



# On-Line Portfolio Managers

By Kenneth J. Michal

An on-line portfolio manager, also referred to as an on-line portfolio tracker, is an Internet-based tool that allows individual investors the ability to monitor their personal portfolios on a secure Web site. Portfolio data updates, links to news stories, and portfolio event-driven E-mail alerts are part of the standard set of portfolio offerings at these sites. Access to additional analysis modules is also provided. Most on-line portfolio management applications are just a part of a larger, more comprehensive investment-related Web site—a single slice of the pie that is the traditional one-stop, on-line investment center. In the past, most of these sites charged users a monthly fee to access the site's tools, but the trend is now toward dropping these fees. In most cases, the basic portfolio tracking functions are provided free of charge to registered users.

On-line monitoring tools, however, will in no way offer you the same capabilities as the top portfolio management software programs. Rather, they are best seen as tools for keeping you abreast of what is happening with your portfolio and notifying you of current events that might affect your investment holdings.

An on-line manager is like a personal assistant, helping to monitor the activity of your portfolio. On-line portfolio managers do not profess to do what software can do. They can track a portfolio quite effectively, but they do not generate reports or calculate returns to the degree that software does. However, they are clearly heading in that direction.

On the other hand, on-line systems can perform some services that software programs do not have the capability to offer, which can greatly enhance your overall evaluation of any portfolio. They can provide timely and vital information unavailable through software in ways not compatible with the typical software interface. This is

because of the Internet—specifically, the wealth of investment data available and the opportunities for providing timely information via E-mail. For these reasons, an on-line portfolio manager can be a truly valuable complement to any portfolio tracking software program.

## Not Suited for Everyone

Having said all that, on-line portfolio systems are not for everyone. The sophisticated investor, trading everything from equities to derivatives, will not be able to monitor all holdings. The majority of the applications discussed here are geared toward the type of monitoring done by the typical individual investor, whose holdings are comprised primarily of stocks and mutual funds.

There are literally hundreds of investment-related Web sites out in cyberspace today—and an equal number of on-line portfolio managers, if not more. This product comparison article will concentrate on eight of the top free portfolio tools currently available to the broad individual investor market. The article will discuss features to consider and will provide an in-depth review of each.

## The Checklist

Before going out and test-driving any on-line tool, it is a good idea to first develop a checklist of specific features to shop for and be aware of when comparing applications. For on-line portfolio management, these features include:

- frequency of updates,
- automatic refreshing of display,
- desktop software compatibility,
- links to brokerages,
- links to newswire services,
- E-mail alerts,
- access to additional analysis tools,
- number of portfolios that can be tracked,
- number of securities that can be tracked per portfolio, and

- types of securities handled.

## Updating

Perhaps the most important elements of the checklist are the frequency of the updates and whether a portfolio display is updated automatically or manually by the user. News, additional tools, and overall activity reporting are of great benefit, but the tracking, maintenance, and refreshing of holdings are the key basic functions desired by all investors.

Some investors are so accustomed to refreshing the prices of their holdings on their own that they would rather do it themselves. Others might welcome a site that takes the task off their hands. In most cases, portfolios are refreshed automatically every couple of minutes or so while the user is at the site. Some sites establish a static time frame that cannot be changed, while others allow the user to adjust the interval to an automatic display update schedule they are comfortable with.

In some instances though, portfolios need to be refreshed manually by the user—by logging onto the site and then having the site update the portfolio, by going to a specific link on the site and clicking an update button, or simply by clicking the Refresh button on your browser software.

## Compatibility

One unique feature available with some on-line portfolio managers is also found on certain portfolio management software products—a direct import function for transferring portfolio data from a desktop software program to your portfolio tracker on the Web. Sites offering this import feature also allow for “in sync” data updates—where changes made to on-line portfolios can be reflected in desktop software portfolios. With certain programs, this process of adding changes works in the opposite direction as well.

Currently, only three sites have on-line portfolio trackers that are compatible with desktop software, and only two software titles are on board at this point—the popular general-purpose portfolio management programs Money and Quicken.

### Brokerage Links

There are four features exclusively found on Internet-based portfolio management systems. The first of these unique features is a direct import function of one's on-line discount brokerage account statements. This import function works like a dynamic link to your brokerage account. When a change is made to your account-holdings, say you purchase 1,000 shares of a new stock, you simply log into your on-line portfolio manager, import your brokerage account, and recent changes will take effect in your on-line portfolio—freeing you from the need to record it yourself manually.

The roster of on-line discount brokerage firms who provide this functionality to their customers has grown exponentially in the last couple of years. As for the number of on-line

portfolio manager sites offering this dynamic import link capability, the feature is slowly catching on. The total number of sites offering this link as part of their on-line portfolio manager services is just three. Look for this special capability to become more commonplace in the very near future.

For a complete list of the participating on-line discount brokers for each Web site, see Table 1.

### News wire Services

Another unique feature found only with on-line portfolio managers is direct links to news wire stories and news headlines on the companies you currently track in your portfolios. These news stories are often located right on the portfolio's current holdings view or transactions view as well as within a separate display dedicated just to news stories, news headlines, and press releases.

News wire services range from the standard set (AP, Business Wire, PR Newswire) that can be found almost anywhere on the Web to a higher tier of limited-access newswires and news resources (Dow Jones, Reuters) to unique news outlets such as The In-

dustry Standard, an Internet trade magazine, and multimedia financial news provider ON24. In most instances, links are provided to complete news articles, while other times merely news headlines are given.

This is a basic feature offered by all the sites reviewed here. The depth and breadth of coverage is what can set some sites apart from others, not to mention access to any subscription-based market news, such as those stories and reports from The New York Times, TheStreet.com, or the Wall Street Journal Online.

