

## A Sub-Fund of Morgan Stanley Investment Funds US Growth Fund



### Performance Review

In the one month period ending 31 May 2025, the Fund's I shares returned 15.90% (net of fees)<sup>1</sup>, while the benchmark returned 8.83%.

Year-to-date (YTD), the Fund returned 7.83% (net of fees), outperforming the benchmark return of -0.34%.

Top contributors YTD include:

- Web performance and security company, Cloudflare
- Ecommerce and fintech services platform, MercadoLibre
- Video game platform, Roblox
- Enterprise analytics platform and Bitcoin developing company, MicroStrategy
- Food delivery company, DoorDash

Top detractors YTD include:

- Digital advertising software platform, The Trade Desk
- Cross-border e-commerce platform, Global-e Online
- Electric vehicle developer, Tesla
- Payments technology services platform, Affirm
- Health care and Industrial equipment manufacturer, Danaher

### Market Review

Large-cap growth equities, as measured by the Russell 1000 Growth Index, declined year-to-date. Consumer Discretionary, Energy and Information Technology underperformed the benchmark, while Utilities, Industrials and Real Estate outperformed.

### Portfolio Review

YTD Fund outperformance has been driven by favorable stock selection in Information Technology, Consumer Discretionary and Health Care. Conversely, stock selection in Communication Services, as well as sector positioning in Consumer Discretionary and Industrials detracted from relative performance.

The fundamentals of our portfolio holdings remain strong despite an uncertain macroeconomic environment. Over the next three years, our companies are expected to grow revenues at 35% versus 13% for the benchmark<sup>2</sup> and 96% of the portfolio is expected to be free cash flow positive or neutral in 2025 (estimated).<sup>3</sup> We have confidence that our companies are making the right investments to maximize the long-term endgame potential of their businesses.

### Strategy and Outlook

Counterpoint Global looks to own a portfolio of unique companies with diverse business drivers, strong competitive advantages and positioning, and healthy secular growth prospects whose market value we believe can increase significantly over the long term for underlying fundamental reasons, independent of the macro or market environment. We believe having a market outlook can be an anchor. We focus on assessing company prospects over a five-year investment horizon. Current portfolio positioning reflects what we believe are the best long-term investment opportunities.

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

### Fund Facts

Launch date	01 August 1992
Base currency	U.S. dollars
Benchmark	Russell 1000 Growth Net 30% Withholding Tax TR Index

<sup>1</sup> Source: Morgan Stanley Investment Management Limited. Data as of 31 May 2025.

<sup>2</sup> Based on FactSet Consensus Estimates and underlying holdings. Three-Year Forward Weighted Average Revenue Growth is the increase in net sales for the next three years. Data as of 31/05/25.

<sup>3</sup> Based on 2025 FactSet Consensus Estimates and underlying holdings. Neutral Free Cash Flow is defined as FCFE margin  $\geq -5\%$  and  $\leq 0\%$ . Data as of 31/03/25.

## 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 I Shares	7.83	41.16	49.29	-60.29	1.88	117.14	22.32	5.58	44.14	-2.40	11.38
Russell 1000 Growth Net 30% Withholding Tax TR Index	-0.34	33.09	42.30	-29.34	27.32	38.08	35.88	-1.89	29.67	6.56	5.19

All performance data is calculated NAV to NAV, net of fees, and does not take account of commissions and costs incurred on the issue and redemption of shares. The sources for all performance and index data is Morgan Stanley Investment Management ('MSIM Ltd'). Please visit our website [www.morganstanley.com/im](http://www.morganstanley.com/im) to see the latest performance returns for the fund's other share classes.

## Share Class I Risk and Reward Profile

- The fund may be impacted by movements in the exchange rates between the fund's currency and the currencies of the fund's investments.
- The fund relies on other parties to fulfill certain services, investments or transactions. If these parties become insolvent, it may expose the fund to financial loss.
- Sustainability factors can pose risks to investments, for example: impact asset values, increased operational costs.
- There may be an insufficient number of buyers or sellers which may affect the funds ability to buy or sell securities.
- Investment in China A-Shares via Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programs may also entail additional risks, such as risks linked to the ownership of shares.
- There are increased risks of investing in emerging markets as political, legal and operational systems may be less developed than in developed markets.

- Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. The value of investments and the income from them can go down as well as up and investors may lose all or a substantial portion of his or her investment.
- The value of the investments and the income from them will vary and there can be no assurance that the Fund will achieve its investment objectives.
- Investments may be in a variety of currencies and therefore 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.

Please refer to the Prospectus for full risk disclosures, available at [www.morganstanleyinvestmentfunds.com](http://www.morganstanleyinvestmentfunds.com). All data as of 31.05.2025 and subject to change daily.

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](http://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](http://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.

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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.

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Charts and graphs provided herein are for illustrative purposes only and subject to change.

## INDEX INFORMATION

The **Russell 1000 Growth Net 30% Withholding Tax TR Index** measures the performance of the large-cap growth segment of the U.S. equity universe, net 30% withholding tax TR. 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 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 **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.

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