January 17, 2020

AUTHORS

Elizabeth Campbell

Brian Estiz, CFA

Sean Tillman, CFA

Jennifer Panger

Asset Manager Outlook 2020:
The Divide Between Alternative And Traditional Asset Managers Widens

Key Takeaways

- Asset managers are showing divergent trends. Alternative asset managers are garnering net inflows and broadening their platforms and capabilities, while most traditional asset managers are seeing net outflows.
- We took 18 rating actions in 2019, of which two-thirds were negative in direction--meaning negative outlooks or downgrades.
- S&P Global economists expect the S&P 500 to be flattish, on average, for 2020 and U.S. real GDP to grow 1.9% this year. Our assessment of recession risk in 2020 for the U.S. stands at 25%-30%.

Key Takeaways - Traditional Asset Managers

- We are retaining a negative outlook on the traditional asset manager sector.
- Headwinds persist, including the shift from active to passive contributing to fee pressures, and mixed investment performance.
- Low interest rates and attractive spreads led to incremental debt issuance--ultimately resulting in weaker financial risk profiles and negative rating actions in 2019 that were largely company-specific.
- We will continue to focus on company-specific factors, largely related to financial policy shifts and shareholder-friendly actions, in 2020. We continue to view company-specific actions and changes in relative business positions as primary drivers for potential rating changes, even if macro factors turn decidedly less benign.

Key Takeaways - Alternative Asset Managers

- We are initiating a stable outlook on the alternative asset manager sector.
- Alternative managers are less exposed to many of the challenges facing traditional managers since their AUM is largely locked-up and their strategies are harder to index. Alternative asset managers have seen significant net inflows as a result of good investment returns and general expansion--both in size of average fund and broadening platforms.
- Our areas of focus for 2020 include fundraising, realization activity (which slowed in 2019, in many cases with an expectation of being pushed out to 2020 or beyond), investment performance, shifts in earnings mix (management fees versus performance fees), and leverage.

Industry - Specific Items We Are Monitoring

– 20% of all public asset manager ratings carry negative outlooks, setting the stage for potentially more downgrades. That being said, debt maturities in 2020 are limited, and capital markets remain largely supportive--with low interest rates and attractive spreads for asset managers.

Performance is a key driver.

Asset managers are exposed to market performance, market volatility, and investor sentiment.

Fee and cost pressures continue (predominantly for traditional asset managers), driving a need for scale.

An evolving product, customer, and distribution landscape poses both challenges and opportunities.

The regulatory climate continues to evolve, with heightened rhetoric in an election year and a growing international focus on the liquidity risk certain open-ended funds face.

Margins are still strong as companies benefit from a highly variable cost structure.

Company - Specific Items We Are Monitoring

– Our negative rating actions over the last year have been idiosyncratic, and we expect this to continue.

Many asset managers are unlikely to see credit metrics improve. While debt issuance activity in 2019 extended debt tenors and lowered interest expense, most debt raised was incremental, leaving little cushion to absorb earnings declines at current rating levels.

Share repurchases and debt-funded dividend activity could erode liquidity and increase leverage.

Some alternative asset managers are using debt to enhance liquidity in anticipation of attractive investment opportunities should a market pullback occur. Because we net surplus cash from funded debt in our view of leverage, projections of how and when this cash is deployed can affect our view of leverage.

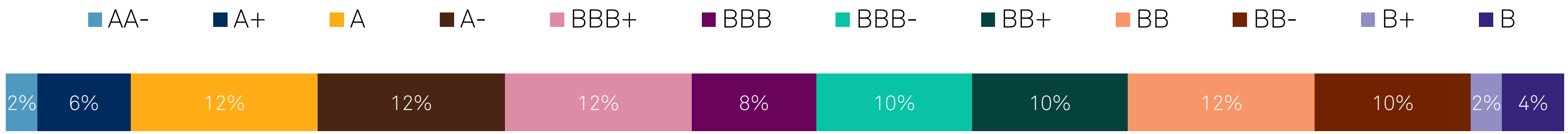
For companies with key person risk, management transitions remain a credit consideration.

The need for scale and/or broader capabilities has been a key driver for recent M&A activity. While the number of transactions has been low, some have been sizable. Depending upon how they are financed and executed, ratings could be affected.

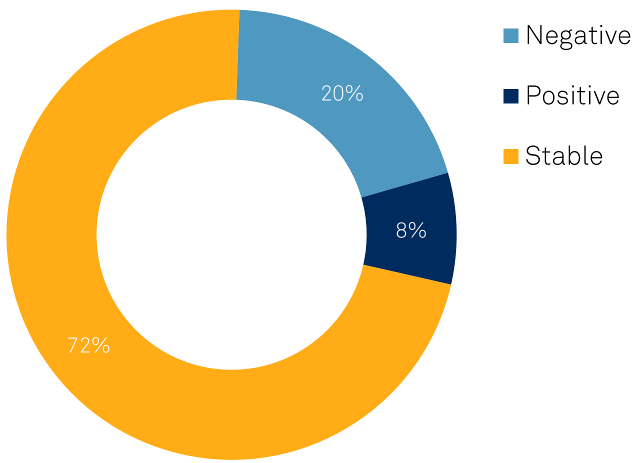
Larger asset managers are seeing increased scrutiny around their investment stewardship practices. Also, we see companies launching ESG-dedicated investment products.

