Morgan Stanley

INVESTMENT MANAGEMENT

Global Multi-Asset Viewpoint

Emerging Markets: Poised for a Multi-Year Upcycle

SOLUTIONS & MULTI-ASSET | GLOBAL MULTI-ASSET TEAM | MACRO INSIGHT | JANUARY 2021

AUTHORS

SERGEI PARMENOV
Portfolio Manager
Global Multi-Asset Team
Managing Director

CYRIL MOULLÉ-BERTEAUX
Portfolio Manager
Head of Global Multi-Asset Team
Managing Director

We believe the 10% outperformance from May 29, 2020 through the end of 2020 marks the end of a five-year range-bound purgatory for emerging equities and the beginning of a multi-year upcycle. Both the near-term cyclical outlook as well as certain longer-term structural trends appear supportive of this. We expect emerging markets to outperform relative to the MSCI World Index (i.e. to developed markets) in 2021 and see substantial room for further outperformance thereafter, consistent with previous upcycles (*See Display 1*).

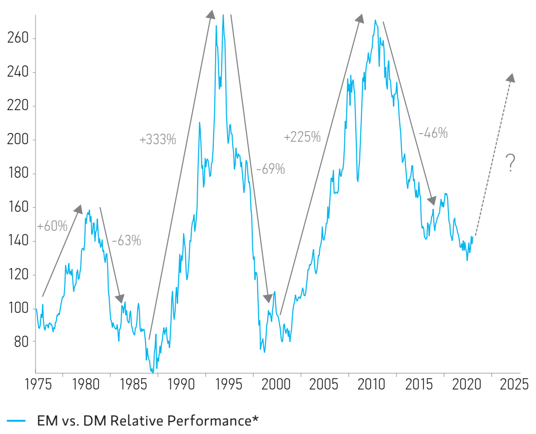
For a growth-sensitive asset such as emerging equities, the near-term case is relatively straightforward. As we have previously written, we expect global growth to accelerate in 2021 as COVID-19 immunity is attained later this year and activity returns to normal. With goods and resource exports playing a dominant role in emerging economies, they stand to benefit from continued growth acceleration. We expect emerging economies to grow at 6.9% in 2021, mildly exceeding advanced economies' pace of 6.5%, even in the absence of comparably large fiscal policy support, and on a stronger comparable base (developed market GDP contracted by -4.6% in 2020, versus -1.0% for EM).[1]

As has been the case historically in environments when global growth is accelerating, in 2021 emerging equities are likely to continue to benefit from the growth upswing as their exposure to cyclical sectors is nearly 10% higher than for developed equities *(See Display 2)*.[2] Excluding China, emerging equities have a 15% higher weighting in cyclically sensitive sectors than developed equity markets.

We expect continued appreciation of emerging market currencies to support emerging equity outperformance. Unlike developed markets, where equity and currency returns tend to be negatively correlated, emerging market equity performance tends to be positively correlated with

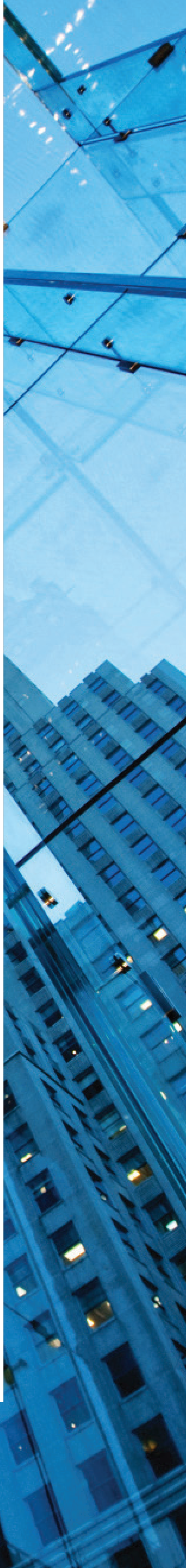
Display 1: **This Structural EM/DM Underperformance Cycle Might be Nearing an End**

