
Applying 30 years of academic research and real world insights to investing



Chris Galloway, CFA

Managing Director, Asia-Pacific

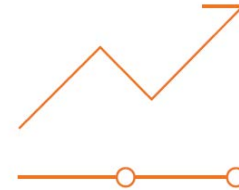
Our Investment Management group is guided by seven investment principles
Morningstar's investment principles



We put investors first.



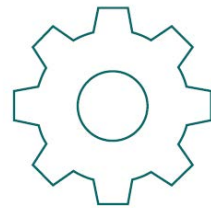
We're independent-minded.



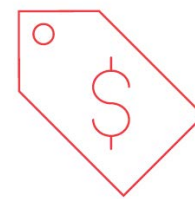
We invest for the long term.



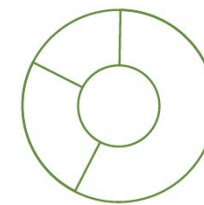
We're valuation-driven investors.



We take a fundamental approach.

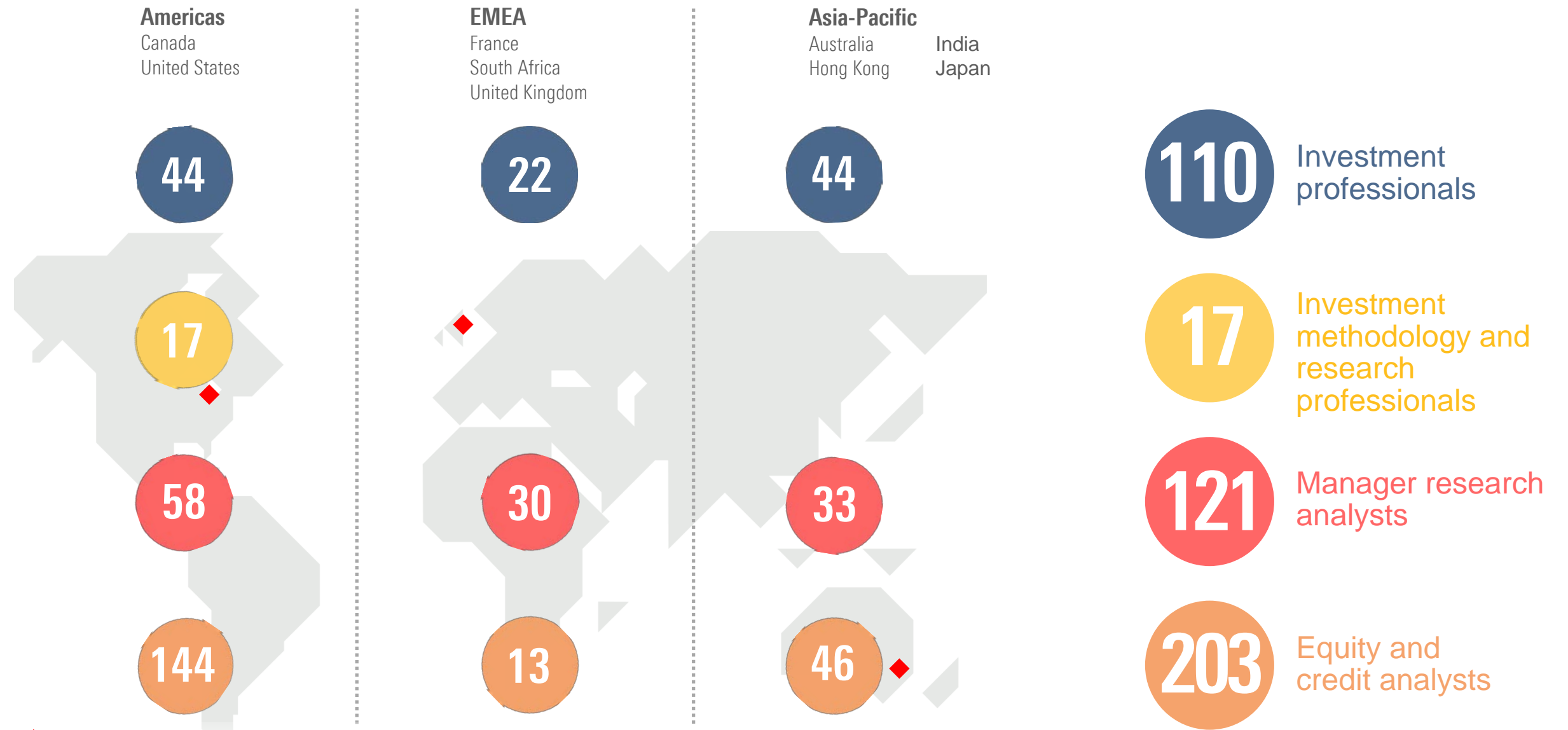


We strive to minimize costs.