Rating And Outlook Snapshot

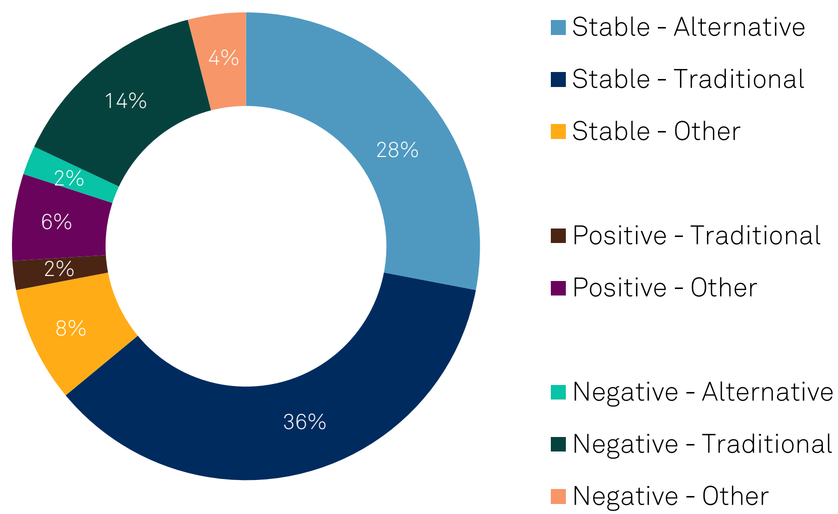
Ratings Distribution



Outlook Distribution



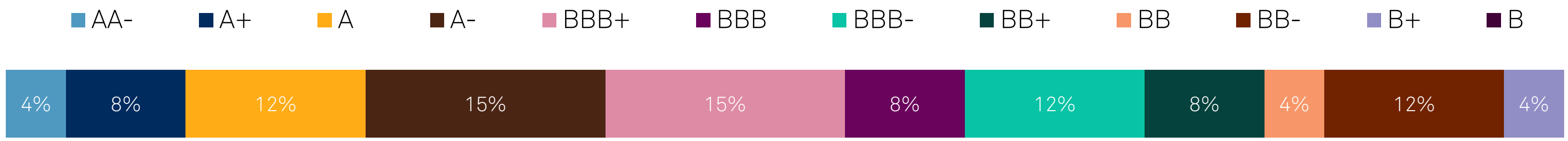
Outlook By Type Of Manager



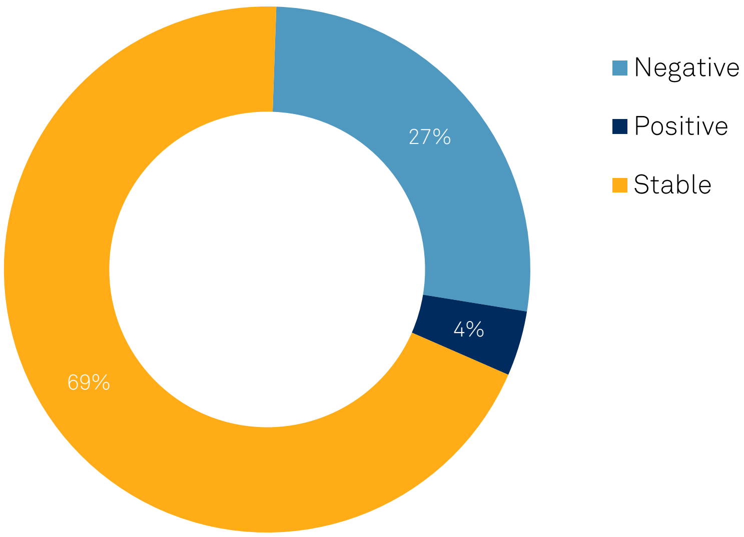
Source: S&P Global Ratings

Traditional Asset Managers Credit Overview

Ratings Distribution



Outlook Distribution



Source: S&P Global Ratings

Traditional Asset Managers Credit Overview

Our credit outlook for traditional asset managers is negative.

Key rating factors:

- Mixed investment performance of active managers (particularly in equities) relative to benchmarks
- Passive offerings continue to gain market share
- Fee pressure for active managers driven by growth of passive strategies
- Redemption risk, as AUM is not locked-in
- Exposure to fluctuations in financial markets absent organic growth
- Increased amount of share repurchases and special dividends amid low interest rates

Mitigating factors:

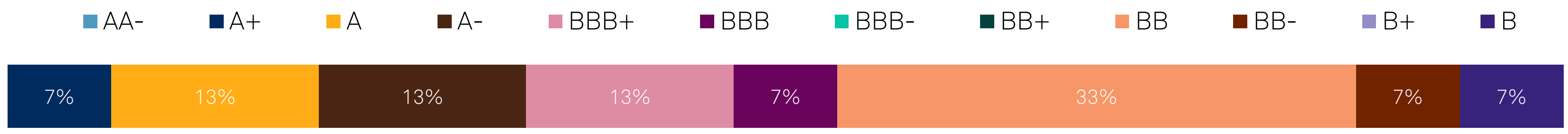
- Few maturities coming due in 2020, high degree of operating leverage, and financial policy flexibility