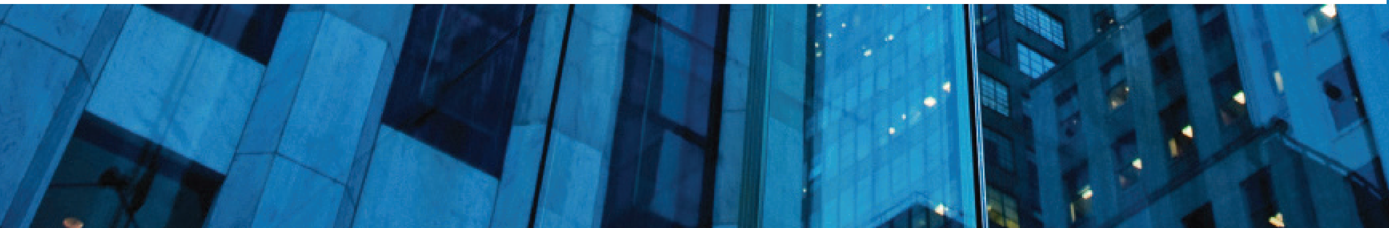
Emerging vs. Advanced Relative Price Performance Index



*MSCI EM vs. MSCI World Relative Performance.
Source: MSIM Global Multi-Asset Team Analysis and Estimates, Haver. Data as of February 2, 2020.
Forecasts / estimates are based on current conditions, subject to change, and may not necessarily come to pass. The index performance is provided for illustrative purposes only and is not meant to depict the performance of a specific investment. **Past performance is no guarantee of future results.** See Disclosure section for index definitions.

[1] Cap weighted based on MSCI EM.
[2] Source: MSIM Global Multi-Asset Team Analysis; based on MSCI sectors: Energy, Materials, Industrials, Consumer Discretionary, Financials.

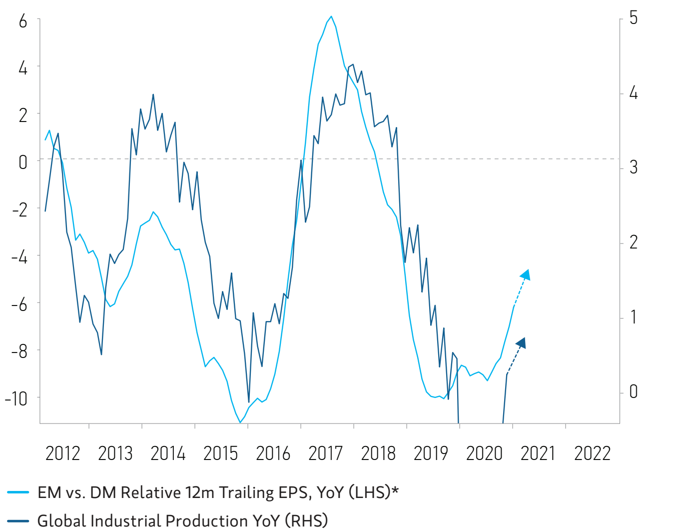




the respective currency returns, and is typically supported by currency strength. We remain bearish on the U.S. dollar broadly (we presented our case in our June letter and believe it still largely holds),[3] and see emerging currencies as a play on the U.S. dollar's apparent weaknesses (lower real rates, persistent twin deficits) as well as beneficiaries of favorable rate differentials, higher commodity prices, and improved balances of payments. As of the third quarter of 2020, the current account of emerging economies in aggregate improved to a surplus of nearly +3% of GDP, from a roughly +0.5 to +1% surplus over the past 10 years.

Display 2: **A Recovery in Global Growth Drives Outperformance for EM Earnings**

Emerging vs. Advanced Relative EPS Growth vs. Global Industrial Production



*MSCI EM vs. MSCI World Relative 12m Trailing EPS YoY, 12mma.
Source: MSIM Global Multi-Asset Team Analysis and Estimates, Haver. Data as of February 2, 2020.
Forecasts / estimates are based on current conditions, subject to change, and may not necessarily come to pass. The index performance is provided for illustrative purposes only and is not meant to depict the performance of a specific investment. Past performance is no guarantee of future results.

Stronger commodity prices are likely to continue to benefit emerging equities, consistent with the historical pattern. Although many larger emerging economies are importers of commodities (such as China, Korea, India and Taiwan), commodity prices are an essential driver of growth for many of the smaller economies which often lack other growth drivers. As such, a global growth pickup that lifts commodity prices is likely continue to work to transmit the cyclical acceleration across emerging economies. We expect additional gains in oil prices and precious metals in the near term as global travel resumes and inflation picks up in the U.S., further depressing real rates.

