

Competitive Intelligence Analysis

BlackRock vs. Invesco vs. State Street

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1.0 Executive Summary

This document provides a comprehensive competitive intelligence analysis of three leading asset management firms—BlackRock, Invesco, and State Street—based on their **2024 Form 10-K filings (BlackRock, State Street)** and **2024 Annual Report (Invesco)**. The analysis is structured to provide senior management with actionable insights into the firms' financial performance, strategic positioning, and key differentiators. By dissecting their business models, product portfolios, and growth strategies, this report illuminates the distinct competitive moats each firm is building and their respective vulnerabilities in an evolving global market.

The analysis reveals three fundamentally different strategic postures. BlackRock leverages its immense scale and technological dominance through Aladdin to aggressively expand into new growth areas like private markets. State Street, a global systemically important bank (G-SIB), doubles down on its entrenched custody and servicing business, using its State Street Alpha platform as an integrated, front-to-back solution for institutional clients. Invesco positions itself as a large, independent global manager focused on scaling its core investment capabilities and embedding next-generation technology to compete in both retail and institutional markets.

- **Divergent Business Models:** The core distinction lies in State Street's model as a custody bank versus BlackRock and Invesco's as pure-play asset managers. State Street derives a significant portion of its revenue from servicing fees and net interest income (NII), making it highly sensitive to interest rates and operational scale. BlackRock and Invesco are primarily driven by asset-based fees, exposing them more directly to market performance and fee compression.
- **Scale as a Decisive Factor:** BlackRock's approximately **\$11.55 trillion** in Assets Under Management (AUM) dwarfs both Invesco (**\$1.85 trillion**) and State Street's asset management arm, State Street Global Advisors (SSGA), at **\$4.72 trillion AUM**. This scale provides BlackRock with significant operating leverage, brand power, and the ability to fund large-scale acquisitions to enter new markets, such as its recent moves into private markets and data analytics.
- **Technology as a Competitive Moat:** Both BlackRock and State Street have built their strategies around sophisticated, proprietary technology platforms. BlackRock's Aladdin is not only a core operational tool but a significant revenue-generating service, creating a powerful ecosystem. State Street's Alpha platform is foundational to its integrated servicing model, creating a sticky, front-to-back solution for its institutional client base. Invesco identifies technology as a strategic priority but lacks a comparable, externally marketed platform.
- **Regulatory Burden as a Differentiator:** State Street's designation as a G-SIB and BlackRock's potential designation as a Systemically Important Financial Institution (SIFI) subject them to heightened regulatory oversight, capital, and liquidity requirements. This creates a significant compliance burden not faced by Invesco, but also reinforces their systemic importance and perceived stability.

Competitive Matrix at a Glance

Firm	Core Business Model / Strategic Moat	Key 2024 Strategic Initiative
BlackRock	Unmatched scale in AUM and product breadth, coupled with the industry-leading Aladdin technology	Aggressive expansion into private markets and data analytics via acquisitions (e.g., GIP, HPS, Prequin).
Invesco	Large, independent global investment manager with diversified products and multi-channel distribution	Focusing on four strategic themes: client needs, scaling capabilities, next-gen technology, financial flexibility.
State Street	Entrenched position as a leading global custodian integrated with State Street Alpha front-to-back platform	Driving productivity and operational efficiency, centered on expanding adoption and capabilities of Alpha.

This summary provides a high-level view of the competitive landscape. The following sections offer a detailed comparative analysis of the financial, strategic, and operational dimensions of each firm.

2.0 Financial Performance Analysis

A firm's financial performance is the ultimate measure of its market competitiveness and operational efficiency. This section dissects and compares the key financial metrics of BlackRock, Invesco, and State Street to reveal their relative financial health, profitability drivers, and capital management strategies. The data underscore the vast difference in scale and the distinct profitability profiles of their respective business models.

Comparative Financial Highlights (2024)

All figures are for the year ended 31 December 2024 (USD).