### E-Mail Alerts

The third and most significant feature that helps differentiate an on-line portfolio manager from a software program is E-mail capabilities. An E-mail alert can warn you of possible danger to your portfolio (a stock falling below a price target) or merely notify you of general activity (a stock split). The alert could convey something as simple as a dividend being declared for one of the stocks that you own. Or maybe you own shares in a certain sector fund and that sector has just hit on a new technological dis-

**Table 1**  
**Participating On-Line Discount Brokers**

#### **MSN MoneyCentral Investor**

Charles Schwab & Co.  
CSFBdirect  
Fidelity Investments  
Datek  
E\*Trade  
Morgan Stanley Dean Witter Online  
TD Waterhouse  
Wall Street Access

#### **Quicken.com**

A.B. Watley  
Accutrade  
American Express Brokerage  
Ameritrade  
Buyandhold.com  
Bear Stearns  
CSFBdirect  
Charles Schwab & Co.  
Datek  
E\*Trade  
Fidelity Investments

Morgan Stanley Dean Witter Online

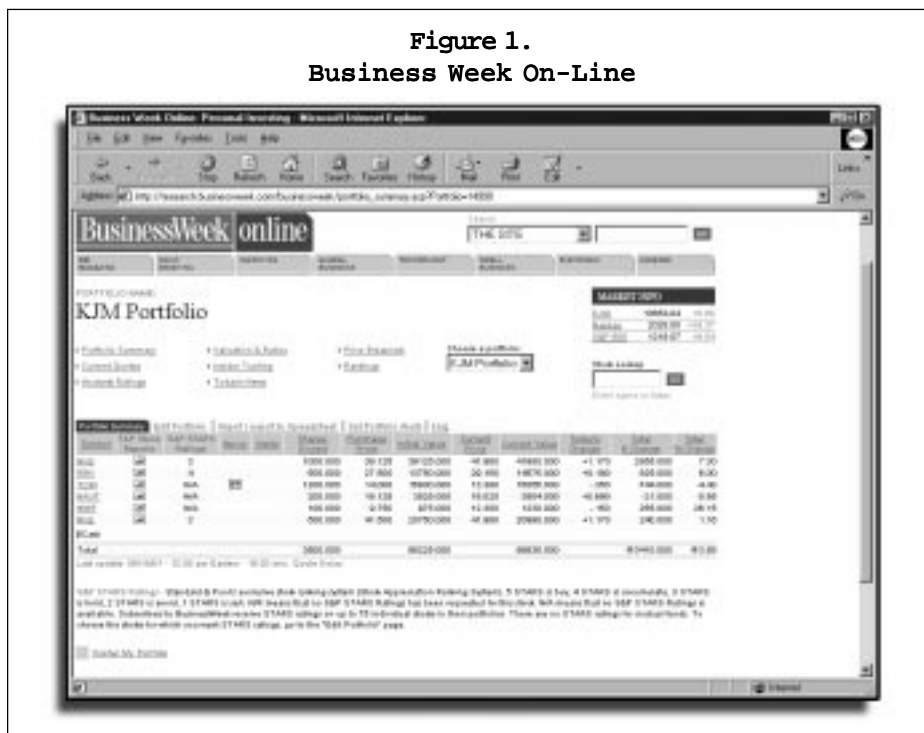
Merrill Lynch Online  
National Discount Brokers  
PaineWebber EDGE  
Salomon Smith Barney Brokerage  
Scottrade  
Sudder Investments  
Suretrade.com  
TD Waterhouse  
Vanguard Brokerage

#### **Yahoo! Finance**

A.B. Watley  
Accutrade  
American Express Brokerage  
Ameritrade  
Banc of America Brokerage  
Bidwell & Co.  
Brown & Co.  
Buyandhold.com  
Charles Schwab & Co.  
CSFBdirect

Datek  
E\*Trade  
eDreyfus Brokerage Services  
Fidelity Investments  
First Union Brokerage Services  
Firsttrade  
Freetrade  
Harris InvestorLine  
Merrill Lynch Online  
Morgan Stanley Dean Witter Online  
Mr. Stock  
MyDiscountBroker  
National Discount Brokers  
PaineWebber EDGE  
Quick & Reilly  
Salomon Smith Barney Brokerage  
Scottrade  
T. Rowe Price Brokerage  
TD Waterhouse  
Vanguard Brokerage  
WebStreet Securities  
WingspanBank Brokerage

**Figure 1.**  
**Business Week On-Line**



covery—with E-mail alerts, you are notified of such events.

E-mail alerts are not junk mail and they do not clog up your inbox with unnecessary messages. E-mail alerts are set up in a user profile and only notify you of events happening to the securities you select from the ones you are tracking, either in your primary portfolios or your “watchlists” (more on this later).

E-mail alert-enabled portfolio managers have become somewhat of a standard feature of the top applications. Only half of the on-line managers compared here offer some type of E-mail alert. Currently, all E-mail alert functionality is conducted on a delayed basis—the E-mail alert arrives in your inbox approximately 15 minutes after the event has taken place. To illustrate this, think about the above example—a stock hitting a price target. Once the stock hits the price limit, the E-mail alert is triggered, created, and sent to your E-mail box 15 minutes later.

Timeliness is no doubt a factor here, and perhaps some would question if any real investment decisions can be made when such alerts warn you 15 minutes after the fact. Nevertheless,

knowledge is power. And you might not learn of such events until maybe a day or two later—when it *really* is too late. Looking at E-mail alerts this way, their value becomes much clearer.

#### **Additional Analysis Tools**

The fourth and final unique feature available only with on-line portfolio management systems is access to an abundance of additional tools for further research and analysis. For example, when you purchase a portfolio management software program, you cannot screen for stocks with low price-earnings ratios or view a candlestick price chart. With most on-line portfolio tools, you can do so quite easily. The degree of quality of these additional tools can greatly aid in the evaluating of the portfolio tracker.

The most popular tools include stock and mutual fund screening modules, interactive technical charting applications, and financial planning assistance. With screening modules, be sure to check out the depth of data and number of data fields available for screening—two key factors that help differentiate these tools. In terms of charting, the availability of technical indicators and user-defined time

frames are just some of the things to look for. Other valuable features include access to fundamental data, earnings estimates, company and fund reports, market statistics, and any financial calculators.

Access to such tools is quite variable, but they are offered in some capacity by all the sites reviewed here. Only two sites do not have complete offerings based upon the tools surveyed. The depth of data and the degree of functionality of the modules are what can set some sites apart from others.

