
New Morningstar Manager Research Coverage Model

A dynamic approach.

Morningstar Manager Research

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Laura Lutton
Head of Manager Research
laura.lutton@morningstar.com

Timothy Strauts
Head of Manager Research, North America
timothy.strauts@morningstar.com

Wing Chan
Head of Manager Research, Asia-Pacific
wing.chan@morningstar.com

Monika Calay
Director of Manager Research, UK
monika.calay@morningstar.com

Jeffrey Schumacher
Director of Manager Research, EMEA
jeffrey.schumacher@morningstar.com

Important Disclosure

The conduct of Morningstar's analysts is governed by Code of Ethics/Code of Conduct Policy, Personal Security Trading Policy (or an equivalent of), and Investment Research Policy. For information regarding conflicts of interest, please visit:

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How Morningstar Makes Analyst Coverage Decisions

Morningstar Manager Research analysts aim to cover the strategies that matter most to investors. We consider several factors in shaping our analyst coverage list, including investment merit, investor interest, and client demand. Our independent research model means we are compensated by users of our work, and we allocate analyst resourcing where we believe it will be most helpful to investors.

The Analyst Review Process

Since the November 2011 debut of the Morningstar Analyst Rating, now called the Morningstar Medalist Rating, Morningstar Manager Research analysts have typically reviewed each strategy under coverage at least annually, and frequently more often as material changes warranted. The due diligence process has included data analysis, an interview with the portfolio manager, approval of the proposed ratings by the Ratings Committee, and publication of an updated Managed Investment Report and Medalist Rating.

What's Changing

Effective July 2024, we are moving from full one-year updates as the norm to a more flexible system of active monitoring that results in more timely updates for all analyst-covered investment strategies. We seek to focus analyst time where it will have the greatest impact for investors. Our goal is to make our coverage more responsive to changes in investor demand and industry developments. With the added flexibility, we plan to increase the number of investment strategies covered by the team. For analyst-covered strategies, we'll also expand our coverage to other vehicles linked by the same StrategyID.

Analysts will still update Medalist Ratings at least once per year, but full reviews need only occur every two years. Interim updates, which will occur no longer than one year after the last full analysis, will use a streamlined approach in which analysts will complete a due diligence checklist to confirm that no material changes have occurred to the investment team or process. They will also review major portfolio changes and recent performance to look for issues that might warrant changes to the ratings. Strategies that pass this checklist review process, which includes approval by the Ratings Committee, will receive reaffirmed People and Process Pillar ratings; these actions will extend the validity of the published Managed Investment Reports and the overall Medalist Rating until the next full review. Strategies that do not pass this review will move to a full review, and Ratings Committee members may also request a full review if conditions warrant.

As always, analysts will regularly monitor all strategies under coverage for developments that might trigger a full review before expected deadlines, including but not limited to manager or team changes; significant process, portfolio, or performance changes; and large inflows or outflows.


For any queries, please contact:

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Head of Manager Research
laura.lutton@morningstar.com

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Head of Manager Research, North America
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About Morningstar Manager Research

Morningstar Manager Research provides independent, fundamental analysis on managed investment strategies. Morningstar views are expressed in the form of Morningstar Medalist Ratings, which are derived through research of three key pillars — People, Process, and Parent. The Morningstar Medalist Rating is the summary expression of Morningstar’s forward-looking analysis of investment strategies as offered via specific vehicles using a rating scale of Gold, Silver, Bronze, Neutral, and Negative. A global research team issues detailed research reports on strategies that span vehicle, asset class, and geography.

Medalist Ratings are not statements of fact, nor are they credit or risk ratings, and should not be used as the sole basis for investment decisions. A Medalist Rating is not intended to be nor is a guarantee of future performance.

About Morningstar Manager Research Services

Morningstar Manager Research Services combines the firm's fund research reports, ratings, software, tools, and proprietary data with access to Morningstar's manager research analysts. It complements internal due-diligence functions for institutions such as banks, wealth managers, insurers, sovereign wealth funds, pensions, endowments, and foundations. Morningstar’s manager research analysts are employed by various wholly owned subsidiaries of Morningstar, Inc. including but not limited to Morningstar Research Services LLC (USA), Morningstar UK Ltd, and Morningstar Australasia Pty Ltd.

For More Information

Laura Lutton
Head of Manager Research
laura.lutton@morningstar.com



22 West Washington Street
Chicago, IL 60602

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