

A Sub-Fund of Morgan Stanley Investment Funds  
**Global Opportunity Fund**

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**GLOBAL OPPORTUNITY**

**Important Information**

- The Fund primarily invests in high quality growing companies on a global basis.
- Investment involves risks. Key risks for this fund include Risk of Investment in Equity, Exchange Rate Risk, Emerging Market Risk, Derivatives Risk and Risk of Exposure to the Euro and Eurozone.
- There is a risk that you may potentially lose your entire investment in this Fund.
- The investment decision is yours but you should not invest unless the intermediary who sells it to you has advised you that it is suitable for you and has explained why, including how buying it would be consistent with your investment objectives. You should not make any investment decision solely based on this document. Please read the relevant offering document carefully for further fund details including risk factors.

**Performance Review**

In the one month period ending 30 November 2025, the Fund's A shares returned -5.40% (net of fees)<sup>1</sup>, while the benchmark returned -0.01%.

Year-to-date (YTD), the Fund's A shares returned 9.27% and the benchmark returned 21.07%.

The Global Opportunity team creates a high conviction, concentrated portfolio of undervalued, high quality businesses. The long-term investment horizon and high active share approach can result in periods of performance deviation from the benchmark. The Fund underperformed the MSCI All Country World Index (ACWI) YTD due to unfavourable stock selection and sector allocation.

**Market Review**

Global equities advanced YTD despite heightened macroeconomic uncertainty, driven by outperformance in the communication services, utilities and materials sectors. The real estate, consumer discretionary and consumer staples sectors underperformed the benchmark.

**Portfolio Review**

Fund underperformance YTD was driven by stock selection in financials and communication services, and the portfolio's overweight allocation to the consumer discretionary sector. The portfolio's overweight allocation to communication services and underweight allocations to consumer staples and health care contributed positively to relative performance.

Top detractors included:

- cloud software platform ServiceNow
- Chinese consumer super-app Meituan
- financial technology company Block, Inc.
- homestay and experience marketplace Airbnb, Inc.
- Japanese automation and robotics company Keyence Corp.

Top contributors included:

- global mobility platform Uber Technologies
- Swedish audio streaming platform Spotify Technology SA
- Latin American virtual bank Nu Holdings Ltd.
- Latin American ecommerce platform MercadoLibre
- Canadian ecommerce solution Shopify

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<sup>1</sup> Source: Morgan Stanley Investment Management. Data as of 30 November 2025.

## Strategy and Outlook

Quality has underperformed by the largest percentage in over 20 years in 2025, trailing the MSCI ACWI by 408 bps globally.<sup>2</sup> The rotation has benefited shares of lower quality cyclical characterised by slower growth, lower profitability and higher debt, in a market driven by exuberance for artificial intelligence and more accommodative monetary policy. This dynamic has been more pronounced outside the U.S. as quality underperformed international stocks by 964 bps, driven by outperformance in shares of European financials and defence, and Asian semiconductors and materials.<sup>3</sup> The impact in the U.S. has been partially insulated by the inclusion of five of the Magnificent 7 within the MSCI ACWI Quality Index. Our portfolio has historically underperformed in similar rotational market environments, where top-down factors outweigh bottom-up fundamentals.

To put current dynamics into context: following 12-month periods of underperformance over the last 25 years, quality outperformed by 2.1% over the next year and 7.8% over the next three years.<sup>4</sup>

Following 12-month periods of underperformance since inception, Global Opportunity Fund has outperformed the MSCI ACWI by 8.42% over subsequent years and by 22.71% cumulatively over the next three years, net of fees.<sup>5</sup>

Despite a more challenging market environment to navigate, our investment philosophy remains unchanged. We have high conviction in our portfolio holdings, supported by strong execution stories and robust fundamentals. Our portfolio is now trading at an attractive absolute valuation level of 5% free cash flow yield, and our companies are expected to grow revenues 15% compounded annually over the next three years, twice that of the benchmark at 7%.<sup>6</sup> We believe this creates one of the most attractive backdrops in our strategy's 18-year history.

