Discovering Actionable Investment Ideas in Research Portal

Exercise Guide

Morningstar Direct

Contents

Discovering Actionable Investment Ideas in Research Portal

Overview

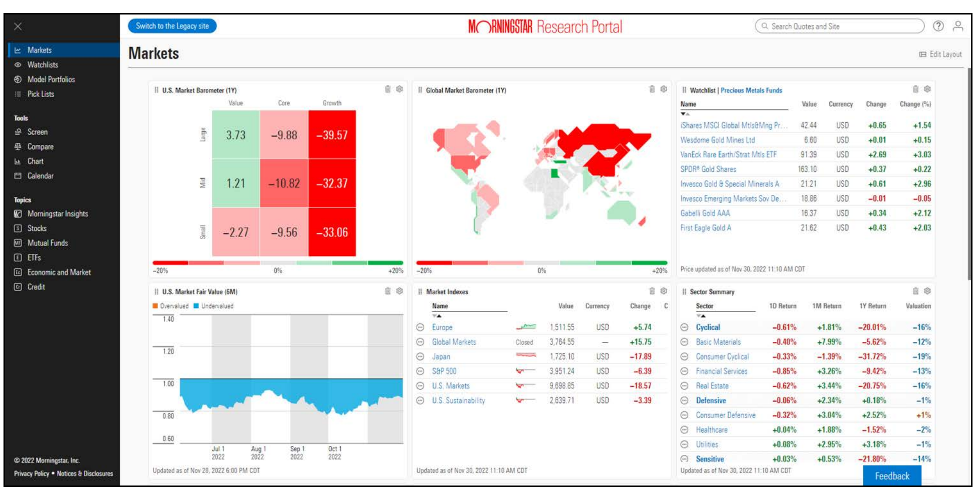
This workbook shows you how to take advantage of Research Portal for Morningstar Direct℠. Research Portal contains links to content from the Analyst Research team at Morningstar, including analysis of managed investments, equities, fixed income, macroeconomic trends, and more.

The exercises in this manual can guide you as you explore the functionality available in Research Portal. The following topics and exercises are covered here:

- Navigating through Research Portal (page 5)
- Working with the Topic Pages and Watchlists (page 8)
- Investigating Investment Ideas (page 23)
- Utilizing Additional Tools (page 31)

What is Research Portal?

Research Portal is a web-based companion application designed to help you easily identify, communicate, monitor, and select investments based on the renowned independent research from Morningstar. Its interactive interface ensures users are equipped with the tools they need to make it easier for quick searches and access to Morningstar Research in an easy-to-discover process. Research Portal opens in a separate browser window, meaning users can simultaneously conduct research while also working side-by-side in Morningstar Direct.



Built with speed, transparency, and independence in mind, Research Portal delivers unparalleled coverage to enable users to take the following actions:

- identify and select investments meeting criteria they define
- monitor investment performance in watchlists, and
- inform what you communicate to clients.

Navigating through Research Portal

Overview

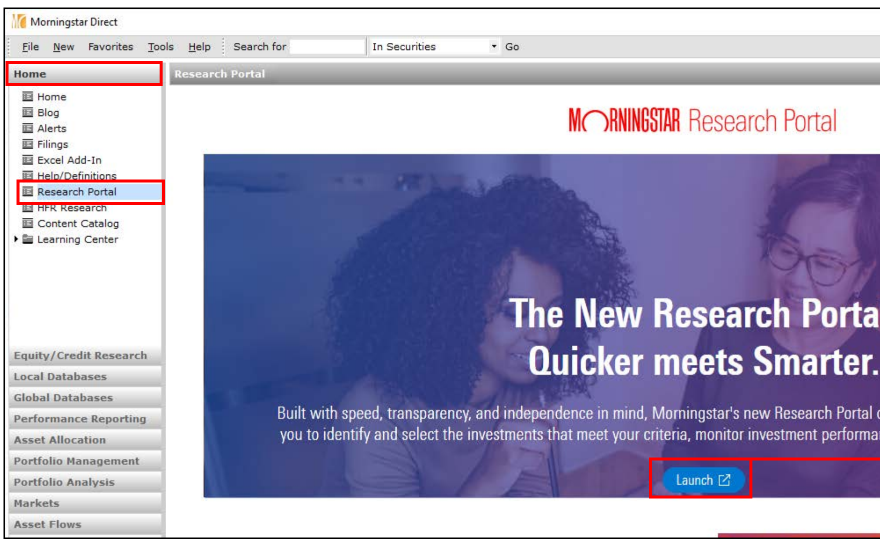
Research Portal is designed to be easy to navigate. A variety of resources are available to users to assist in making the most of its features. This section shows you how to access Research Portal from Morningstar Direct, and describes the layout of the interface with the following exercises:

- Exercise 1: Access Research Portal on page 5
- Exercise 2: Explore the Research Portal on page 6, and
- Exercise 3: Compare workflows in the new vs legacy Research Portal on page 7.

Exercise 1: Access Research Portal

Research Portal is found under the Home module in Morningstar Direct. From there, users can see both the legacy and new versions of the platform. To access Research Portal, do the following:

1. From the Home module in Morningstar Direct, select the **Research Portal** page.
2. Review the types of content you can investigate on Research Portal landing page, then click **Launch web version**. Research Portal opens as a web page in a new window.



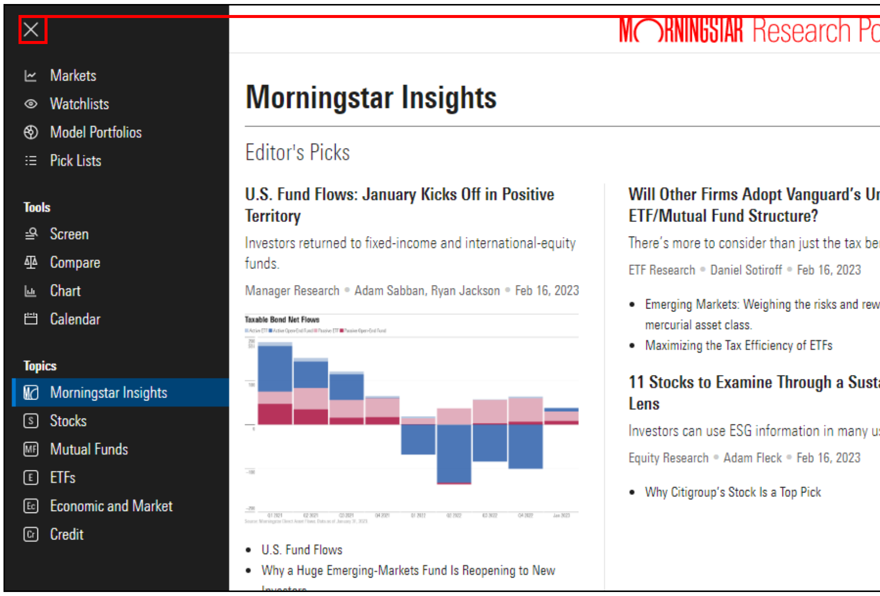
Click this button from the Research Portal page under the Home module to see the Research Portal.

Having Research Portal open in a separate window allows you to complete workflows in Morningstar Direct while investigating the markets and investment ideas side-by-side in Research Portal.

Exercise 2: Explore the Research Portal

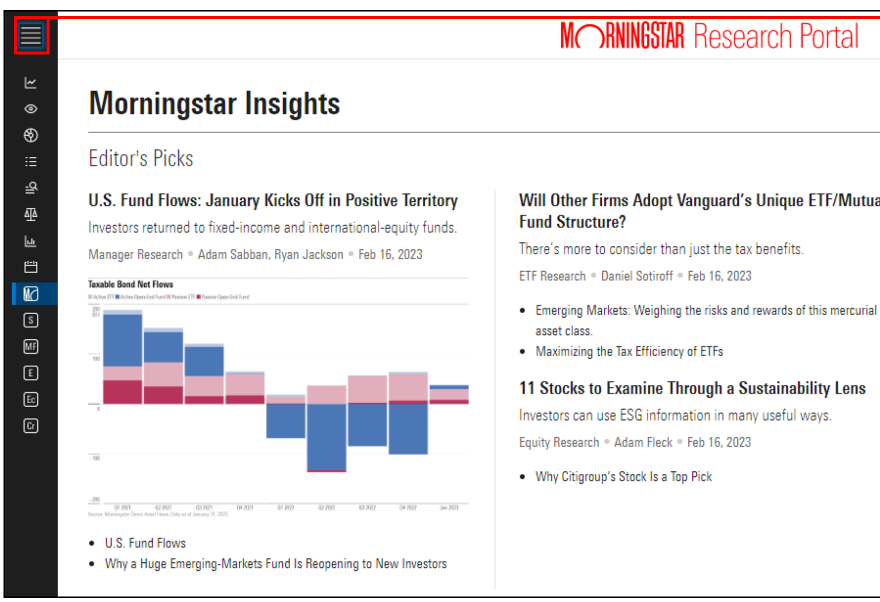
When the Research Portal opens from Morningstar Direct, you are brought to the Morningstar Insights page by default. The Research Portal menu (in the left-hand navigation pane) allows users to select any other page; several of these will be explored in the following exercises. Note, too, the header at the top of the page. From here, users can search for securities and content, find Help content, and more. To practice exploring the Research Portal, do the following:

1. Click the **X** to collapse the Research Portal menu.



Click this icon to collapse the left-hand navigation pane.

2. To re-expand the Research Portal menu, click the **icon** at the top of the pane.



Click this icon to expand the left-hand navigation pane.

3. Click through several of the pages to see the types of information available on each one.

Exercise 3: Compare workflows in the new vs legacy Research Portal

The new Research Portal provides familiar workflows as well as new functionality from the legacy Research Portal. To understand how legacy workflows can be completed in the new Research Portal, review the following table:

On this legacy page…	You would…	In the new Research Portal, you can…
Featured	Review content curated daily by a Morningstar editor, such as Editor's Picks	Navigate to the Morningstar Insights page to review Editor's picks. Find additional items in the related pages as outlined in this table.
Latest	Find articles and reports from the Morningstar Research team	Find the latest analyst reports across the top of security-related Topics pages. Additionally, each subsection is arranged with their most recent content at the top.
Publications	Find content from Morningstar based on your interests	Find this content through subsections in the Topics pages (such as Fund Spy on the Mutual Funds Topics page). To find a specific publication (such as the US Active/Passive Barometer), use the Search bar.
Topics	Find content related to a topic shortcut	Use the Search bar to find related content. You may also be able to find articles through certain subsections in the Topics pages.
Videos	Watch videos about investing methodologies and securities	Navigate to the Videos section on one of the security-based Topics pages. To find a specific video, use the Search bar.
Alerts	Set up and receive notifications for specific securities or topics	Stay tuned for updates to this feature! This functionality is coming soon.
Bookmarks	Find articles or videos you saved	Stay tuned for updates to this feature! This functionality is coming soon.
Following	Access topics or authors that you follow	Stay tuned for updates to this feature! This functionality is coming soon.
Lists	Analyze a list of securities in the Workspace module that was saved from an article or video in Research Portal	Create a Watchlist to track and analyze selected investments or indexes. Watchlists in Research Portal and lists in the Workspace module of Morningstar Direct are synchronized to one another. See Exercise 6: Build a watchlist on page 10 and Exercise 7: Search for Equity Precious Metals funds on page 13 for more information.

Working with the Topic Pages and Watchlists

Overview

The Topics pages in Research Portal allows users to explore the latest research on stocks, mutual funds, and ETFs. Here you can find investment ideas with picks from our analysts, search sustainability ratings, read industry reports, watch analyst videos, and more. Some topics are arranged by security types or insights, as well as outlook on markets or economic research.

Users can find investment ideas with picks from Morningstar analysts, read industry reports, watch Morningstar analyst videos, and more. You can click either a specific article, or use the More button next to a collection to see additional content included in that collection. Securities mentioned in articles and videos can be saved to a watchlist, and you can bring in lists from Morningstar Direct, too.

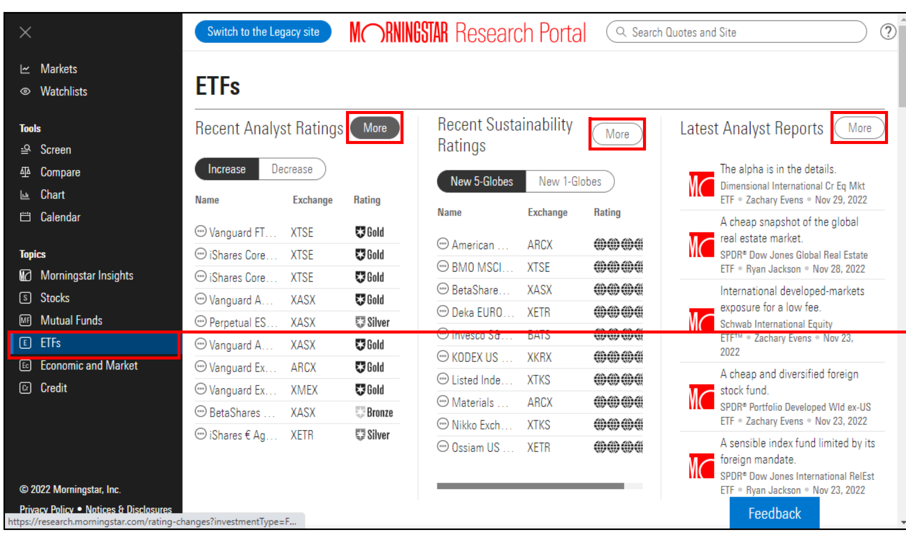
This section offers the following exercises to help you practice these skills:

- Exercise 4: Explore the ETFs Topics page on page 8
- Exercise 5: Find a specific article on page 9
- Exercise 6: Build a watchlist on page 10
- Exercise 7: Search for Equity Precious Metals funds on page 13
- Exercise 8: Add the search results to a watchlist on page 15
- Exercise 9: Change the data set and sort order for a watchlist on page 17, and
- Exercise 10: Import a list from Morningstar Direct on page 18.

Exercise 4: Explore the ETFs Topics page

To begin your research, you can explore a variety of content from the Topics pages. To find articles related to ETFs, do the following:

1. From the Research Portal menu, select **ETFs**.
2. Across the top of the page, click **More** to review content such as Recent Analyst Ratings, Recent Sustainability Ratings, and Latest Analyst Reports. Scroll through the available investment ideas to find pre-created screens from Morningstar analysts.