Stable outlook trigger:

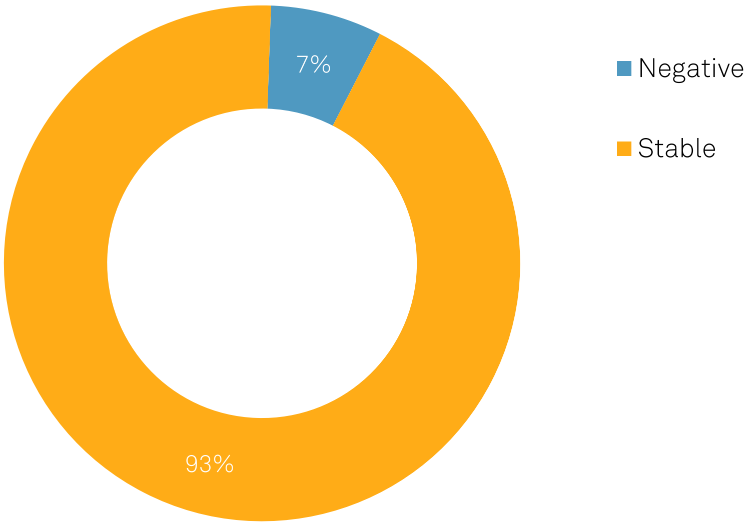
- Improving investment performance and organic growth, debt repayment, and cost management

Alternative Asset Managers Credit Overview

Ratings Distribution



Outlook Distribution



Source: S&P Global Ratings

Alternative Asset Managers Credit Overview

Our credit outlook for alternative asset managers is stable.

Key rating factors:

- Credit metrics for U.S. alternative asset managers, while largely stable, are unlikely to strengthen. In contrast, some Europe-based alternatives show signs of potential improvement in credit metrics.
- Realization activity remains a wildcard. Activity slowed in 2019, likely pushed out to 2020 or beyond.
- The investment landscape remains very competitive, and AUM growth this cycle is reflected in larger fund sizes and newer strategies that may not have seasoned track records.
- Fee generation prospects (growth in capital not yet earning fees) and earnings mix toward more stable sources (management fees versus performance fees) provide visibility into future earnings.
- Liquidity for many is very high, but prospects are uncertain regarding ultimate deployment.

Positive outlook trigger:

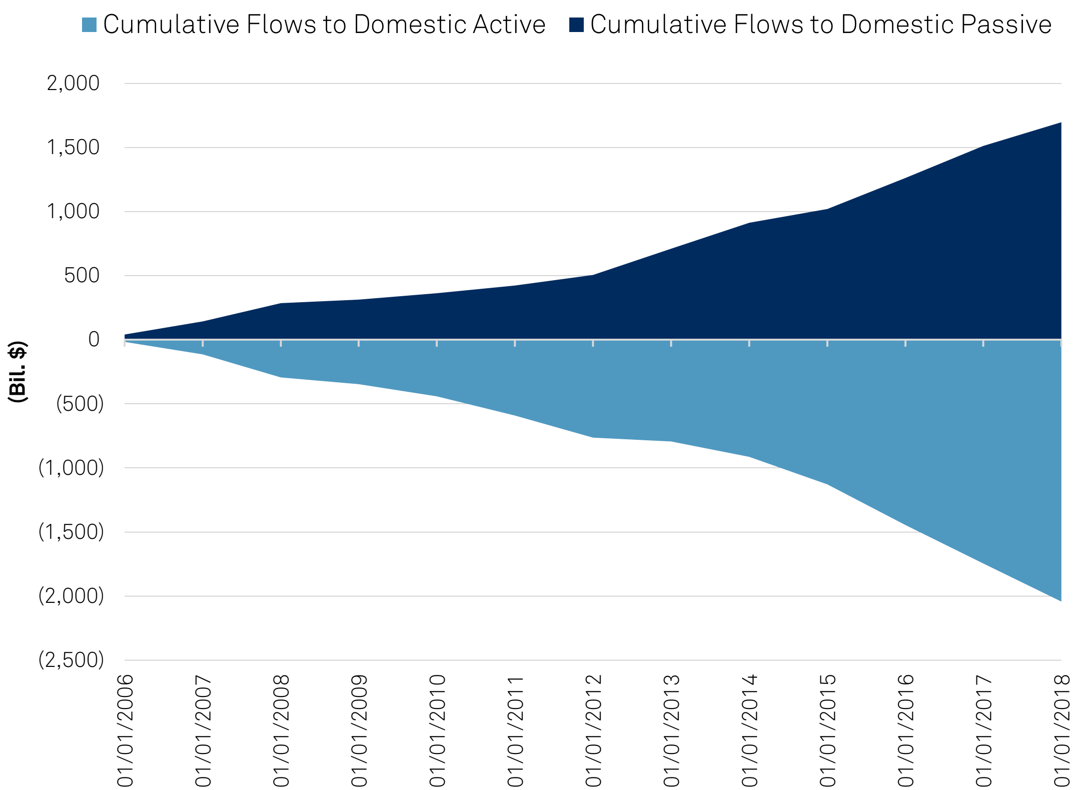
- A larger proportion of fee related earnings, successful performance during a downturn and relatively conservative financial policies would be considerations for a more favorable view of the sector.

