

Morgan Stanley Investment Funds

Asian Equity Fund - Z Shares

(Accumulation Share Class)

Investment Objective

Long term growth of your investment.

Investment Approach

Seeks long-term capital appreciation, measured in U.S. dollars, through investment primarily in the equity securities of companies, for the avoidance of doubt including Real Estate Investment Trusts (REITs), domiciled in or exercising the predominant part of their economic activity in Asia, excluding Japan, thereby taking advantage of the dynamic economic growth capabilities of the region.

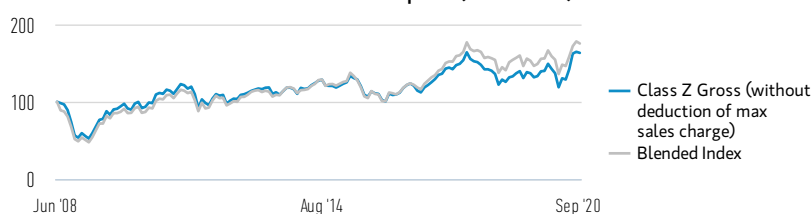
Investment Team

	JOINED FIRM	YEARS OF INVESTMENT EXPERIENCE
May Yu, Managing Director	2012	21
Amay Hattangadi, Managing Director	1997	22

Team members may be subject to change at any time without notice.

Class Z Shares (% net of fees) vs. Index in USD

Performance of 100 USD Invested Since Inception (Cash Value)



12 Month Performance Periods to Latest Month End (%)^{12†}

	SEP '19 - SEP '20	SEP '18 - SEP '19	SEP '17 - SEP '18	SEP '16 - SEP '17	SEP '15 - SEP '16
Class Z Gross (without deduction of max sales charge) ¹	22.58	-2.09	-4.31	14.94	15.85
Class Z Net (with the deduction of max sales charge) ²	21.36	-3.07	-5.26	13.79	14.69
Blended Index	17.83	-3.44	1.45	22.68	18.22

Investment Performance (% net of fees) in USD

	Cumulative (%)				Annualised (% p.a.)			
	1 M	3 M	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
Class Z Gross (without deduction of max sales charge) ¹	-0.85	14.86	9.47	22.58	4.73	8.87	4.08	4.08
Class Z Net (with the deduction of max sales charge) ²	-1.84	13.71	8.37	21.36	4.38	8.65	3.98	3.99
Blended Index	-1.50	10.66	5.41	17.83	4.90	10.86	5.65	4.69

Calendar Year Returns (%)

	2019	2018	2017	2016	2015	2014	2013
Class Z Gross (without deduction of max sales charge) ¹	18.57	-18.21	37.13	1.78	-6.93	1.75	1.93
Blended Index	18.17	-14.37	41.72	6.11	-9.51	3.16	3.76

Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. All performance data is calculated NAV to NAV. The sources for all performance and Index data is Morgan Stanley Investment Management.

This fund received a compensation payment in connection with Prudential Equity Group's settlement with the U.S. SEC relating to market timing charges. Consequently, the net cash injection received in March 2010 and the related withholding tax, accrued in September 2010 and received in August 2011, have enhanced the fund's performance by 72bps and 33bps, respectively.

The Blended Index performance shown is calculated using the MSCI AC Far East Free Ex-Japan Index (Gross Returns) from inception through 31 December 2000, the MSCI AC Far East Free Ex-Japan Index (Net Returns) from 1 January 2001 through 29 February 2016 and the MSCI AC Asia ex Japan Index (Net Returns) thereafter.

† Example: An investor wishes to purchase shares of USD 100. At the maximum sales charge of 5.75% the investor has to expend USD 106.10. The sales charge is only incurred upon subscription.

