inc.	VCTR	\$47.73	\$31.54	\$54.94	\$28.66	87%	167%	51.3%	3.1%	0.94
Virtus Investment Partners, Inc.	VRTS	\$225.85	\$197.47	\$263.39	\$168.78	86%	134%	14.4%	3.4%	1.45
Westwood Holdings Group, Inc.	WHG	\$12.18	\$12.40	\$13.63	\$8.91	89%	137%	-1.8%	4.9%	1.17
WisdomTree, Inc.	WT	\$9.91	\$6.86	\$10.27	\$6.06	96%	164%	44.5%	1.2%	1.48

Summary Statistics for <\$250B AUM Group

First Quartile								-13.8%	3.1%	0.89
Average								4.7%	4.1%	1.16
Median								2.9%	4.3%	1.06
Third Quartile								12.2%	4.9%	1.46

Companies Over \$250B AUM

	Ticker	Price	Price	LTM High	LTM Low	Price/LTM High	Price/LTM Low	Change 1 Year	Dividend Yield (%)	5 Year Beta
Affiliated Managers Group, Inc.	AMG	\$156.23	\$149.89	\$169.65	\$120.22	92%	130%	4.2%	0.0%	1.22
Franklin Resources, Inc.	BEN	\$22.35	\$26.71	\$30.32	\$21.57	74%	104%	-16.3%	5.5%	1.45
BlackRock, Inc.	BLK	\$787.32	\$691.14	\$845.00	\$596.18	93%	132%	13.9%	2.6%	1.33
Federated Hermes, Inc.	FHI	\$32.88	\$35.85	\$37.31	\$30.23	88%	109%	-8.3%	3.8%	1.13
Invesco Ltd.	IVZ	\$14.96	\$16.81	\$18.71	\$12.48	80%	120%	-11.0%	5.5%	1.46
Janus Henderson Group plc	JHG	\$33.71	\$27.25	\$34.96	\$22.18	96%	152%	23.7%	4.6%	1.50
T. Rowe Price Group, Inc.	TROW	\$115.31	\$112.02	\$132.76	\$87.43	87%	132%	2.9%	4.3%	1.43

Summary Statistics for >\$250B AUM Group

First Quartile								-9.0%	3.5%	1.25
Average								1.8%	4.3%	1.35
Median								3.6%	4.5%	1.38
Third Quartile								7.3%	5.5%	1.45

Alternative Asset Managers

	Ticker	Price	Price	LTM High	LTM Low	Price/LTM High	Price/LTM Low	Change 1 Year	Dividend Yield (%)	5 Year Beta
Associated Capital Group, Inc.	AC	\$34	\$35	\$39	\$31	88%	1.09x	-3.9%	0.6%	0.89
Apollo Global Management, Inc.	APO	118	77	120	74	99%	1.60x	53.7%	1.6%	1.59
Ares Management Corporation	ARES	133	96	150	93	89%	1.43x	38.3%	2.8%	1.24
Bridge Investment Group Holdings Inc.	BRDG	7	11	13	6	57%	1.20x	-34.6%	8.9%	1.63
Blackstone Inc.	BX	124	93	134	89	93%	1.40x	33.2%	2.7%	1.49
The Carlyle Group Inc.	CG	40	32	49	27	83%	1.48x	25.7%	3.5%	1.74
Cohen & Steers, Inc.	CNS	73	58	79	50	92%	1.45x	25.1%	3.3%	1.50
GCM Grosvenor Inc.	GCMG	10	8	10	7	96%	1.35x	29.4%	4.5%	0.54
Hamilton Lane Incorporated	HLNE	124	80	131	76	94%	1.62x	54.5%	1.6%	1.18
KKR & Co. Inc.	KKR	105	56	114	53	92%	1.99x	87.9%	0.7%	1.62
P10, Inc.	PX	8	11	13	7	63%	1.20x	-25.0%	1.7%	0.66

Summary Statistics for Alternative Asset Managers

First Quartile								10.6%	1.6%	1.03
Average								25.9%	2.9%	1.28
Median								29.4%	2.7%	1.49
Third Quartile								46.0%	3.4%	1.60

Mercer Capital's Investment Management Group



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