#### **Number of Portfolios**

The number of portfolios that can be tracked at these sites also varies and might prove to be an initial criterion that quickly narrows your choices. The number ranges from a single portfolio to an unlimited number of portfolios. Two sites allow its registered users to set up an infinite number of portfolios.

Most, if not all, of these on-line portfolio tracking systems will allow you to track a portfolio of stocks or mutual funds that you do not own but would like to keep an eye on. Referred to as a “watchlist” or “watch” portfolio, the data entry is done differently for this type of portfolio. Also, the monitoring measures are set up a little differently for watchlists, so you can judge whether these securities would make good investments.

#### **Securities per Portfolio**

When it comes to the number of investments or securities that can be tracked within a single portfolio, the totals get quite out of hand. The lowest total number of securities for one portfolio is 50. For the majority of sites, the maximum number of securities that can be tracked is between 100 and 200 unique investments per portfolio.

The MSN MoneyCentral Investor site and Quicken.com can track a staggering 5,000 securities spread out over 50 portfolios. Add to that the two sites that can store an unlimited number of securities across 200 possible portfolio

lios and the numbers can be even more astounding. These are totals that most investors will not even come close to reaching, but it is nice to know the capacity is there.

### Securities Handled

The last item on our on-line portfolio manager shopping list is the types of securities that can be tracked by the module. This element is the simplest factor to use to determine whether or not an on-line portfolio manager is right for you. As mentioned earlier, these on-line tools are not for everyone—especially the sophisticated individual investor.

If you own investments beyond stocks, funds, and bonds, these tools might not provide the capabilities your portfolio requires. Of the eight offerings discussed here, only three services track investment instruments other than stocks, mutual funds, and bonds. The specific coverage of securities is noted for each Web site in the descriptions that follow. Most allow users to track a cash balance, and most can include major indexes for comparison and monitoring purposes. Each site allows you to get quotes on any stock or mutual fund included in their particular database.

### Comparing Apples to Apples

In addition to the above checklist of specific features to consider when selecting an on-line portfolio manager, the on-line tools in this comparison were surveyed against the same criteria used in comparing traditional portfolio management software titles. This includes securities and transactions handled, as well as security classification, standard report offerings, the various portfolio performance reports, and any necessary user reporting options. This “apples to apples” comparison helps to demonstrate how the on-line portfolio trackers stack up against the competition and, in most cases, show that these tools are not to be used as replacements of software, but as complements to your core portfolio management program.

### Business Week Online

Standard & Poor's and Business Week magazine—members of the McGraw-Hill family of publishing companies—have recently formed an on-line partnership and subsequently re-launched the Business Week On-line Web site.

Utilizing much of the data and tools once available on S&P's Personal Wealth site, the new Business Week Online site has replaced its previous portfolio management tool with a beefed up portfolio tracker powered by Telescan. The same portfolio tracking tool is featured on Telescan's Wall Street City Web site ([www.wallstreetcity.com](http://www.wallstreetcity.com)), but the tool featured there has a slightly different look and feel with fewer available free portfolio and security totals. For example, the Business Week Online tool allows for 25 free portfolios as compared to only six free portfolios for the Wall Street City site.

The Business Week Online tool allows users to track 25 portfolios consisting of any combination of 3,750 stocks and mutual funds only; it also tracks a separate cash balance. Portfolios are updated automatically every two minutes, and free E-mail alerts

are triggered by breaking news and price targets. The site offers only two newswire services—one if you discount Business Week magazine.

Portfolios can be viewed using eight different displays including analysts ratings, insider trading, and price breakouts. The price breakouts look at short-, intermediate-, and long-term trends versus 30-day moving averages. Performance reports can be calculated for individual securities and single portfolios, with returns only for the holding period.

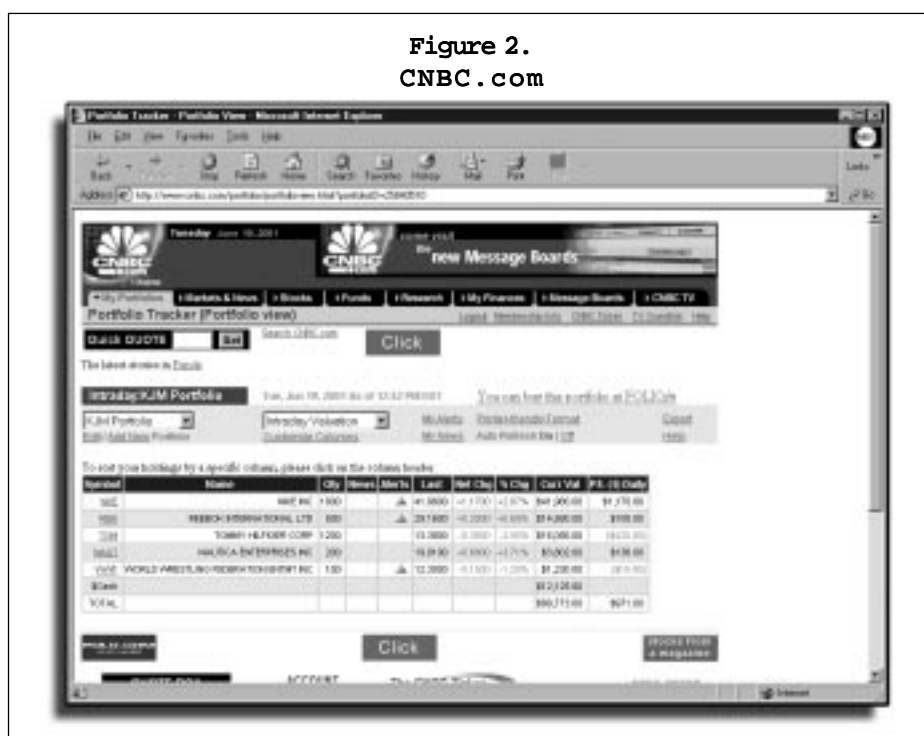
The Business Week Online portfolio tracker is pretty much a standard free tool that has some nice portfolio views not found on most other sites.

### CBS MarketWatch

Quite possibly the best investment-related Web site for company and market news, CBS MarketWatch provides an on-line portfolio manager to its registered users free of charge.

