2024 Target Market

Morningstar Wealth Platform, SIPP and ISA | 30 April 2024

Introduction

Morningstar Wealth have produced this report to provide financial advisers and their clients the results of the annual assessment of the Target Market. The report has been compiled in line with the requirements under Consumer Duty set out by industry regulator, the Financial Conduct Authority. This assessment has been completed against the Target Market policy, approved by the Boards of Morningstar Wealth Administration Limited for Platform and Morningstar Wealth Retirement Services Limited for the SIPP.

Empowering Investor Success

It's on all of us to empower investor success and we believe financial advice is the key to doing just that. Over 255,000 financial advisers choose to work with Morningstar Wealth around the world. Morningstar Wealth brings together capabilities from across Morningstar's business, to meet the specific needs of financial advisers, their businesses and clients. Our investment managers have access to the insights from a 400+ global Research and Investment Team. This depth of global research enables us to build robust portfolios focused on achieving your clients' goals. Further, we're able to share these insights with you to help your clients confidently face the ups and downs of investment markets; in doing so preventing them making decisions which could have long lasting consequences on their ability to reach their goals.

Morningstar Wealth Platform

Morningstar Wealth Platform takes care of the heavy lifting of administering investments on behalf of your clients. Our award winning service means you can focus on providing great service to your clients. Through robust and continuous discovery loops with advisers we're always learning. And because we own our own technology we can adapt as the advice landscape and your needs evolve. We want you to be impressed with how easy everything is to use and how it can be tailored to your unique business – from paperless forms, bespoke investment propositions, to user-by-user customisable dashboards and views. We know how hard it is to get your brand out there, we ensure the platform and all of its outputs reflect the brand style guidelines of your business. So all your clients see is you, your brand and your investment proposition.

Morningstar Wealth Platform Target Market

Morningstar Wealth Platform offers a range of model portfolio solutions that are managed by Discretionary Fund Managers (DFMs), or advisers with DFM permissions, who are responsible for ensuring the investment solution is suitable for the customer's needs.

Our target market assessment has been segmented into six separate financial stages of an individual, focussing on their wants and needs at each of these stages of their financial lives rather than just looking at their overall wealth. The life stage segments have been overlaid with the FCA's Consumer Spotlight model*.

Later Life
Retired with resources

14% of UK adult population
65+ age range
64% retired
£150K+ Investable assets
62% married/living as married

Optimising Wealth
Affluent and ambitious

11% of UK adult population
35–60 age range
65% male
£100K–£500K Investable assets
40% have dependent children

Transition into Retirement
Mature and savvy

7% of UK adult population
55–65 age range
60% male
£50K–£100K Investable assets
66% married/living as married

Starting Wealth
Starting out

9% of UK adult population
<45 age range
54% male
up to £20K Investable assets
48% single

Building Wealth
Stretched but resourceful

14% of UK adult population
35–54 age range
60% female
up to £20K Investable assets
73% married/living as married

Building Wealth
Busy achievers

7% of UK adult population
25–54 age range
70% female
£20K–£100K Investable assets
69% have dependent children
80% married/living as married

* FCA Consumer Spotlight & Insight, 13.01.2017

Morningstar Wealth Platform **is suitable** for customers who:

- have an ongoing relationship with a Financial Conduct Authority regulated adviser
- wish to invest via either the SIPP, ISA or GIA provided by Morningstar Wealth or via a 3rd party SIPP, Onshore Bond or Offshore Bond
- would benefit from having a consistent investment approach across a range of tax wrapped solutions
- are looking to invest for the medium to long term (usual at least five years) with sufficient cash buffers in place to avoid needing to access their investments at times when values maybe supressed
- are willing to take a level of risk with their investments and incur the costs associated with that in order to seek higher potential returns over the medium to long term
- have a lump sum to invest, existing assets that could be transferred from an existing product to support delivery of better outcomes or who have regular investments they would like to make.

Morningstar Wealth Platform **is not suitable** for customers who:

- wish to manage their investments themselves without a financial adviser
- are looking to invest over the short term e.g. less than five years
- are not willing to accept any level of investment risk
- only seek to make small regular investments
- require access to specialist investment instruments.

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Important information

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