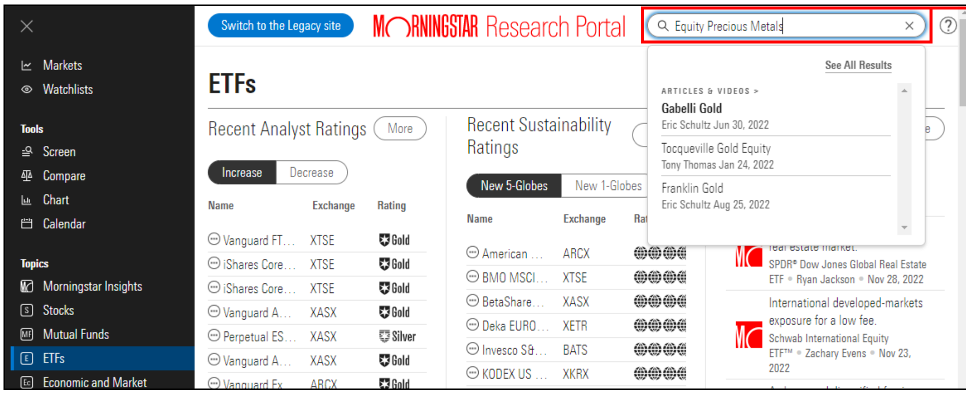
Select this page, then click **More** to see what other content is available.

3. To return to the ETFs page, from the Research Portal menu, select **ETFs**.

Exercise 5: Find a specific article

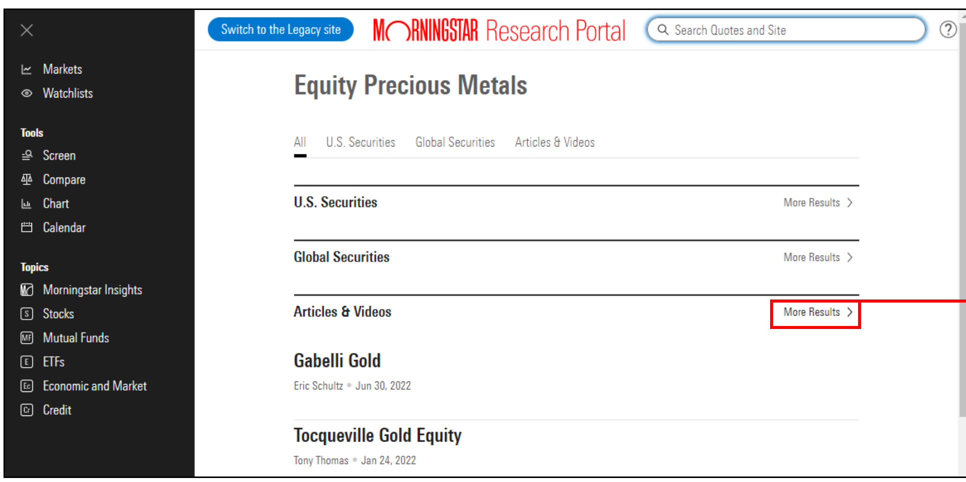
The universal toolbar in Research Portal offers a Search function. The results are grouped by All results, U.S. Securities, Global Securities, and Articles & Videos. To find a specific article, do the following:

1. In Research Portal, click in the **Search** field at the upper-right corner of the window.
2. Type **Equity Precious Metals**, then click **<ENTER>** to search.



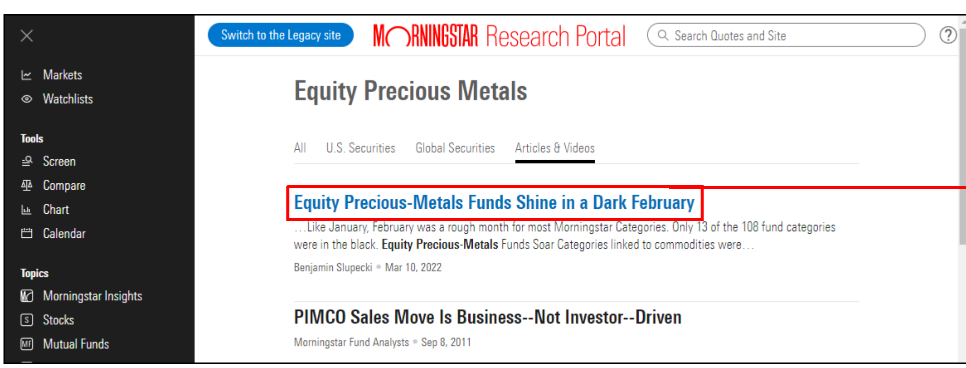
Enter the search term here.

3. Once the results load, click **More Results** (to the right of Articles & Videos) to see all content.



Click here to see all articles and videos related to the search.

4. Click to open the **Equity Precious-Metals Funds Shine in a Dark February** article. Keep this article open to use in the next exercise.



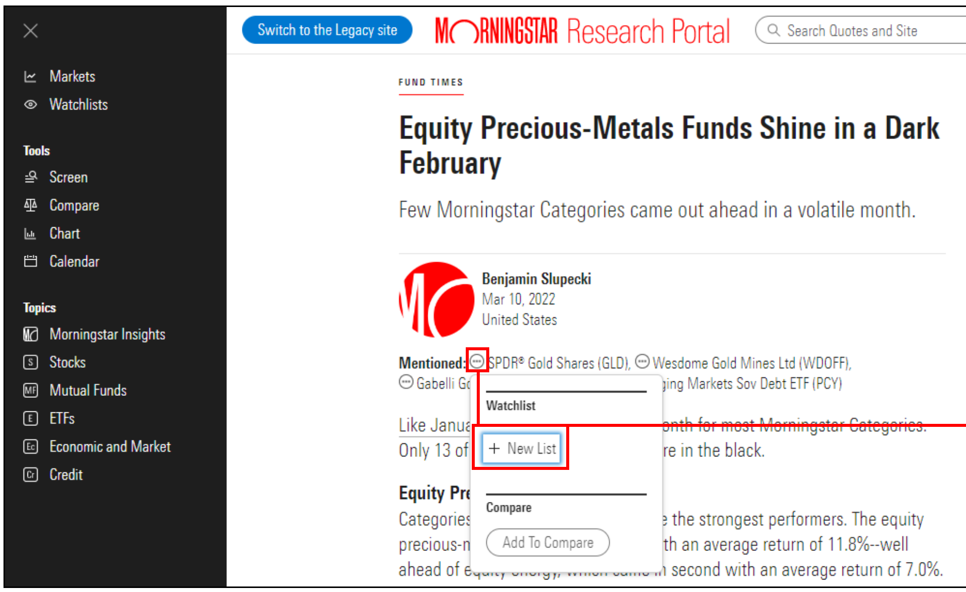
Open this article.

Exercise 6: Build a watchlist

The funds mentioned in the article can easily be added to a watchlist. A watchlist is simply a collection of securities chosen by a user. Creating a watchlist requires two steps. First, the watchlist itself needs to be created and named. Think of this as the container for what you will put into it. Next, each specific mentioned security must be manually added to the watchlist. This allows you to curate exactly which items you want in the watchlist, rather than simply including all items by default.

To create a watchlist, do the following:

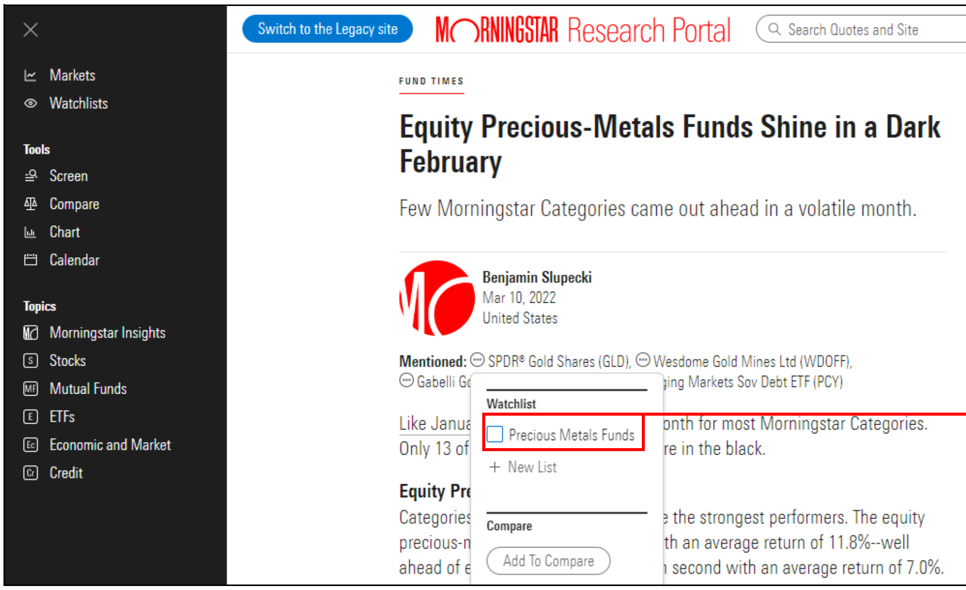
1. In Research Portal, read the **Equity Precious-Metals Funds Shine in a Dark February** article.
2. Under the Mentioned section, next to the first mentioned fund, click **Add To** > **New List**.



Use the Add To icon to select New List.

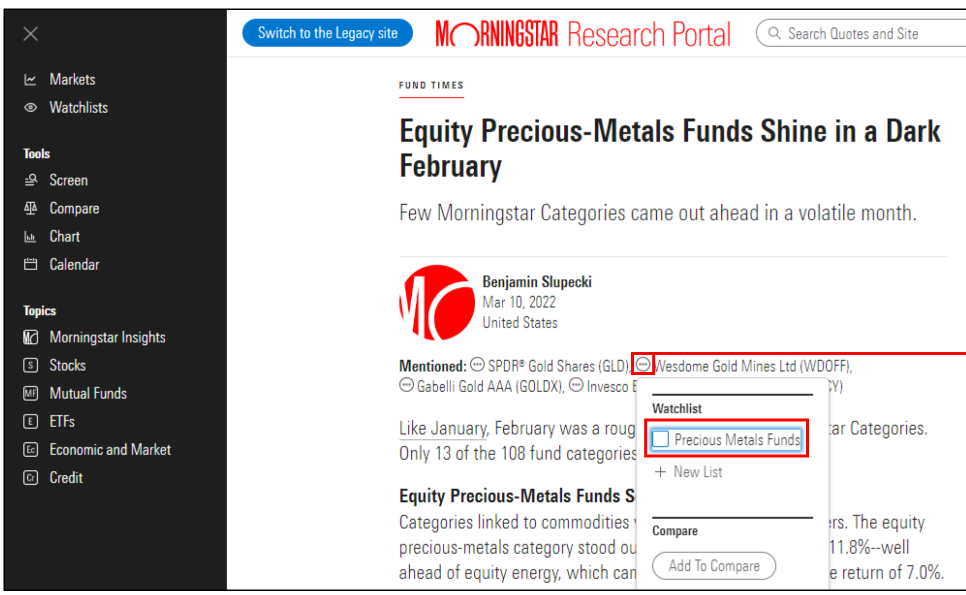
3. Name the new list **Precious Metals Funds** then click **Create Watchlist** to save the new watchlist.

4. Once the new watchlist is created, click the **checkbox** to add the first-mentioned security to your new watchlist.



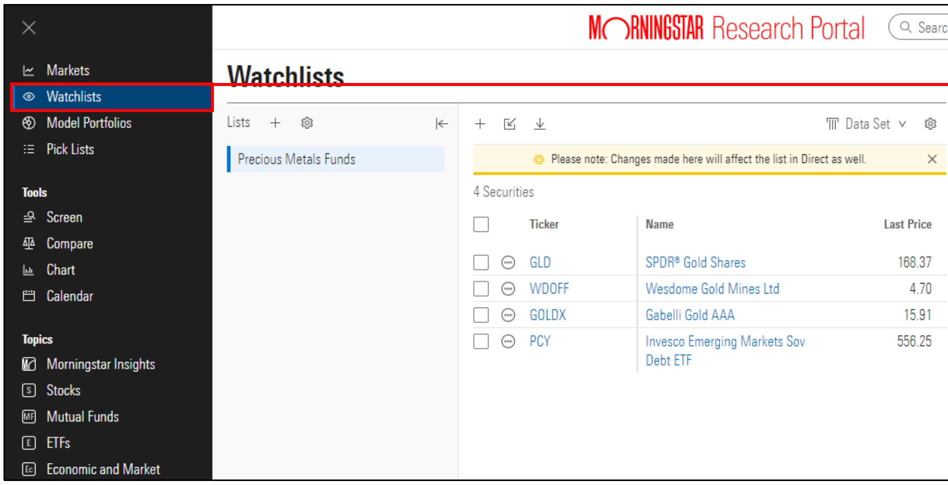
Checking the box automatically adds the item to the watchlist.

5. For each remaining security mentioned in the article, click **Add To** to add each one to the new watchlist.



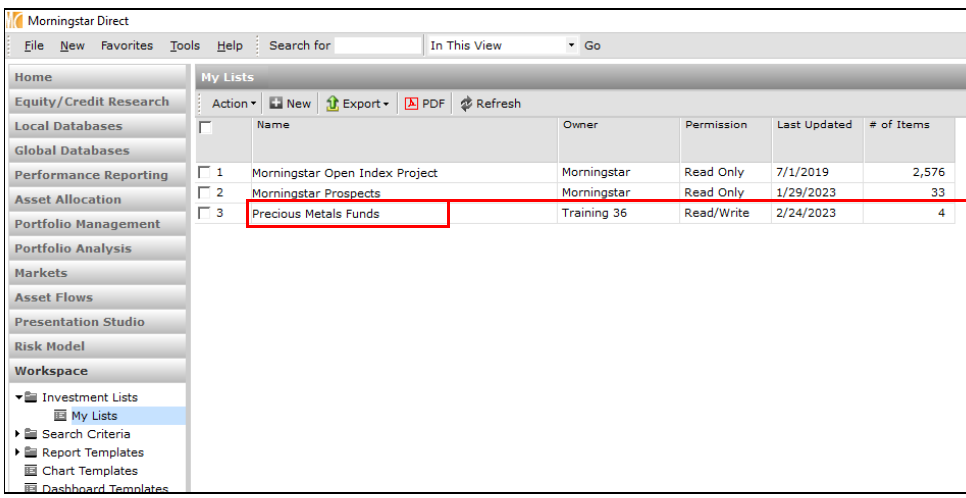
Use the Add To icon and check the box for every other mentioned fund in the article.

6. To see the full watchlist in Research Portal, select the **Watchlists** page from the Research Portal menu.



Select this page from the menu to see the watchlists you have created and the items on a watchlist.

7. Switch to **Morningstar Direct**.
8. Select the **Workspace** module, then be sure the **My Lists** page is selected. Note that the watchlist you created and saved is available here. Watchlists created in Research Portal automatically become available in the Workspace module.

