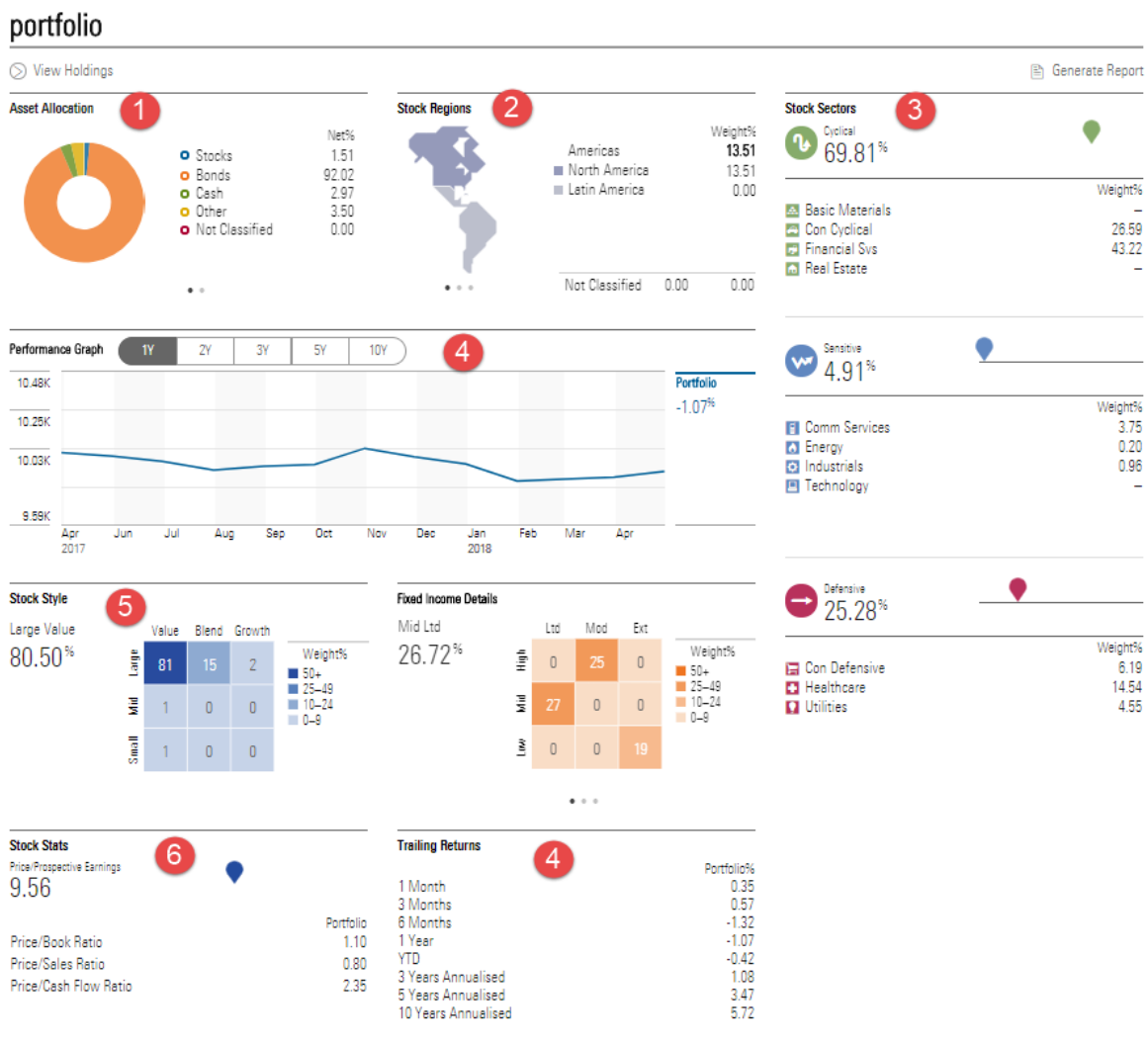


## What is the Portfolio X-Ray™?

Morningstar Portfolio X-Ray™ helps you understand at-a-glance the basic characteristics of a portfolio including its asset allocation, exposure to different investment styles, geographic regions and sectors.

## How the Morningstar Portfolio X-Ray™ works in practice

Morningstar calculates numerous measures, based on an analysis of the full holdings of each fund within the portfolio, that help illustrate risk at both an individual fund and portfolio level. These measures are illustrated through simple graphics making the information easy to explain to clients and for them to understand.



# Morningstar Portfolio X-Ray™

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## 1. Asset Allocation

Many believe that asset allocation is the single most important determinant to overall portfolio performance, even more so than the selection of specific investments. Providing a true representation of the portfolio's overall asset breakdown is key and helps both the adviser and investor understand whether the portfolio is suitable for a given level of risk.

## 2. Stock Regions

This is a great way to quickly see in which regions portfolio (or a specific fund) is invested. Helps advisers avoid investing too much money in one region of the world.

## 3. Stock Sectors

The Morningstar Sector Breakdown highlights exposure to **defensive** stocks (industries that are relatively safe and are likely not to be greatly impacted by market volatility), **cyclicals** (industries that do well in good times but tend to suffer in downturns) and **sensitive** stocks (stocks that although not immune to a bad economy, are less likely to be impacted than **cyclicals**). This could help a more cautious investor to look to expand their portfolios' defensive exposure over their cyclical exposure.

## 4. Performance

Illustration of the portfolio performance compared to a benchmark, if available.

## 5. Morningstar Style Box

The Morningstar Style Box evaluates the style of the portfolio, such as growth or value and small, medium or large cap which can help advisers & investors understand the risk involved.