The CBS MarketWatch site states that the site can handle an unlimited number of portfolios, but asks users to limit those portfolios to 200 securities per portfolio—consisting of stocks, mutual funds, and options. Portfolio displays are refreshed auto-

Figure 2.  
CNBC.com





matically on a static schedule of every three minutes. CBS MarketWatch offers seven different news services—including AP, Edgar Online, Reuters, and UPI—tied with Yahoo! Finance as the most services offered.

Portfolio performance measures are available for the holding periods of securities and single portfolios. Special views—six in all—are available for portraying portfolio asset allocation and insider trading activity. The site also features a nice “adjust position” button next to each security for quick-and-easy accumulation and sell tasks.

CBS MarketWatch site is known as an on-line market news hub. If you are a fan of the news offerings here, be sure to check out this basic tool and utilize it as part of your analysis.

#### CNBC.com

The cable television arm of the National Broadcasting Company (NBC), CNBC, hosts its own one-stop financial market news Web site at CNBC.com. The site also features a solid set of analysis tools, including a portfolio manager.

Twenty-five portfolios consisting of 150 securities can be tracked for free

at the site. Portfolios can be comprised of stocks, mutual funds, options, and futures; a cash balance can also be monitored separately. Portfolios are updated automatically every two minutes. The site also offers free price target alerts. Five news sources, including its own cable TV channel and sibling site MSNBC.com are available.

Single portfolios as well as individual securities can be analyzed on a performance level for their holding periods only. The CNBC.com portfolio tracking interface features just two presentation options—an intraday valuation and a long-term valuation view. Portfolio data can be exported to Excel.

The portfolio tracking module on CNBC.com offers a lot of nice features for a free utility and very formidable set of security choices; however, the limited report options are average at best and do nothing to help distinguish the site.



#### MSN MoneyCentral Investor

This site has undergone many, many updates and remains one of the most powerful investment resources on the Web. It is currently

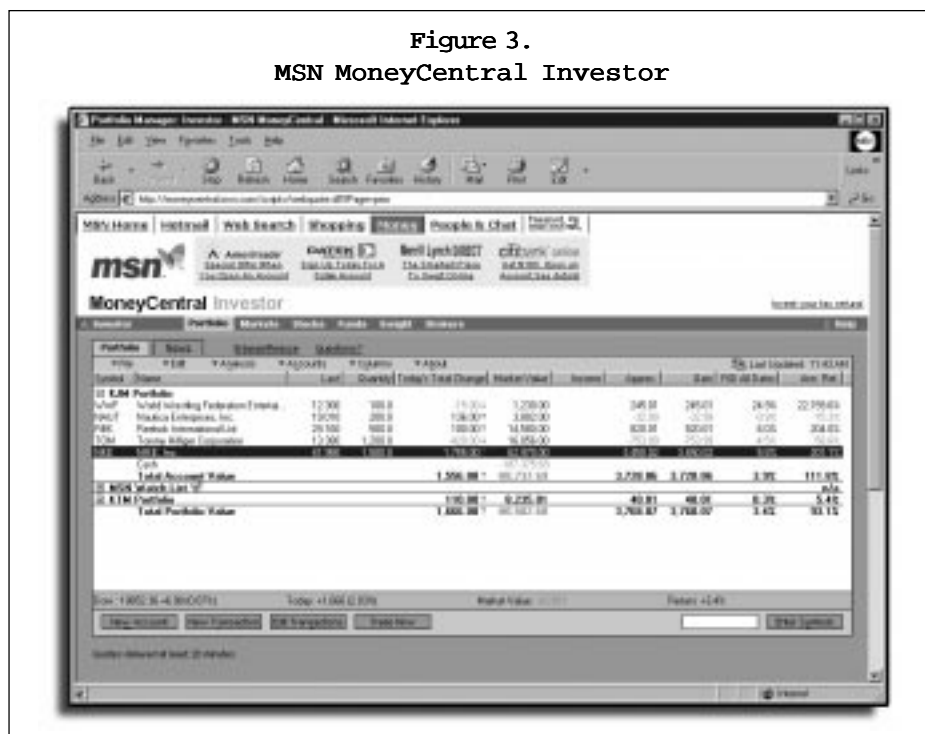
free to all registered users and offers an on-line portfolio tracking module as part of its package of services.

The site's portfolio tool is a true module—an actual software program that is downloaded and installed on top of your browser software. Designed using Microsoft's ActiveX technology, this mini-software program, technically termed an applet, is completely menu-driven. It provides users with full report printing capabilities. As a side note, the presentation of the portfolio tool is quite different on a Macintosh machine. Gone is the ActiveX appearance and in its place is a standard html-based page. With the html interface, portfolio creation, editing, and analysis becomes a much slower, step-by-step process.

This on-line portfolio manager allows you to track one portfolio that can include up to 50 accounts—which are essentially 50 mini-portfolios—tracking up to 5,000 securities total. MSN MoneyCentral Investor's portfolio application handles an above-average range of securities, including bonds and options. A cash balance can also be monitored within the manager. Portfolio displays can be refreshed at any time manually by the user or automatically when you are in the module. The frequency of these automatic updates is adjustable to a time frame selected by the user and can be as short as a minute.

Microsoft recently re-instated their version of E-mail alert capabilities to the MSN MoneyCentral Investor site. E-mail alert-like messages called MSN Alerts arrive not to your inbox, but to a special MSN Messenger Service program installed on your computer and running on your desktop. Delayed alerts arrive in the form of breached price targets, volume levels, and percentage price changes. As part of the setup of these MSN Alerts, users can also receive price quotes twice a day at times established by them. This allows for price quotes to be received at the market close as well as another point during the trading day. You must have a live Internet connection for the alerts to work.

