

B

Portfolio Analysis using Morningstar Portfolio X-Ray Library Edition

Ralph Futch

1

B

2

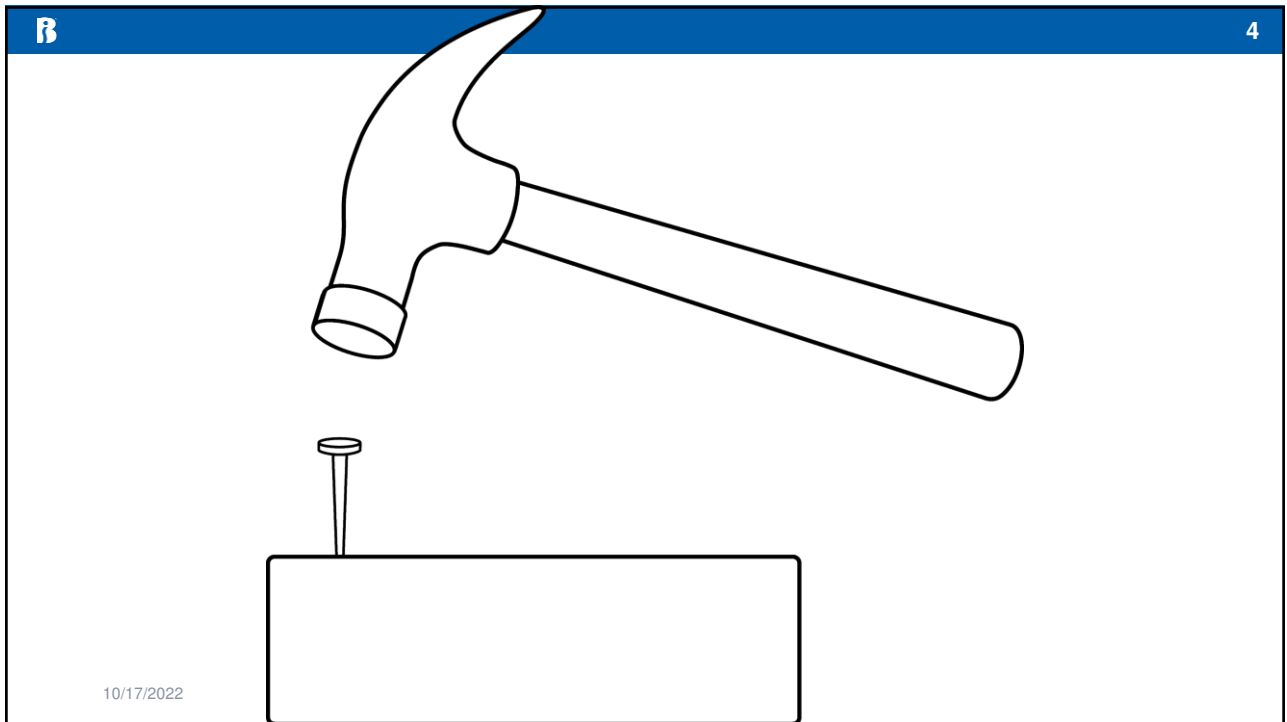
Disclaimer

- The information in this presentation is for educational purposes only and is not intended to be a recommendation to purchase or sell any of the stocks, mutual funds, or other securities that may be referenced. The securities of companies referenced or featured in the seminar materials are for illustrative purposes only and are not to be considered endorsed or recommended for purchase or sale by BetterInvesting™ / National Association of Investors™. The views expressed are those of the instructors, commentators, guests and participants, as the case may be, and do not necessarily represent those of BetterInvesting. Investors should conduct their own review and analysis of any company of interest before making an investment decision.
- Securities discussed may be held by the instructors in their own personal portfolios or in those of their clients. BetterInvesting presenters and volunteers are held to a strict code of conduct that precludes benefitting financially from educational presentations or public activities via any BetterInvesting programs, events and/or educational sessions in which they participate. Any violation is strictly prohibited and should be reported to the CEO of BetterInvesting or the Director of Chapter Relations.
- This presentation may contain images of websites and products or services not endorsed by BetterInvesting. The presenter is not endorsing or promoting the use of these websites, products or services.
- National Association of Investors™, BetterInvesting™ and the BetterInvesting™ Icon are trademarks/registered trademarks. All rights reserved. © 2021 BetterInvesting™.
- **We may be recording this session for our future use.**

2



3



4

B5

Morningstar Portfolio X-ray

What is Portfolio X-Ray?

- Portfolio X-Ray is a sophisticated analytical tool that allows you to dissect your portfolio and gain a clear view of your holdings using Morningstar methodology.

Where is it found?

- Available through the library edition of Morningstar or via a premium subscription.

What is the difference of the two versions?

- The library version **does not** allow you to save your portfolio; the premium subscription does.

10/17/2022

5

B6

Morningstar Portfolio X-Ray

Why would you use Morningstar Portfolio X-Ray?