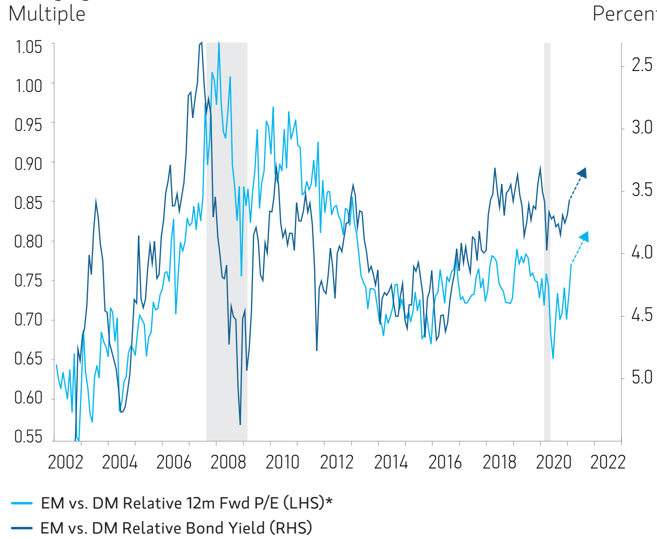
Many smaller emerging economies that are dependent on tourism have been disproportionately hit by travel restrictions. In countries such as Thailand, Malaysia, Mexico, and Turkey, tourism accounts for between 11% and 23% of GDP,[4] and thus growth declines in 2020 in many of these countries have been some of the most pronounced. As normalcy returns later in 2021, we expect that these countries and their economies will benefit disproportionately.

Emerging equities absolute valuations are similar to those of developed markets: the MSCI Emerging Markets Index is 17% expensive relative to the historical average valuation, while the MSCI World Index is 21% expensive on 24-month forward price-to-earnings (P/E).[5] Thus, on a relative basis, emerging markets are averagely valued relative to developed markets, trading at 0.74x the 2-year forward P/E multiple of developed equities, versus 0.75x the historical average and yielding 1.1x the dividend yield of developed equities, about in line with history. Historically, relative valuations of emerging equities have been closely linked to growth, so from a cyclical point of view, better global growth is likely to lead to relative multiple expansion.

Real rates convergence between emerging and advanced economies has the potential to be even more significant for emerging equities' relative multiple re-rating. While developed market equities re-rated as real bond yields fell to zero and below this year, emerging equities have not yet fully benefitted from this development. Emerging real bond yields have fallen by less and are currently at about 2%, off the high of nearly 3% in the past five years, but with substantial room to fall relative to developed market real yields.[6] Emerging real bond yields can fall by another -50 basis points to be in line with their historical average relative to developed real bond yields, or -100 basis points if they were to revisit the 2004-2013 average. Clearly such a convergence of rate differentials, brought about in part by policy rate cuts in certain emerging countries, would depend on disinflationary forces remaining in place. We expect this to be the case in many major emerging economies given large output gaps, improved external balances, and a strong export growth outlook. Assuming the historical relationship between real bond yield differentials and equity valuations holds, emerging equities could rerate by 20% if the real bond yield differential were to compress by -50 basis points, or potentially by much more if it compresses by -100 basis points *(See Display 3).*

Display 3: **Relative Yield Compression Warrants a Higher Relative Equity Multiple**

Emerging vs. Advanced Relative 12m Fwd P/E vs. Relative Bond Yield



*MSCI EM vs. MSCI World Relative 12m Fwd P/E. Source: MSIM Global Multi-Asset Team Analysis and Estimates, Haver. Data as of February 2, 2020.
Forecasts / estimates are based on current conditions, subject to change, and may not necessarily come to pass. The index performance is provided for illustrative purposes only and is not meant to depict the performance of a specific investment.
Past performance is no guarantee of future results.

[3] MSIM Global Multi-Asset Team, "The End of the Strong U.S. Dollar Era," Global Multi-Asset Viewpoint June 2020.
[4] World Travel and Tourism council.
[5] Data since 1998.
[6] MSIM Global Multi-Asset Team Analysis; market cap weighted, using forecast CPI.