Negative outlook trigger:

- Protracted severe market dislocation could quickly pressure EBITDA and, ultimately, leverage. Increasingly shareholder-friendly financial policies could weaken financial profiles. Stumbles in newer strategies or riskier investment pursuits pose risks as well.

Diverging Investor Sentiment - Traditionals

Traditionals Are Affected By The Shift To Passive From Active



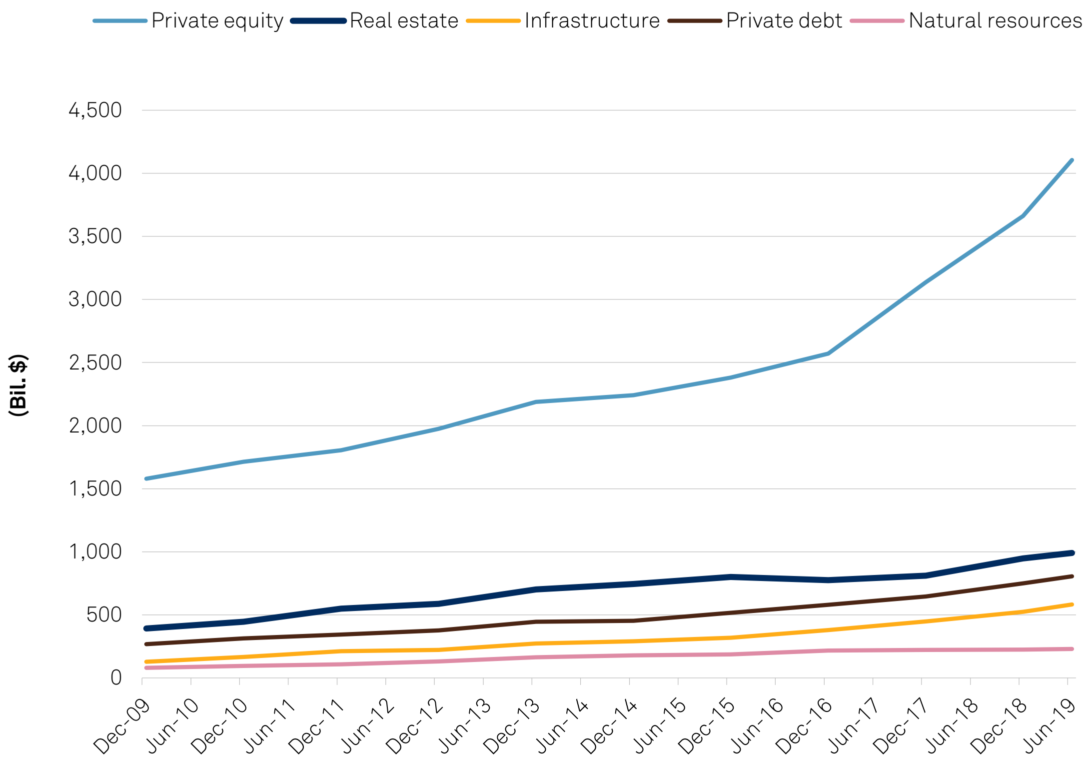
Source: : Investment Company Institute.

- Capital is being allocated from active public equity and toward passive (including ETFs).
- Low--or no--fees is a key driver.
- Active equity managers have been largely unable to consistently outperform net of fees.

