



Table Of Contents

Investment Summary	3
Strong cyclical & secular trends should drive further outperformance for Alts over the next 12 months	3
Five key themes to drive the stocks this year	4
Differentiating the Alts	7
Business mix differences across the firms.....	10
Theme I.....	18
How should the alternative asset managers be valued?	18
Theme II.....	25
Is rising demand for alternatives secular or cyclical?	25
Theme III.....	27
Where do we stand in the private equity cycle?	27
Theme IV	29
How is the complexion and role of the Alts changing?	29
Theme V	30
What are the near-term and long-term risks for these stocks, especially after surging prices in 2013?	30
Apollo Global Management.....	33
Outlook	34
Valuation.....	34
Risks	34
Company summary	35
The Blackstone Group	40
Outlook	41
Valuation.....	41
Risks	41
Company summary	42
The Carlyle Group.....	49
Outlook	50
Valuation.....	50
Risks	50
Company summary	51
KKR & Co.....	57
Outlook	58
Valuation.....	58
Risks	58
Company summary	59
Oaktree Capital Group	64
Outlook	65
Valuation.....	65
Risks	65
Company summary	66