

US Dollar Liquidity Fund (Institutional Share Class)

FUND HIGHLIGHTS

The Morgan Stanley US Dollar Liquidity Fund offers the following benefits:

- Security: the fund is rated AAAM by S&P, Aaa MR1+ by Moody's and AAA V1+ by Fitch reflecting the credit quality and security of the Fund. IMMFA recognised.
- Liquidity: competitive dealing deadlines and same day access give you flexibility and control.
- Yield: providing an attractive rate of return with daily access.

FUND AIM

Seeks to provide liquidity and an attractive rate of return, to the extent consistent with the preservation of capital.

INVESTMENT POLICY

The fund includes investments in highly liquid short term securities, such as commercial paper, certificates of deposit and government bills, which are denominated in US dollars and mature within 397 days.



FUND MANAGER

Jonas is a senior portfolio manager of various Morgan Stanley taxable money market funds. He joined Morgan Stanley in 2004 and has 17 years of investment experience. Prior to joining the firm, he was a senior portfolio manager at AIG Capital Markets and Chase Asset Management and a money market trader at Metropolitan Life Insurance Co. Jonas received a BS in finance from the State University of New York, Albany and an MBA from Fordham University Graduate School of Business.

Jonas Kolk
Executive Director

PERFORMANCE RETURNS VS. 1 WEEK USD LIBID ("INDEX") IN US DOLLAR¹

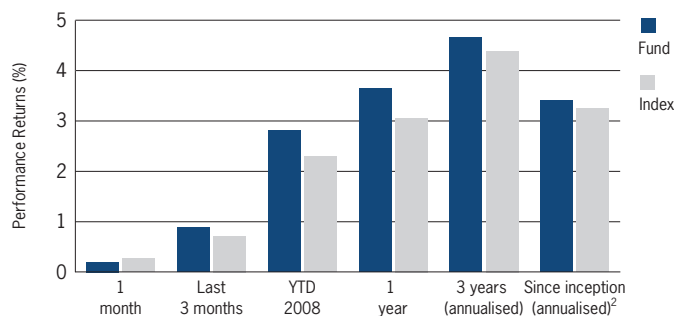
Period	Fund (net of fees) %	Index %
One month	0.20	0.27
Last three months	0.88	0.72
Year to date	2.81	2.30
One year	3.65	3.06
Three years (annualised)	4.66	4.39
Since inception (annualised) ²	3.41	3.25

Calendar Year Returns

2004	1.34	1.34
2005	3.30	3.21
2006	5.14	5.02
2007	5.13	5.18

Past performance is no indication of current or future performance. This performance data does not take account of commissions and costs incurred on the issue and redemption of units.

US DOLLAR LIQUIDITY FUND PERFORMANCE RETURNS VS. 1 WEEK USD LIBID¹



Publication date: 11/11/08 and all data as of 31 October 2008.

¹From 1 July 2007, the basis for calculation of performance changed to the sum of the daily income distribution per share. Prior to this date, performance was based on total income distribution divided by the number of shares at month-end.

²The inception date of the Morgan Stanley Funds p.l.c. US dollar Liquidity Fund is 10 June, 2003.

³Excludes overnight deposits.

PORTFOLIO CHARACTERISTICS

Top 5 holdings³

	%
Goldman Sachs Repo	29.43
Credit Industriel ET Commercial	9.87
Banc of America Sec LLC Repo	8.64
UBS Finance (DELR)	7.41
Credit Industriel ET Commercial	7.16
Total	62.51

Asset breakdown

	%
Commercial Paper	5.67
Repo	41.78
CD's Cash Deposits	9.87
Mid-Term Notes	38.98
Time Deposits	3.70
Total	100.00

Duration distribution

	%
1 day	0.00
2 - 7 days	47.95
8 - 30 days	31.09
31 - 90 days	20.96
91 - 180 days	0.00
180+ days	0.00
Total	100.00

Statistics

7 day yield (gross)	2.22
WAM (days)	19
Average credit quality	A-1+
Number of holdings	16
Fund size (\$ million)	2,024.24

FUND FACTS

Currency	US dollars
Stable NAV/share price	\$1
Acc NAV/share price	\$105.9083
Stable NAV ISIN	IE0032769949
Acc NAV ISIN	IE00B1X3XM51
Launch date	June 2003
Valuation	Daily
Settlement	T+0 Stable NAV T+1 Accumulating NAV
Dealing deadline	9.00pm Dublin time/4.00pm EST
Fund structure	UCITS
Domicile	Dublin, Ireland
Dividend policy	Declared daily, paid monthly

CONTACT DETAILS

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The Morgan Stanley liquidity website is directed to persons in Ireland and the UK only.

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Risk Warning

Past performance is not a guarantee of future performance. The value of the investments and the income from them can go down as well as up and an investor may not get back the amount invested.

Changes in rates of exchange between currencies may cause the value of investments to decrease or increase. Furthermore, the value of investments may be adversely affected by fluctuations in exchange rates between the investor's reference currency and the base currency of the investments.

These investments are designed for investors who understand and are willing to accept these risks. Performance may be volatile, and an investor could lose all or a substantial portion of his or her investment.

www.morganstanley.com/liquidity

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