Share Class

	CLASS Z
Currency	U.S. dollars
ISIN	LU0360480692
Bloomberg	MSASEQZ LX
Inception date	24 June 2008
Net asset value	\$ 40.82

Fund Facts

Launch date	01 October 1991
Base currency	U.S. dollars
Index	Blended Index
Total net assets	\$ 29.51 million
Structure	Luxembourg SICAV

Charges (%)

	CLASS Z
Max Entry Charge	1.00
Ongoing Charges	0.95
Management Fee	0.75

Entry Charge is a maximum possible figure. In some cases you might pay less, you can find this out from your financial adviser. Ongoing Charges reflect the payments and expenses incurred during the fund's operation and are deducted from the assets of the fund over the period. It includes fees paid for investment management (Management Fee), trustee/custodian, and administration charges. For more information please see the Charges and Expenses section of the prospectus.

Subscriptions (USD)

	CLASS Z
Minimum initial investment	0
Minimum subsequent Investment	0

Statistics

(3 Year Annualised)

	CLASS Z	INDEX
Beta	1.02	1.00
Information ratio	-0.04	--
R squared	0.93	1.00
Tracking error (%)	4.95	--
Volatility (Standard deviation) (%)	19.18	18.22
Down-capture ratio (%)	99.70	100.00
Up-capture ratio (%)	98.99	100.00

¹ Figure shown assumes reinvestment of all distributions and deduction of fund level costs, but does not reflect the deduction of any sales charge applicable at investor level.

² Figure shown assumes reinvestment of all distributions and deduction of fund level costs, and includes the deduction of the maximum sales charge applicable at investor level that may be taken out of your money before it is invested. Please see the Fund's current prospectus and the share class' Key Investor Information Document for complete details on fees and sales charges.

Characteristics

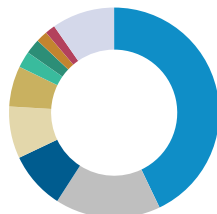
	FUND	INDEX
Active share (%)	55.43	--
Price/cash flow	12.37	8.55
Price/book	2.81	1.73
Price/earnings	21.66	17.31
Dividend Yield (%)	1.61	2.07
Number of holdings	65	1,186

Top Holdings (% of Total Net Assets)³

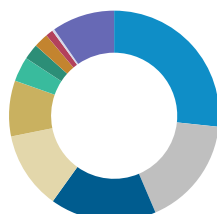
	FUND	INDEX
Alibaba Group Holding Ltd	10.28	9.64
Taiwan Semiconductor Mfg Co. Ltd	9.89	6.43
Tencent Holdings Ltd	8.05	6.60
Samsung Electronics Co. Ltd	6.62	4.15
Kweichow Moutai Co.	2.57	0.32
Asml Holding NV	2.50	--
Hong Kong Exchanges & Clearing	2.06	0.98
Shenzhou International Group H	2.01	0.24
China Mengniu Dairy Co. Ltd	1.98	0.23
Aia Group Ltd	1.91	2.07
Total	47.87	--

Top Countries (% of Total Net Assets)⁴

	FUND	INDEX
China	42.65	46.64
Taiwan	16.09	14.22
South Korea	8.80	13.44
India	7.94	9.18
Hong Kong	6.21	7.92
United States	2.50	--
Singapore	2.30	2.49
Thailand	1.75	1.97
Indonesia	1.56	1.38
Cash	9.59	--


Sector Allocation (% of Total Net Assets)⁴

	FUND	INDEX
Information Technology	26.53	20.52
Consumer Discretionary	16.77	20.87
Financials	16.26	17.29
Communication Services	11.84	12.52
Consumer Staples	8.52	5.12
Health Care	3.78	4.76
Real Estate	2.42	4.41
Materials	2.19	3.78
Energy	1.14	3.24
Industrials	0.35	5.28
Cash	9.59	--



³ These securities and percentage allocations are only for illustrative purposes and do not constitute, and should not be construed as, investment advice or recommendations with respect to the securities or investments mentioned.

⁴ May not sum to 100% due to the exclusion of other assets and liabilities.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 30.09.2020 and subject to change daily.

Share Class Z Risk and Reward Profile

Lower Risk

Higher Risk



Potentially Lower Rewards

Potentially Higher Rewards

The risk and reward category shown is based on historic data.