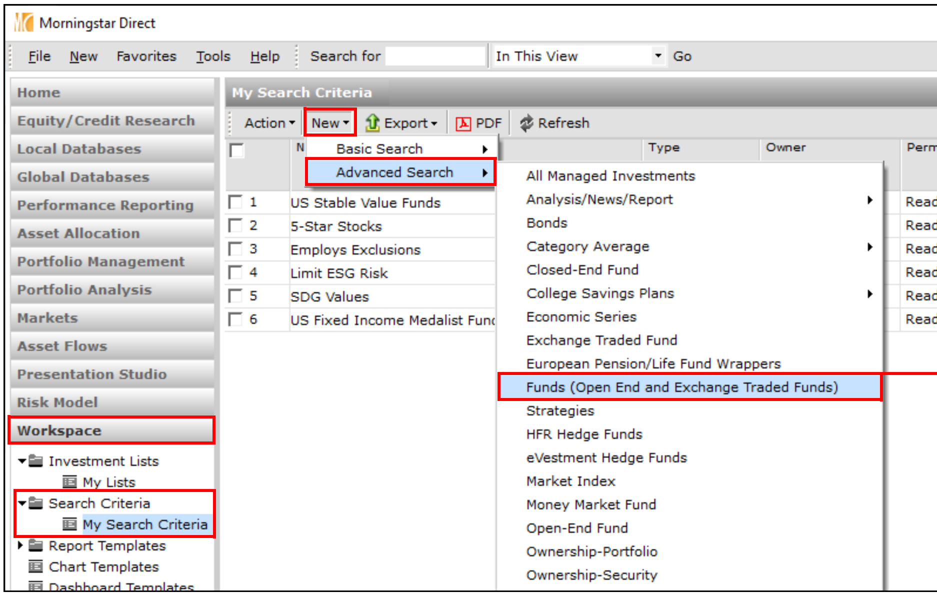


The same watchlist created in Research Portal is also available as a list in Morningstar Direct.

Exercise 7: Search for Equity Precious Metals funds

What other precious metals funds exist that could be added to the watchlist from Research Portal? This exercise shows you how to create an advanced search for these investments. To find additional funds to add to the watchlist, do the following:

1. If Morningstar Direct is not already selected, switch to it now and select the **Workspace** module.
2. Select **Search Criteria** > **My Search Criteria**.
3. From the toolbar, click **New** > **Advanced Search** > **Funds (Open End and Exchange Traded Funds)**.

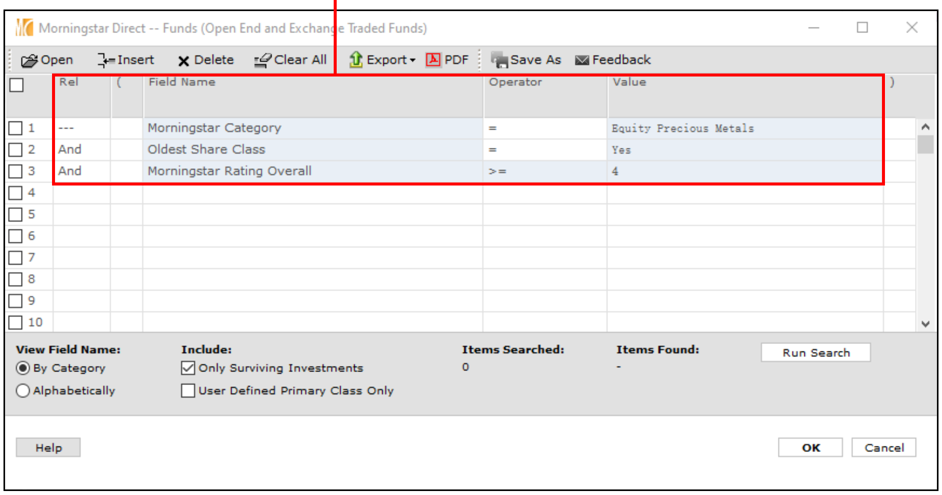


Use this option to search among both open-end and exchange-traded funds.

4. Add the following criteria to find equity precious metal funds as mentioned in the article that share your domicile and have proven their strong performance:

Rel	Field Name	Operator	Value
---	Morningstar Category	=	U.S. > Equity Precious Metals
And	Oldest Share Class	=	Yes
And	Morningstar Rating Overall	>=	4

Be sure the criteria are entered just as they are shown here.

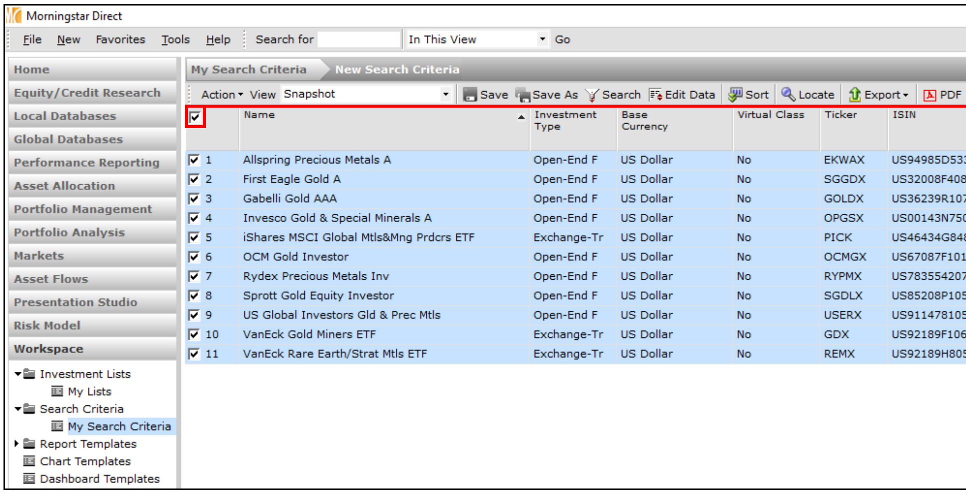


5. To run the search, click **OK**. The next exercise addresses adding these items to the watchlist in Research Portal.

Exercise 8: Add the search results to a watchlist

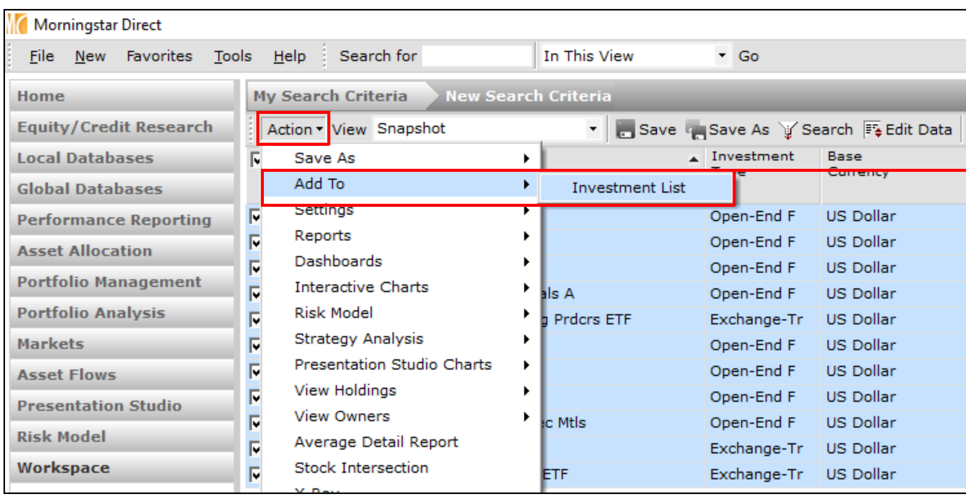
Investments from an advanced search can be added to a watchlist in Research Portal, simply by adding them to the corresponding list in Morningstar Direct. To practice this, do the following:

1. While looking at the search results in Morningstar Direct, click the **Select All** box above the grid view.



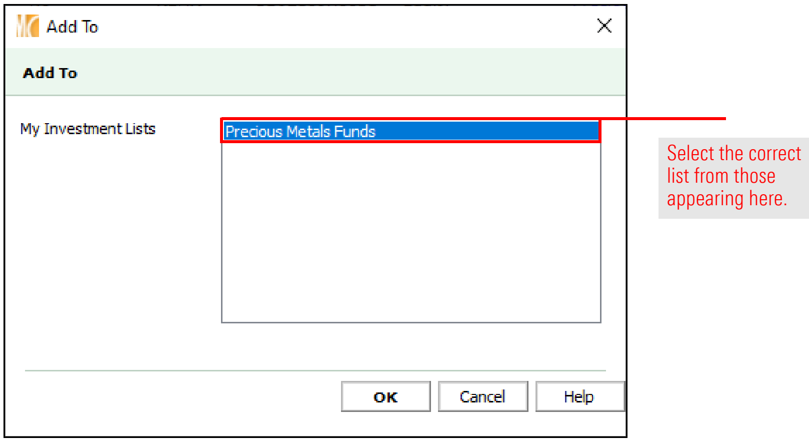
Start by selecting all investments from the search.

2. From the **Action** menu, select **Add to** > **Investment List**. The Add To dialog box opens.



Select this option to add the funds to an existing list.

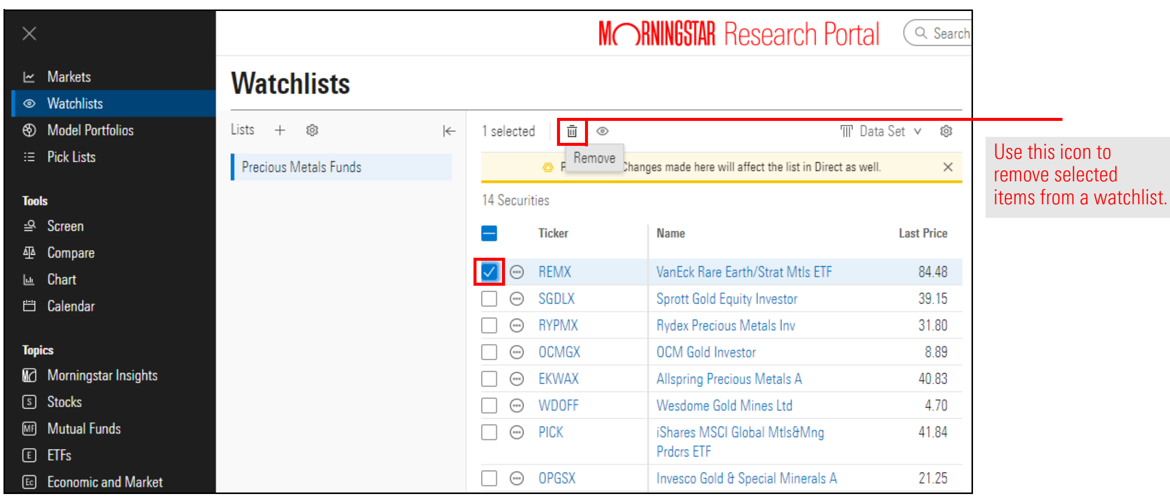
3. Select **Precious Metals Funds**, then click **OK**.



4. To see the updated list, select the **My Lists** page.

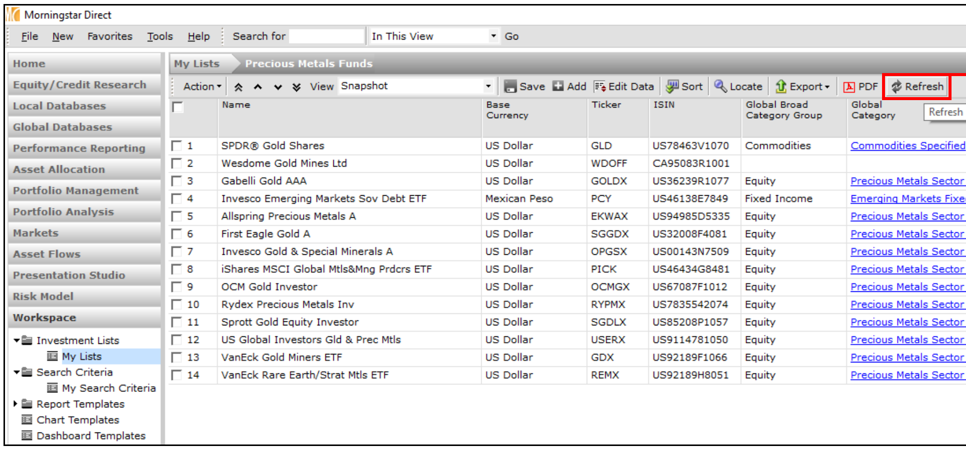
   ☞ Note: When prompted to save your changes, click **No**. This refers to saving the advanced search, which is not needed.

5. **Double-click** the **Precious Metals Funds** list to open it. Note the new items now available from the list.
6. Return to the **Research Portal** window. If needed, select the **Watchlists** page from the Research Portal menu. Note that the new funds now appear here automatically.
7. Check the **box** to the left of the first fund in the watchlist.
8. From the toolbar, click the **Remove** icon. The item is no longer part of the watchlist.



9. Switch back to **Morningstar Direct**. The Precious Metals Funds list should still be open. Note that the fund removed from the watchlist still appears here.

10. From the toolbar, click the **Refresh** icon. The fund removed from the watchlist also no longer appears here.

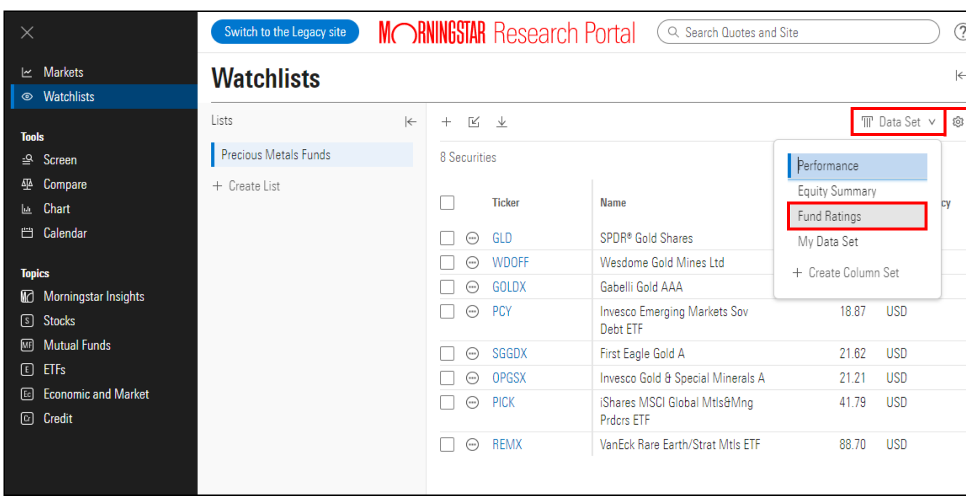


Exercise 9: Change the data set and sort order for a watchlist

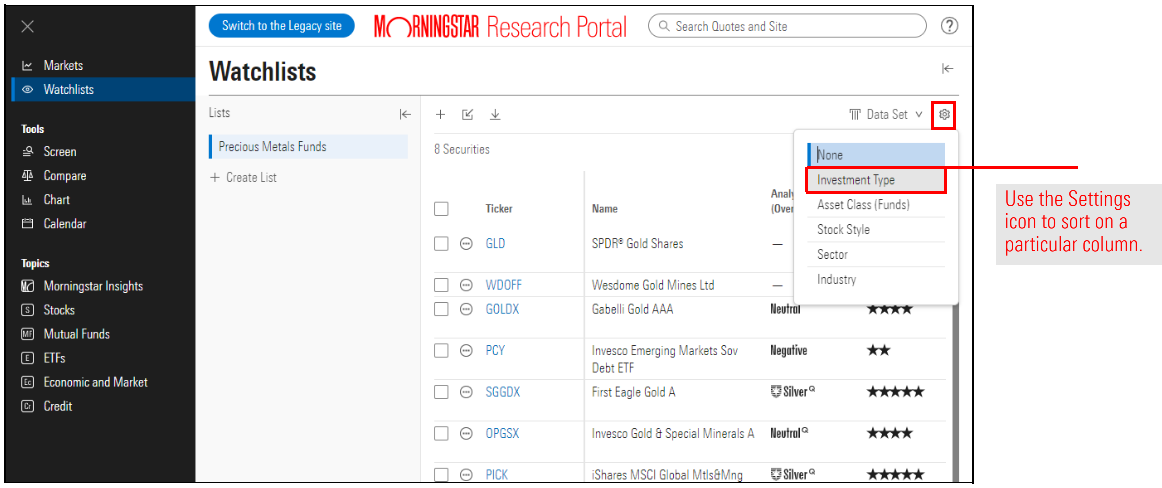
Once items are selected for a watchlist, you can change the data points being displayed and select a different sort order for the data. To practice making these changes, take the following steps:

1. Be sure a watchlist is selected. From the toolbar above the watchlist, click **Data Set**, then select the **Fund Ratings** data set to review different data points for these items.

