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EQUITIES

Equity Research
Report

HAVEN Report Standards (Mandatory)

1. Structure

- Do not remove sections.
- Pages may be duplicated for depth.
- Every report must include thesis, industry, financials, valuation, risks, and conclusion.

2. Clarity

- Use bullet points, not long paragraphs.
- If crowded → create a new page.
- Visuals > text walls.

3. Evidence

All claims must be supported by:

- Financial data
- Industry comparisons
- Historical performance
- Valuation logic

4. Professional Formatting

- Maintain layout, fonts, and spacing.
- No casual language.
- No opinions without reasoning.

HAVEN

EQUITIES

Equity Research Report



Acadian (AAMI)
Asset Management | BFSI

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Date : 22/06/2026

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Investment Overview

Acadian Asset Management

Sector: Asset Management | Industry: BFSI | Price: \$75.15

Thesis: Acadian Asset Management remains a high quality asset manager with strong institutional relationship, differentiated Investment capability and Quant based solution. However, earning quality appears to be in pressure, as management compensation is rising and changing fee structure continue to compress the overall margins. Additionally last three years AUM are driven by market appreciation rather than sustained organic inflows.

Key Drivers:

- Net clients flows** : Rising adoption of Passive ETF is pressuring active managers' pricing power and AUM flow from Active funds to passive funds.
- Fee Yield**: Future earnings growth depends on Acadian's ability to manage compensation cost and defend fee realisation.
- AUM growth**: AUM growth remains the primary earning driver for Acadian, as management fee is tied to AUM.

Key Risks:

- AUM Sensitivity to Market Volatility** : Acadian's revenue is linked to AUM, with recent growth driven by market performance rather than organic inflows.
- Margin compression/Fee pressure**: Rising compensation and increasing fee pressure from passive investing may continue to compress margins, limiting earnings growth despite AUM expansion.

Haven Rating: Hold

Recommendation: Hold

Time Horizon: 6-12 Months

Risk Level: Moderate

Catalyst Driven: Yes

Catalysts (Next 1-6 Months):

- Economic outlook and broader market performance**: GDP growth, market performance, company's strategy performance as compared to market and competitors.
- Net Inflows and Outflows**: The AUM of company will grow only when Inflows were positive.
- Margin recovery through cost control**: Better Product mix and lower compensation can help in to increase margins.

Quick Stats:

- **Price**: \$75.15
- **P/E Ratio**: 31.98x
- **Market Cap**: \$2.68B
- **Enterprise Value**: \$2.89B
- **Revenue (TTM)**: \$610.8M
- **Cash**: \$150M
- **FCF**: -\$11.8M
- **Beta (5Y)**: 1.33

Company Snapshot

Business Description:

Acadian Asset Management is a quantitative asset management company managing over 196B+ in AUM. It Investment process includes proprietary models, large scale data analysis and structured portfolio allocation to identify opportunities in both emerging and developed. The company manages risk and returns over 6500+ securities. The company provides customised portfolio management services to large and institutional clients to generate alpha over benchmark. Company also manages investment product for retail investors, allowing it to diversify its client base across both Institutional and retail segment.

Revenue Model:

Company earns revenues through management fee charged from clients, which are calculated as % of AUM. Since fee income is directly linked to AUM, the company revenues is linked to AUM growth, market performance and product Mix

Operating Segments



Key Operating Metrics

- AUM Growth (%)
- Fee Yield (Total Management fee/Average AUM)
- Employee compensation expenses (% of total cost, as it is single most largest expense)

Industry & Competition

Industry Overview

Global assets under management (AUM) reached \$147 trillion in 2025, up 11% year over year, while aggregate profit margins held above 30%. The industry appears resilient. But more than 80% of gross revenue growth in 2025 was driven by market appreciation, underscoring its continued reliance on external forces.

Trends

- Advance Use of AI and preference to digital First experience
 - Distribution becoming channel specific
 - Comparison websites, YouTube and Instagram are shaping how people invest
- Private credit could provide next leg of growth

Main Competitors

Competitor	Ticker	Market Cap	Additional Notes
AllianceBernstein Holding L.P.	AB	3.36B	One of the leading AMC managing over 899 Billion \$.
Janus Henderson Group plc	JHG	7.99B	Specializes in Equities, Quantitative Equities, Fixed Income, Multi-Asset, and Alternatives.
T. Rowe Price Group	TROW	23.07B	the firm manages roughly \$1.89 trillion in assets under management (AUM)

Company Positioning

Stronger Quant Edge than Traditional AMCs - Unlike other peers, Acadian differentiates itself through systematic quantitative model and data driven portfolio construction.

