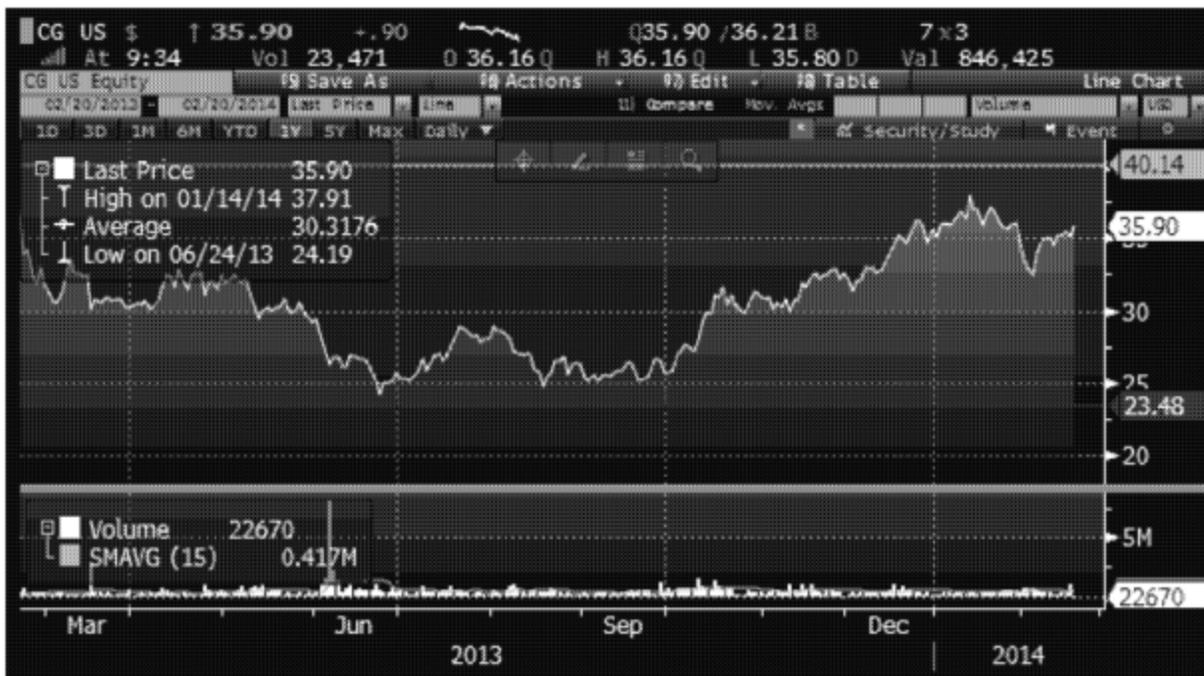




CG 1yr Price History



Used with permission of Bloomberg Finance LP

Initiating Coverage of the Alternative Asset Managers, BX is top pick
 We initiate coverage of 5 alternative asset managers (the "Alts") with Buys on Blackstone (BX), Carlyle Group (CG), & Oaktree Capital (OAK) & Hold ratings on Apollo Global Mgmt (APO) & KKR & Co (KKR). Overall, these Alts are wellpositioned amid favorable cyclical tailwinds & strong secular dynamics, while valuations remain attractive. We favor the more-diversified Alts possessing less earnings variability & good distributable earnings (DE) growth profiles for 2014-2015; this dynamic favors BX & CG over APO & KKR for now, in our view, & we see 4Q earnings as a positive catalyst upon a better DE outlook for next 1-2 years. We also like OAK's more-traditional asset manager business profile.