   ☞ Note: You can also create custom column data sets to be used across all your watchlists.



2. To sort the watchlist of securities by ETF vs open-end fund, click the **Settings** icon to select **Investment Type**.



Exercise 10: Import a list from Morningstar Direct

In Exercise 8: Add the search results to a watchlist on page 15, you saw how to add investments from a list (via an advanced search) in the Workspace module of Morningstar Direct to a watchlist in Research Portal. When that happened, the new investments on the list in Morningstar Direct automatically appeared in the watchlist in Research Portal. What happens, though, in the opposite case? How can a list originating in the Workspace module of Morningstar Direct appear as a watchlist in Research Portal? This exercise shows you how to take that action.

Note, however, the following important caveats about bringing lists from Morningstar Direct into Research Portal:

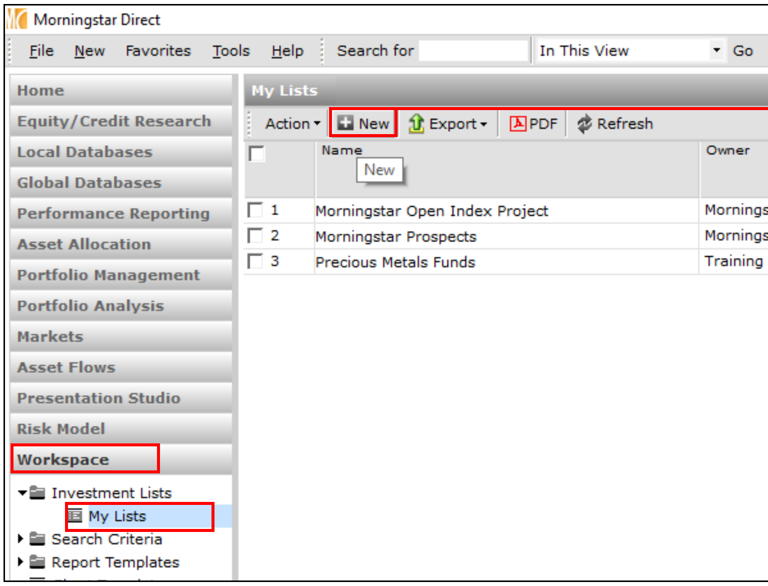
- Research Portal does not support as many investment types as Morningstar Direct. Therefore, if a list includes an investment type not supported by Research Portal, then data for that item in Research Portal will be dashed out and unavailable in the watchlist.
- Each watchlist in Research Portal can contain a maximum of 100 investments. If the list in Morningstar Direct contains more than 100 items, consider saving it to multiple lists in order for all items to appear in Research Portal watchlists.
- Research Portal users may create a total of 100 watchlists.
- If a list in the Workspace module in Morningstar Direct was shared from another user, they must grant you read-write access to the list for you to be able to bring it into Research Portal.
- Actions taken on lists and watchlists are bi-directional between Morningstar Direct and Research Portal. If a list or watchlist is deleted in one location, it will be deleted in the other, too.

To bring in a list from Morningstar Direct as a watchlist in Research Portal, do the following:

1. Switch to Morningstar Direct. Be sure the **My Lists** page under the Workspace module is selected.

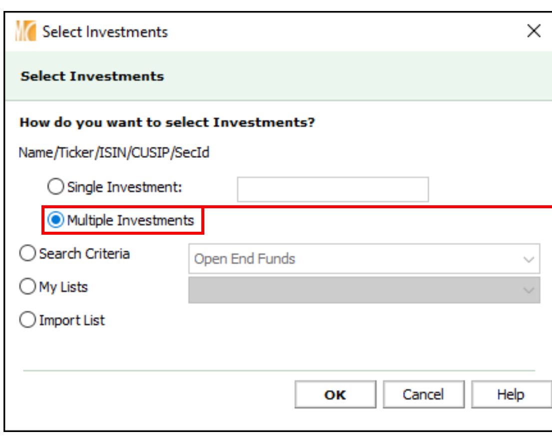
   ☞ Note: If you have an existing list you would like to bring into Research Portal, skip to step .

2. From the toolbar, click **New**. The Select Investments dialog box opens.



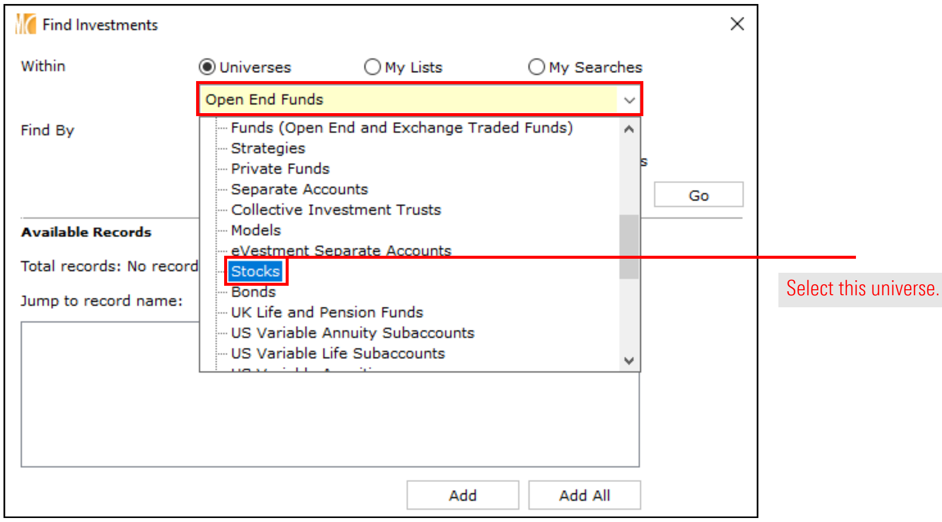
Use this icon to create a new list.

3. Select the option for **Multiple Investments**, then click **OK**. The Find Investments dialog box opens.

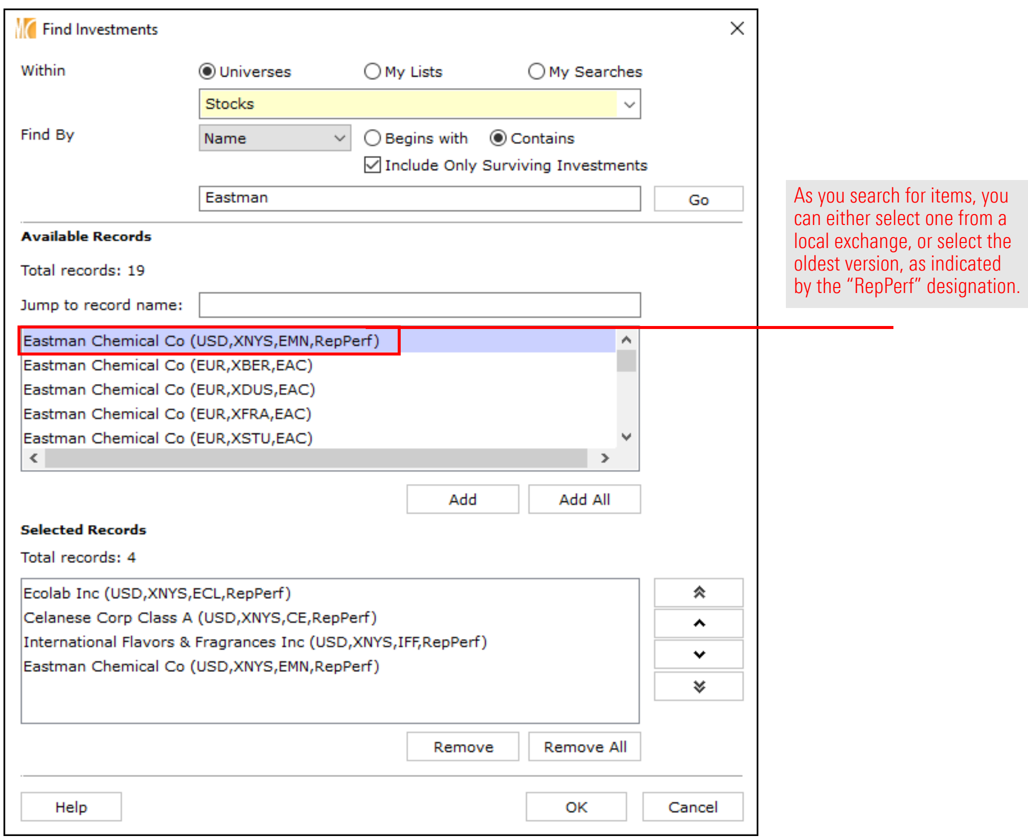


Be sure this option is selected.

4. From the **Universe** drop-down field, select **Stocks**.

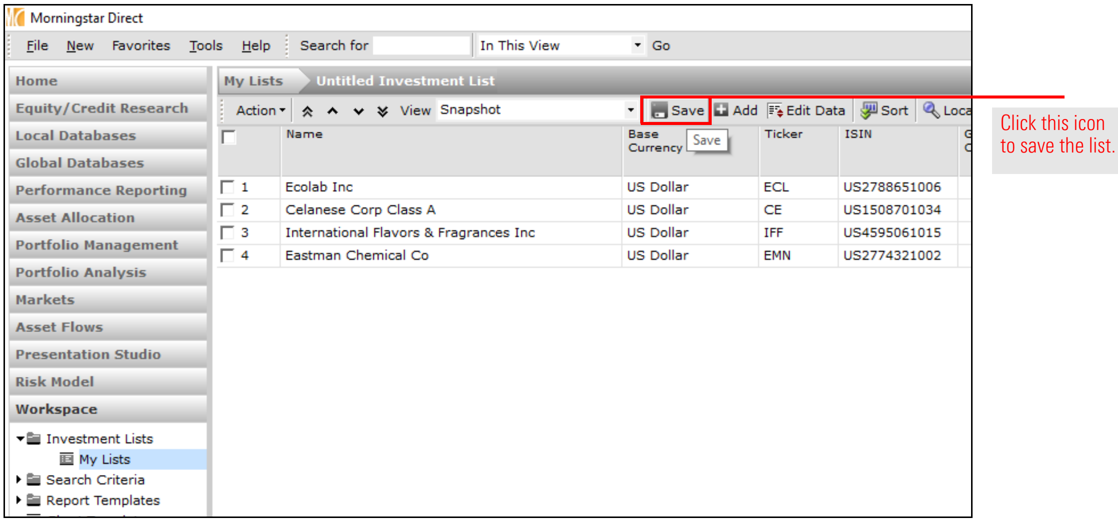


5. Enter and select the following stocks:
   - **Ecolab**
   - **Celanese Corp Class A**
   - **International Flavors and Fragrances Inc**, and
   - **Eastman Chemical Co**.

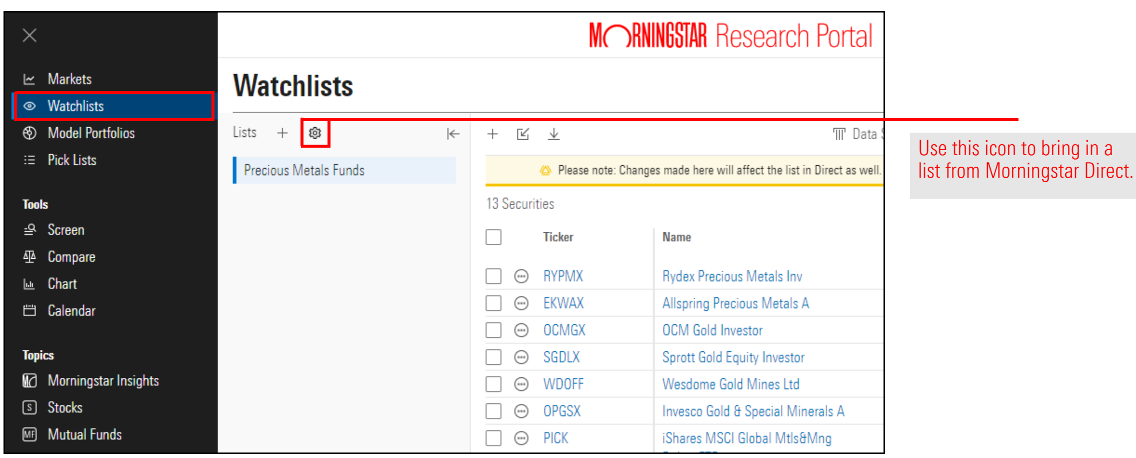


6. Click **OK** to close the Find Investments dialog box.

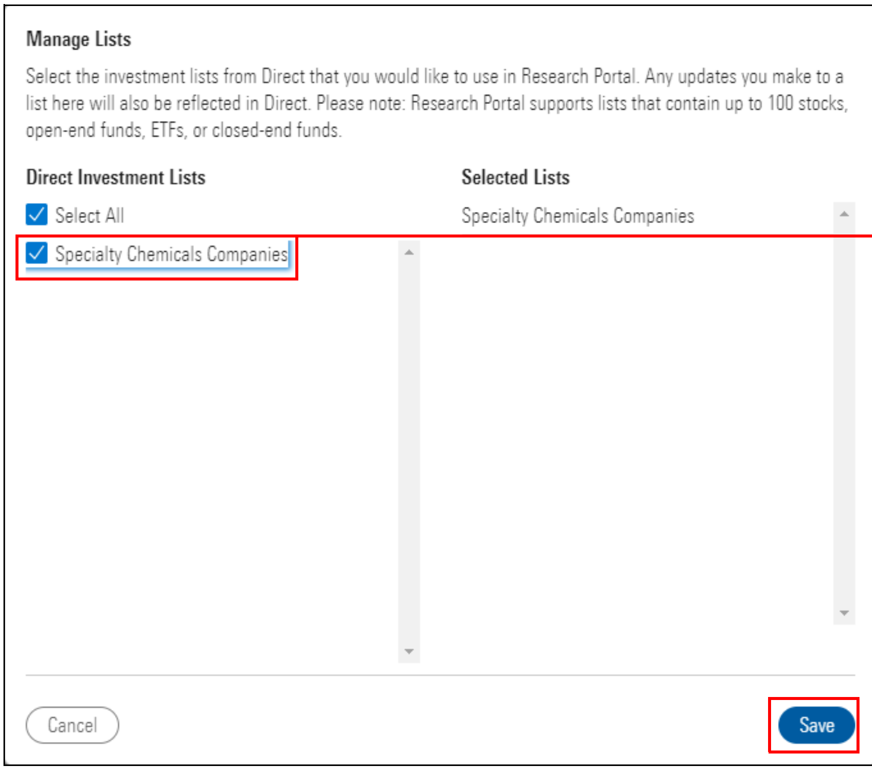
7. From the toolbar above the grid view, click **Save**.