S&P Global Ratings

Diverging Investor Sentiment - Alternatives

Alternatives Are Benefiting From Strong Investor Appetite

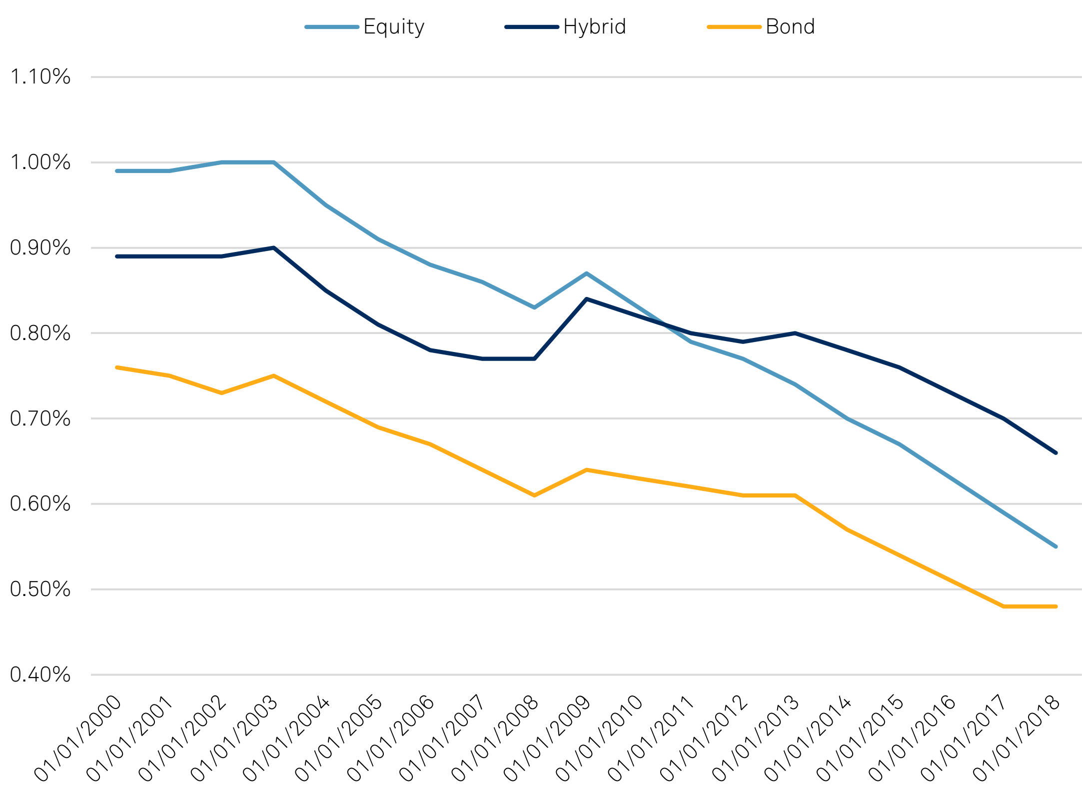


Source: Preqin

- The search for yield is one driver of the growth in AUM allocated to alternative investments.
- Fees for this asset class are less subject to pressure because of the complexity of replicating these strategies in passive vehicles
- Competition for good deployment opportunities is growing as alternative asset managers broaden capabilities.
- CLOs head into 2020 with elevated 'B-' obligor exposure, and we see rising risk for downgrades among speculative-grade entities (rated 'BB+' or lower).

Fee And Cost Pressures Continue...

Mutual Fund Expense Ratios



Source: : Investment Company Institute.

- Traditional asset managers face significant fee pressures from the shift to passive.
- Alternative asset managers are less exposed to fee pressure. However, they may experience average lower fees if they offer discounts to large investors.
- Traditional asset managers' fees are highly correlated to market values. In contrast, alternatives benefit from fees earned based on committed or invested capital, which is not sensitive to market values.

S&P Global Ratings

… And Are Driving M&A

- There were a limited number of transactions in both 2018 and 2019, though a few were relatively large.
- Strategically, these combinations resulted in benefits of scale (Invesco, Victory) and scope (Brookfield, FEH).
- Most of the transactions in the last two years incorporated a sizable amount of debt.
- We continue to expect a limited number of larger, scale-driven mergers in 2020, as well as smaller bolt-on transactions to expand capabilities.

Limited Amount Of Deals In 2018 And 2019

Acquirer	Rating action	Announced	Size
Invesco	Downgraded to BBB+/Stable from A/Negative on announcement of OppenheimerFunds acquisition	Oct.-18	$5.7 billion aggregate value (common and preferred)
Edelman	Outlook revised to negative on announced merger with Financial Engines	Jun.-18	$3.02 billion aggregate value
Virtus Investment Partners	Downgraded to **BB/Stable** from BB+/Stable on acquisition of Sustainable Growth Advisors	Feb.-18	$130 million for a 70% stake
Victory Capital	Placed on CreditWatch negative (at 'BB') on announced acquisition of Harvest Volatility Management; ratings remain on CreditWatch negative on announced acquisition of USAA Asset Management	Sep.-18	$300 million
Victory Capital	Downgraded to BB-/Stable following closing of acquisition of USAA Asset Management	May.-19	$850 million at close and up to $150 million contingent payments
Brookfield Asset Management	Ratings unaffected following announcement of acquisition of 61.2% of Oaktree (both at 'A-')	Mar.-19	$4.8 billion (cash and stock)
FEH (First Eagle Investment Management)	Ratings affirmed at 'BB+' and outlook remains negative following acquisition of THL Credit	Dec.-19	Not disclosed

Evolving Product, Customer, And Distribution Landscape

Product:

- The amount of ESG-dedicated funds has increased.
- We expect continued innovation to ETFs, including non-transparent ETFs and ETFs in less liquid asset classes, including fixed-income and commodities.

Customer:

- Institutional investors, in turn, are looking to consolidate relationships into a smaller number of asset managers.
- Some institutional investors are looking to bring AUM in-house, which further pressures client retention.
- Alternative asset managers continue to seek expanded, strategic asset management relationships with insurance companies.
- Some are adding insurance platforms and capabilities to acquire (and manage) blocks of insurance liabilities, while also redeploying some portion of assets into strategies managed by the alternative asset manager.

Distribution

- Asset managers are broadening their geographical reach and opening offices in locations so they can interact with domestic institutional investors.
- Customized fee structures provide flexibility in pricing.
- Asset managers are partnering with foreign firms or entering into licensing agreements to deepen their presence in overseas markets.

Financial Policy In A Low Rate Environment

- Debt issuances and refinancings remained strong in 2019 amid low interest rates, and we expect this to continue into 2020.
- At the same time, few companies paid down debt during 2019.
- Some alternative managers issued debt and retained the proceeds for future deployment.
- Assumptions regarding the timing of and returns on investment can lead to a range of outcomes in projected leverage.
- A portion of traditional asset managers used debt to fund share buybacks and dividends.
- In most cases, improvements in leverage and coverage metrics in 2019 were driven by higher EBITDA, rather than debt paydowns.