Figure 3.  
MSN MoneyCentral Investor



# PRODUCT COMPARISON: ON-LINE PORTFOLIO MANAGERS

Web Site Name		Business Week Online	CBS MarketWatch	CNBC.com
Company		The McGraw-Hill Companies, Inc.	MarketWatch.com, Inc.	National
Telephone		888/878-5151	415/733-0500	N A
Web Site		www.businessweek.com	cbs.marketwatch.com	www.cnbc.com
E-Mail Address		bwcustsv@mcgraw-hill.com	mwfeedback@marketwatch.com	question@cnbc.com
Subscription Price		free w/Internet access	free w/Internet access	free w/Internet access
Automatic Portfolio Updates (Frequency of Updates)		✓ (every 2 minutes-static)	✓ (every 3 minutes-static)	✓ (every 3 minutes-static)
Compatible with Desktop Software (Software Titles)				
Brokerage Links				
Newswire Services		Business Week, Reuters	AP, Business Wire, CBS MarketWatch, Edgar Online, PR Newswire, Reuters, UPI	Business Wire, MSNBC.com, Reuters
E-Mail Alerts	Alerts (News/Price Targets/Dividends/Splits)	✓ (news/price targets)		✓ (price targets)
	Free/Subscription-Based	free		free
	Delayed Alerts/Real-Time Alerts	delayed		delayed
Additional Analysis Tools	Stock Screening/Mutual Fund Screening	✓	✓	✓
	Interactive Charting	✓	✓	✓
	Financial Planning	✓	✓	✓
Maximum Portfolios/Securities per Portfolio		25/150	unlimited/200	25/150
Maximum Securities/Transactions per Security		3,750/NA	unlimited/NA	3,750/NA
Securities/Assets Handled	Cash/Stocks/Mutual Funds	✓	✓ (stocks/mutual funds)	✓
	Bonds (Fixed/Variable/Zero/PIK)			
	Annuities			
	Options/Futures/Warrants		✓ (options)	✓ (options)
	Real Estate/Partnerships			
	User-Defined			
Security Classification	Identification (Name/Ticker/CUSIP)	✓ (name/ticker)	✓ (name/ticker)	✓ (name/ticker)
	Account Number/Management Firm			✓ (management firm)
	Asset Class (Pre-Defined/User-Defined)			
	Industry (SIC Codes/User-Defined)			
Transactions Handled	Deposit/Withdrawal; Buy/Sell	✓ (buy/sell)	✓ (buy/sell)	✓ (buy/sell)
	Short/Cover		✓	
	Margin			
	Receive/Deliver Security			
	Dividends (Cash/Stock/Splits/Reinvest)	✓ (splits)		✓ (splits)
	Interest Income			
	Treatment of Fees/Commissions		✓	✓
Security Lot Assignments (Avg.Cost/FIFO/Specific Lot)				
Reports	Current Holdings	✓	✓	✓
	Holdings by Lots	✓	✓	
	Cash Portfolio Status			
	Tax Schedules (Interest/Dividends/Capital Gains)			
	Projected Cash Flow			
	Customized Reports		✓	
Performance Reports	Security/Industry/Asset Class/Investment Style	✓ (security)	✓ (security)	✓ (security)
	Portfolio (Single/Multiple)	✓ (single)	✓ (single)	✓ (single)
	Holding Period/Between Period Returns	✓ (holding period)	✓ (holding period)	✓ (holding period)
	Value-Weighted IRR/Time-Weighted Returns			
	Tax-Adjusted Returns			
	Benchmark Comparison			

com	MSN MoneyCentral Investor	Morningstar.com	Quicken.com
Broadcasting Co.	Microsoft, Inc.	Morningstar, Inc.	Intuit, Inc.
	800/426-9400	800/507-9622	650/944-6000
oc.com	www.moneycentral.msn.com	www.morningstar.com	www.quicken.com
s@online.cnbc.com	N A	joe@morningstar.com	N A
Internet access	free w/Internet Access	free-\$9.95/month	free w/Internet access
2 minutes-static)	✓ (every minute-adjustable)		✓ (every 10 minutes-adjustable)
	Money, Quicken	Money, Quicken	Quicken
	✓ See Table 1 for list		✓ See Table 1 for list
s Wire, CNBC TV, com, PR Newswire,	Briefing.com, Business Wire, MSNBC.com, PR Newswire, Reuters, The Industry Standard	Business Wire, Dow Jones, Morningstar, QN24 video, PR Newswire	Business Wire, CBS MarketWatch, Dow Jones, New York Times, PR Newswire
targets)	✓ (price targets)	✓	
	free	subscription	
	delayed	delayed	
	✓	✓	✓
	✓	✓	✓
	✓	✓	✓
	50/100	50/50	50/100
NA	5,000/NA	2,500/NA	5,000/NA
	✓	✓	✓
	✓		✓
rs/futures)	✓ (options/warrants)		
	✓		
(ticker)	✓ (name/ticker)	✓ (name/ticker)	✓ (name/ticker)
gement firm)			
all)	✓	✓ (buy/sell)	✓ (buy/sell)
	✓	✓	
	✓	✓	✓ (reinvest/splits)
	✓		
	✓	✓	
	✓ (avg. cost/specific lot)	✓ (specific lot)	✓ (average cost/specific lot)
	✓	✓	✓
	✓	✓	✓
	✓	✓	✓
ty)	✓	✓	✓
)	✓	✓	✓
ng periods)	✓ (holding period)	✓	✓ (holding period)
	✓	✓	✓