Metric	BlackRock	Invesco	State Street (Consolidated)
Assets Under Management (AUM)	\$11,551.3 bn	\$1,846.0 bn	\$4,715 bn (SSGA)
Assets Under Custody/Admin (AUC/A)	N/A	N/A	\$46,557 bn
Total Revenue (GAAP)	\$20,407 mn	\$6,067.0 mn (operating revenues)	≈\$13,040 mn
Net Income	\$6,369 mn	\$538.0 mn	\$2,687 mn

GAAP Operating Margin	37.1%	13.7%	26.1%
Total Assets	\$138,615 mn	\$27,008.9 mn	\$353,240 mn
Total Shareholders' Equity	\$47,431 mn	\$15,124.1 mn	\$25,326 mn
Return on Equity (ROE)*	13.4%	~3.6%	10.6%
Return on Assets (ROA)*	4.6%	~2.0%	0.76%
Cash Dividends Declared Per Share	\$20.40	\$0.81	\$2.90

*ROE and ROA are approximate author calculations using net income divided by year-end equity/assets, and may differ from company-reported ratios based on average balances.

Revenue Mix and Profitability

The firms' revenue compositions highlight their strategic differences:

- **State Street** is heavily reliant on **Investment Servicing fees** and **Net Interest Income (NII)**, which together constitute the majority of its total revenue. This makes its earnings highly sensitive to interest rate levels, balance sheet management, and transaction volumes in its custody and markets businesses.
- **BlackRock** and **Invesco** derive the bulk of their revenues from investment management and advisory fees on AUM. BlackRock's massive scale allows it to generate over \$20 billion in total revenue and deliver a GAAP operating margin of **37.1%**, materially higher than peers and reflecting strong operating leverage.
- **State Street** follows with a solid **26.1%** operating margin, supported by the scale of its servicing and markets operations.
- **Invesco**, operating at a smaller scale, reports an operating margin of **13.7%**. This materially lower margin highlights its greater exposure to fee and margin pressure relative to its cost base, despite strong progress in expanding higher-margin capabilities.

Capital Allocation Strategies

Each firm's approach to capital allocation reflects its strategic priorities:

- **BlackRock** has used its financial strength to fund large, transformative M&A—most notably the announced acquisitions of Global Infrastructure Partners (GIP), data provider Prequin and credit manager HPS—while still returning significant capital to shareholders via dividends (**\$20.40 per share**) and share repurchases.
- **State Street** has focused on organic growth and capital management within a stringent G-SIB regulatory framework. This includes careful issuance and redemption of preferred stock, ongoing optimization of its balance sheet, and a consistent dividend (**\$2.90 per share**).

- **Invesco** balances investment in growth initiatives with shareholder returns via dividends (**\$0.81 per share**) and regular but modest share repurchases, while prioritizing operating leverage and balance-sheet flexibility.

This analysis of financial metrics provides a clear quantitative picture of each firm's standing and operational focus. The following section examines the underlying business models that produce these results.

3.0 Business Model & Strategy Evaluation

A firm's business model is the blueprint for how it creates, delivers, and captures value. This section evaluates the core business segments, strategic focus, and competitive advantages of each firm.

Primary Business Segments

- **State Street** operates two primary, symbiotic lines of business:
 - **Investment Servicing** (custody, fund accounting, administration, FX, securities lending, collateral, and related services) supporting **\$46.6 trillion AUC/A**.
 - **Investment Management** via State Street Global Advisors (SSGA), managing **\$4.72 trillion AUM** across index, ETFs (SPDR) and active strategies.
- Investment Servicing provides a deep institutional client base for cross-selling SSGA products, while SSGA enhances the relevance of its servicing offering.
- **BlackRock** organizes its business around **client types**—Retail, ETFs (iShares) and Institutional—rather than purely by product. This client-centric model supports tailored product design, pricing and distribution strategies.
- **Invesco** reports its business as a unified **investment management** segment, emphasizing integrated global investment capabilities and diversified distribution rather than combining balance-sheet-intensive services (like custody) with asset management.

State Street's custody-bank plus asset-manager model is structurally distinct from BlackRock and Invesco's more traditional AUM-driven models.

Strategic Balance: Active vs. Passive

The balance between active and passive strategies is a key strategic differentiator:

- **BlackRock** is dominant in both active and passive:
 - **ETFs:** Approx. **\$4.23 trillion** in ETF AUM, primarily under the iShares brand.
 - **Institutional index:** About **\$3.2 trillion** in institutional index AUM.
 - **Institutional active:** Over **\$2.1 trillion** in institutional active strategies.