8. Name the list **Specialty Chemicals Companies**, then click **OK**.
9. Switch to the **Research Portal** window.
10. If needed, select the **Watchlists** page. Note that the list from Workspace was not automatically added here. This is intentional, to ensure users have full control in deciding what appears here.
11. In the watchlist panel to the left of the watchlist content, click the **Manage Lists icon**. The Manage Lists dialog box opens.

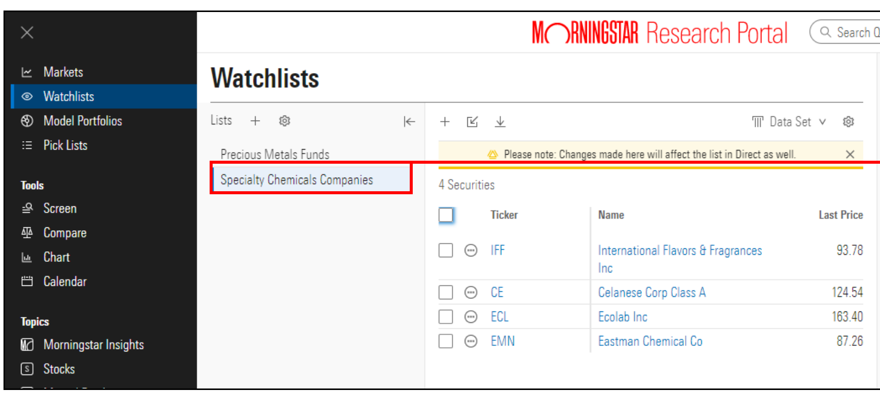


12. Check the **box** for Specialty Chemicals Companies, then click **Save**.



You can select more than one list at a time, if you like.

13. Click the name of the **Specialty Chemicals Companies watchlist** to show its members on the page. Remember that any changes made to the watchlist here will be reflected in Morningstar Direct when the list is refreshed. This includes items being added to or removed from the watchlist, renaming the watchlist, and deleting the watchlist.



Selecting a watchlist shows its members in the main window.

Investigating Investment Ideas

Overview

Besides reading articles or watching videos from Morningstar, Research Portal also allows users to investigate their own ideas from scratch. You can build screens, explore the Investment Ideas section on each Topics page, and rearrange the content on a page to better manage the way you process the available data.

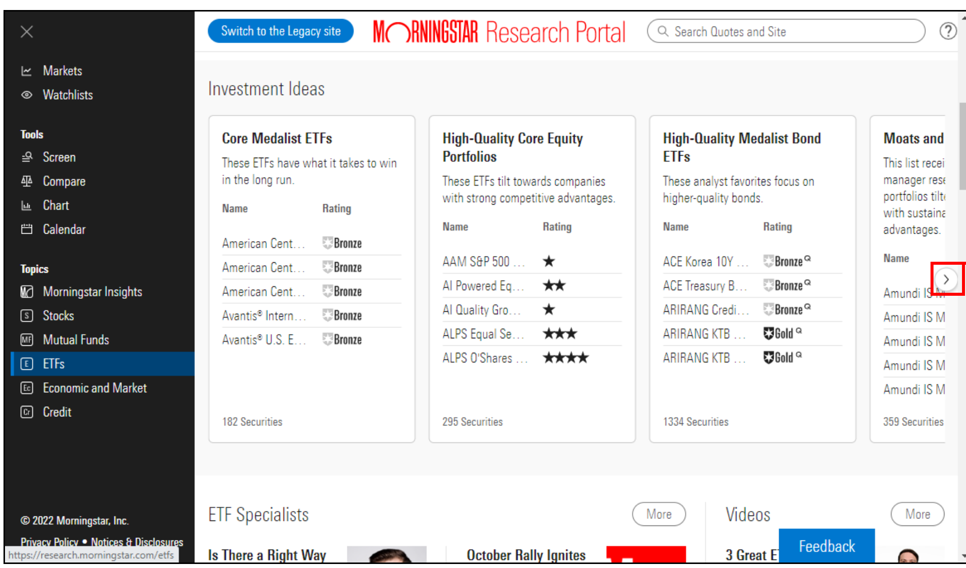
This section offers the following exercises to help you practice these skills:

- Exercise 11: Save investments from an Investment Idea page to a watchlist on page 23
- Exercise 12: Build a screen on page 25, and
- Exercise 13: Edit the layout of the Markets page on page 28.

Exercise 11: Save investments from an Investment Idea page to a watchlist

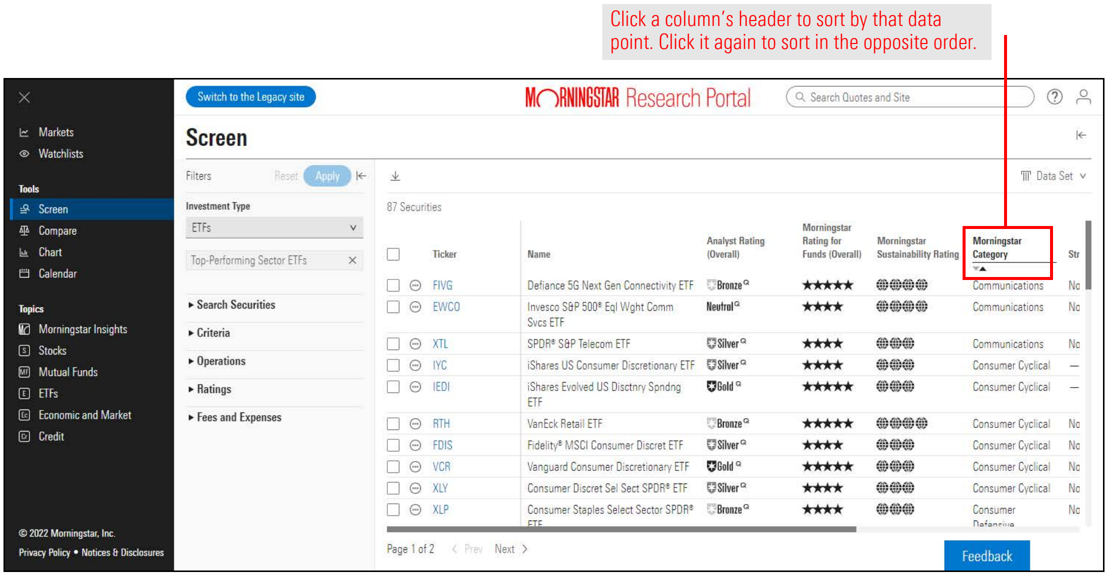
The Investment Ideas section under each Topics page includes pre-created screens with selected criteria from Morningstar analysts. For each idea, additional criteria can be added to help screen results. To explore an investment idea, do the following:

1. From the Research Portal menu, select **ETFs**.
2. If needed, **scroll down** on the ETFs page to the Investment Ideas section, then click the **scroll right** icon to select the **Top-Performing Sector ETFs** item. This opens a pre-created screen on the Screen page.

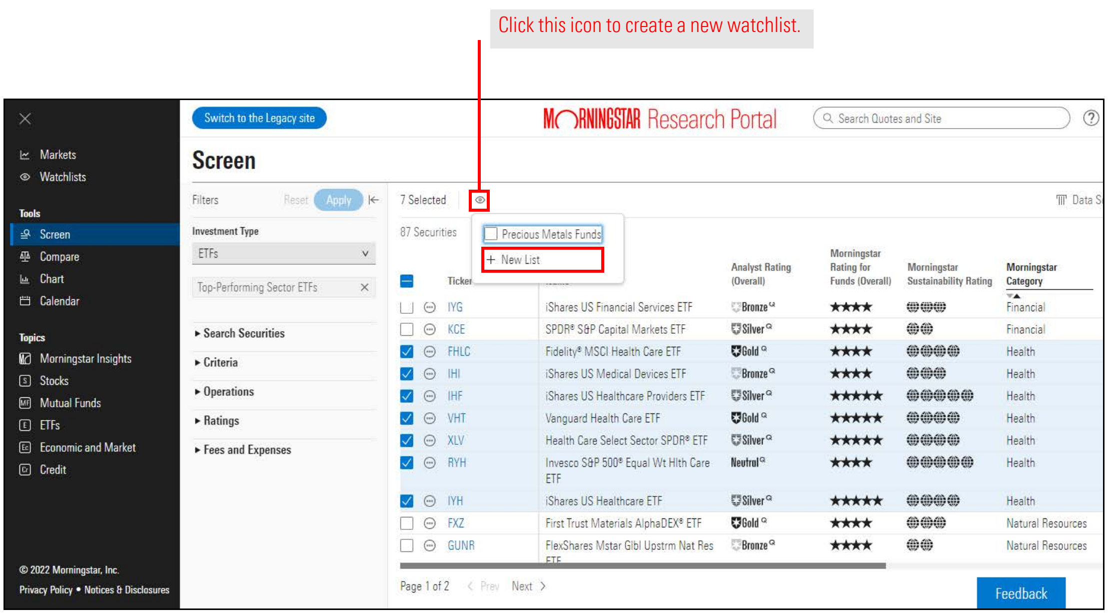


Click this icon to scroll right and see additional content.

3. To sort the results by category, click the **Morningstar Category** column header.

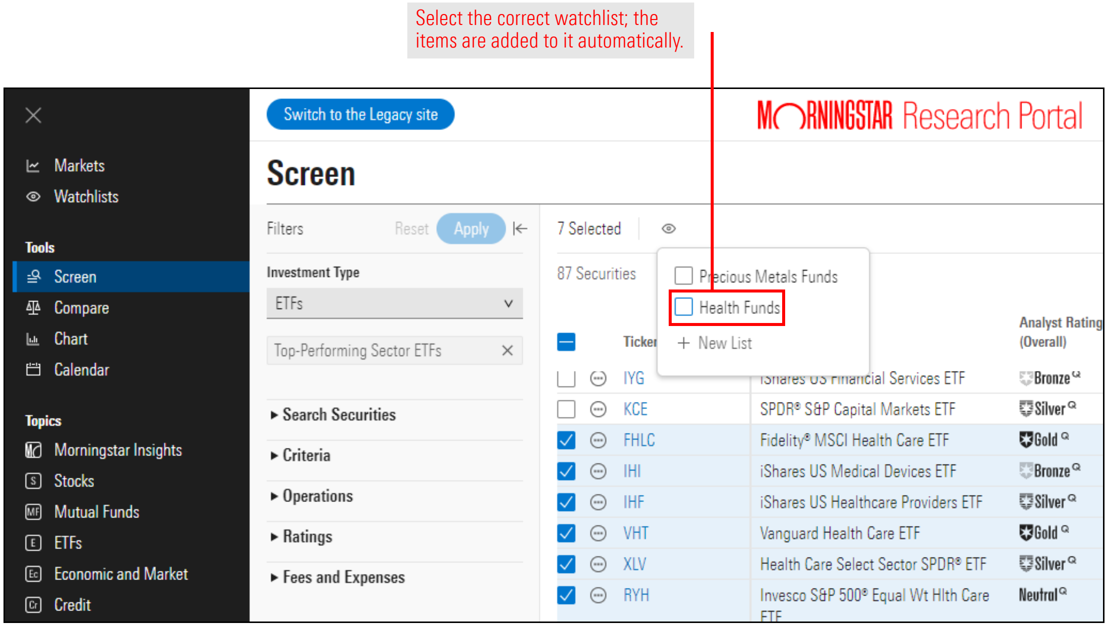


4. **Scroll down** until the Health category is seen, then **check the box** to the left of each fund in the Health Morningstar category.
5. From the toolbar, click **Add to Watchlist**, then select **+ New List**.



6. Name the new watchlist **Health Funds**, then click **Create Watchlist**.

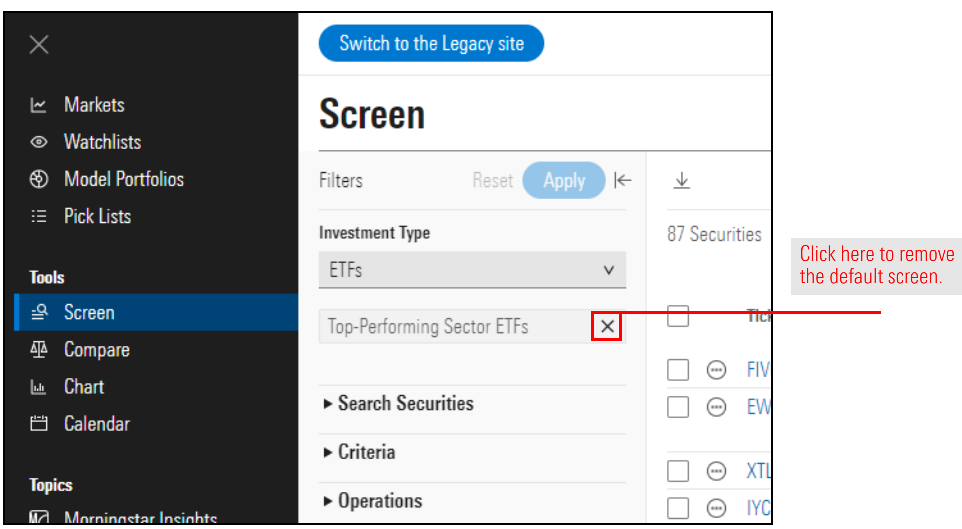
7. Select the checkbox for the **Health Funds** watchlist. This adds the Health funds to that watchlist. Keep the screen open for the next exercise.