# PRODUCT COMPARISON: ON-LINE PORTFOLIO MANAGERS

Web Site Name		Smart Money.com	Yahoo! Finance
Company		Smart Money magazines	Yahoo!, Inc.
Telephone		N A	408/731-3300
Web Site		www.smartmoney.com	quote.yahoo.com
E-Mail Address		portfolio@smartmoney.com	finance-admin@yahoo-inc.com
Subscription Price		freew/Internet access	freew/Internet access
Automatic Portfolio Updates (Frequency of Updates)			
Compatible with Desktop Software (Software Titles)			
Brokerage Links			✓ See Table 1 for list
Newswire Services		Dow Jones, PR Newswire, Reuters, Smart Money	AP, Business Wire, CBS MarketWatch, PR Newswire, WSJ Online, Reuters, TheStreet.com
E-Mail Alerts	Alerts (News/Price Targets/Dividends/Splits)		
	Free/Subscription-Based		
	Delayed Alerts/Real-Time Alerts		
Additional Analysis Tools	Stock Screening/Mutual Fund Screening	✓ (mutual fund screening)	✓ (stock screening)
	Interactive Charting	✓	✓
	Financial Planning	✓	✓
Maximum Portfolios/Securities per Portfolio		50/50	unlimited/200
Maximum Securities/Transactions per Security		2,500/NA	unlimited/NA
Securities/Assets Handled	Cash/Stocks/Mutual Funds	✓	✓
	Bonds (Fixed/Variable/Zero/PIK)		
	Annuities		
	Options/Futures/Warrants		
	Real Estate/Partnerships		
	User-Defined		
Security Classification	Identification (Name/Ticker/CUSIP)	✓ (name/ticker)	✓ (name, ticker)
	Account Number/Management Firm		
	Asset Class (Pre-Defined/User-Defined)		
	Industry (SIC Codes/User-Defined)		
Transactions Handled	Deposit/Withdrawal; Buy/Sell	✓ (buy/sell)	✓ (buy/sell)
	Short/Cover		
	Margin		
	Receive/Deliver Security		
	Dividends (Cash/Stock/Splits/Reinvest)	✓	
	Interest Income		
	Treatment of Fees/Commissions	✓	✓
Security Lot Assignments (Avg.Cost/FIFO/Specific Lot)		✓ (average cost)	
Reports	Current Holdings	✓	✓
	Holdings by Lots		✓
	Cash Portfolio Status		
	Tax Schedules (Interest/Dividends/Capital Gains)		
	Projected Cash Flow		
	Customized Reports		✓
Performance Reports	Security/Industry/Asset Class/Investment Style	✓ (security/asset)	✓ (security)
	Portfolio (Single/Multiple)	✓ (single)	✓ (single)
	Holding Period/Between Period Returns	✓ (holding period)	✓ (holding period)
	Value-Weighted IRR/Time-Weighted Returns		
	Tax-Adjusted Returns		
	Benchmark Comparison		



Six different news services contribute content to the site, including Briefing.com, MSNBC.com, Reuters, and The Industry Standard.

MSN MoneyCentral Investor is one of three sites that allow users of Microsoft Money and Quicken desktop software products to upload and update portfolios created in the programs onto the Web (Note: MSN MoneyCentral Investor is able to import only those files created in Quicken 99 or earlier versions). MSN MoneyCentral Investor can also import portfolios created on the Yahoo! Finance Web site. Similar statement importing capabilities are available via a number of linked brokerage firms as well. The brokers contributing to this feature are listed in Table 1.

The degree of analysis and evaluation proficiency found on MSN MoneyCentral Investor is clearly above average—in fact, it rivals some software applications. This is also true for the on-line tracker's reporting strength and print report options. In addition to several dynamic on-screen portfolio views, this application allows users the ability to print out software-grade portfolio performance reports. All of this is possible because of the ActiveX technology wired throughout this Microsoft on-line tool.

For performance reporting, the MSN MoneyCentral Investor tool can break portfolios down, analyzing them according to security type, asset class, and investment style. It can also report on the combined performance of multiple portfolios. A return calculations printout report offers eight different performance returns. However, the returns are only for static holding periods. Another printout report entitled valuations provides average cost basis, and a positions by lots display offers specific lot cost basis figures.

Over the last couple of years, some of the original features once on this product have disappeared, while others have recently been brought back. As a result, this tool has dropped a notch, but remains one of the best on-line portfolio managers around.



#### **Morningstar.com**

Screening software developer and leading source for mutual fund data, Morningstar, Inc., supports a free on-line portfolio tracker at its Morningstar.com Web page. The site also features a set of advanced portfolio analysis functions via premium service subscriptions to the site, available for \$9.95 a month.

Morningstar.com has capabilities to track 50 portfolios—25 quick portfolios listing current positions and 25 detailed transaction portfolios—each holding 50 securities per portfolio. Stocks and mutual funds are the only securities handled. The on-line manager can also keep a cash balance. Portfolios are updated by Morningstar on a delayed basis. E-mail alerts, sent to premium service subscribers only, notify you of events as complex as a heavy volume price movement and as simple as the change of a ticker symbol or fund manager. Subscription-based users can select from eight possible E-mail alert categories. Newswire services include Dow Jones and audio/video content from ON24.

Morningstar's on-line portfolio manager works in conjunction with both eligible portfolio management software programs—Microsoft Money and Quicken. It also allows users to import portfolio data entered on America Online, AOL.com, and the MSN MoneyCentral site.

Morningstar.com offers a solid list of report capabilities. Performance numbers can be compared among individual securities, as well as by asset class and investment style. Performance reports can also be generated for single and multiple portfolios and within holding periods as well as known market environments. The user-defined, between-periods option is made possible by an interactive, Java-based performance chart. This unique chart, displayed as part of a performance view, features "sliders" or movable tabs that allow users to adjust the time frame of a total return within a most recent 12-month timeline. Other portfolio interface

views include intraday, fundamental, and gain/loss—which employs the specific-lot method for handling cost basis.

Morningstar.com also features a unique way to examine your portfolios called X-Rays. These X-Rays are slightly different from standard tracking views in that they can break down your portfolio and present your holdings in different formats. A display entitled Stock Overview is the only free X-Ray view available. Ten different premium service X-Rays can be displayed, including Asset Class, Fees & Expenses, Stock Sector, Stock Type and World Regions. Another premium X-Ray is the unique Stock Overlap X-Ray, which analyzes the diversification of your portfolios across mutual funds and among individual security holdings.

Morningstar.com's portfolio utility features basic tracking options and some nice portfolio views. Although certain elements are limited and others are tied to monthly fees, it is still a solid portfolio application.