- Takes an individual portfolio and provides an analysis using Morningstar methodology.
- A portfolio can consist of stocks, bonds, mutual funds, and ETF's in the Portfolio X-Ray tool.
- Allows the ability to “combine” different portfolios into a single portfolio to look at a total of your holdings

10/17/2022

6

B **7**

Morningstar Portfolio X-Ray

Results include:

- Analysis by Asset Allocation: Morningstar equity style box; Morningstar fixed income style box
- Stock Analysis: stock sectors, world regions
- Performance: backward looking activity graph for seven years; trailing returns for 3-10 years; best and worst time periods (3 months, 1- and 3-year periods)
- Stock Intersection: If portfolio has mutual funds or ETF's, this feature breaks down the holdings in each mutual fund/ETF and lists by equity the total percentage of that equity and the percentage held by each mutual fund/ETF

10/17/2022

7

B **8**

Morningstar Portfolio X-Ray

Results include:

- A one-page report of each equity, mutual fund, or ETF held in the portfolio.

NOTE: The mutual fund report provided in the X-Ray is slightly different from the one provided in the main section. The report in the X-Ray clearly displays the expenses and loads charged by each mutual fund/ETF.

- Report can be saved as a PDF and printed.
- Report can include disclosure information from Morningstar describing the methodology used to generate the report.

10/17/2022

8

B9

Morningstar Portfolio X-Ray

Process:

- Enter portfolio holdings by one of three methods: Amount (by value), Weight (by percentage) or by Units (shares). Cannot combine methods.
- Select benchmark
Choices of benchmarks are limited to Morningstar benchmarks.
If no benchmark is selected, the default benchmark is the S&P 500 TR USD.
- Click on Generate Report – Allows you to select what is included in the report and creates a downloadable copy

10/17/2022

9

B10

Morningstar Portfolio X-Ray

Some ideas on how to use the tool

- Club or personal portfolio
- Use as way to compare two or more mutual funds or ETFs
- Use to create a hypothetical portfolio
- Use to combine holdings of multiple portfolios to see where there is duplication or overlap.

10/17/2022

10

B
11

Morningstar Portfolio X-Ray

Example 1

- Create portfolio with five mutual funds from five different fund families with equal weighting to each fund. (2/22/22)
- Of the 25 largest funds, selected the highest 3-year return for each investment objective, with no fund family duplicate

• PTTRX – Pimco Total Return Institutional	(Core Plus Bond)
• FCNTX – Fidelity Contrafund	(Large cap growth)
• DODGX – Dodge & Cox Stock	(Multi cap value)
• VDIGX – Vanguard Dividend Growth Investor Series	(Equity Income)
• RERGX – American Funds Euro Pacific R6	(International Lrg Gro)

10/17/2022

11

B
12

Morningstar Portfolio X-Ray

Rocky Mountain Chapter Model Investment Club portfolio, 10/10/22

Portfolio	Symbol	Type	Shares
DAR	DAR	Common Stock	15
EW	EW	Common Stock	18
FOXF	FOXF	Common Stock	24
GRBK	GRBK	Common Stock	104
MKSI	MKSI	Common Stock	20
MNST	MNST	Common Stock	11
PLUS	PLUS	Common Stock	49
SWKS	SWKS	Common Stock	8
WAL	WAL	Common Stock	30

10/17/2022 * Source: Myclub, 10/10/2022

12

B 13

Morningstar Portfolio X-Ray

Example 2

- Create a portfolio with five mutual funds from five different fund families with equal weighting to each fund. (2/22/22)
- Of the 25 largest funds, selected the highest 3-year return for each fund family.

• AGTHX - American Funds Growth A	(Large cap growth)
• FCNTX – Fidelity Contrafund	(Large cap growth)
• DODGX – Dodge & Cox Stock	(Multi cap value)
• VDIGX – Vanguard Dividend Growth Investor Series	(Equity Income)
• TRBCX – T Rowe Price Blue Chip Growth	(Large cap growth)

10/17/2022

13

B 14

The screenshot shows the Morningstar Investment Research Center navigation menu. The 'Funds' menu item is highlighted with a blue arrow. Below it, the 'Portfolio X-ray' menu item is also highlighted with a blue arrow. A blue arrow points to the 'View Holdings & Benchmark' link under the 'Portfolio X-Ray' section. The text below the 'Portfolio X-Ray' link reads: 'Portfolio X-Ray is a sophisticated analytical tool that allows you to dissect your portfolio and gain a clear view of your holdings.'

10/17/2022

14

B

15

Questions and Comments?

Morningstar Portfolio X-Ray

Ralph Futch



15

B

16

Morningstar Portfolio X-Ray

Sources used in this presentation

- Barron's magazine, with fund data provided by Lipppers
- Denver Public Library
- Morningstar Library Edition
- My IClub

10/17/2022

16