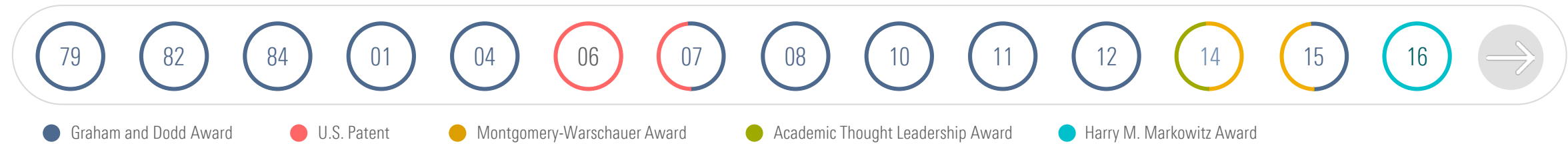
We build portfolios holistically.

Applying 30 years of academic research and real world insights to investing
Drawing on Morningstar's trusted, independent asset allocation and investment research expertise



◆ Morningstar office with investment management responsibilities – 'investment hubs'


From academic foundations to real world applications and solutions
Award winning research and U.S. patents awarded to Morningstar





more than 270 
 Research Papers

 **The Supply of Stock Returns:**
 Adding back buybacks – by Philip Straehl and Roger Ibbotson

Academic Research
 Spanning Over
30 years 

FINANCIAL ANALYSTS JOURNAL
GRAHAM & DODD
AWARDS OF EXCELLENCE 

10  **Including:**
 Stocks, Bonds, Bills and Inflation
 Lifetime Financial Advice: Human Capital, Asset Allocation and Life Insurance

Our advice methodologies have been created or influenced by some of the most prominent financial luminaries, including:

Morningstar staff

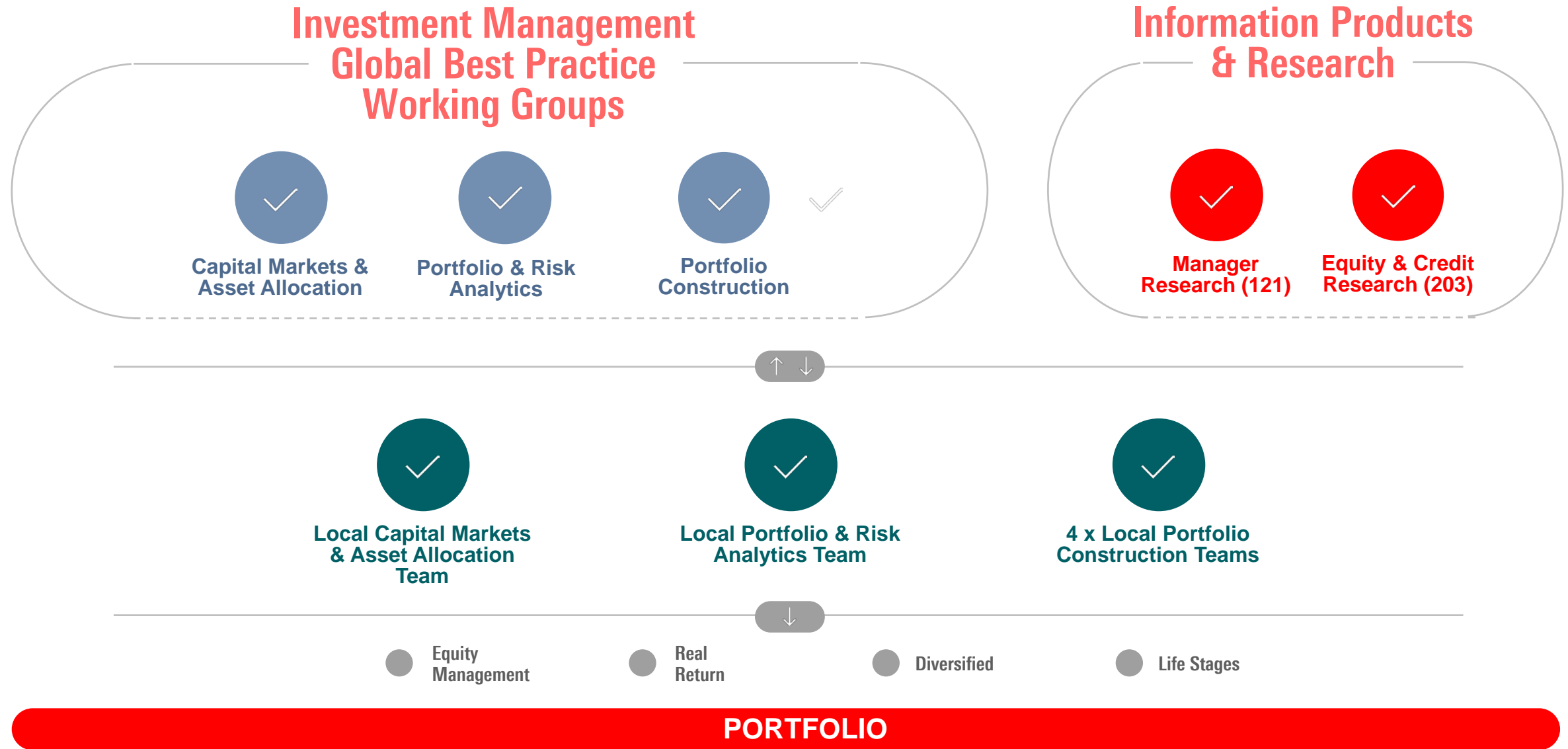
- | | |
|-----------------|----------------|
| David Blanchett | James Xiong |
| Tom Idzorek | Hal Ratner |
| Paul Kaplan | Philip Straehl |
| Ray Motay | |