From a longer-term point of view, we believe there is a strong possibility that emerging equities are in the beginning of a multi-year upcycle. Since 1975 there have been six cycles of emerging equities performance, each lasting 7-8 years on average, with the average downcycle seeing -59% underperformance and the average upcycle +206% outperformance.[7] Several new trends that have been accelerated by the events in the last year would have the potential to fuel a continued growth upcycle in emerging markets. First, it appears that supply chain diversification is a clear priority for multinationals after the fragility of their logistics was exposed during the pandemic. As a result, many are planning to, or already are, relocating out of China to other countries in Asia, and to some degree closer to end and home markets. This is likely to lift growth for the recipients of this investment. Second, emboldened by their increased activism during the pandemic and supported by the public's acquiescence around this shift, many Western governments (in particular, the U.S.), appear likely to continue to seek to play a larger role in economic management. While up until now fiscal spending has focused mostly on income support, future spending is likely to shift to infrastructure, which, in addition to supply chain diversification, may contribute to the investment cycle. This potential sustained acceleration of fixed investment growth would benefit the commodity and materials sectors as well as many emerging economies and equity markets. Third, developments that would be negative for corporate profitability in developed economies would lift emerging equities on a relative basis. The Biden platform calls for increases in corporate tax rates and the introduction of additional taxes. If implemented in full, this could reduce S&P 500 Index earnings by 8%-9%. Additionally, the UK is also considering raising corporate taxes this year.[8] Clearly if some of these supportive longer-term forces come through, the 10% outperformance of emerging market equities since May 2020 could be seen as just the beginning of a long term multi-year upcycle.

RISK CONSIDERATIONS

There is no assurance that a portfolio will achieve its investment objective. Portfolios are subject to market risk, which is the possibility that the market values of securities owned by the portfolio will decline and that the value of portfolio shares may therefore be less than what you paid for them. Market values can change daily due to economic and other events (e.g. natural disasters, health crises, terrorism, conflicts and social unrest) that affect markets, countries, companies or governments. It is difficult to predict the timing, duration, and potential adverse effects (e.g. portfolio liquidity) of events. Accordingly, you can lose money investing in this portfolio. Please be aware that this portfolio may be subject to certain additional risks. In general, **equity securities'** values fluctuate in response to activities specific to a company. Investments in foreign markets entail special risks such as currency, political, economic, and market risks. The risks of investing in **emerging market countries** are greater than risks associated with investments in foreign developed countries. **Fixed-income securities** are subject to the ability of an issuer to make timely principal and interest payments (credit risk), changes in interest rates (interest-rate risk), the creditworthiness of the issuer and general market liquidity (market risk). In a rising interest-rate environment, bond prices may fall and may result in periods of volatility and increased portfolio redemptions. In a declining interest-rate environment, the portfolio may generate less income.

Longer-term securities may be more sensitive to interest rate changes. **Mortgage- and asset-backed securities (MBS and ABS)** are sensitive t early prepayment risk and a higher risk of default and may be hard to value and difficult to sell (liquidity risk). They are also subject to credit, market and interest rate risks. Certain **U.S. government securities** purchased by the Portfolio, such as those issued by Fannie Mae and Freddie Mac, are not backed by the full faith and credit of the United States. It is possible that these issuers will not have the funds to meet their payment obligations in the future. The issuer or governmental authority that controls the repayment of **sovereign debt** may not be willing or able to repay the principal and/or pay interest when due in accordance with the terms of such obligations. Investments in **foreign markets** entail special risks such as currency, political, economic, and market risks. The risks of investing in **emerging market countries** are greater than risks associated with investments in foreign developed countries. **Real estate investment trusts** are subject to risks similar to those associated with the direct ownership of real estate and they are sensitive to such factors as management skills and changes in tax laws. **Restricted and illiquid securities** may be more difficult to sell and value than publicly traded securities (liquidity risk). **Derivative instruments** can be illiquid, may disproportionately increase losses and may have a potentially large negative impact on the Portfolio's performance. Trading in, and investment exposure to, the **commodities** markets may involve substantial risks and subject the Portfolio to greater volatility.

Nondiversified portfolios often invest in a more limited number of issuers As such, changes in the financial condition or market value of a single issuer may cause greater volatility. By investing in **investment company securities,** the portfolio is subject to the underlying risks of that investment company's portfolio securities. In addition to the Portfolio's fees and expenses, the Portfolio generally would bear its share of the investment company's fees and expenses.