Regulatory Changes Could Affect Asset Managers

- Approval from the SEC of actively managed non-transparent exchange-traded funds (ETFs)
- ETF rule removing exemptive relief regulations and facilitating the creation/redemption mechanism for ETFs covered under this regulation
- Enhancement of fiduciary standards globally: Regulation Best Interest (U.S.), Client Focused Reforms (Canada), Shareholder Rights Directive (SRD II – Europe)
- Greater consistency between the liquidity of certain open-ended funds in the U.K. and fund redemption terms
- Removal of foreign investment caps for asset managers in China
- Phase out of London Interbank Offered Rate (LIBOR) to other reference rates
- Passing of MiFID II in Europe to unbundle research costs passed to investors and the potential ramifications for similar actions in other jurisdictions
- Adoption of environmental, social, and governance (ESG) frameworks in multiple jurisdictions

The Stage Is Set For Negative Ratings Pressure For Asset Managers In 2020

- The majority of rated asset managers currently carry stable outlooks, and we do not expect this to change in 2020.
- However, negative outlooks outnumber positive outlooks, setting the sector up for potentially more downgrades than upgrades in 2020.

Ratings Most At Risk In A Downturn

	Long-term issuer credit rating/outlook	Negative outlook	Equity oriented	Performance fee oriented	Speculative grade	2020 estimated leverage	Downside trigger
Apollo Global Management Inc.	A/Negative	X		X		1.4-1.5	1.5
Affiliated Managers Group Inc.	A-/Negative	X	X			1.5-2.0	2.0
Lazard Group LLC	A-/Negative	X	X			~1.5	1.5
CI Financial Corp.	BBB+/Negative	X	X			1.5-2.0	~2.0
Citadel Limited Partnership	BBB/Stable			X		<2.0	2.0
BrightSphere Investment Group Inc.	BBB-/Negative	X	X			~2.0	2.0
FEH Inc. (First Eagle)	BB+/Negative	X	X		X	2.9-3.3	4.0
Franklin Square Holdings L.P.	BB/Stable			X	X	2.0-2.5	3.0
Finco I LLC (Fortress)	BB/Stable			X	X	3.6-4.1	5.0
Russell Investments Cayman Midco Ltd.	BB-/Stable		X		X	4.0-5.0	5.0
Tortoise Parent Holdco LLC	BB-/Negative	X			X	4.5-5.0	5.0
Resolute Investment Managers Inc.	B+/Stable		X		X	4.5-5.0	5.0
The Edelman Financial Engines Center LLC	B/Negative	X	X		X	6.5-7.0	8.0

Appendix

S&P Global Ratings

Rating Changes 2019

Global Asset Managers 2019 Rating Actions

Company	Date	Rating/outlook actions
Guangzhou Industrial Investment Fund Management Co. Ltd.	December 2019	Downgraded to 'BBB' from 'BBB+', outlook revised to stable from negative
CORESTATE Capital Holding S.A.	November 2019	Outlook revised to positive from stable, rating affirmed at ‘BB+'
Franklin Resources Inc.	October 2019	Outlook revised to negative from stable, rating affirmed at 'A+'
Affiliated Managers Group Inc.	October 2019	Outlook revised to negative from stable, rating affirmed at 'A-'
FIL Ltd.	October 2019	Downgraded to ‘BBB’ from ‘BBB+’, outlook stable, ratings removed from CreditWatch negative
Vida Capital Inc.	September 2019	Assigned 'B' rating, outlook stable
Nuveen Finance LLC	August 2019	Upgraded to 'A', outlook stable
Lazard Group LLC	July 2019	Outlook revised to negative from stable, rating affirmed at 'A-'
FEH Inc.	July 2019	Outlook revised to negative from stable, rating affirmed at 'BB+'
Tortoise Parent Holdco LLC	May 2019	Outlook revised to negative from stable, rating affirmed at 'BB-'
Victory Capital Holdings Inc.	May 2019	Downgraded to 'BB-' from 'BB' and removed from CreditWatch negative, outlook stable
Focus Financial Partners LLC	May 2019	Outlook revised to positive from stable, rating affirmed at 'BB-'
EIG Management Company LLC	April 2019	Downgraded to 'BB' from 'BB+', outlook stable
Legg Mason Inc.	April 2019	Outlook revised to positive from stable, rating affirmed at 'BBB'
CIFC LLC	March 2019	Upgraded to 'BB', outlook stable
BrightSphere Investment Group Inc.	March 2019	Outlook revised to negative from stable, rating affirmed at 'BBB-'
CI Financial Corp.	February 2019	Outlook revised to negative from stable, rating affirmed at 'BBB+'
Apollo Global Management Inc.	February 2019	Outlook revised to negative from stable, rating affirmed at 'A'