Exercise 12: Build a screen

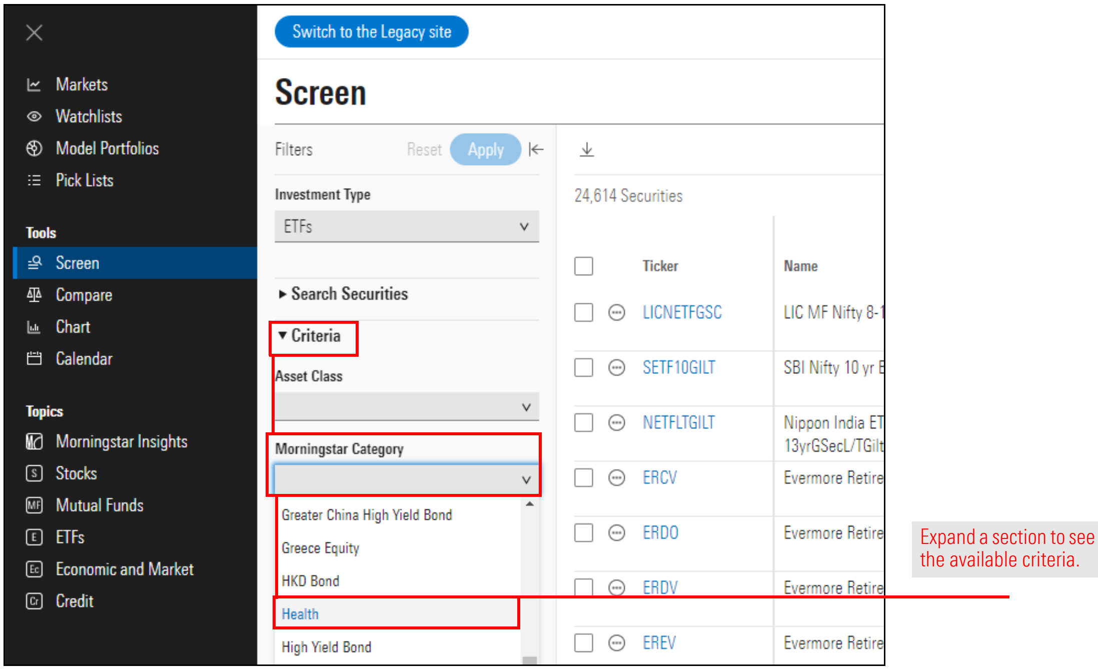
In addition to using the existing screens from the Investment Ideas sections, Research Portal users can also craft their own screens. For example, the screen seen when using the ETFs page showed top-performing ETFs, but what about other ETFs in the Health category that might not have had as strong of a performance, but are still projected to deliver Alpha relative to their category peers? To create an independent screen to find these top-rated ETFs, do the following:

1. In the panel to the left of the grid for the pre-existing screen, click **X** to remove the Top Performing Sector ETFs filter. Note how the number of securities now reflects all available ETFs globally.

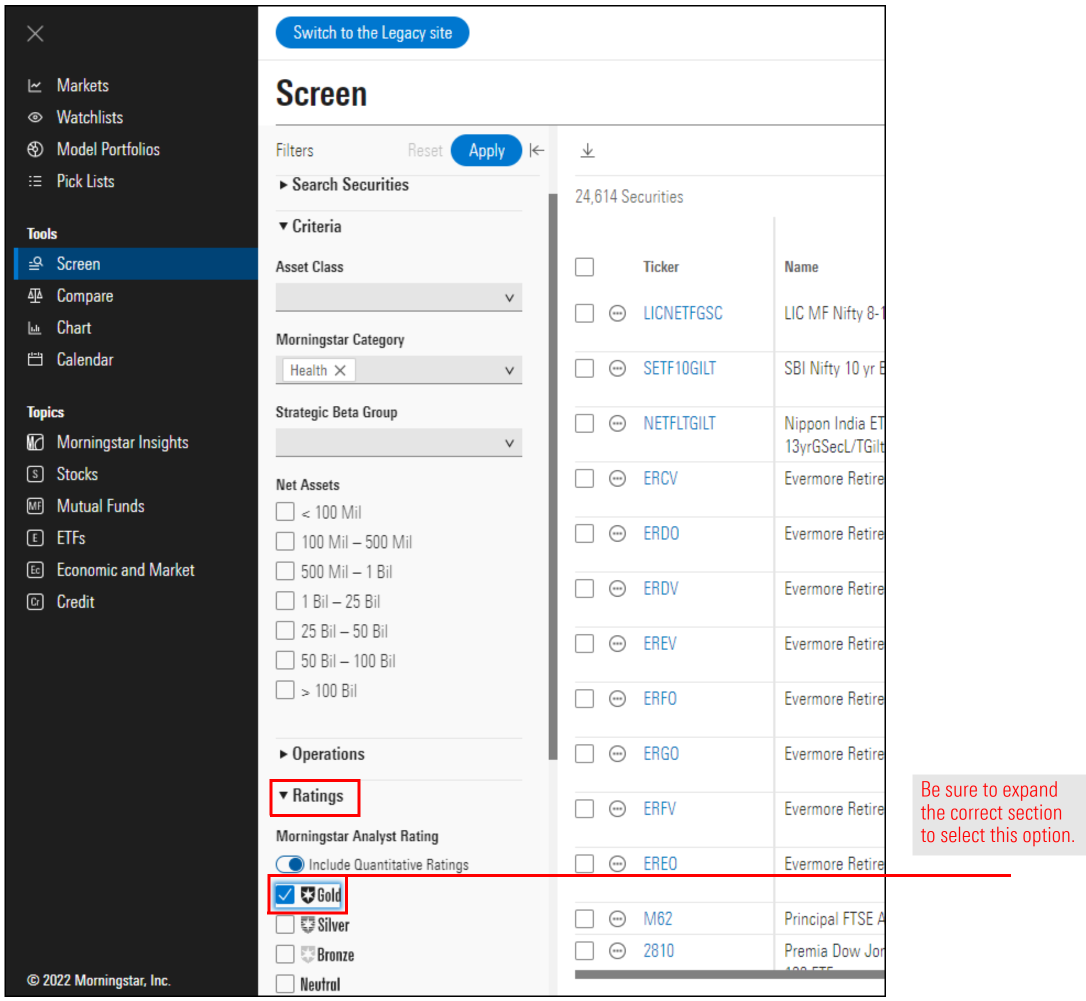


2. **Expand** the **Criteria** menu
3. From the **Morningstar Category** drop-down field, select **Health**.

   ☞ Note: To quickly jump to an option in a drop-down field, start typing its name.

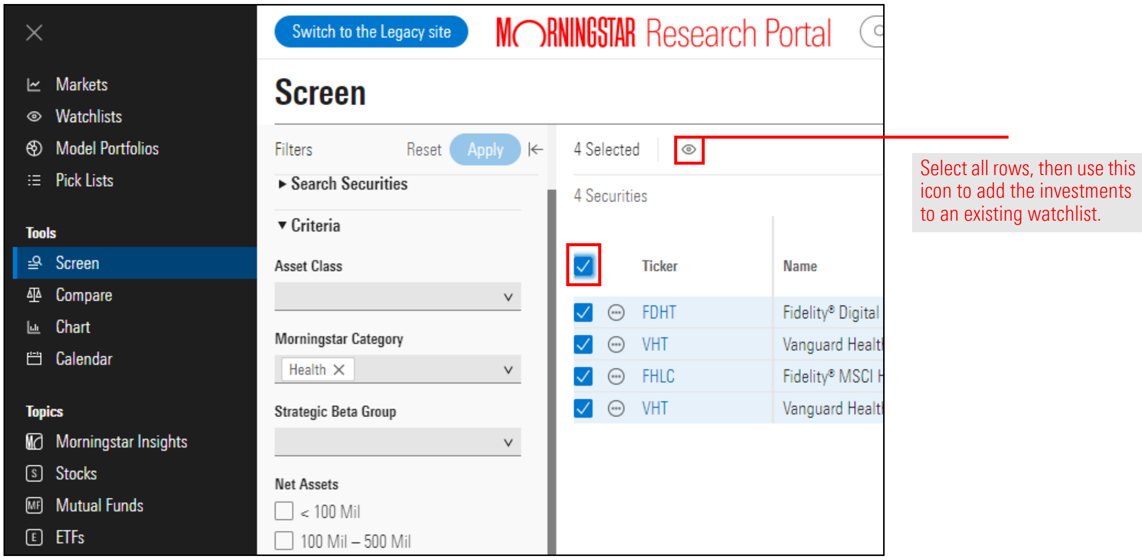


4. Click anywhere to close the drop-down field. **Expand** the **Ratings** menu, then select **Gold**.
5. At the top of the Filters panel, click **Apply** to run the screen.



6. Check the **Select all** box (above the first row in the grid).
7. Click **Add to Watchlist** and add these items to the **Health Funds** watchlist.

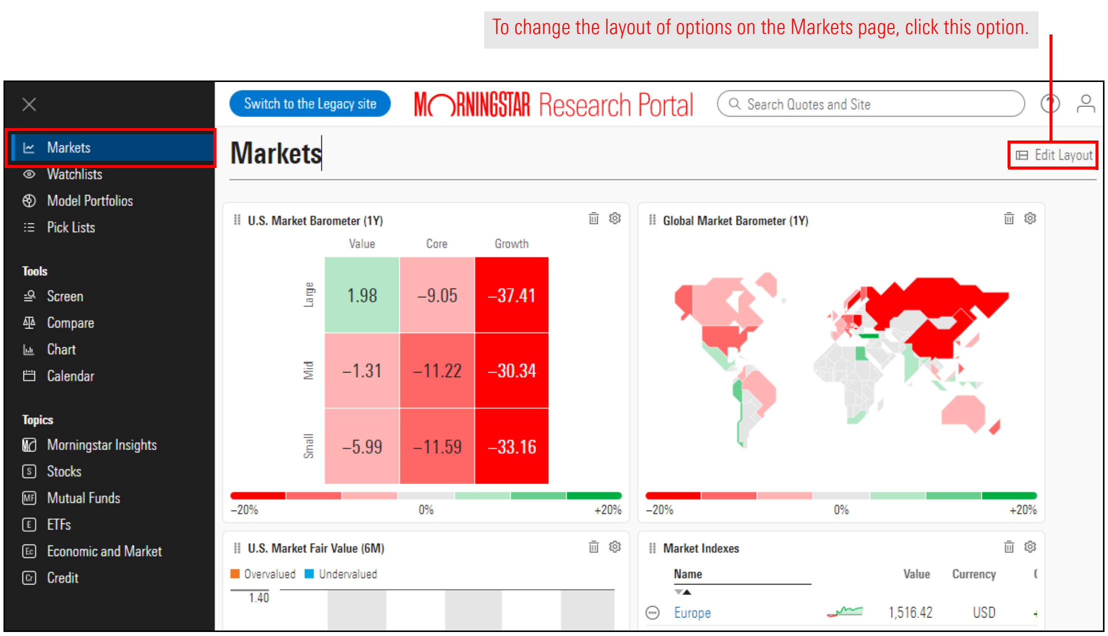
☞ Note: The Add to Watchlist icon does not appear until a box is selected in the grid.



Exercise 13: Edit the layout of the Markets page

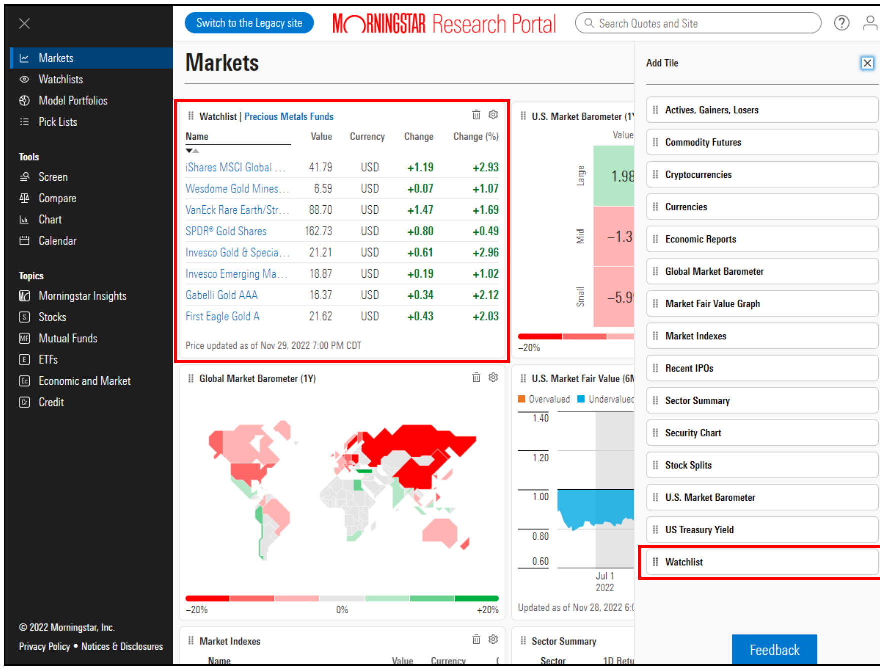
The Markets page can be customized to monitor the market, investments, and news content. Note that not every available widget shows by default here. For example, you can add a widget for quick and easy access to your watchlists. To personalize the dashboard to fit the needs of you and your clients, do the following:

1. From the Research Portal menu, select the **Markets** page.
2. To add a widget to the page, in the top-right corner click **Edit Layout**.



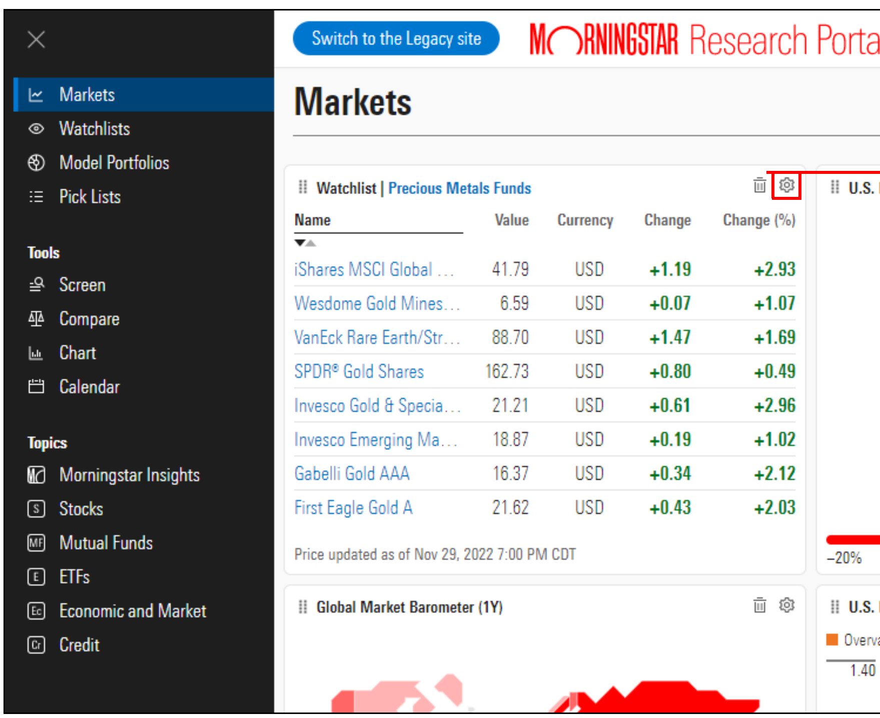
3. **Drag-and-drop** the **Watchlist** widget to the top left of the Markets page.