[7] MSCI Emerging Markets Index.
[8] Parker, George; Thomas, Daniel; Giles, Chris. "Rishi Sunak Risks Clash With Business Over Proposed Corporation Tax Rise." *Financial Times*. 18 January 2021.

DEFINITIONS

The **Russell 1000® Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000® Index is an index of approximately 1,000 of the largest U.S. companies based on a combination of market capitalization and current index membership.

The **Russell 1000®** Value Index is an index that measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

The **S&P 500 Total** Return Index is an index that consists of 500 stocks chosen for market size, liquidity and industry group representation. The S&P Index is a market value weighted index with each stock's weight proportionate to its market value. The S&P Index is one of the most widely used benchmarks of U.S. equity performance. The performance of the S&P Index does not account for any management fees, incentive compensation, commissions or other expenses that would be incurred pursuing such strategy. Total return provides investors with a price-plus-gross cash dividend return. Gross cash dividends are applied on the ex-date of the dividend.

The **S&P GSCI®** is a composite index of commodity sector returns representing an unleveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities. The returns are calculated on a fully collateralized basis with full reinvestment. The combination of these attributes provides investors with a representative and realistic picture of realizable returns attainable in the commodities markets. Individual components qualify for inclusion in the S&P GSCI® on the basis of liquidity and are weighted by their respective world production quantities.

The **Sharpe ratio** was developed by Nobel laureate William F. Sharpe and is used to help investors understand the return of an investment compared to its risk. The ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk. Volatility is a measure of the price fluctuations of an asset or portfolio.

The **S&P U.S. Treasury** Bond Current 10-Year Index is a one-security index comprising the most recently issued 10-year U.S. Treasury note or bond.

The **MSCI USA Energy** Index is designed to capture the large and mid cap segments of the US equity universe. All securities in the index are classified in the Energy sector as per the Global Industry Classification Standard (GICS®).

The **MSCI USA Materials** Index is designed to capture the large and mid cap segments of the US equity universe. All securities in the index are classified in the Materials sector as per the Global Industry Classification Standard (GICS®). The S&P GSCI Gold Index, a sub-index of the S&P GSCI, provides investors with a reliable and publicly available benchmark tracking the COMEX gold future.

Treasury Inflation-Protected Securities, or TIPS, provide protection against inflation. The principal of a TIPS increases with inflation and decreases with deflation, as measured by the Consumer Price Index

IMPORTANT DISCLOSURES

The views and opinions are those of the author as of the date of publication and are subject to change at any time due to market or economic conditions and may not necessarily come to pass. Furthermore, the views will not be updated or otherwise revised to reflect information that subsequently becomes available or circumstances existing, or changes occurring, after the date of publication. The views expressed do not reflect the opinions of all portfolio managers at Morgan Stanley Investment Management (MSIM) or the views of the firm as a whole, and may not be reflected in all the strategies and products that the Firm offers.

Forecasts and/or estimates provided herein are subject to change and may not actually come to pass. Information regarding expected market returns and market outlooks is based on the research, analysis and opinions of the authors. These conclusions are speculative in nature, may not come to pass and are not intended to predict the future performance of any specific Morgan Stanley Investment Management product.

Certain information herein is based on data obtained from third party sources believed to be reliable. However, we have not verified this information, and we make no representations whatsoever as to its accuracy or completeness.

This material is a general communication, which is not impartial and all information provided has been prepared solely for information purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. The information herein has not been based on a consideration of any individual investor circumstances and is not investment advice, nor should it be construed in any way as tax, accounting, legal or regulatory advice. To that end, investors should seek independent legal and financial advice, including advice as to tax consequences, before making any investment decision.

Charts and graphs provided herein are for illustrative purposes only.

Past performance is no guarantee of future results.

This communication is not a product of Morgan Stanley's Research Department and should not be regarded as a research recommendation. The information contained herein has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

The indexes are unmanaged and do not include any expenses, fees or sales charges. It is not possible to invest directly in an index. Any index referred to herein is the intellectual property (including registered trademarks) of the applicable licensor. Any product based on an index is in no way sponsored, endorsed, sold or promoted by the applicable licensor and it shall not have any liability with respect thereto.