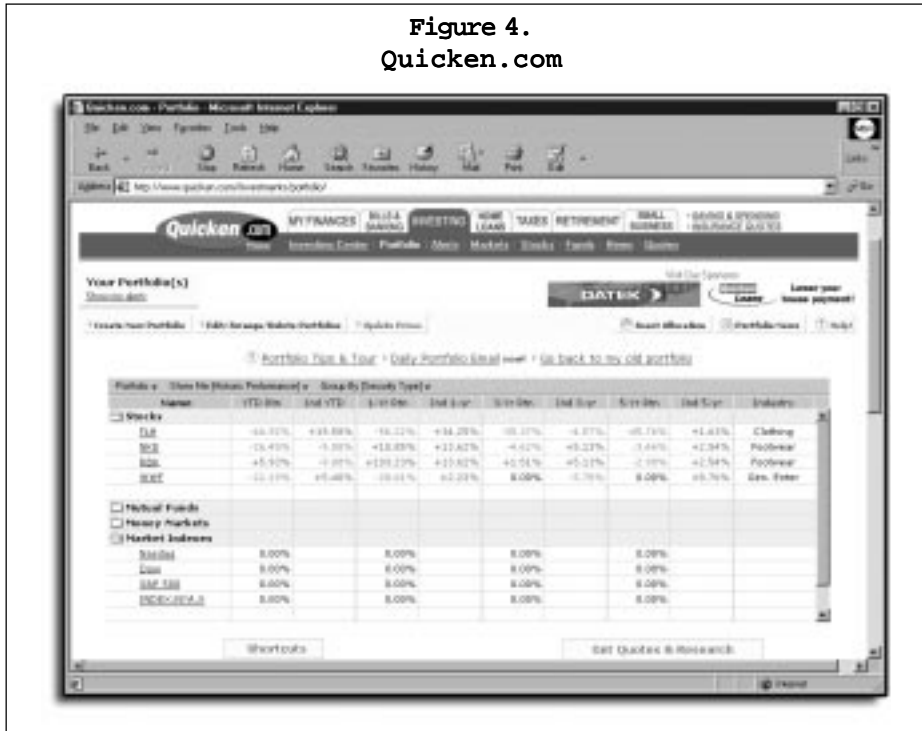
#### **Quicken.com**

The most formidable competition Microsoft has in the on-line portfolio management arena is found here on Intuit's Quicken.com site, a location on the Web that has been revamped and significantly retooled—especially in the portfolio tracking area.

The popular portfolio management software program's site allows registered users the ability to track their personal portfolios via a standard html-based portfolio tracker as well as through an ActiveX portfolio analysis product. The ActiveX tool here on Quicken.com, like the one on the MSN MoneyCentral Investor site, only appears on a Windows PC. A registered user logged on to Quicken.com via a Macintosh only receives access to the html-based portfolio tool.

Quicken.com currently offers the same tracking options as the MSN MoneyCentral Investor Web site—50 portfolios with 100 securities per portfolio. Portfolios can consist of stocks,

**Figure 4.**  
**Quicken.com**



mutual funds, and bonds. A cash balance can be monitored right next to your securities. Portfolio data can be refreshed automatically, but the site does have some strict rules regarding the update time interval. The minimum legal value is every 10 minutes, even though the profile allows for typing a single digit number into a blank field. This is an automatic refreshed, but pretty much on a delayed basis.

Another question mark is the alerts available at this site. The alerts found here lack the E-mail characteristics one would normally prefer with their portfolio alerts. Warnings are simply icons in the form of exclamation marks, up arrows, and down arrows that appear next to the corresponding tickers. A summary tab of current alerts can also be accessed from a link at the top of the on-line portfolio module. Price targets, volume levels, dividend announcements, and splits trigger these alerts.

Market news sources go beyond the standard newswire services and include CBS MarketWatch, Dow Jones, and The New York Times.

Logically, portfolios entered in Quicken desktop software can be dynamically imported into the

Quicken.com portfolio module on the Web. The Quicken.com portfolio tracker also has the capacity to transfer account information directly from your personal on-line brokerage account—participating brokers are listed in Table 1.

Due to the ActiveX technological innovations applied to this site, Quicken.com, like the MSN MoneyCentral Investor site, is able to offer a more advanced set of portfolio reporting and printout capabilities. Similar software-quality reports can be easily generated here. Complete performance reporting options are available—reports can be produced using “Show Me” views for individual securities and according to industry, asset class, and investment style. Similar reports can be generated against multiple portfolios. The only drawback here with the performance reporting capabilities on Quicken.com is that portfolio returns are for the holding period of the instrument only. A Show Me view on tax implications offers a cost basis breakdown of securities according to average cost and specific lot.

This on-line portfolio tool has seen some major changes that, as a result,

have moved it up the ladder. It does not grade out as the overall best tool, but is it a respectable silver medalist when it comes to individual investor-based portfolio tracking on the Web.

#### **SmartMoney.com**

The Smart Money magazine Web site supports two free on-line portfolio managers—a standard html-based on-line portfolio manager and an enhanced tracking tool that utilizes Java technology. Like ActiveX driven applets, the Java-based tool runs on top of your browser software and allows for more dynamic portfolio tracking and analysis. It also offers more options when it comes to printing out portfolios. The look and feel of this Java-enhanced portfolio tracker is the same on a Windows PC as it is on a Macintosh; nothing is lost in terms of the layout of the interface, either. At the site, registered users can enter up to 50 portfolios and can easily switch back and forth between the two modules so as not to lose any data or double-enter their holdings.

The 50 portfolios can hold a maximum of 50 securities—comprised of any mix of stocks and mutual funds. The portfolios can also track a cash balance. Portfolios can only be updated internally by the site on a delayed basis. Newswire services include Dow Jones, Reuters, and Smart Money magazine.

Portfolio performance can be assessed for individual securities and according to security asset classes. Performance reports cannot combine portfolios, they can only be generated for single portfolios. Performance return numbers are reported for given holding periods. Cost basis can be examined via the average-cost method.