   ☞ Note: The Add Tile panel closes as soon as a widget is added. Only three widgets can be included in a row on the Markets page. When more than three widgets are added to a row, the one to the right wraps to the left side of the next row.



Drag-and-drop this widget into the position shown in the upper-left part of the page.

4. To change which watchlist is displayed in the Watchlist widget, click the **Settings** icon.

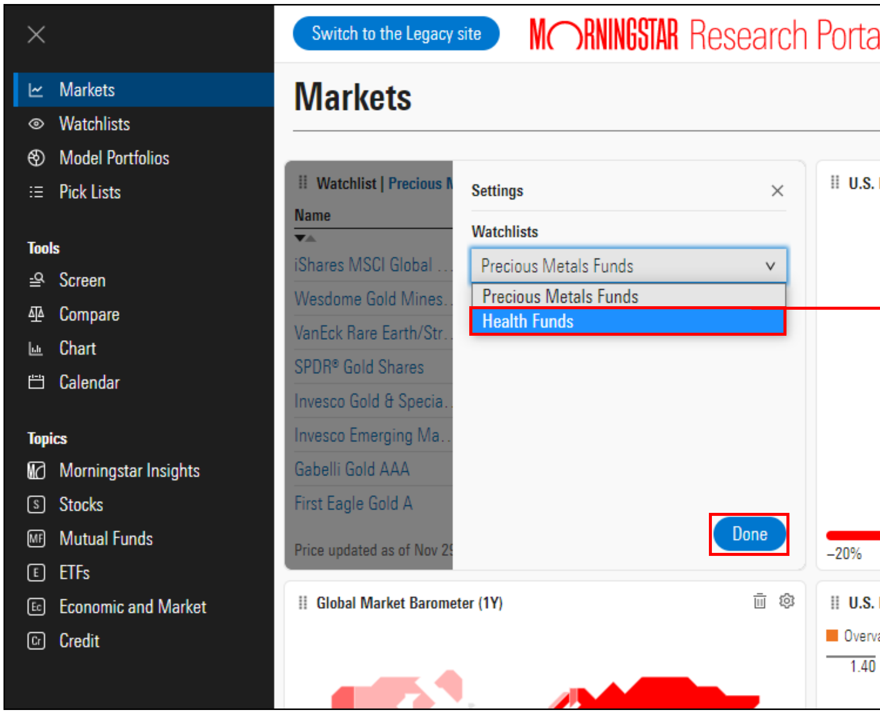


Use the Settings icon to change which watchlist is shown in the widget.

5. From the **Watchlists** drop-down field, select **Health Funds**.

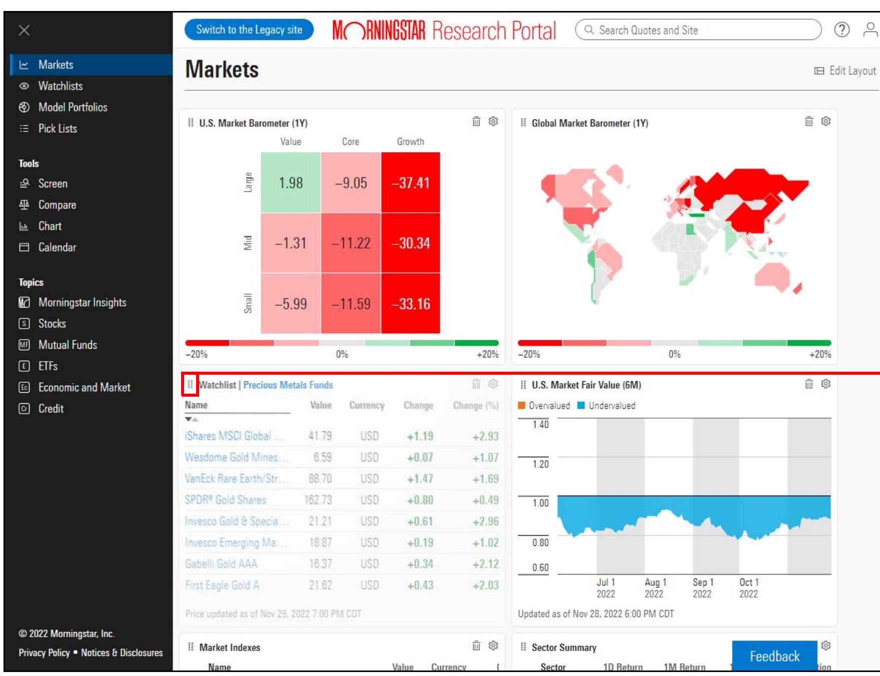
   ☞ Note: The settings options available vary for each tile.

6. To save your changes, click **Done**.



Select this watchlist, then click Done.

7. To change the position of a widget on the page, use the **Handles** icon in the top-left corner of a widget to **drag-and-drop** it to a new location. Move the Watchlist widget from the top row to the second row.



Use the handles to drag a widget to a new position on the page.

To remove a tile, click the Trash icon in the top right corner of the widget.

Utilizing Additional Tools

Overview

Research Portal also allows users to compare multiple securities, view sophisticated technical charts, and monitor upcoming market events such as earnings releases or economic reports.

This section offers the following exercises to help you practice these skills:

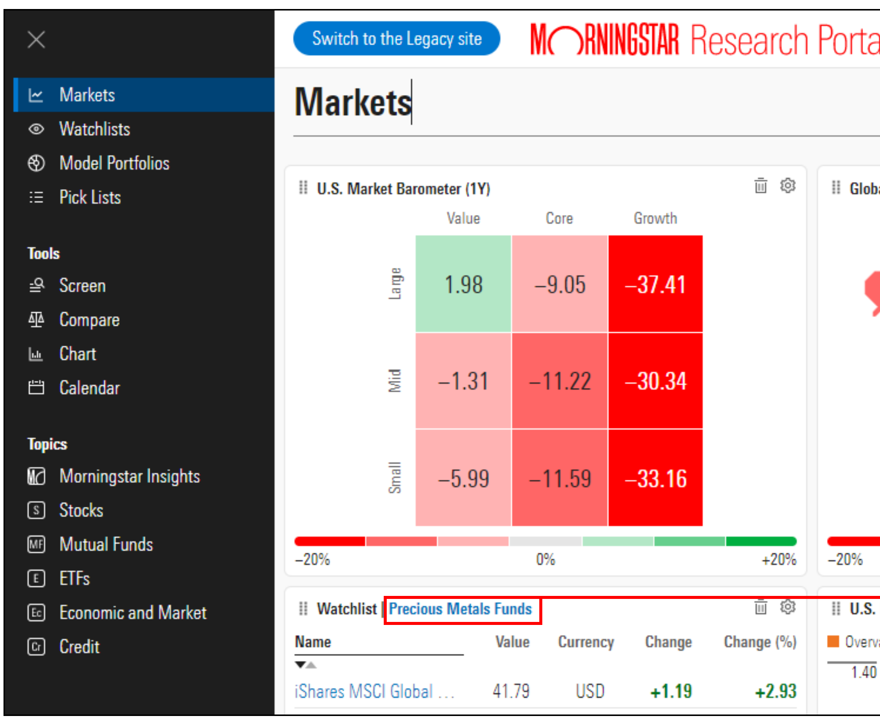
- Exercise 14: Compare multiple securities on page 31
- Exercise 15: Compare price and return data on the Chart page on page 34
- Exercise 16: View upcoming events on the Calendar page on page 37,and
- Exercise 17: Find Morningstar Methodology papers on page 38.

Exercise 14: Compare multiple securities

As you search for investments, numerous criteria are available for you to compare them and see if they fit your clients' strategy and needs.

To compare two investments, do the following:

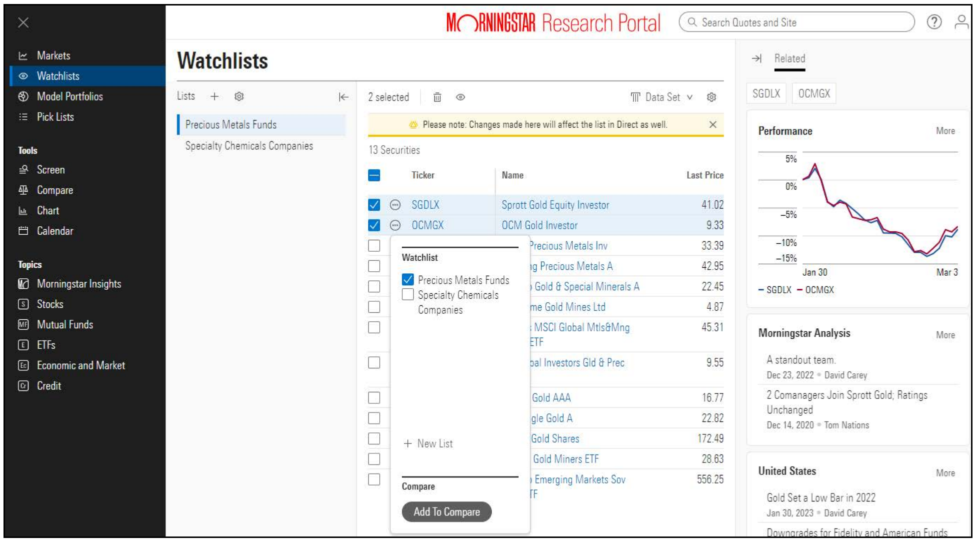
1. The Markets page should be selected. In the Watchlist widget, click the name of the **watchlist** to open it.



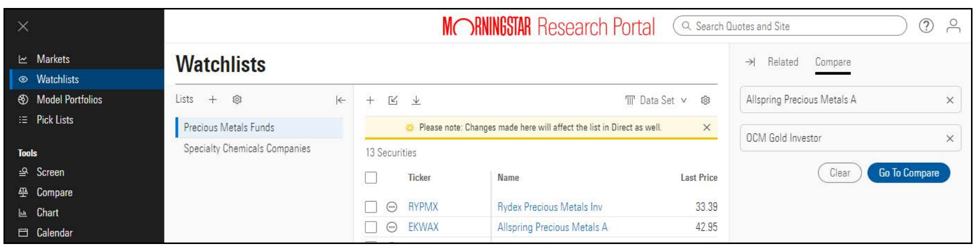
A watchlist can be opened directly from the widget.

2. Check the **box** for two members of the list.

3. Click the **Add To** icon next to one of the selected items, then select **Add to Compare**. A panel opens to the right.

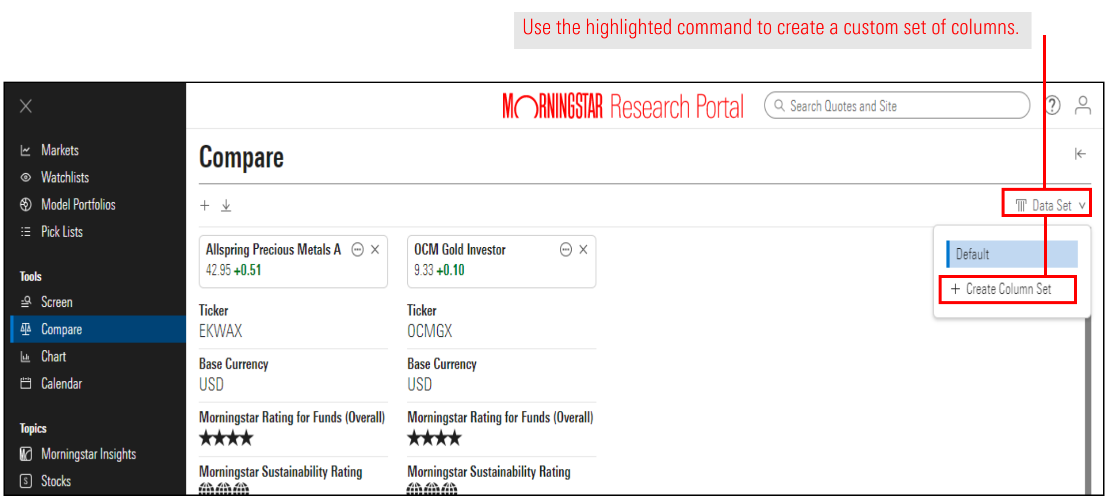


4. Click **Go To Compare**. The Compare page opens, with the two items selected.

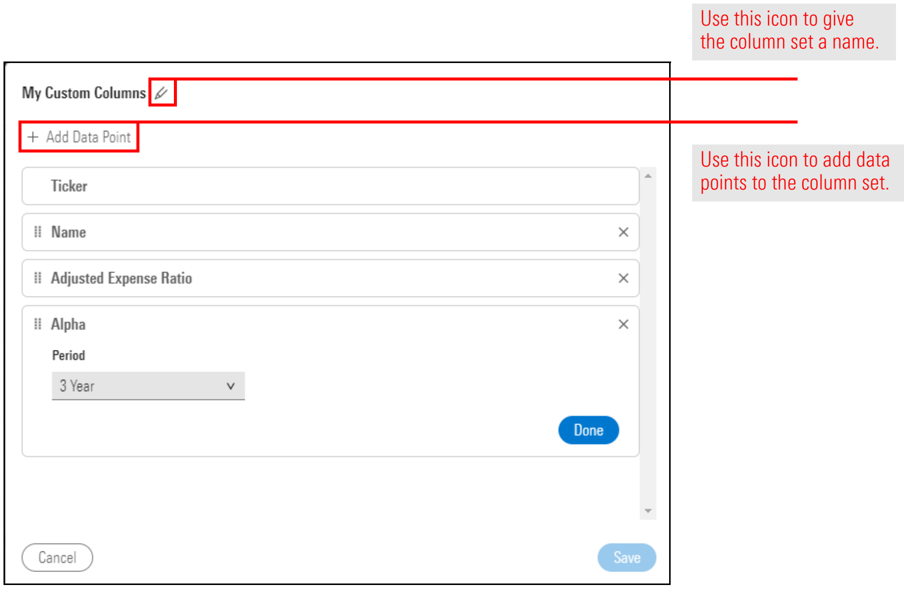


5. To create another column set of data points, in the upper-right corner, click **Data Set** > **+Create Column Set**.

☞ Note: The column set created here may also be used elsewhere in Research Portal.



6. Click the **pencil** icon to **name** the column set **My Custom Columns**. Click away to save the name.
7. Note that Ticker and Name are included by default. Click **+ Add Data Point** to manually add the items you want to include. Only one data point can be added at a time.