- **State Street (SSGA)** is heavily skewed toward passive:
 - Total AUM of **\$4.72 trillion**, with the majority in indexed equity, fixed income and ETF products.
 - Passive exposure dominates across equity and fixed income, with large SPDR ETF franchises.
- **Invesco** maintains a noticeable tilt toward active, but with a rapidly growing passive book:
 - **Active AUM: \$1,026.5 billion.**
 - **Passive AUM: \$819.5 billion**, including ETFs and other index strategies.
 - By investment capability, it reports **\$484.0 billion** in “ETFs and Index” and **\$318.9 billion** in the QQQ trust, alongside significant exposure in **Global Liquidity (\$189.4bn)** and **Private Markets (\$128.5bn)**.

Invesco thus sits between State Street's heavily passive institutional focus and BlackRock's fully scaled dual leadership in active and passive.

Geographic Footprint

All three firms have significant global footprints:

- **BlackRock** reports long-term AUM by client region, with a strong tilt toward the Americas but meaningful EMEA and Asia-Pacific exposure.
- **Invesco** serves clients in **120+ countries**, with on-the-ground presence in **20+ countries**, and material business across the Americas, EMEA and APAC.
- **State Street** operates servicing and management hubs across North America, Europe (e.g., Germany, UK, Ireland, Poland) and Asia-Pacific (e.g., China, India), reflecting the global nature of its institutional client base.

Core Competitive Advantages

- **BlackRock:**
 - Unparalleled scale in AUM and product breadth.
 - **Aladdin** as a powerful technology and data platform, used both internally and sold externally.
 - Strong brand and distribution relationships with major institutional and intermediary clients.
- **Invesco:**
 - Positioning as a large, **independent global investment manager**, emphasizing the absence of conflicts associated with balance-sheet-driven banking or custody models.
 - Diversified capabilities across ETFs & Index, QQQ, fundamental fixed income/equities, private markets, APAC, multi-asset and liquidity.

- **State Street:**
 - Deep entrenchment as a top-tier global custodian.
 - **State Street Alpha**, integrating Charles River Development with custody, accounting and data, creating a front-to-back solution with high switching costs.

These distinct business models and competitive advantages directly shape the firms' product portfolios and technology offerings.

4.0 Product Portfolio Comparison

A firm's product portfolio is the tangible manifestation of its strategy and the primary interface with its clients.

Assets Under Management by Product Category (2024)

BlackRock and State Street report AUM by traditional asset class; Invesco reports by investment capability.

BlackRock – AUM by Product Type (Long-Term & Cash)

(Dec 31, 2024; in billions)

- Equity: **\$6,310.2**
- Fixed Income: **\$2,905.7**
- Multi-Asset: **\$992.9**
- Alternatives: **\$421.8**
- Cash Management: **\$920.7**
- **Total AUM: \$11,551.3**

State Street Global Advisors – AUM by Asset Class

(Dec 31, 2024; in billions)

- Equity: **\$3,007**
- Fixed Income: **\$616**
- Cash: **\$518**
- Multi-Asset-Class Solutions: **\$374**
- Alternative Investments: **\$200**
- **Total AUM: \$4,715**

For **Invesco**, the firm no longer presents AUM by traditional asset class; instead it reports by **investment capability**:

Invesco – AUM by Investment Capability (Dec 31, 2024; in billions)

- ETFs & Index: **\$484.0**
- Fundamental Fixed Income: **\$281.1**
- Fundamental Equities: **\$266.5**
- Private Markets: **\$128.5**
- APAC Managed: **\$118.8**

- Multi-Asset / Other: **\$58.8**
- Global Liquidity: **\$189.4**
- QQQ: **\$318.9**
- **Total AUM: \$1,846.0**

These numbers underline:

- BlackRock's **heavily equity- and fixed-income-weighted** long-term AUM, with a meaningful but smaller alternatives book and a sizable cash management franchise.
- State Street's **core strength in indexed equity and fixed income**, plus a growing multi-asset and alternatives presence, but with cash playing an important role given its institutional focus.
- Invesco's diversified capability set, where ETFs & Index, QQQ and Global Liquidity together form a crucial growth engine alongside fundamental active strategies.