**For further information, please contact your Morgan Stanley Investment Management representative.**

## Fund Facts

Launch date	30 November 2010
Base currency	U.S. dollars
Benchmark	MSCI All Country World Net Index

## Calendar Year Returns (%)

Past performance is not a reliable indicator of future results.

	YTD	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Class A Shares	9.27	26.03	50.26	-42.46	-0.06	54.01	34.82	-7.36	48.44	-0.56	18.62
MSCI All Country World Net Index	21.07	17.49	22.20	-18.36	18.54	16.25	26.60	-9.41	23.97	7.86	-2.36

**Investment involves risks. All performance data is calculated NAV to NAV, net of fees, and assume the reinvestment of all dividends and income. The sources for all performance and index data is Morgan Stanley Investment Management ('MSIM Ltd'). Please refer to the relevant offering documents for fund details, including risk factors.**

Applications for shares in the Sub-Fund should not be made without first consulting the current Prospectus and the Key Information Document ("KID") or Key Investor Information Document ("KIID"), which are available in English and in the language of countries authorized for fund distribution and is available online at [Morgan Stanley Investment Funds Webpages](#) or free of charge from the Registered Office at European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxembourg B 29 192.

The summary of investor rights is available in the aforementioned languages and website location under the

General Literature section.

Information in relation to sustainability aspects of the Fund is available in English online at: [Sustainable Finance Disclosure Regulation](#).

If the management company of the relevant Fund decides to terminate its arrangement for marketing that Fund in any EEA country where it is registered for sale, it will do so in accordance with the UCITS rules.

<sup>2</sup> Quality stocks are represented by the MSCI ACWI Quality Index, which aims to capture the performance of quality growth stocks by identifying stocks with high quality scores based on three main fundamental variables: high return on equity, stable year-over-year earnings growth and low financial leverage. Year-to-date as of 30 November 2025, the MSCI ACWI Quality Index returned 17.00% and the MSCI ACWI returned 21.08%. Source: MSCI.

<sup>3</sup> Year-to-date as of 30 November 2025, the MSCI ACWI ex USA Quality Index returned 18.89% and the MSCI All Country World ex USA Index returned 28.53%. The MSCI ACWI ex USA Quality Index aims to capture the performance of quality growth stocks by identifying stocks with high quality scores based on three main fundamental variables: high return on equity, stable year-over-year earnings growth and low financial leverage. Source: MSCI.

<sup>4</sup> Source: Bloomberg L.P., Morgan Stanley Investment Management. Data as of 30 November 2025.

<sup>5</sup> Source: Morgan Stanley Investment Management. Data as of 30 November 2025.

<sup>6</sup> Based on 2027 consensus estimates. Source: FactSet, Morgan Stanley Investment Management. Data as of 30 November 2025.

## IMPORTANT INFORMATION

This material has been prepared solely for informational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. Investors should be aware that a diversified strategy does not protect against a loss in a particular market.

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The use of leverage increases risks, such that a relatively small movement in the value of an investment may result in a disproportionately large movement, unfavourable as well as favourable, in the value of that investment and, in turn, the value of the Fund. Investment in the Fund concerns the acquisition of units or shares in a fund, and not in a given underlying asset such as building or shares of a company, as these are only the underlying assets owned.

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## INDEX INFORMATION

The **MSCI All Country World Net Index (ACWI)** is a free float-adjusted market capitalization weighted index designed to measure the equity market performance of developed and emerging markets. The term "free float" represents the portion of shares outstanding that are deemed to be available for purchase in the public equity markets by investors. The performance of the Index is listed in U.S. dollars and assumes reinvestment of net dividends.

The index is unmanaged and does 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. The Sub-Fund is actively managed, and the management of the fund is not constrained by the composition of the Benchmark.

The **Standard & Poor's 500® Index (S&P 500®)** measures the performance of the large cap segment of the U.S. equities market, covering approximately 80% of the U.S. equities market. The Index includes 500 leading companies in leading industries of the U.S. economy.

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