Smaller Scale vs Large Global Managers - with just 196B AUM, it operates at significant lower scale, limiting its distribution advantage and operating leverage

Valuation

Current Valuation

	Prev. Year	Current Year	Next Year (Projected)
EV/Revenue	2.37x	4.74x	4.2–4.5x
P/S	1.96x	4.4x	3.8–4.2x
Market Cap	949.61M	2.68B	2.5–2.8B

Peer Comparison

	EV/Revenue	P/S	Market Cap
Acadian	4.74x	1.96x	2.68B
AllianceBernstein	9.81x	10.14x	3.36B
Janus Henderson	1.83x	2.49x	7.99B
T. Rowe Price	2.67x	3.18x	23.07B

Valuation Scenarios

Scenario	Assumption	Implied Value	Upside/Downside
Base Case	Stable AUM Growth, stable margins	\$78	+4%
Bull Case	Strong Inflows, market performance and margin recovery	\$100	+33%
Bear Case	Stable AUM Growth, falling margins	\$62	-17%

Fundamental Analysis

Quantitative Analysis (Financial Health)

- Revenue grew by 18% and 11.5% in last two years, supported by increasing average AUM and market appreciation.
- However, operating expenses rose by 20%+ in both years, mainly due to higher compensation costs, resulting in margin compression and weaker operating leverage.

Key Ratios

P/E Ratio : 31.98x vs **Peers:** 15x

Net Profit %: 13.80%, **EBITDA Margin:**23.10%

ROE: 111.70%, **Return on Capital:** 31.80%

AUM Growth: 52.14% , **Net Inflows:** 55 B

Quantitative Analysis (Business Fundamentals)

- Strong track record in providing Quantitative solution with disciplined risk management and returns.
- Proprietary quantitative models and deep institutional client relationship creates a differentiated moat.
- Business is largely asset light, scalable directly with increase in AUM and investment products.
- Rising passive ETF adoption is increasing fee pressure across all active asset managers.

Price Action and Charts



Interpretation

- Bullish Trend:** AAMI remains in a strong uptrend, forming higher highs and higher lows, with price trading above key moving averages.
- Breakout above resistance:** The stock has decisively broken above the \$56–58 resistance zone, signaling continuation of bullish momentum.
- Support Levels:** Immediate support lies near \$72–74, while the previous breakout zone (\$56–58) acts as major support.
- Volume Confirmation:** Rising trading volumes during the breakout indicate strong buying participation and strengthen breakout validity.
- Momentum Outlook:** RSI suggests momentum remains positive, though short-term consolidation may occur after the recent rally.

Conclusion/Recommendation

Investment Recommendation

HOLD

Target Price & Potential Returns

Target Price: \$ 78

Potential Upside: 4%

Core Thesis Summary

Acadian remains a high quality asset manager with strong institutional relationship. Although, margin pressure persists due to rising compensation costs and industry wide fee compression. Current valuation limits upside despite stable long term business quality.

Key Risks:

- Market Driven AUM volatility
- Margin compression
- Clients outflows due to underperformance
- Increasing Competition

Key Catalysts

- Net client inflows
- Margin recovery via cost discipline
- Market Appreciation

Key Financial Metrics

Revenue: \$610.8 M

EBITDA Margin: 23.1%

Cash Balance: \$150M

Market Cap: \$2.68B

P/E Ratio: 31.98x

EPS: \$2.35

Stock Type

Asset Class: GARP

Size: Mid Cap

Dividend: Yes (but 5-10% of EPS)

Company Snapshot

Ticker: AAMI

Current Price: \$75.15

<https://idrv.ms/x/c/8od43a259fefb137/IQAHRTMO7CgIQ5inbeQ5sPF5AUtsFu-5YPxcMlLZV942SRY?e=dfpsUx>

<https://www.bcg.com/publications/2026/an-imperative-for-growth-and-the-new-economics-of-asset-management>

Tikr - Acadian Asset Management

Yahoo finance - Acadian Asset management and peers

Recent Sec 10 k and Q Filings