The Strategist Series offers three newsletter portfolios—the “Tortoise”, “Hare”, and “Dividend.” This series is patterned after successful portfolios of the same name featured in Morningstar, Inc.’s popular Morningstar® StockInvestor™ and Morningstar® DividendInvestor™ newsletters.

These strategies combine Morningstar Investment Services’ portfolio management expertise with the insight of Morningstar, Inc. strategists Paul Larson and Josh Peters, who edit the stock and dividend newsletters respectively. Together, we put sophisticated research and portfolio management well within reach.

**A Prudent, Rigorous Approach**

Our Tortoise, Hare, and Dividend strategies share a common approach—investing in higher-quality firms at sharp discounts to what Morningstar, Inc. analysts believe they’re worth. Popularized by famed investor Warren Buffett, this approach assumes that a stock investment represents an ownership interest in a business. Accordingly, when selecting stocks for the newsletter portfolios (upon which the Strategist Series is based), Paul Larson and Josh Peters operate from the mindset of a business-owner, asking questions like “what gives this firm an edge over competitors?” and “how durable are those advantages?” and “does this business create value for shareholders?”

**Grounded in Rigorous Analysis**

As with all our Select Stock Baskets portfolios, the portfolios in the Strategist Series harness the comprehensive, in-depth equity research of Morningstar, Inc. When highlighting stocks for their newsletters, Larson and Peters tap into stock research spanning virtually all industries and numerous geographic locales. Morningstar, Inc. analysts conduct extensive research on industry dynamics, a firm’s competitive position, and the sustainability of any advantages that the business might boast, all in an effort to estimate a firm’s intrinsic value.

**A Strategy That Suits Individual Needs**

Each of our portfolios in the Strategist Series put a slightly different twist on quality-centric, value-conscious investing.

**Tortoise**—Invests in the stocks of relatively stable, high-quality businesses that are well-entrenched in the various markets in which they operate. Though these firms aren’t typically growing at a furious pace, they are normally very profitable, reflecting their dominance.

**Hare**—Invests in the stocks of firms that are experiencing rapid growth, emphasizing those that have carved out a defensible niche of some kind. Importantly, they’re selling at reasonable prices, not nosebleed price multiples.

The Morningstar, Inc. popular newsletter portfolios have a proven record and strong reputation.

- Morningstar Investment Services offers similar versions of these portfolios—the Tortoise, Hare, and Dividend—for direct investment.
- Our distinct Strategist Series portfolios are customizable and can exclude specific holdings or sectors to better meet the needs of our investors.
- The minimum investment in each portfolio is $100,000.
Dividend—Invests in high-yielding stocks with the potential for dividend-growth and capital appreciation. Though “dividend-investing” often brings to mind stodgy utilities or banks, the Dividend portfolio is composed of stocks from a variety of industries. The common-thread is that the typical name is significantly undervalued, financially strong, and founded on a durable business model.

A Flexible Solution
Investors can modify their Select Stock Baskets accounts to exclude certain sectors, industries, or even individual stocks. For instance, if an investor is a dividend enthusiast, but prefers not to own the stocks of energy-related firms in the Dividend strategy, they could customize the account to omit such firms. Since all customization takes place at the individual account level, rather than in an all-encompassing model portfolio, Select Stock Baskets represents a personalized investment approach.

Two Sets of Expertise, One Goal
Morningstar Investment Services pairs with financial advisors to deliver portfolios designed for individual investors. We construct and manage every Select Stock Baskets account to achieve the desired balance of risk and reward, while remaining mindful of the tax and cost implications of trades. We also account for any investment strategy changes, monitor cash balances and funding activity, and rebalance positions to ensure ongoing compliance with investors’ objectives and other criteria. A financial advisor will assess suitability and consistency of the investment process, evaluate progress, and communicate to us any changes in individual goals or circumstances that may affect the particular investment objectives and risk tolerance.