There is no guarantee that any investment strategy will work under all market conditions, and each investor should evaluate their ability to invest for the long-term, especially during periods of downturn in the market. Prior to investing, investors should carefully review the strategy's / product's relevant offering document. There are important differences in how the strategy is carried out in each of the investment vehicles.

DISTRIBUTION

This communication is only intended for and will be only distributed to persons resident in jurisdictions where such distribution or availability would not be contrary to local laws or regulations.

Ireland: MSIM Fund Management (Ireland) Limited. Registered Office: The Observatory, 7-11 Sir John Rogerson's, Quay, Dublin 2, Ireland. Registered in Ireland under company number 616661. Regulated by the Central Bank of Ireland. **United Kingdom:** Morgan Stanley Investment Management Limited is authorised and regulated by the Financial Conduct Authority. Registered in England. Registered No. 1981121. Registered Office: 25 Cabot Square, Canary Wharf, London E14 4QA, authorised and regulated by the Financial Conduct Authority. **Dubai:** Morgan Stanley Investment Management Limited (Representative Office, Unit Precinct 3-7th Floor-Unit 701 and 702, Level 7, Gate Precinct Building 3, Dubai International Financial Centre, Dubai, 506501, United Arab Emirates. Telephone: +97 (0)14 709 7158). **Germany:** MSIM Fund Management (Ireland) Limited Niederlassung Deutschland Junghofstrasse 13-15 60311 Frankfurt Deutschland (Gattung: Zweigniederlassung (FDI) gem. § 53b KWG). **Italy:** MSIM Fund Management (Ireland) Limited, Milan Branch (Sede Secondaria di Milano) is a branch of MSIM Fund Management (Ireland) Limited, a company registered in Ireland, regulated by the Central Bank of Ireland, and whose registered office is at The Observatory, 7-11 Sir John Rogerson's Quay, Dublin 2, D02 VC42, Ireland. MSIM Fund Management (Ireland) Limited Milan Branch (Sede Secondaria di Milano) with seat in Palazzo Serbelloni Corso Venezia, 16 20121 Milano, Italy, is registered in Italy with company number and VAT number 11488280964. **The Netherlands:** MSIM Fund Management (Ireland) Limited, Rembrandt Tower, 11th Floor Amstelplein 1 1096HA, Netherlands. Telephone: 31 2-0462-1300. Morgan Stanley Investment Management is a branch office of MSIM Fund Management (Ireland) Limited. MSIM Fund Management (Ireland) Limited is regulated by the Central Bank of Ireland. France: MSIM Fund Management (Ireland) Limited, Paris Branch is a branch of MSIM Fund Management (Ireland) Limited, a company registered in Ireland, regulated by the Central Bank of Ireland and whose registered office is at The Observatory, 7-11 Sir John Rogerson's Quay, Dublin 2, D02 VC42, Ireland. MSIM Fund Management (Ireland) Limited Paris Branch with seat at 61 rue de Monceau 75008 Paris, France, is registered in France with company number 890 071 863 RCS. **Spain:** MSIM Fund Management (Ireland) Limited, Sucursal en España is a branch of MSIM Fund Management (Ireland) Limited, a company registered in Ireland, regulated by the Central Bank of Ireland and whose registered office is at The Observatory, 7-11 Sir John Rogerson's Quay, Dublin 2, D02 VC42, Ireland. MSIM Fund Management (Ireland) Limited, Sucursal en España with seat in Calle Serrano 55, 28006, Madrid, Spain, is registered in Spain with tax identification number W0058820B. **Switzerland:** Morgan Stanley & Co. International plc, London, Zurich Branch Authorised and regulated by the Eidgenössische Finanzmarktaufsicht ("FINMA"). Registered with the Register of Commerce Zurich CHE-115.415.770. Registered Office: Beethovenstrasse 33, 8002 Zurich, Switzerland, Telephone +41 (0) 44 588 1000. Facsimile Fax: +41(0) 44 588 1074.

