



Client Success Story **Sanlam Investments**

Three Decades with Morningstar: How Data Shaped My Investment Journey

"I love telling powerful stories. Morningstar Direct allows me to easily access and play with data, and it's always exciting to see a gripping narrative emerge."

Rosanne Howarth, CFA

Assistant to the CEO

Company

Sanlam Investments

Product used

Morningstar Direct

Use cases

Custom Reporting

Data Sourcing

Performance Measurement & Reporting

Industry

Financial Services

It's safe to say that Rosanne Howarth, CFA, is nothing short of an expert user when it comes to Morningstar Direct. With an illustrious career spanning more than thirty years, Howarth has seen first-hand how the financial services landscape in South Africa has evolved.

Now a contractor at Sanlam Investment Management Proprietary Limited (SIM), she brings more than three decades of experience to guide her colleagues in the ways of Morningstar's data, proprietary analytics, and Direct. But becoming a data pro doesn't happen overnight, which is why we need to trace Howarth's Morningstar journey back to the beginning.

A History with Morningstar

Howarth's career has taken her to several prestigious South African firms, and her role has typically sat at the intersection of investment and distribution teams, crafting narratives for new products to meet the growing demands of a dynamic market.

"I first became familiar with Morningstar while I was at Old Mutual", she notes. We were always trying to put forward new propositions, establish what value they had, and how they might compare to their peers. That's where Morningstar came in. It was really something new in the industry. I vividly remember before that, you had to find performances from a little

print booklet that used to be published quarterly, which at the time was the only way to measure yourself against peers.

But with Morningstar, it felt so revolutionary having the data readily available from a globally recognised brand. It completely changed the way we worked. When we were putting together new proposals, we were able to streamline the process, create content, and clearly quote our sources. It really helped us build a sense of trust in the data and our proposals."

Howarth's career went from strength to strength, and she moved to Investec Asset Management (now known as Ninety One).

"Investec was growing very rapidly at the time, which meant we were using Morningstar's data and ratings more efficiently and frequently. As our performance grew, the reporting tools became integral to our operations. We were able to draw on huge amounts of datapoints to measure and demonstrate growth. I became adept at showcasing metrics like performance and risk, but also establishing a narrative and context for our products."

"At Sanlam I really came into my stride with Morningstar, and more specifically, Morningstar Direct (launched in 2001). We were at the forefront of the Business Financial Manager (BFM) and multi-manager space, and our mission was to get our funds into internal portfolios to increase representation. A lot of my work was focused on demonstrating the value of these funds within a portfolio, blending the portfolios, and creating factsheets for the model portfolios, so an incredible amount of customisation."

From Local to Global Data

As the needs of the South African market shift, and investor preferences evolve, expansive datasets, underpinned by first-class research and insights are essential for firms looking to maintain their competitive advantage. When it comes to making the most of Direct, Howarth is a master.

"On a local level, you have access to data on the South African market, and it's very customisable and adaptable to your needs. On a global level, there is a wealth of data, so it's simple to look at things like fixed-income analysis.

This global outlook is essential to the South African market, as regulations have evolved to allow a greater level of exposure to offshore funds." Howarth is referring to the South African Reserve Bank's (SARB) decision in 2022 to increase limits on offshore exposures in retirement products to 45%.

As Howarth notes, "more data is needed, especially when it comes to very prescriptive regulations focused on what you can and can't show clients or use for advertising. You need to always show the right unit class, be specific in the time periods you use, and if you spotlight cumulative performance, you also need to show annualised performance."

The Many Facets of Morningstar Direct

Data is one of our most valuable resources, and high-quality data can meet a wide variety of needs. Howarth knows this all too well.

"The use cases are limitless. I've used Direct to source datapoints ranging from unit trust funds and pension funds through to ETFs.

What I've found so enjoyable is being able to sit with a colleague and look at, for example, a 3-year performance chart. But if we want to go beyond that, we can zoom in on specific periods to search for additional context. I can do this in real-time as a confident Direct user, so it's invaluable when someone requests additional datapoints on the spot.

Whether it's looking at drawdown or the attributions of one fund against another, peer analysis or variations in fund performance, the data frames everything within a bigger picture. It allows you to interrogate decisions, spot opportunities, and have open conversations with investment teams that are driven by data, which is vital from a strategic perspective."

Firms looking to successfully execute their strategy need two core ingredients: a data-centric approach combined with innovative vision. As Howarth comments, these are key to surviving in hyper-competitive markets.

"Having access to all this high-quality data allows you to spot trends in real-time. Where are the flows going or where are they moving away from? Are there products gaps that can be filled? How is my market responding to the increased demand for environmental, social, and governance (ESG) data? It helps you keep your finger on the pulse of the market.

"Morningstar Direct allows you to monitor flows and assess how the market is evolving. But most importantly, firms can take this data and pivot their strategies accordingly."

The data is also useful for monitoring your firm's position within the market. Are you priced too high or too low compared to your peers? Are you pricing yourself out of the market entirely? It's incredibly useful being able to translate all the datapoints into actionable insights."

Looking to the Future

As markets—both local and global—transform, it's inevitable that the data will need to adapt in tandem.

"I think the coverage and quality of Direct is amazing, and at a local level I'm so excited to see it progress even further for the South African market. Globally, it's so impressive to have access to the fixed-income analysis, fixed income attribution, or see the different impacts on fixed-income returns. Being able to craft a holistic view of a fund or market is invaluable.

When it comes to having transparent conversations with investment teams or other internal stakeholders, I find things like the Morningstar Style Box, or the Medalist Ratings are incredibly useful for bringing insights at a glance—it's easy to get that initial overview through simple yet sleek visualisations."

"As markets shift and grow, I'm confident that Morningstar will continue to meet the needs and challenges of its diverse client base through more data, impactful research, and instantly recognisable ratings."

While the landscape has changed, use cases have transformed, and data needs have evolved, for Howarth, the Morningstar brand represents a familiar face in the South African market.

"Here in South Africa, we see Morningstar as a leader when it comes to investment data, tools, and research. It's a very established, global brand that signifies trustworthiness and transparency. This is great as it does a lot of heavy lifting—when you know you're looking at high-quality data, you can spend less time on that and more time focusing on your strategy or engaging in meaningful conversations.

I've found Morningstar to be such an integral part of the investment process throughout my career, from insights into how your firm's products are performing through to peer analysis and industry-wide trends, it's been vital to remaining innovative and competitive, which I think it top of mind for every firm.

From the huge amounts of data through to the platform and even the customer service experience, it's been such an enjoyable journey with Morningstar. I'm really excited for the future and how the South African market will continue to grow and adapt."

Ready to see for yourself?

Talk to a specialist about growing your business with Morningstar Direct.

Visit: <https://www.morningstar.com/en-uk/try/direct-trial>

Rosanne Howarth has not received any cash or non-cash compensation from Morningstar, directly or indirectly, in exchange for this client success story.