Role of Technology Platforms

Technology platforms are central to the competitive positioning of BlackRock and State Street:

- **BlackRock – Aladdin:**
 - Has evolved from an internal risk system into a full enterprise platform for the investment community.
 - Generates technology services revenue and supports BlackRock's own operations across asset classes, increasingly extended into **private markets** via eFront and the planned integration of Preqin data.
 - The firm is investing in "**Aladdin AI copilots**" and building an open ecosystem that connects Aladdin with other tools and providers.
- **State Street – Alpha:**
 - Combines front-office capabilities (via Charles River Development) with State Street's custody, fund accounting and data infrastructure.
 - Designed to "automate and simplify the institutional investment process" across asset classes, particularly for complex portfolios and alternatives.
 - Alpha is a key differentiator in winning and retaining large institutional relationships.
- **Invesco:**
 - Does not market a standalone platform equivalent to Aladdin or Alpha.
 - One of its four strategic priorities is to "**Embed next generation technology across all aspects of the business**", focusing on internal efficiencies, investment process enhancements and improved client experience rather than selling technology externally.

Offerings in High-Growth & Specialized Areas

- **BlackRock** is making a sizeable, acquisition-led push into **private markets**, including infrastructure (GIP), private credit (HPS) and private markets data and analytics (Preqin).
 - **State Street** positions itself primarily as a **servicer of alternatives**, emphasizing wealth servicing and alternative investment management solutions powered by Alpha.
 - **Invesco** emphasizes **Private Markets (\$128.5bn)** and **Global Liquidity (\$189.4bn)** capabilities as part of a diversified set of strategies, but at a smaller scale than BlackRock's alternatives business.
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5.0 Client Mix & Distribution Channels

Understanding a firm's client base and distribution strategy is crucial to assessing market penetration and revenue stability.

Institutional vs. Retail Client Composition

- **BlackRock:**
 - Long-term AUM is diversified across **Retail, ETFs and Institutional**:
 - Retail long-term AUM: just over **\$1.0 trillion**.
 - ETFs (iShares) long-term AUM: approx. **\$4.23 trillion**.
 - Institutional long-term AUM (active + index): over **\$5.3 trillion**.
 - This spread allows BlackRock to capture flows across all investor channels.
- **Invesco:**
 - By distribution channel, AUM at Dec 31, 2024:
 - **Retail: \$1,265.6 billion**
 - **Institutional: \$580.4 billion**
 - **Total: \$1,846.0 billion**
 - This relatively balanced split underscores its positioning as a comprehensive manager serving both retail and institutional clients globally.
- **State Street:**
 - The group's business is overwhelmingly **institutional**.
 - Its clients include mutual funds, collective investment funds, pension plans, insurance companies, official institutions, and large investment managers.
 - While SSGA does offer retail-oriented products like SPDR ETFs, the overall client base is institutionally dominated.

Primary Distribution Channels

- **BlackRock & Invesco:**
 - For retail and wealth, they primarily distribute through **third-party intermediaries**—broker-dealers, banks, platforms, insurance companies and financial advisers.
 - Institutional clients are typically covered via dedicated sales and relationship teams.
- **State Street:**
 - Relies on **direct engagement with large institutional clients**, where it can deliver integrated packages of services: custody, administration, FX, lending, data and analytics, plus asset management through SSGA.

In essence, BlackRock and Invesco operate broad, multi-channel distribution architectures, while State Street focuses on deep, high-touch institutional relationships.

6.0 Technology & Innovation Assessment

Technology has become a core strategic asset in asset management and servicing.

The Strategic Importance of Proprietary Platforms

- **BlackRock – Aladdin**
 - Functions as BlackRock's internal operating system and as a commercial platform for asset owners, asset managers and other institutions.
 - Integration of private markets (via eFront and planned Prequin acquisition) and the development of AI-assisted tools signal a strategy to dominate **technology + data** in both public and private markets.
- **State Street – Alpha**
 - Alpha is the engine powering State Street's promise of a "front-to-back" solution.
 - Integrates portfolio management, trading, post-trade processing, accounting and reporting, particularly valuable for multi-asset, multi-manager, and alternatives-heavy institutional portfolios.
- **Invesco**
 - While it does not have a branded platform like Aladdin or Alpha, it emphasizes embedding **next-generation technology** throughout investment, risk, operations, and client interfaces, including quantitative models and advanced analytics.

Focus on Data Analytics and AI

- **BlackRock** is explicit about building “**Aladdin AI copilots**” and combining Aladdin with proprietary and acquired datasets (e.g., Prequin) to create a leading private markets data and analytics franchise.
- **State Street** identifies the development and deployment of AI-enabled products and operations as a key opportunity, balanced by clear disclosures about associated operational and regulatory risks.
- **Invesco** references quantitative and data-driven approaches as part of its capabilities, aligning with its stated aim to “embed next-generation technology.”

