Subject: Best Ideas Club: Asset manager to surge 45%
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From: Phil Rosen
To: Jason Ware

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This asset management stock could surge 45% as the market catches up to its technology upside

Veteran investor Jason Ware's highest-conviction idea for the next 12 months.

Phil Rosen
July 26, 2026

Welcome to the Best Ideas Club. Paid members receive a report every Sunday that unpacks one actionable, high-conviction investment idea sourced from an interview with a world-class investor.

This week we interviewed Jason Ware, chief investment officer and head of research for Albion Financial Group, which oversees more than $2 billion in assets. Jason's previous two stock picks for Best Ideas Club have returned 52% and 51%, respectively.

📊 **Members note:** Monitor all our stock picks with the [Best Ideas Club members dashboard](), an AI-powered tool to track our stock and portfolio performance against the S&P 500, download charts and set up push alerts.

The equal-weight Best Ideas Club portfolio is up 23.5% year-to-date, beating the S&P 500's 8.5% return in the same period.

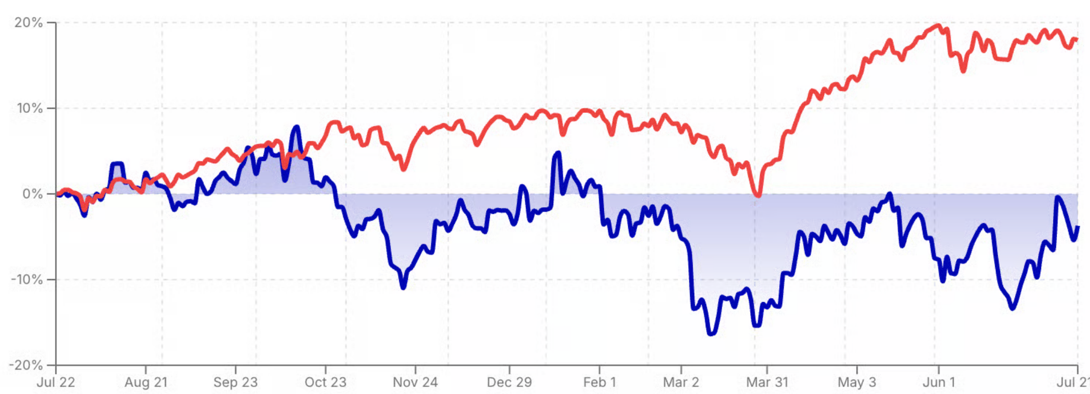
Access the members-only dashboard here.

Jason Ware's Best Idea: BlackRock (BLK)

BLK BlackRock, Inc.

Recommended by Jason Ware • Published 07/26/2026

12-MONTH PERFORMANCE VS S&P 500 — BLK — S&P 500



ENTRY PRICE	CURRENT PRICE	RETURN
$1059.95	$1059.95	+0.00%

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Thesis

BlackRock is the world's largest asset manager but it's also evolving into the financial infrastructure platform powering global investing.

It just surpassed $15 trillion in assets under management, and in Jason Ware's view, the company now has the industry-leading ETF franchise, best-in-class investment technology and data platform, and a rapidly expanding private markets business.

That puts BlackRock at the intersection of a handful of the most attractive long-term secular growth trends in finance.

All this, Ware told *Best Ideas Club*, was reinforced with its latest blowout earnings report that included record quarterly revenue, operating income and earnings per share.

The stock is roughly flat year-to-date, and it's fallen 7% over the last 12 months to trade near $1,047 a share.

Ware sees the stock rising to $1,500 or more before 2028, representing roughly 45% upside from current levels before accounting for dividends.

He believes BlackRock has the potential to compound earnings per share at a low-double-digit rate on average while getting a "modestly re-rated multiple as the market increasingly recognizes the value of its massive scale, technology, and opportunities like higher-margin private markets business."

Beyond asset management

Many investors still see BlackRock as a pure play asset manager whose earnings fluctuate with financial market cycles.

It's true that market appreciation provides a durable long-term tailwind, but that characterization remains too narrow, Ware said.

Under Larry Fink, BlackRock has transformed into a diversified platform generating recurring revenue across index investing, active management, technology, retirement solutions, cash management, and alternative investments.

Its enormous scale creates powerful network effects, lowers operating costs, attracts additional client assets, and reinforces a competitive moat that few firms can realistically challenge.

The company's crown jewel remains iShares, the world's largest ETF platform. ETFs now account for roughly 45% of BlackRock's base fees, with assets exceeding $6 trillion globally.

While ETF adoption is well established in the US, international markets remain significantly untapped.

Europe alone has generated approximately $80 billion of iShares inflows year-to-date, highlighting the substantial runway that’s still on the table for passive investing globally.

Tech as a growth lever

BlackRock operates Aladdin, its proprietary portfolio management and risk analytics platform.

Originally developed for internal use, Aladdin has become mission-critical software for asset managers, pension funds, insurance companies, banks, corporations, and central banks globally.

Annual contract value continues to grow at a double-digit pace, providing highly recurring software revenue that diversifies BlackRock's earnings while deepening client relationships.

Private markets represent another underrated opportunity in the business.

Through acquisitions including Global Infrastructure Partners (GIP), HPS Investment Partners, and Preqin, BlackRock has dramatically expanded its capabilities across private credit, infrastructure, and alternatives.

While these businesses currently account for a minority of revenue, they generate materially higher fee rates than traditional asset management and rank among the fastest-growing segments of finance.

Notable catalysts

- **Global ETF boom:** International ETF penetration remains well below US levels, giving iShares a long runway
- **Private markets growth:** Recent acquisitions position BlackRock to benefit from accelerating demand for private credit, infrastructure and alternative investments
- **Technology push:** Aladdin continues adding clients and growing annual contract value at a double-digit pace, increasing recurring software revenue while strengthening relationships with institutional investors, insurers, banks, corporations and central banks

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Risks and considerations

- **Market sensitivity:** BlackRock's earnings remain tied to financial market performance so a market downturn would reduce assets under management and fees
- **Fee compression:** Competitive pressure across traditional asset management, particularly passive investing, is likely to persist
- **Execution risk:** Successfully integrating recent acquisitions and expanding technology and private markets into a larger share of revenue will be critical to achieving management's long-term growth and margin objectives.

Key financials

- **Market capitalization:** $169 billion
- **52-week high:** $1,220
- **52-week low:** $917
- **Dividend yield:** Roughly 2.2%
- **10-year dividend CAGR:** 9.1%
- **2026 expected revenue:** Approximately $30 billion (+20% year over year)
- **2026 expected EPS**: More than $57 (+18% year over year)

Additional investor resources:

- More about Jason Ware
- More about Albion Financial Group
- Best Ideas Club members AI-powered dashboard

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