



Morningstar Lifetime Allocation Indexes

Learn more

Explore Morningstar Indexes' [full range of solutions](#)

Contact us

indexes@morningstar.com

Increases in life expectancy and rises in the cost of retirement necessities like healthcare are raising the cost of retirement. Meanwhile, historic sources of retirement income such as Social Security are often inadequate, shifting the retirement funding responsibility to the individual.

The Morningstar Lifetime Allocation Indexes are broadly diversified indexes that help US investors mitigate the challenges related to saving for retirement, managing evolving risk appetites, and navigating postretirement income investing. The indexes utilize asset allocation methodologies developed and maintained by Morningstar Investment Management, a leader in asset allocation research for over 30 years. The Lifetime Allocation strategies, global asset exposures, and risk profiles are products of Morningstar's real-world-tested research. Morningstar's capital markets research and annual government survey reviews on human capital (consumer income and net worth) are incorporated each summer into the asset allocations used by the index series.

The index series consists of sixteen target date vintages that are designed to enable US investors to build and maintain purchasing power through retirement over different time horizons.

- Morningstar Lifetime Allocation Moderate 2000 Index
- Morningstar Lifetime Allocation Moderate 2005 Index
- Morningstar Lifetime Allocation Moderate 2010 Index
- Morningstar Lifetime Allocation Moderate 2015 Index
- Morningstar Lifetime Allocation Moderate 2020 Index
- Morningstar Lifetime Allocation Moderate 2025 Index
- Morningstar Lifetime Allocation Moderate 2030 Index
- Morningstar Lifetime Allocation Moderate 2035 Index
- Morningstar Lifetime Allocation Moderate 2040 Index
- Morningstar Lifetime Allocation Moderate 2045 Index

- Morningstar Lifetime Allocation Moderate 2050 Index
- Morningstar Lifetime Allocation Moderate 2055 Index
- Morningstar Lifetime Allocation Moderate 2060 Index
- Morningstar Lifetime Allocation Moderate 2065 Index
- Morningstar Lifetime Allocation Moderate 2070 Index
- Morningstar Lifetime Allocation Moderate Income Index

In addition to the indexes calculated for the moderate risk tolerance level listed above, the indexes are also available in asset allocations that reflect conservative or aggressive risk tolerance levels.

Index construction

The starting universe consists of commonly used domestic and foreign asset classes across equity, fixed income, and cash. There are 16 distinct asset classes and sub segments within the starting universe as represented by Morningstar Indexes. The constituent indexes, which are listed on the following page serve as precise, nonoverlapping building blocks in the construction process.

Asset class allocation

Morningstar Investment Management takes a glidepath approach to building asset allocations for target date indexes. During the accumulation phase, the majority of assets are allocated to equities, with the remainder represented by various interest-bearing assets such as bonds. The percentage allocated to equities reduces over time and shifts toward lower-risk asset classes as the investor nears retirement. US government household statistics related to income and net assets, known as human capital assumptions, and expected market returns and risks by asset class, known as capital markets assumptions, are incorporated into the asset allocation glidepath. This is further tailored according to overall risk level and investor risk capacity.

Asset Allocation Glidepath – Morningstar Lifetime Allocation Moderate 2030 Index



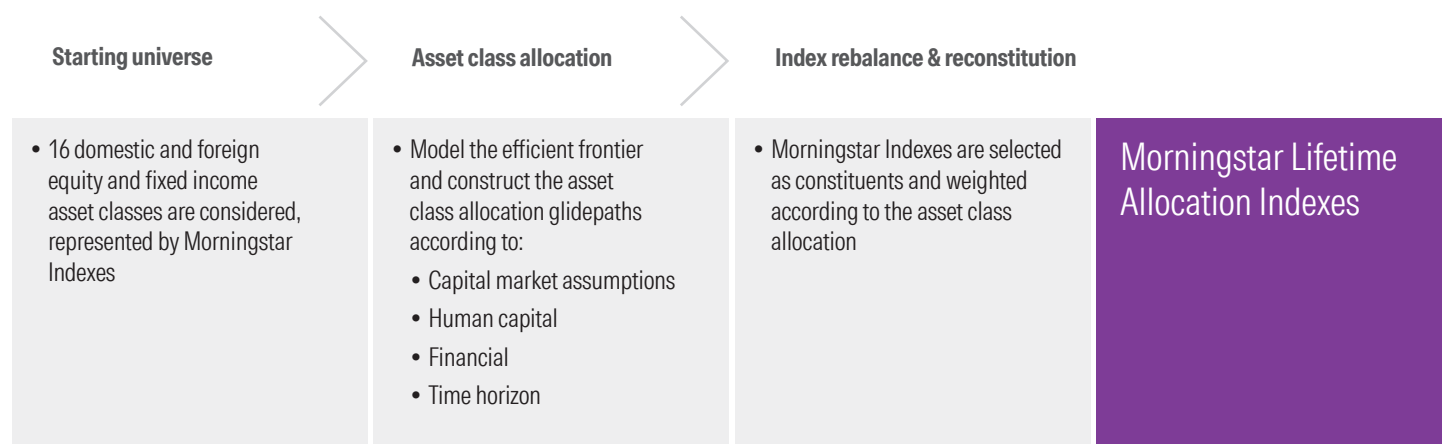
Index maintenance

The indexes are reconstituted annually, where the underlying asset class allocation is reset according to Morningstar Investment Management's updated capital market assumptions. The reconstitution is implemented after the close of business on the third Friday of June and effective the following business day.

The indexes are rebalanced quarterly to maintain the asset allocation according to the annually adjusted glidepath. The rebalances are implemented after the close of business on the third Friday of March, June, September, and December and effective the following business day.

Every five years, a new index will be added in a five-year increment after the highest-year index present in the series.

Construction process



Constituent indexes

Asset class	Morningstar index
Domestic equity	Morningstar US Large Cap Broad Value Index
	Morningstar US Large Cap Broad Growth Index
	Morningstar US Mid Cap Broad Value Index
	Morningstar US Mid Cap Broad Growth Index
	Morningstar US Small Cap Broad Value Index
	Morningstar US Small Cap Broad Growth Index
Domestic property	Morningstar US REIT Index
International equity	Morningstar Developed Markets ex-US Index
Emerging markets equity	Morningstar Emerging Markets Index
Domestic fixed income	Morningstar US 1-5 Year Core Bond Index
	Morningstar US 5-10 Year Core Bond Index
	Morningstar US 10+ Year Core Bond Index
Domestic inflation protected fixed income	Morningstar US 1-5 Year Treasury Inflation-Protected Securities Index
	Morningstar US 10+ Year Treasury Inflation-Protected Securities Index
International fixed income	Morningstar Global ex-US Treasury Bond Index
Cash	Morningstar US Dollar 1-Month Cash Index

Rules governing security inclusion into the above listed indexes are detailed in the rulebooks for each constituent index. Please visit our [website](#) to access constituent index rulebooks.

About Morningstar Indexes

Morningstar Indexes was built to keep up with the evolving needs of investors—and to be a leading-edge advocate for them. Our rich heritage as a transparent, investor-focused leader in data and research uniquely equips us to support individuals, institutions, wealth managers and advisors in navigating investment opportunities across major asset classes, styles and strategies. From traditional benchmarks and unique IP-driven indexes, to index design, calculation and distribution services, our solutions span an investment landscape as diverse as investors themselves.

Please visit indexes.morningstar.com for more information.