These different approaches—platform-as-a-service (BlackRock), platform as an integrated solution (State Street), and embedded technology (Invesco) define the technology battleground.

7.0 Risk & Regulatory Environment

Systemic Regulatory Status

- **State Street** is designated a **Global Systemically Important Bank (G-SIB)**. It is therefore subject to enhanced capital and liquidity requirements, TLAC, LCR, and annual CCAR stress testing, among other standards.
- **BlackRock** is not currently designated as a SIFI but explicitly acknowledges the **risk of potential designation**, which would impose bank-like supervision and capital/liquidity constraints.
- **Invesco** operates under a more traditional asset-manager regulatory framework (e.g., investment adviser and investment company regulations) without systemic-institution designation.

Key Risk Themes

- **Competitive & Pricing Pressure:** All three identify intense competition and fee compression as material risks, reflecting the global shift toward low-cost passive products and strong bargaining power of large institutional allocators.
- **Operational & Cybersecurity Risk:** Each firm highlights operational, technology and cyber risks, including reliance on critical vendors and complex technology stacks. BlackRock and State Street describe robust governance structures and committees overseeing technology and operational resilience.
- **Market & Interest Rate Risk:**
 - All three are exposed to market risk through AUM fluctuations.
 - **State Street**, in addition, is heavily exposed to **interest rate risk** via NII and the valuation of its sizable securities portfolio.

- **Regulatory & Legal Risk:**
 - BlackRock and State Street both face complex and evolving global regulatory regimes, including rules affecting technology (e.g., DORA, SEC rules on predictive data analytics) and distribution (e.g., DOL Fiduciary Rule).
 - State Street also disclosed specific regulatory matters, such as an OFAC settlement and associated contingent legal risks.
 - Invesco's disclosures emphasize regulatory, conduct and product-related risks in line with a global asset manager.

The result is a heavy but differently structured regulatory burden: bank-like for State Street, potentially escalating for BlackRock, and more traditional but still complex for Invesco.

8.0 Human Capital Management

Workforce Size and Structure

- **Invesco:** Approximately **8,508 employees** globally as of Dec 31, 2024, with presence in **20+ countries**.
- **State Street:** Reported a **13% net increase in headcount**, largely reflecting consolidation of a large India-based joint venture and ongoing build-out of global operations centers.
- **BlackRock:** Employs over **21,000 people** globally, with more than half based outside the U.S.

Compensation and Engagement Strategies

- **BlackRock** emphasizes a **pay-for-performance culture** with total compensation reflecting firm, business unit and individual results, and a broad well-being agenda (health, mental health, financial wellness, flexible time).
- **State Street** aligns human capital strategy with a **technology-centric financial services model**, focusing on skills for digital, data and Alpha platform delivery, combined with productivity and efficiency improvements.
- **Invesco** stresses talent development, diversity and inclusion, and employee well-being as key to long-term client and shareholder outcomes.

These approaches are consistent with each firm's broader strategy: BlackRock's innovation-and-performance focus, State Street's efficiency-and-platform focus, and Invesco's independent-manager, culture-driven positioning.

9.0 Growth Strategy Analysis

Primary Strategic Priorities

- **BlackRock** focuses growth on:
 - Expansion of **technology services** (Aladdin and related platforms).
 - A major push into **private markets** (infrastructure, private credit, private markets data).
- **Invesco** organizes its strategy around four themes:
 - Meeting evolving client needs.
 - Scaling investment and distribution capabilities.
 - Embedding next-generation technology.
 - Strengthening financial flexibility and operating leverage.
- **State Street** is oriented around:
 - Scaling **State Street Alpha** mandates.
 - Enhancing operational efficiency.
 - Deepening its role in **wealth and alternatives servicing** and other complex, data-heavy areas.

The Role of Mergers & Acquisitions (M&A)

- **BlackRock** uses M&A aggressively to acquire capabilities in private markets and data/analytics (e.g., GIP, HPS, Prequin).
- **State Street's** acquisition of Charles River Development was foundational for Alpha; its decision to walk away from the proposed BBH Investor Services acquisition shows strategic and financial discipline.
- **Invesco's** recent disclosures emphasize organic growth and platform optimization, with no equally large, transformative deals highlighted in the same period.