Former advisory board / influencers / co-authors

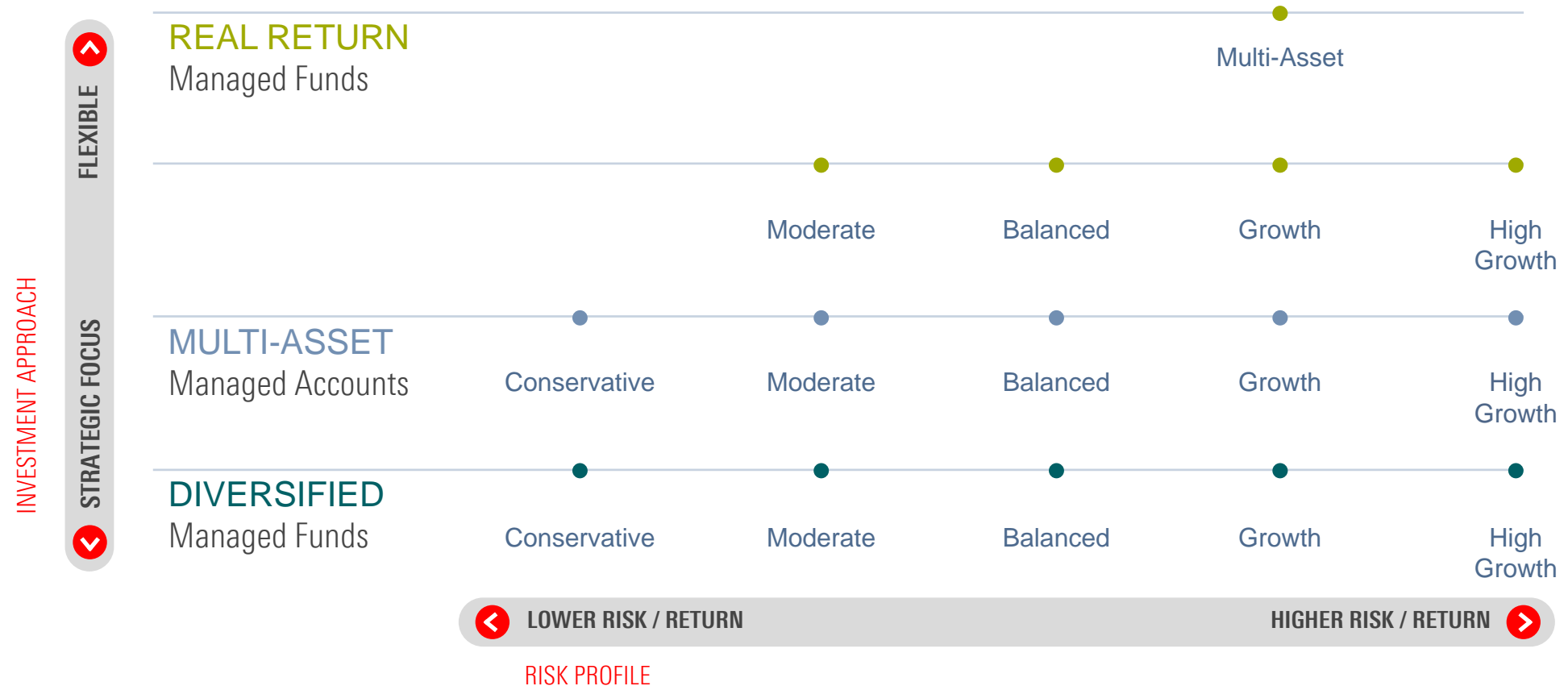
- | | |
|----------------|-----------------|
| Peng Chen | Jeff Jaffe |
| Jeff Diermeier | Daniel Kahneman |
| Roger Ibbotson | Harry Markowitz |
| Larry Siegel | Moshe Milevsky |