## 6. Stock Stats

These measures look at the underlying investments and provide weighted averages of Price/Book, Price/Sales and Price/Cashflow for all the stocks in the portfolio, including those both held directly and within the managed investment products.

**Price/Book** - the ratio of the stock's price to its per-share book value. For an individual stock, it is calculated by dividing the current price by the company's book value.

**Price/Sales** - the ratio of a stock's price to its per-share earnings, it reflects the amount an investor is willing to pay for a unit value generated from a company's operations.

**Price/Cash Flow** - the ratio of a stock's price to its per-share cash flow for the trailing 12 months and reflects the amount an investor is willing to pay for a dollar generated from a company's operations.

## Portfolio Holdings

Portfolio Holdings Top Holdings Stock Overlap

**7**

Security Name	Symbol	Exchange Code	Sector	Weight%	Contribution% (Since Inception)	Morningstar Rating
Allianz Europe Equity Gr Sel AT EUR	–	–	–	16.67	12.97	★★★
BGF Euro Bond A1	–	–	–	16.67	13.34	★★★★★
GS US Mortgg Bckd Secs R Inc USD	–	–	–	16.67	4.86	★★★★★
JPM Europe Strategic Growth A (acc) EUR	–	–	–	16.67	22.02	★★★★
M&G Optimal Income Euro A-H Acc	–	–	–	16.67	18.81	★★★★★
MS INVF Euro Strategic Bond A	–	–	–	16.67	12.92	★★★★★

Portfolio Holdings Top Holdings Stock Overlap

**8**

Security Name	Symbol	Holdings Portfolio Date	Sector	% of Investments
<b>▼ ASML Holding NV</b>	–	–	<b>Technology</b>	<b>0.95</b>
JPM Europe Strategic Growth A (acc) EUR	–	31/03/2018	–	0.34
Allianz Europe Equity Gr Sel AT EUR	–	31/03/2018	–	0.62
<b>▼ Amadeus IT Group SA A</b>	–	–	<b>Technology</b>	<b>0.74</b>
JPM Europe Strategic Growth A (acc) EUR	–	31/03/2018	–	0.16
Allianz Europe Equity Gr Sel AT EUR	–	31/03/2018	–	0.58
<b>▼ Atlas Copco AB A</b>	–	–	<b>Industrials</b>	<b>0.66</b>
JPM Europe Strategic Growth A (acc) EUR	–	31/03/2018	–	0.20
Allianz Europe Equity Gr Sel AT EUR	–	31/03/2018	–	0.46
<b>▼ Cie Financiere Richemont SA</b>	–	–	<b>Con Cyclical</b>	<b>0.81</b>
JPM Europe Strategic Growth A (acc) EUR	–	31/03/2018	–	0.18
Allianz Europe Equity Gr Sel AT EUR	–	31/03/2018	–	0.63
<b>▼ DSV A/S</b>	–	–	<b>Industrials</b>	<b>0.73</b>
JPM Europe Strategic Growth A (acc) EUR	–	31/03/2018	–	0.10
Allianz Europe Equity Gr Sel AT EUR	–	31/03/2018	–	0.63
<b>▼ Dassault Systemes SE</b>	–	–	<b>Technology</b>	<b>0.30</b>
JPM Europe Strategic Growth A (acc) EUR	–	31/03/2018	–	0.11
Allianz Europe Equity Gr Sel AT EUR	–	31/03/2018	–	0.19
<b>▼ Infineon Technologies AG</b>	–	–	<b>Technology</b>	<b>1.00</b>
JPM Europe Strategic Growth A (acc) EUR	–	31/03/2018	–	0.11
Allianz Europe Equity Gr Sel AT EUR	–	31/03/2018	–	0.89
<b>▼ Julius Baer Gruppe AG</b>	–	–	<b>Financial Svs</b>	<b>0.29</b>
JPM Europe Strategic Growth A (acc) EUR	–	31/03/2018	–	0.06
Allianz Europe Equity Gr Sel AT EUR	–	31/03/2018	–	0.24
<b>▼ LVMH Moet Hennessy Louis Vuitton SE</b>	–	–	<b>Con Cyclical</b>	<b>0.75</b>
JPM Europe Strategic Growth A (acc) EUR	–	31/03/2018	–	0.35
Allianz Europe Equity Gr Sel AT EUR	–	31/03/2018	–	0.40

### 7. Top Holdings

A breakdown of the top holdings within the portfolio, displaying key information, portfolio weights, contribution to portfolio and Morningstar Ratings.

### 8. Stock Overlap

Many investors hold multiple funds and believe they are diversified within their investments. Stock Overlap examines the underlying investments held within each fund in a portfolio and illustrates where there is overlap within underlying stock holdings.

# Morningstar Portfolio X-Ray™

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## **Analyse the Overall Sector Exposure of a Portfolio**

The Morningstar Portfolio X-Ray™ report provides in-depth numerical analysis — as well as a visual representation — of the portfolio's overall sector exposure.

## **Discuss Portfolio Diversification**

With its visual representations of composition, sector exposure, investment style, and geographical distribution, the Morningstar Portfolio X-Ray™ report is an excellent way to present a synopsis of the portfolio's diversification, or lack thereof, during client reviews.

## **Conduct Holistic Portfolio Analysis**

Even if you provide advice for only a portion of client's assets, the Morningstar Portfolio X-Ray™ report is a useful tool for analysing the client's complete portfolio. Run a report for all the client's assets to show how your recommendations affect the composition, investment style, and sector exposure of the overall portfolio.