Expansion Plans and Response to Industry Trends

- BlackRock is **re-mixing its business** toward alternatives and technology/data, seeking higher-margin, secular growth areas.
 - State Street is **deepening its servicing franchise** to support those same asset classes and strategies for institutional clients.
 - Invesco is **scaling capabilities and improving efficiency**, aiming to strengthen its competitive position without relying on transformational M&A.
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10.0 Competitive Position Synthesis

This section summarizes each firm's core strengths and vulnerabilities.

BlackRock

Key Strengths

- Immense scale (**\$11.55T AUM**) providing operating leverage and market influence.
- Leadership in both active and passive investing, especially **iShares ETFs**.
- **Aladdin** as a powerful, revenue-generating technology and data moat.
- Proven track record of strategic, capability-enhancing acquisitions.

Key Vulnerabilities

- Heightened regulatory scrutiny and SIFI designation risk.
- Integration complexity and execution risk around large acquisitions (e.g., GIP, HPS, Preqin).

Invesco

Key Strengths

- Large, **independent global investment manager** without custody/banking conflicts.
- Diversified client base with **\$1,265.6bn retail** and **\$580.4bn institutional AUM**.
- Broad capabilities across ETFs & Index, QQQ, fundamental active, private markets, APAC and liquidity.

Key Vulnerabilities

- **Relative lack of scale** versus mega-managers like BlackRock limits operating leverage.
- High exposure to industry-wide fee and margin pressure.
- No flagship external platform comparable to Aladdin or Alpha, making its technology differentiation less visible.

State Street

Key Strengths

- Entrenched position as a **top-tier global custodian and servicer**.
- **State Street Alpha** as a compelling front-to-back platform with high client switching costs.
- G-SIB status underpins perceived systemic stability.

Key Vulnerabilities

- Lower-margin servicing business model compared to fee-rich asset management.
 - Earnings sensitivity to **interest rates** through NII.
 - Heavy and costly regulatory burden as a G-SIB, which can constrain strategic flexibility.
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11.0 Forward Outlook & Strategic Implications

Positioning for Major Industry Trends

- **Growth of Private Markets & Alternatives**
 - BlackRock is directly targeting growth via acquisitions of private markets managers and data providers.
 - State Street is positioning to be the **infrastructure provider** for alternatives, especially through Alpha.
 - Invesco is building out **Private Markets (\$128.5bn)** but at a smaller scale.
- **Demand for Integrated Technology Solutions**
 - BlackRock's **Aladdin** vs. State Street's **Alpha** will define a large part of the institutional tech landscape.
 - Aladdin emphasizes open, best-of-breed integration; Alpha emphasizes seamlessness with State Street's servicing.
 - Invesco's focus remains on internal technology and client experience rather than platform sales.
- **Persistent Fee and Margin Pressure**
 - BlackRock's scale enables it to maintain strong margins even as fees compress.
 - State Street's servicing- and NII-driven model is partially insulated from direct fee cuts in asset management, though it faces its own pricing pressures.
 - Invesco, with lower scale and a more traditional asset-management revenue mix, appears **most vulnerable**, making operating leverage and cost discipline critical.

Anticipated Next Competitive Moves

- **BlackRock:** Continue strategic M&A, deepen AI and data capabilities, and expand Aladdin reach across public and private markets.
- **State Street:** Win additional Alpha mandates, extend services into wealth and alternatives, and drive further efficiency in its operating model.
- **Invesco:** Focus on efficiency, scaling its strongest capabilities (e.g., ETFs & Index, QQQ, Global Liquidity, key active franchises), and further embedding technology in its processes.

Critical Takeaways for Senior Management

1. The Battle of Business Models is Real:

The competitive landscape is a contest between BlackRock's **scale + technology platform** model, State Street's **integrated servicing + platform** model, and Invesco's **independent global asset manager** model. Each has different risk/return and capital intensity characteristics.

2. Technology is the New Kingmaker:

Aladdin and Alpha demonstrate that sophisticated, scalable technology platforms can create durable moats that are difficult and expensive to replicate. Technology strategy is now core to competitive strategy, not a support function.

3. The Future is Integrated and Alternative:

Growth is converging on private markets and integrated front-to-back solutions. The winners will either **manage** or **service** these complex asset classes at scale, underpinned by superior technology and data. BlackRock and State Street are already positioned on opposite sides of this trade (manager vs servicer), while Invesco is working to defend and enhance its position as a diversified, independent manager.