Source: Morningstar

A portfolio construction approach that leverages Morningstar's global resources
Morningstar's portfolio construction workflow



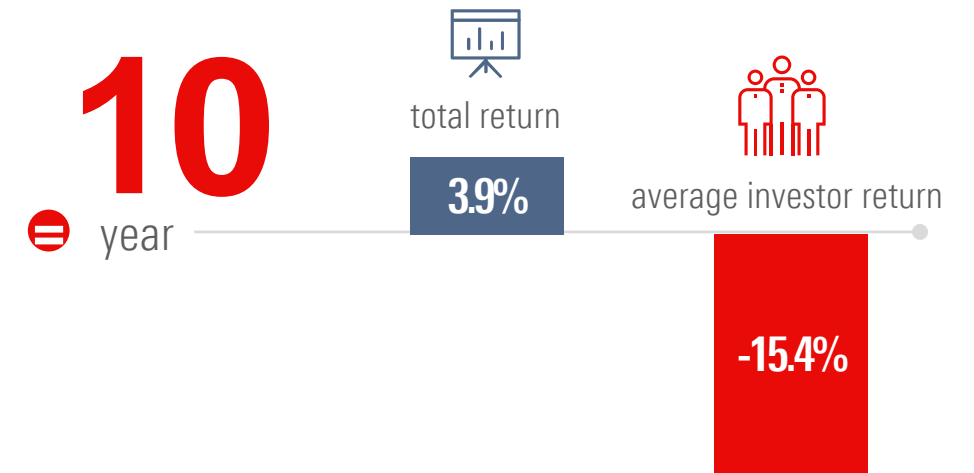
Our suite of multi asset managed portfolios that integrate seamlessly with your business.
Morningstar's multi-asset investment solutions



For illustrative purposes only. Portfolio availability varies by relationship. Not to be used to assess the exact risk/return relationship between portfolios.

The behaviour gap

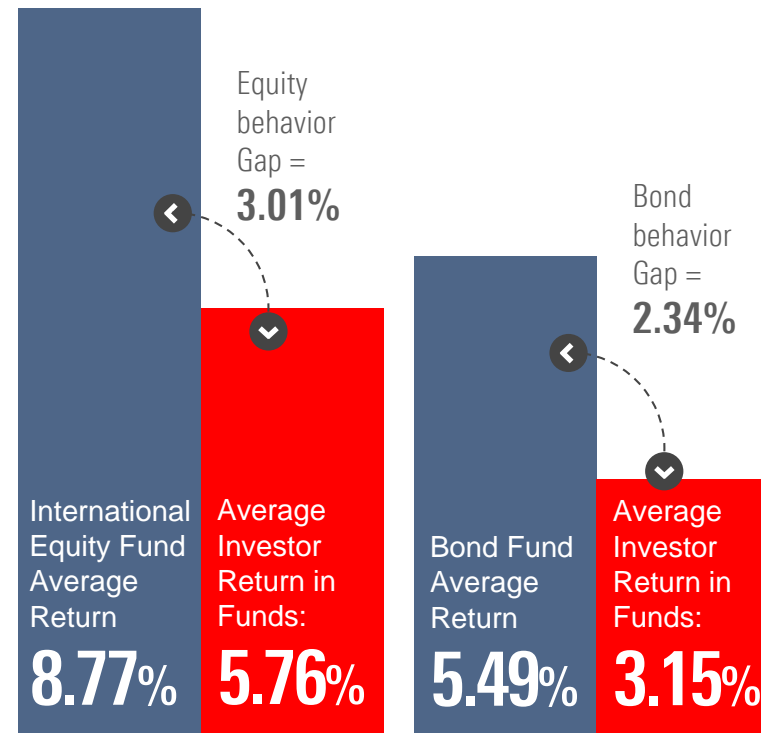
Investor versus investment returns: chasing fund performance