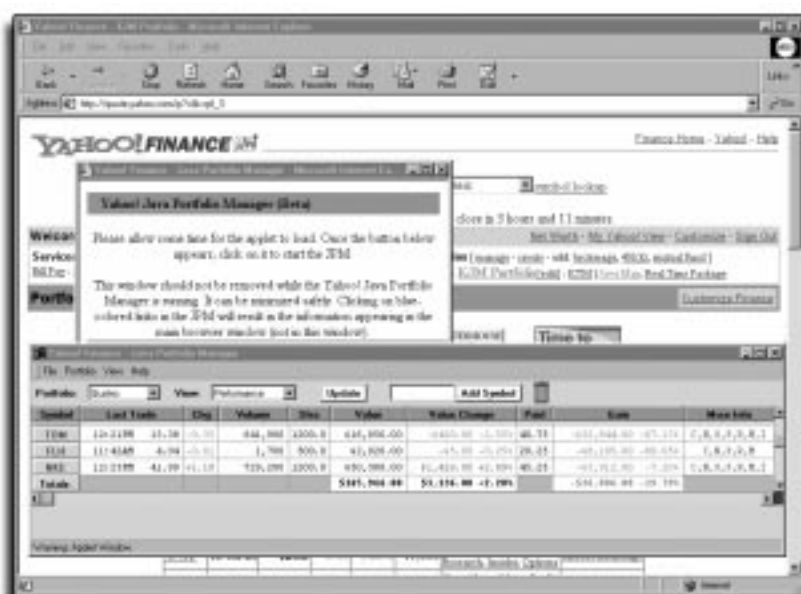
The portfolio performance report offerings here are quite basic—nothing outstanding. One area where this site has traditionally stood out from the crowd and continues to do so today is with regard to analysis measures. Within both the portfolio interfaces, there are several Java-enabled functions designed to graphically ana-

lyze the performance of your portfolios.

One such function is a total return meter that graphically displays the top-performing stocks and mutual funds within your portfolios. The meter, called the SmartMoney Competitive Portfolio can be set up to rank the securities according to one-, three-, and five-year total returns as well as several other stock-specific and fund-specific fields. The meter can also compare and incorporate other non-portfolio tickers into the competition. This utility can be accessed from anywhere in the portfolio section simply by clicking on the Analysis button at the top of the portfolio module.

The SmartMoney.com Web site has many unique features in several areas of analysis, and portfolio tracking is no different. The tracking is decent, but it's worth your while to set up a

**Figure 5.**  
**Yahoo! Finance**



**Table 2.**  
**On-Line Portfolio Manager Ratings**

*Criteria are rated on a scale of one to five, with five denoting the best score. Performance rates how well the program or service accomplishes its stated objectives; Documentation rates the quality of the printed materials, on-line help, and manufacturer support; and Ease of Use rates how simple the program is to install, learn, and operate.*

	Performance	Documentation	Ease of Use	Price	Pros	Cons
<b>Business Week Online</b>	3	5	5	free	+Number of view options +Free E-mail alerts +Automatic refresh	-Few security choices -Limited news -Static refresh timeframe
<b>CBS MarketWatch</b>	2	2	4	free	+Solid security choices +Unlimited tracking options +Abundance of news +Automatic refresh	-Crowded views w/news at bottom -Static refresh timeframe
<b>CNBC.com</b>	3	4	5	free	+Solid security choices +Free E-mail alerts +Diverse news offerings +Automatic refresh	-Limited view options -Static refresh timeframe
<b>MSN MoneyCentral Investor</b>	5	5	5	free	+Solid security choices +Automatic refresh +Solid report options +Printed reports	-ActiveX missing on Mac
<b>Morningstar.com</b>	4	5	4	free to \$9.95/mo.	+X-Ray views +Diverse news offerings +Solid report options +Unique chart for betw-period return	-No automatic data refreshes -Limited security choices -Limited features w/subscription costs
<b>Quicken.com</b>	5	5	5	free	+Diverse news offerings +Automatic refresh +Solid report options +Printed reports	-ActiveX missing on Mac -Confusing report print functions -Printed reports lacking ID heads
<b>SmartMoney.com</b>	3	4	5	free	+Java and html interfaces +Total return meter	-No automatic data refreshes -Limited security choices
<b>Yahoo! Finance</b>	2	5	4	free	+Java and html interfaces +Unlimited tracking options +Abundance of news	-Several limitations with Java module -No automatic data refreshes -Limited security choices

portfolio here if only to utilize these extra analysis functions.

#### **Yahoo! Finance**

Yahoo! Finance, the popular site for market and economic news and statistics, offers completely free portfolio tracking capabilities to all registered users. This site also features two portfolio tools: a typical html-based portfolio tracker, which can be presented in spreadsheet format or file-like display as tab-delimited text, and a Java-enabled tracker. The particular Java-based portfolio module, called the Java Portfolio Manager (JPM), looks like a juiced-up spreadsheet and has drop-down menus for switching portfolios and changing views. Different from the one featured on SmartMoney.com, this Java tool runs outside of your browser software as a Java Applet Window, another mini-software program. In order for this program to run, it is dependent on another certain software browser window remaining opened.

The two portfolio tools feature multiple views—six views in all—including one called DayWatch, which supplies current data for last trade, dollar

change and percent change, volume, average volume, the day's open, and the day's trading range. Each view includes a column that provides links to more information for each of the securities in your portfolios. Links include charts, quotes, news, SEC filings, profiles, research reports, insider trading data, options data, and Yahoo! Finance message board posts.

Like CBS MarketWatch in several ways, The Yahoo! Finance site allows you to monitor as many portfolios as you wish, each holding up to 200 securities per portfolio. Portfolios can be comprised of stocks and mutual funds; users can include a cash balance with their portfolios. Portfolios viewed via the JPM can be updated manually by clicking an update button located on the top of the JPM interface. Any portfolios viewed via the html-based displays are updated internally by the site on a delayed basis.

The Yahoo! Finance site includes a reminder feature that acts as an alert, minus the E-mail element. These reminders focus on price limits. Once a price limit is reached, an up or down arrow-like caret will appear for that security within the column labeled

"Last Trade." Seven newswire services are offered through the Yahoo! Finance site and include CBS MarketWatch, Reuters, the Wall Street Journal Online, and TheStreet.com. Only the Yahoo! Finance html portfolio pages allow for the importing of on-line brokerage statements. A number of firms are linked up with the site. For a complete list, see Table 1. Portfolio data can be exported to most spreadsheet programs via a special Download Spreadsheet Format link. This link is located at the bottom of the html-based interface views.

Performance reports for single portfolios as well as individual securities can be analyzed for their holding periods only.

The services and features available at the Yahoo! Finance site and CBS MarketWatch are very similar. Portfolio functions are decent at best; nevertheless, advocates of each site and neophytes alike should be happy with the portfolio tracking capabilities provided therein.

*Kenneth J. Michal is associate editor of Computerized Investing.*

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