Rating Factor Assessments

Global Asset Managers Rating Factor Assessments

Company	Business risk profile	Financial risk profile	Anchor	Capital structure	Financial policy assessment	Liquidity	Management and governance	Peer adjustment	Stand-alone credit profile	Group influence	Government support	ICR	Outlook
Traditional asset managers													
Affiliated Managers Group, Inc.	Satisfactory	Modest	bbb+	Neutral	Neutral	Strong	Satisfactory	Favorable	a-	Not applicable	Not applicable	A-	Negative
Alliance Bernstein L.P.	Satisfactory	Minimal	a	Neutral	Neutral	Strong	Satisfactory	Neutral	a	Strategically important	Not applicable	A	Stable
BlackRock, Inc.	Strong	Minimal	aa-	Neutral	Neutral	Exceptional	Strong	Neutral	aa-	Not applicable	Not applicable	AA-	Stable
BrightSphere Investment Group Inc.	Fair	Modest	bbb-	Neutral	Neutral	Strong	Fair	Neutral	bbb-	Not applicable	Not applicable	BBB-	Negative
CI Financial Corp.	Satisfactory	Modest	bbb+	Neutral	Neutral	Adequate	Satisfactory	Neutral	bbb+	Not applicable	Not applicable	BBB+	Negative
Clipper Acquisitions Corp.	Fair	Intermediate	bb+	Neutral	Neutral	Exceptional	Fair	Neutral	bb+	Not applicable	Not applicable	BB+	Stable
Eaton Vance Corp.	Satisfactory	Minimal	a-	Neutral	Neutral	Exceptional	Satisfactory	Neutral	a-	Not applicable	Not applicable	A-	Stable
FEH, Inc.	Fair	Significant	bb	Neutral	FS-4	Adequate	Fair	Favorable	bb+	Not applicable	Not applicable	BB+	Negative
FIL Ltd.	Satisfactory	Intermediate	bbb	Neutral	Neutral	Exceptional	Fair	Neutral	bbb	Not applicable	Not applicable	BBB	Stable
FMR LLC	Strong	Minimal	aa-	Neutral	Neutral	Exceptional	Fair	Neutral	a+	Not applicable	Not applicable	A+	Stable
Franklin Resources Inc.	Satisfactory	Minimal	a	Neutral	Neutral	Exceptional	Satisfactory	Favorable	a+	Not applicable	Not applicable	A+	Negative
Gamco Investors Inc.	Weak	Minimal	bb+	Neutral	Neutral	Strong	Fair	Favorable	bbb-	Not applicable	Not applicable	BBB-	Stable
IGM Financial Inc.	Satisfactory	Modest	bbb+	Neutral	Neutral	Strong	Satisfactory	Favorable	a-	Moderately strategic	Not applicable	A	Stable

Rating Factor Assessments

Company	Business risk profile	Financial risk profile	Anchor	Capital structure	Financial policy assessment	Liquidity	Management and governance	Peer adjustment	Stand-alone credit profile	Group influence	Government support	ICR	Outlook
Traditional asset managers													
Invesco Ltd.	Satisfactory	Intermediate	bbb	Neutral	Neutral	Strong	Satisfactory	Favorable	bbb+	Not applicable	Not applicable	BBB+	Stable
Janus Henderson Group plc	Fair	Minimal	bbb	Neutral	Neutral	Exceptional	Satisfactory	Favorable	bbb+	Not applicable	Not applicable	BBB+	Stable
Lazard Group LLC	Satisfactory	Minimal	a-	Neutral	Neutral	Exceptional	Satisfactory	Neutral	a-	Not applicable	Not applicable	A-	Negative
Legg Mason Inc.	Satisfactory	Intermediate	bbb	Neutral	Neutral	Exceptional	Satisfactory	Neutral	bbb	Not applicable	Not applicable	BBB	Positive
Neuberger Berman Group LLC	Satisfactory	Modest	bbb+	Neutral	Neutral	Exceptional	Satisfactory	Neutral	bbb+	Not applicable	Not applicable	BBB+	Stable
Nuveen Finance LLC	Satisfactory	Significant	bb+	Neutral	Neutral	Adequate	Fair	Favorable	bbb-	Strategically important	Not applicable	A	Stable
Resolute Investment Managers, Inc.	Weak	Aggressive	b+	Neutral	FS-5	Adequate	Fair	Neutral	b+	Not applicable	Not applicable	B+	Stable
Russell Investments Cayman Midco Ltd.	Fair	Aggressive	bb-	Neutral	FS-5	Adequate	Fair	Neutral	bb-	Not applicable	Not applicable	BB-	Stable
Standard Life Aberdeen PLC	Satisfactory	Minimal	a-	Neutral	Neutral	Exceptional	Satisfactory	Neutral	a-	Not applicable	Not applicable	A-	Stable
Tortoise Parent Holdco LLC	Fair	Aggressive	bb-	Neutral	FS-5	Adequate	Fair	Neutral	bb-	Not applicable	Not applicable	BB-	Negative
Victory Capital Holdings, Inc.	Fair	Aggressive	bb-	Neutral	FS-5	Adequate	Fair	Neutral	bb-	Not applicable	Not applicable	BB-	Stable
Virtus Investment Partners Inc.	Weak	Intermediate	bb	Neutral	Neutral	Strong	Fair	Neutral	bb	Not applicable	Not applicable	BB	Stable
Waddell & Reed Financial Inc.	Weak	Minimal	bb+	Neutral	Neutral	Strong	Fair	Favorable	bbb-	Not applicable	Not applicable	BBB-	Stable