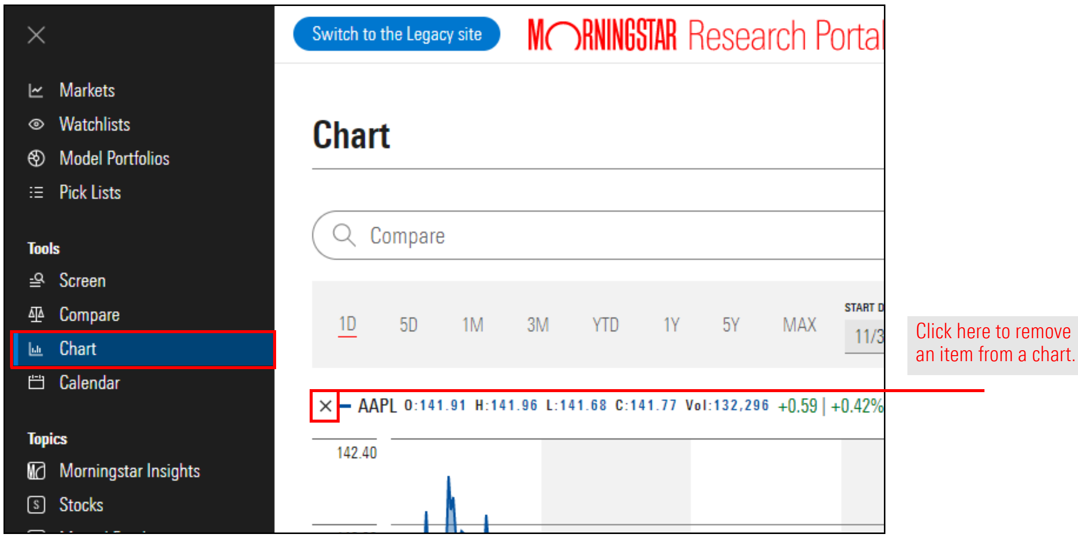
8. When finished, click **Save**.

Exercise 15: Compare price and return data on the Chart page

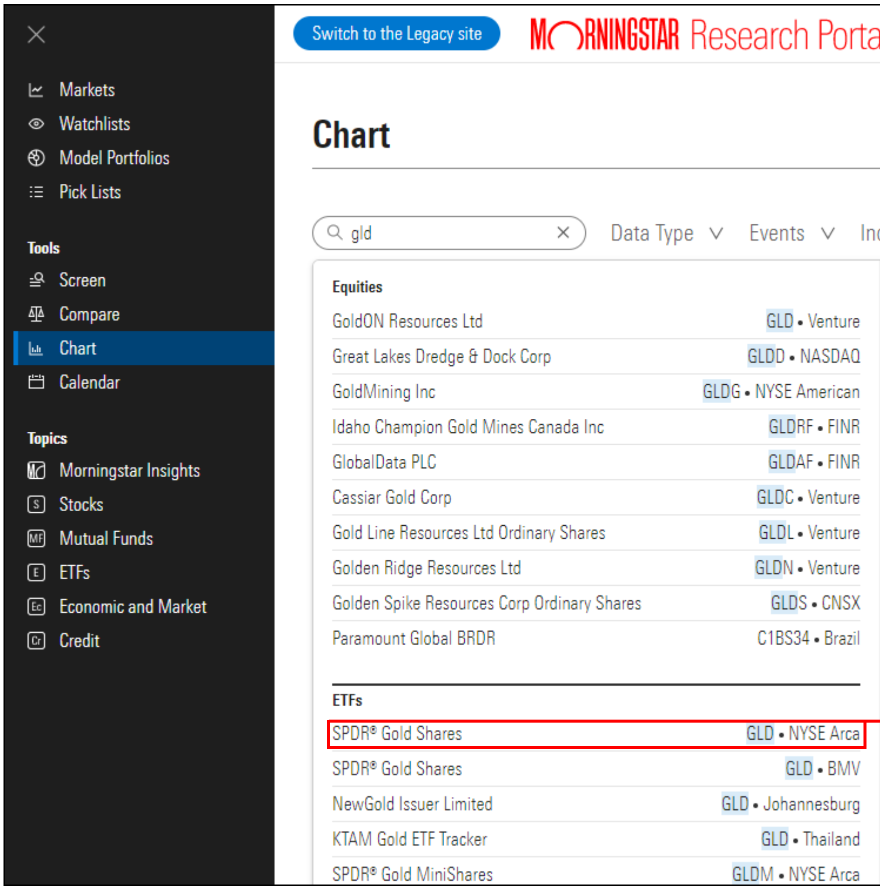
The Chart page also allows users to compare price and return data across multiple securities. You can customize how the chart looks, and download it as well. To build a chart, do the following:

1. From the Research Portal menu, select **Chart**.
2. The chart includes AAPL by default. Click **X** to remove AAPL from the chart.

    ☞ Note: If the Chart page is visited from another activity in Research Portal, such as a security page, then that security appears in the chart by default instead of AAPL.



3. In the **Compare search** field, search for the **first security** you noted in step 2 of the previous exercise. Select its **name** when it appears.

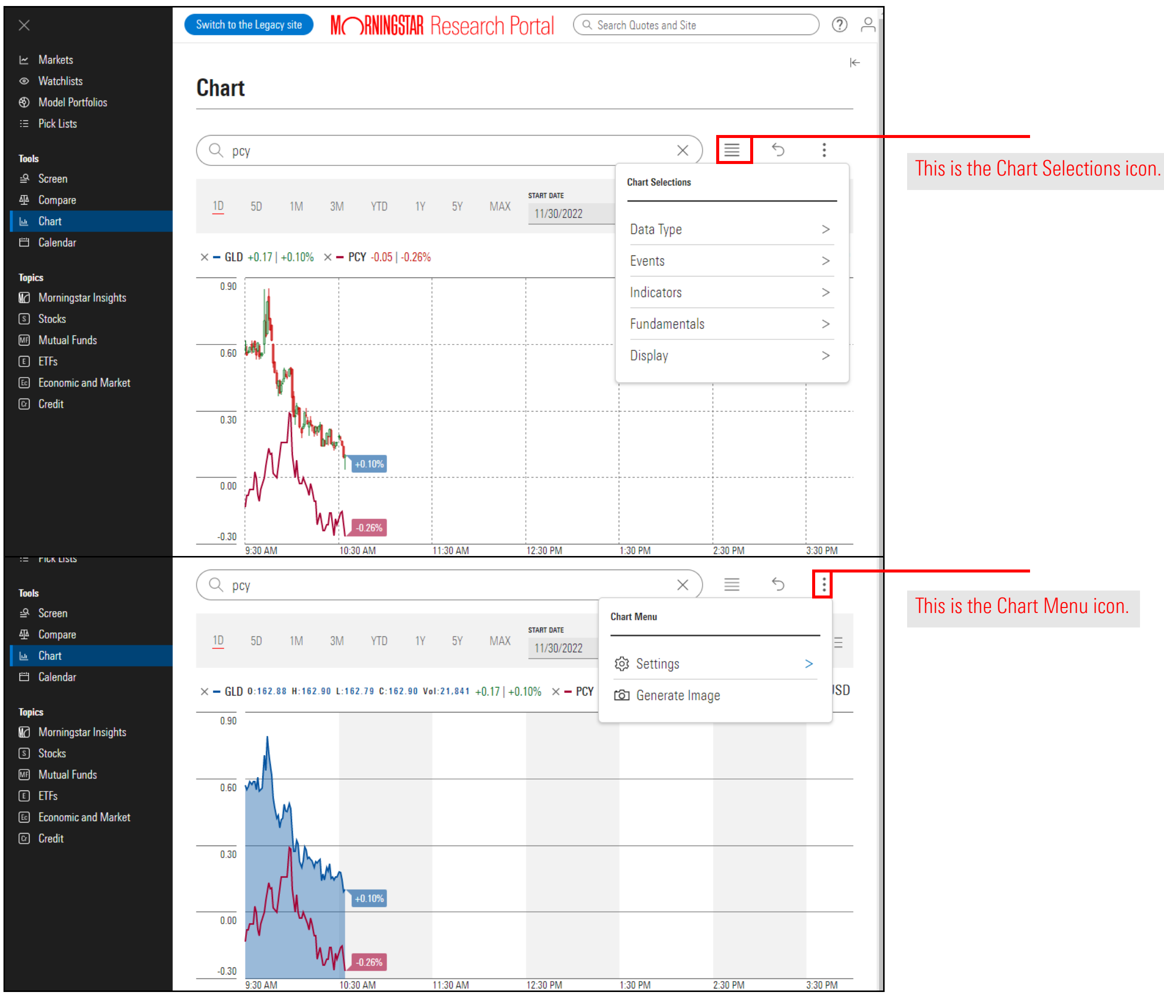


Be sure to select the investment carefully; the same name and ticker may appear on multiple exchanges.

4. In the **Compare search** field, search for the **second security** you noted in step 2 of the previous exercise. Select its **name** when it appears.
5. Use the **Chart Selections** and the **Chart Menu** icons to review editable data points, such as time period, data type, and fundamentals. Answer the following questions:

To see this value…	Use this selection…
Dividend Yield	
Crosshair Cursor	
% Change of Growth	
Candlestick Chart	
Dashed lines background	

☞ Note: To reset the chart settings, click the **Clear Chart** icon.



6. To export an image of the chart to continue reviewing data outside of Research Portal, from the **Chart Menu** icon, select **Generate Image**.

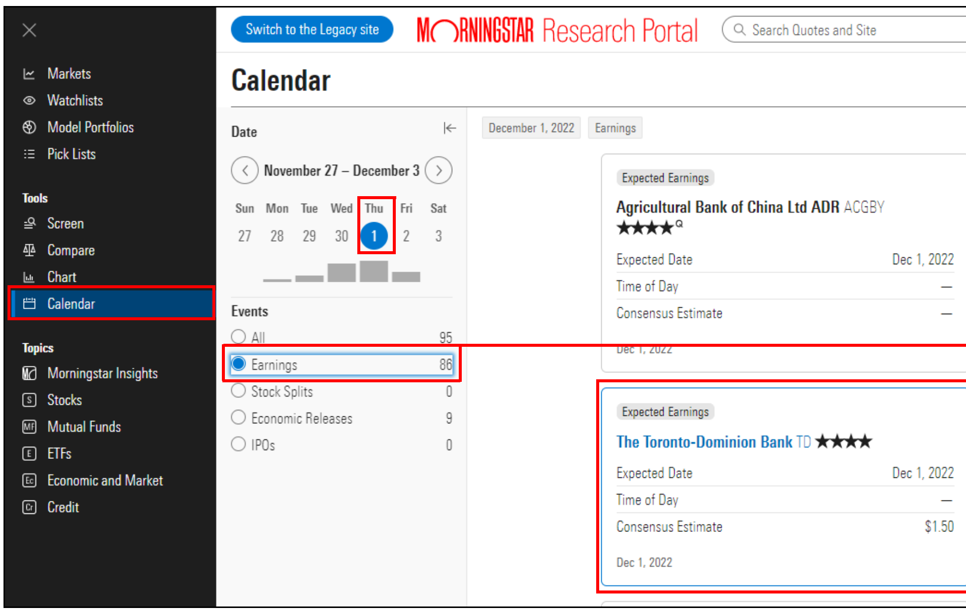
Exercise 16: View upcoming events on the Calendar page

Upcoming market events, including IPOs, earning calls, and stock splits can be tracked from the Calendar page. To research upcoming market events, do the following:

1. From the Research Portal menu, select **Calendar**.
2. From the Date calendar, select **the next business day's date**.
3. Under Events, select **Earnings**.

   ☞ Note: If no earnings are scheduled for that day, select one of the other options that has available items.

4. Click a **tile** for one of the Expected Earnings companies to review the Morningstar report for that company.



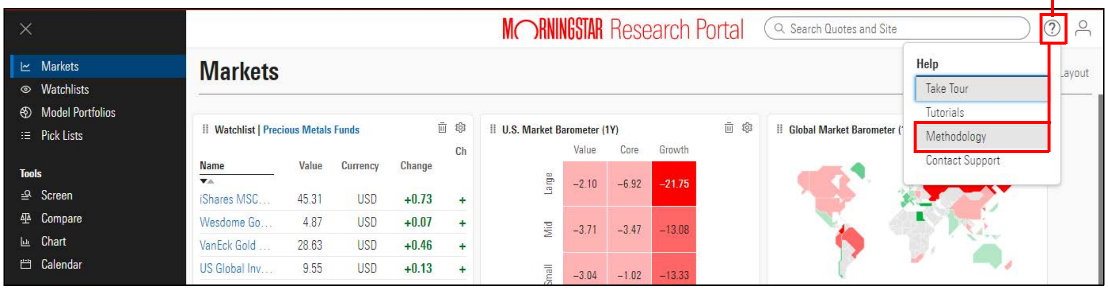
Select this option from a trading day where earnings are available, then select a tile to learn more about a company.

Exercise 17: Find Morningstar Methodology papers

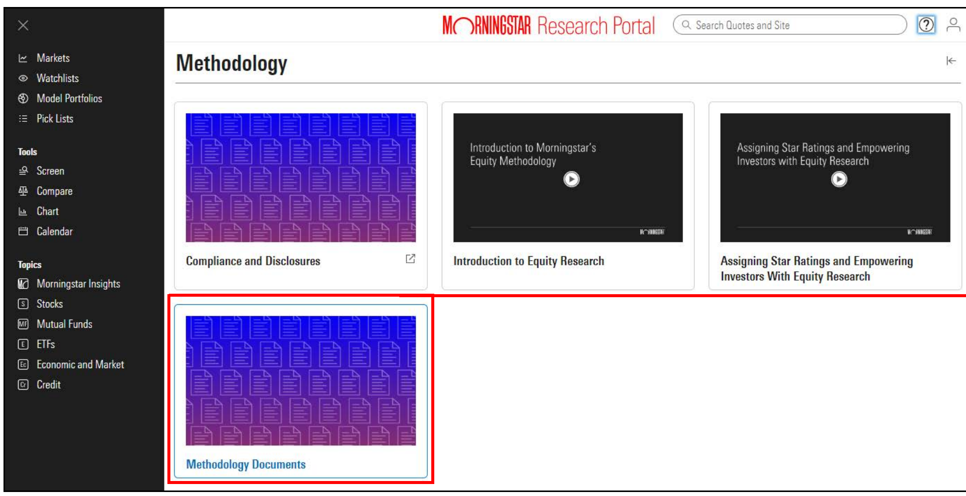
In addition to tools and data, the Morningstar Research Portal also allows users to find and read various Morningstar Methodology papers. The Methodology page offers a tile to find any individual methodology paper. To find this content, do the following:

1. From the header, click the **Help** icon, then select **Methodology**. The Methodology page opens.

Select this option from the Help menu.



2. Click the **Methodology Documents** tile. The Morningstar Methodology page opens.



Click this tile to see all methodology documents from Morningstar.

All methodology papers from Morningstar are shown; click the headline for any one to read it. Note that these are sorted in chronological order, with the most recently published paper appearing at the top.