

# Morningstar Advisor Software Capabilities Overview

## Morningstar Direct<sup>SM</sup>

Global investment research platform for selecting, developing, and analyzing investments.

## Morningstar Office<sup>SM</sup>

Complete practice and portfolio management, investment research, and planning system for independent financial advisors.

## Morningstar<sup>®</sup> Advisor Workstation<sup>SM</sup>

Investment research, analytics, and portfolio analysis platform.

Data			
Research universes	Global-Advanced	Global	Global
Stock ownership information	Portfolio and security levels	Limited portfolio level	None
Indexes	70,000+	70,000+	50,000+
Data point customization	Yes	No	No
Historical portfolio data	Yes	Limited to five years; aggregate level	Limited to five years; aggregate level
Historical monthly returns	Yes	Yes	Yes
Cash flow and market share data	Yes	No	No
Access to SEC filings	Yes	Yes	No
Underlying holdings	Yes	Yes	Yes
Customized peer analysis	Yes	No	No
Microsoft <sup>®</sup> Excel <sup>®</sup> API	Yes	No	No
Morningstar Markets <sup>SM</sup>	Yes	Yes	Yes
Analyst commentary and reports	Yes	Yes	Yes
Portfolio			
Portfolio comparison capabilities	Yes	Yes	Yes
Client management portal	No	Advanced	Basic
Account rebalancing	No	Yes	No
Portfolio import	Position files only	Transactions and positions	Positions; custom integration available
Portfolio construction	Yes	Yes	Yes
Security alert updates	Daily	Daily	Daily
Portfolio alert updates	Daily	Daily	Daily
Multiple portfolio analysis	Yes	No	No
Reporting			
FINRA-reviewed output	No	Yes	Yes
Investment reports	Yes	Yes	Yes
Portfolio reports	Yes	Yes	Yes
Style and peer analysis reports	Yes	No	No
Custom-branded reports	Yes	Yes	No
Export to Microsoft <sup>®</sup> Office <sup>®</sup>	Yes	Yes	Yes, to Excel <sup>®</sup> only
Investment Policy Statements	No	Yes	Yes
Consolidated account statements	No	Yes	No
Portfolio accounting	No	Yes	No
Portfolio performance reporting	Yes (portfolio based)	Yes (client based)	No
Practice Management			
File sharing	Yes	Yes	Yes
Batch reporting	Yes	Yes	No
Permission entitlement	Yes	Yes	Yes
Client web portal	No	Yes	No
Workflow management	No	Yes	No

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Sales and Proposals			
Individual hypothetical illustrations	Additional fee	Yes	Yes
Comparison hypothetical illustrations	Yes	Yes	Yes
Portfolio hypothetical illustrations	Additional fee	Yes	Yes
Library of presentations	No	Yes	Yes
Performance/Risk Analysis			
Holdings-based style analysis	Advanced	Basic	Basic
Returns-based style analysis	Yes	No	No
Performance attribution	Yes	No	No
Total portfolio attribution	Yes	No	No
User-defined investment ranking	Yes	No	No
Planning			
Risk assessment/asset allocation	Advanced	Basic	Basic
Goal Planner	No	Advanced	Basic
Capital market assumptions	Yes (via Asset Allocation)	Yes	Yes
Investment Policy Statement	No	Yes	Yes
Asset Allocation			
Mean-variance optimization	Advanced	Basic	Basic
Build expected return estimates	Yes	No	No
Monte Carlo simulations	Advanced	Basic	Basic
Incorporate "fat-tail" assumptions	Yes	No	No
Conditional value at risk	Yes	No	No
Efficient Frontier	Advanced	Basic	Basic