- Historic figures are only a guide and may not be a reliable indicator of what may happen in the future.
- As such this category may change in the future.
- The higher the category, the greater the potential reward, but also the greater the risk of losing the investment. Category 1 does not indicate a risk free investment.
- The fund is in this category because it invests in company shares and the fund's simulated and/or realised return has experienced high rises and falls historically.
- The fund may be impacted by movements in the exchange rates between the fund's currency and the currencies of the fund's investments.

This rating does not take into account other risk factors which should be considered before investing, these include:

- 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.
- There may be an insufficient number of buyers or sellers which may affect the fund's 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.

DEFINITIONS

Active Share is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index (based on holdings and weight of holdings). Active Share scores range from 0%-100%. A score of 100% means you are completely different from the benchmark. Active Share calculation may consolidate holdings with the same economic exposure. **Beta** is a measure of the relative volatility of a fund to the market's upward or downward movements. A beta greater than 1.0 identifies an issue or fund that will move more than the market, while a beta less than 1.0 identifies an issue or fund that will move less than the

market. The Beta of the Market is always equal to 1. **Bloomberg** stands for 'Bloomberg Global Identifier (BBGID)'. This is a unique 12 digit alphanumeric code designed to enable the identification of securities, such as the Morgan Stanley Investment Funds sub-funds at share class level, on a Bloomberg Terminal. The Bloomberg Terminal, a system provided by Bloomberg L.P., enables analysts to access and analyse real-time financial market data. Each Bloomberg code starts with the same BBG prefix, followed by nine further characters that we list here in this guide for each share class of each fund. **Cash & Equivalents** are defined as the value of assets that can be converted into cash immediately. These include commercial paper, open FX transactions, Treasury bills and other

short-term instruments. Such instruments are considered cash equivalents because they are deemed liquid and not subject to significant risk of changes in values. **Dividend yield** is the ratio between how much a company pays out in dividends each year relative to its share price. **Information ratio** is the portfolio's alpha or excess return per unit of risk, as measured by tracking error, versus the portfolio's benchmark. **ISIN** is the international securities identification number (ISIN), a 12 digit code consisting of numbers and letters that distinctly identifies securities. **NAV** is the Net Asset Value per share of the Fund (NAV), which represents the value of the assets of a fund less its liabilities. **Number of holdings** provided are a typical range, not a maximum number. The portfolio may exceed this from time to time due to market conditions and outstanding trades. **Price/book (P/BV)** compares a stock's market value to the book value per share of total assets less total liabilities. This number is used to judge whether a stock is undervalued or overvalued. **Price/cash flow (P/CF)** is a ratio used to compare a company's market value to its cash flow. It is calculated by dividing the company's per-share stock price by the per-share operating cash flow. **Price/earnings (P/E)** is the price of a stock divided by its earnings per share for the past 12 months. Sometimes called the multiple, P/E gives investors an idea of how much they are paying for a company's earning power. The higher the P/E, the more investors are paying, and therefore the more earnings growth they are expecting. **R squared** measures how well an investment's returns correlate to an index. An R squared of 1.00 means the portfolio performance is 100% correlated to the index's, whereas a low r-squared means that the portfolio performance is less correlated to the index's. **Tracking error** is the standard deviation of the difference between the returns of an investment and its benchmark. **Upside/downside market capture** measures annualized performance in up/down markets relative to the market benchmark. **Volatility (Standard deviation)** measures how widely individual performance returns, within a performance series, are dispersed from the average or mean value.

INDEX INFORMATION

The **MSCI AC Far East ex Japan Index**: captures large and mid cap representation across 2 Developed Markets countries (excluding Japan) and 7 Emerging Markets countries in the Far East*. With 553 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The **MSCI AC Asia ex Japan Index**: captures large and mid cap representation across 2 of 3 Developed Markets (DM) countries* (excluding Japan) and 9 Emerging Markets (EM) countries* in Asia. With 637 constituents, the index covers approximately 85% of the free float adjusted market capitalization in each country.

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