Rating Factor Assessments

Company	Business risk profile	Financial risk profile	Anchor	Capital structure	Financial policy assessment	Liquidity	Management and governance	Peer adjustment	Stand-alone credit profile	Group influence	Government support	ICR	Outlook
Alternative asset managers													
Apollo Global Management Inc.	Satisfactory	Minimal	a	Neutral	Neutral	Exceptional	Satisfactory	Neutral	a	Not applicable	Not applicable	A	Negative
Ares Management Corp.	Satisfactory	Modest	bbb+	Neutral	Neutral	Strong	Satisfactory	Neutral	bbb+	Not applicable	Not applicable	BBB+	Stable
Blackstone Group Inc.	Strong	Minimal	aa-	Neutral	Neutral	Exceptional	Strong	Unfavorable	a+	Not applicable	Not applicable	A+	Stable
Brookfield Asset Management Inc.	Strong	Intermediate	bbb+	Positive	Neutral	Exceptional	Strong	Neutral	a-	Not applicable	Not applicable	A-	Stable
CIFC LLC	Fair	Significant	bb	Neutral	Neutral	Adequate	Fair	Neutral	bb	Not applicable	Not applicable	BB	Stable
Citadel Limited Partnership	Fair	Modest	bbb-	Neutral	Neutral	Adequate	Satisfactory	Favorable	bbb	Not applicable	Not applicable	BBB	Stable
EIG Management Company, LLC	Fair	Significant	bb	Neutral	Neutral	Adequate	Fair	Neutral	bb	Not applicable	Not applicable	BB	Stable
Finco I LLC	Fair	Aggressive	bb-	Neutral	Neutral	Exceptional	Fair	Neutral	bb-	Moderately strategic	Not applicable	BB	Stable
Franklin Square Holdings LP	Fair	Intermediate	bb+	Neutral	Neutral	Adequate	Fair	Unfavorable	bb	Not applicable	Not applicable	BB	Stable
KKR & Co. Inc.	Satisfactory	Minimal	a	Neutral	Neutral	Exceptional	Satisfactory	Neutral	a	Not applicable	Not applicable	A	Stable
Oaktree Capital Group, LLC	Satisfactory	Minimal	a-	Neutral	Neutral	Exceptional	Satisfactory	Neutral	a-	Moderately strategic	Not applicable	A-	Stable
Sculptor Capital Management Inc.	Fair	Aggressive	bb-	Neutral	Neutral	Adequate	Fair	Neutral	bb-	Not applicable	Not applicable	BB-	Stable
StepStone Group LP	Fair	Significant	bb	Neutral	Neutral	Adequate	Fair	Neutral	bb	Not applicable	Not applicable	BB	Stable
The Carlyle Group L.P. and subsidiaries	Satisfactory	Intermediate	bbb	Neutral	Neutral	Exceptional	Fair	Favorable	bbb+	Not applicable	Not applicable	BBB+	Stable
Vida Capital Inc.	Weak	Aggressive	b+	Neutral	FS-5	Adequate	Fair	Unfavorable	b	Not applicable	Not applicable	B	Stable

Rating Factor Assessments

Company	Business risk profile	Financial risk profile	Anchor	Capital structure	Financial policy assessment	Liquidity	Management and governance	Peer adjustment	Stand-alone credit profile	Group influence	Government support	ICR	Outlook
Other asset managers													
AssetMark Financial Holdings Inc.	Fair	Minimal	bbb-	Neutral	Negative	Adequate	Fair	Neutral	bb	Moderately strategic	Not applicable	BB+	Stable
China Jianyin Investment Ltd. (JIC)	Fair	Minimal	bbb	Neutral	Negative	Adequate	Fair	Neutral	bb+	Not applicable	Extremely high	A	Stable
CORESTATE Capital Holding S.A. Luxembourg	Fair	Intermediate	bb+	Neutral	Neutral	Adequate	Satisfactory	Neutral	bb+	Not applicable	Not applicable	BB+	Positive
Focus Financial Partners LLC	Fair	Aggressive	bb-	Neutral	FS-5	Adequate	Fair	Neutral	bb-	Not applicable	Not applicable	BB-	Positive
Guangzhou Industrial Investment Fund Management Co. Ltd.	Weak	Intermediate	bb	Neutral	Neutral	Adequate	Fair	Neutral	bb	Highly Strategic	Very high	BBB	Stable
Intermediate Capital Group PLC	Satisfactory	Intermediate	bbb-	Neutral	Neutral	Strong	Satisfactory	Neutral	bbb-	Not applicable	Not applicable	BBB-	Positive
Noah Holdings Ltd.	Fair	Minimal	bbb-	Neutral	Neutral	Strong	Satisfactory	Neutral	bbb-	Not applicable	Not applicable	BBB-	Negative
The Edelman Financial Center LLC	Fair	Highly Leveraged	b	Neutral	FS-6	Adequate	Fair	Neutral	b	Not applicable	Not applicable	B	Negative
Zhongrong International Trust Co. Ltd.	Fair	Minimal	bbb	Neutral	Negative	Strong	Weak	Neutral	bb	High Strategic Importance	Moderate	BB+	Stable

Analytical Contacts

Elizabeth Campbell

Director

+1-212-438-2415

elizabeth.campbell@spglobal.com

Brian Estiz, CFA

Associate Director

+1-212-438-3735

brian.estiz@spglobal.com

Sean Tillman, CFA

Associate

+1-212-438-0762

sean.tillman@spglobal.com

Jennifer Panger

Associate

+1-212-438-2276

jennifer.panger@spglobal.com

spglobal.com/ratings

S&P Global
Ratings