Source: Morningstar Fund Manager Research – 10 Year Wealth versus Fund Cash Flows 2007 to 2016

The behaviour gap

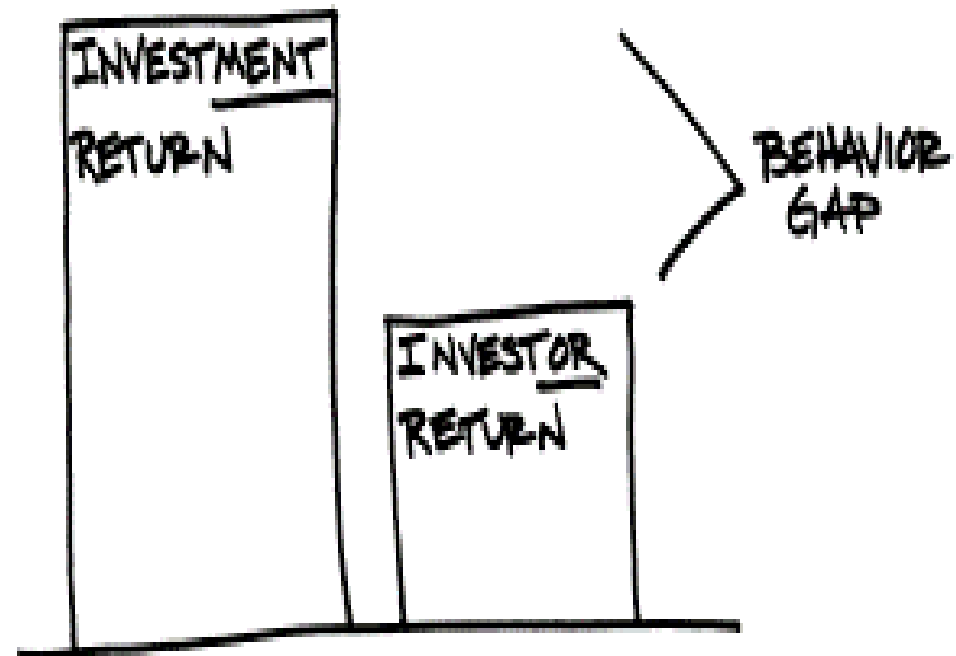
The value of advice: "Adviser Alpha"



Source: Morningstar, Inc. Comparison of average 10-Year Total Returns and Asset-Weighted 10-Year Investor Returns, in article "Mind the Gap 2013" by Russell Kinnel, 2-27-14 Morningstar.com.

The behaviour gap

The value of advice: "Adviser Alpha"



BEHAVIORGAP.COM

Source: Morningstar, Inc. Consultant Carl Richards – The Behaviour Gap

Important Information

This document is issued by Morningstar Investment Management Australia Limited (ABN 54 071 808 501, AFS Licence No. 228986) ('Morningstar'). Morningstar is the Responsible Entity and issuer of interests in the Morningstar Managed Funds and Managed Accounts referred to in this report.

© Copyright of this document is owned by Morningstar and any related bodies corporate that are involved in the document's creation. As such the document, or any part of it, should not be copied, reproduced, scanned or embodied in any other document or distributed to another party without the prior written consent of Morningstar. The information provided is for general use only.

In compiling this document, Morningstar has relied on information and data supplied by third parties including information providers (such as Standard and Poor's, MSCI, Barclays, FTSE). Whilst all reasonable care has been taken to ensure the accuracy of information provided, neither Morningstar nor its third parties accept responsibility for any inaccuracy or for investment decisions or any other actions taken by any person on the basis or context of the information included.

Past performance is not a reliable indicator of future performance. Morningstar does not guarantee the performance of any investment or the return of capital. Morningstar warns that (a) Morningstar has not considered any individual person's objectives, financial situation or particular needs, and (b) individuals should seek advice and consider whether the advice is appropriate in light of their goals, objectives and current situation. Before making any decision about whether to invest in a financial product, individuals should obtain and consider the disclosure document. For a copy of the relevant disclosure document, please contact our Adviser Distribution Team on 02 9276 4550.