Hong Kong: This document has been issued by Morgan Stanley Asia Limited for use in Hong Kong and shall only be made available to "professional investors" as defined under the Securities and Futures Ordinance of Hong Kong (Cap 571). The contents of this document have not been reviewed nor approved by any regulatory authority including the Securities and Futures Commission in Hong Kong. Accordingly, save where an exemption is available under the relevant law, this document shall not be issued, circulated, distributed, directed at, or made available to, the public in Hong Kong. **Singapore:** This document should not be considered to be the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Singapore other than (i) to an institutional investor under section 304 of the Securities and Futures Act, Chapter 289 of Singapore ("SFA"); (ii) to a "relevant person" (which includes an accredited investor) pursuant to section 305 of the SFA, and such distribution is in accordance with the conditions specified in section 305 of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. This publication has not been reviewed by the Monetary Authority of Singapore. **Australia:** This publication is disseminated in Australia by Morgan Stanley Investment Management (Australia) Pty Limited ACN: 122040037, AFSL No. 314182, which accept responsibility for its contents. This publication, and any access to it, is intended only for "wholesale clients" within the meaning of the Australian Corporations Act. **Japan:** For professional investors, this document is circulated or distributed for informational purposes only. For those who are not professional investors, this document is provided in relation to Morgan Stanley Investment Management (Japan) Co., Ltd. ("MSIMJ")'s business with respect to discretionary investment management agreements ("IMA") and investment advisory agreements ("IAA"). This is not for the purpose of a recommendation or solicitation of transactions or offers any particular financial instruments. Under an IMA, with respect to management of assets of a client, the client prescribes basic management policies in advance and commissions MSIMJ to make all investment decisions based on an analysis of the value, etc. of the securities, and MSIMJ accepts such commission. The client shall delegate to MSIMJ the authorities necessary for making investment. MSIMJ exercises the delegated authorities based on investment decisions of MSIMJ, and the client shall not make individual instructions. All investment profits and losses belong to the clients; principal is not guaranteed. Please consider the investment objectives and nature of risks before investing. As an investment advisory fee for an IAA or an IMA, the amount of assets subject to the contract multiplied by a certain rate (the upper limit is 2.20% per annum (including tax)) shall be incurred in proportion to the contract period. For some strategies, a contingency fee may be incurred in addition to the fee mentioned above. Indirect charges also may be incurred, such as brokerage commissions for incorporated securities. Since these charges and expenses are different depending on a contract and other factors, MSIMJ cannot present the rates, upper limits, etc. in advance. All clients should read the Documents Provided Prior to the Conclusion of a Contract carefully before executing an agreement. This document is disseminated in Japan by MSIMJ, Registered No. 410 (Director of Kanto Local Finance Bureau (Financial Instruments Firms)), Membership: the Japan Securities Dealers Association, The Investment Trusts Association, Japan, the Japan Investment Advisers Association and the Type II Financial Instruments Firms Association.

U.S.: A separately managed account may not be appropriate for all investors. Separate accounts managed according to the Strategy include a number of securities and will not necessarily track the performance of any index. Please consider the investment objectives, risks and fees of the Strategy carefully before investing. A minimum asset level is required. For important information about the investment manager, please refer to Form ADV Part 2.

NOT FDIC INSURED | OFFER NO BANK GUARANTEE | MAY LOSE VALUE | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY | NOT A DEPOSIT

IMPORTANT INFORMATION

EMEA: This marketing communication has been issued by MSIM Fund Management (Ireland) Limited. MSIM Fund Management (Ireland) Limited is regulated by the Central Bank of Ireland. MSIM Fund Management (Ireland) Limited is incorporated in Ireland as a private company limited by shares with company registration number 616661 and has its registered address at The Observatory, 7-11 Sir John Rogerson's Quay, Dublin 2, D02 VC42, Ireland.

The information contained in this communication is not a research recommendation or 'investment research' and is classified as a 'Marketing Communication' in accordance with the applicable European or Swiss regulation. This means that this marketing communication (a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research (b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

MSIM has not authorised financial intermediaries to use and to distribute this document, unless such use and distribution is made in accordance with applicable law and regulation. Additionally, financial intermediaries are required to satisfy themselves that the information in this document is appropriate for any person to whom they provide this document in view of that person's circumstances and purpose. MSIM shall not be liable for, and accepts no liability for, the use or misuse of this document by any such financial intermediary.

This document may be translated into other languages. Where such a translation is made this English version remains definitive. If there are any discrepancies between the English version and any version of this document in another language, the English version shall prevail.

The whole or any part of this work may not be reproduced, copied or transmitted or any of its contents disclosed to third parties without MSIM's express written consent.

Explore our site at **www.morganstanley.com/im**