

Morningstar[®] Managed Portfolios[™] Income Range

Purpose-built multi-asset portfolios designed
with income in mind.

For Investment Adviser Use Only

A Focus on Long-Term Income

These Morningstar® Managed Portfolios™ can help you address your clients' needs for steady returns during retirement while protecting their wealth.

Built With a Clear Purpose

Traditional capital-markets assumptions, or models of long-term investment performance, are focused on investment growth. That doesn't stop many portfolio managers from using these assumptions as one-size-fits-all solutions, even if growth isn't the ultimate goal of the portfolio.

Morningstar takes a different approach to our income portfolios by using bespoke assumptions that view the investing world through the lens of income, not growth. We use these assumptions to identify investments that are more suitable for long-term income generation than those selected based on growth characteristics alone. This means that our portfolios are created from the ground up with income in mind.

Designed for Income Stability

How we construct our income portfolios demonstrates Morningstar's commitment to creating stable long-term income streams rather than eye-catching but unsustainable current yields.

Our holistic approach focuses on income consistency and stability. This solid foundation leads to income streams that are less reliant on just one or two high-performing investments. Rather, the burden of income generation is spread across the portfolio with an aim to minimise income volatility. We look for investments that are less correlated with each other to provide additional cushion during a variety of market conditions.

Optimised for Platforms

Platforms vary widely in terms of their investment range, trading times, rebalancing periods, reinvestment and more. Morningstar recognises that income portfolios are most affected by these differences.

Our dedicated operations team has deep knowledge of every supported platform. We use this knowledge to optimise portfolio activity, such as rebalancing and distribution, within the restrictions and capabilities of each platform. This careful monitoring and curation helps you make the most of our portfolios on each platform for your clients.

Key Facts



Our fees are kept at a minimum to maximise portfolio outcomes.



We have the financial strength to support our clients over the long term. We harness decades of research experience to build our portfolios by combining our asset-allocation expertise with our experience selecting skilled managers.



The service is available on a wide range of platforms.



We do not compete with advisers. We do not employ financial planners and we do not provide advice to retail investors.

Income Portfolios



Morningstar’s portfolios are intended to provide a stable income in the context of attractive risk-adjusted returns. By focusing on long-term income stability we can provide realistic and risk-aligned income portfolios you can use as part of a long-term investment plan for your clients.

The Morningstar Managed Portfolios income range is managed by our investment professionals in London and is supported by Morningstar experts around the globe. Our professionals based in the UK include portfolio managers, analysts and asset-allocation specialists with years of investing experience.

The range consists of two risk-aligned multi-asset portfolios:

Moderate Income Portfolio: For investors with a moderate appetite for risk

Moderately Cautious Income Portfolio: For investors with a more-cautious approach

PORTFOLIOS	GOAL	EQUITY RANGE	EXAMPLE ALLOCATION
Moderately Cautious Income	The Moderately Cautious Income Portfolio aims to provide a sustainable income that can grow over time, as well as capital growth over the medium term.	0-50%	
Moderate Income	The Moderate Income Portfolio aims to provide a sustainable income that can grow over time, as well as capital growth over the medium to long term.	0-65%	

● Equity ● Fixed Income ● Cash

The example allocation images above are for illustrative purposes only. They are based on 31st March 2018 allocations and are subject to change. Asset classes shown are Morningstar, Inc. category groups. Allocation of portfolios at the individual account level may vary.

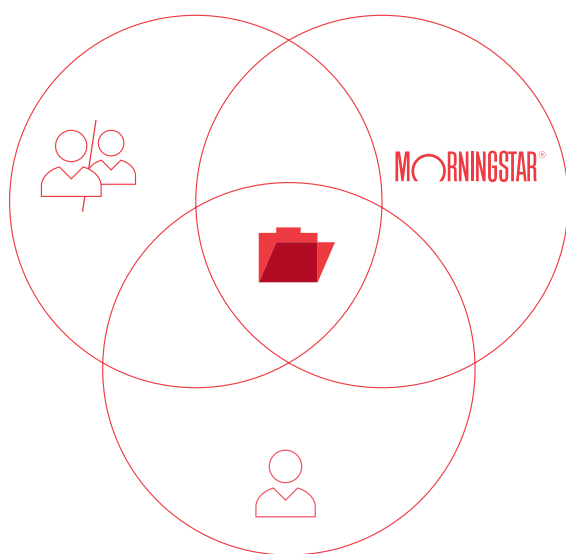


Learn more about how our income range can help your practice.

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Working Together to Put Your Clients First

With Morningstar® Managed Portfolios™, your clients get twice the service, expertise and ongoing attention to their portfolio. Working in collaboration with financial advisers, we provide a solution that taps into our strengths. You know your clients' needs and how to build plans to meet them. We combine our investment knowledge with portfolio management experience to provide investing solutions that put your clients first.

Together, we bring your clients the best of both worlds: a plan that's tailored to their goals with the advantages of professional portfolio management.

Risk Warning

It is important to note that investments in securities involve risk and will not always be profitable. Morningstar Investment Management Europe Limited does not guarantee that the results of its investment decisions or the objectives of the portfolio will be achieved. Morningstar Investment Management Europe Limited does not guarantee that negative returns can or will be avoided in any of its portfolios. An investment made in a security may differ substantially from its historical performance and as a result, portfolios may incur a loss. Past performance is no guarantee of future results. The value of investments may go down as well as up and investors may not get back the amount invested.

Morningstar's Investment Management Group

Morningstar's Investment Management group comprises Morningstar Inc.'s registered entities worldwide, including the United Kingdom. Morningstar Investment Management Europe Limited is authorised and regulated by the Financial Conduct Authority to provide services to professional clients and is the entity providing the discretionary management services. Registered address: 1 Oliver's Yard, 55-71 City Road, London, EC1Y1HQ. Morningstar's fund research and rating activities are not undertaken by Morningstar Investment Management Europe Limited and as such, are not regulated by the Financial Conduct Authority. Morningstar Managed Portfolios are intended for citizens or legal residents of the United Kingdom. These portfolios can only be made available through the use of investment advisers appropriately authorised and regulated by the Financial Conduct Authority.