

Morgan Stanley Investment Funds

Emerging Markets Equity Fund - I Shares (Accumulation Share Class)

Investment Objective

Long term growth of your investment.

Investment Approach

We seek long-term capital appreciation by investing in emerging market countries where economies are developing strongly and markets are becoming more sophisticated. We believe that future economic growth matters a great deal for stock returns and that identifying those countries where growth could beat expectations over three to five years is critical to amplifying the portfolio's potential returns. We seek to translate our original macro-thematic research and fundamental bottom-up analysis into a growth-oriented portfolio.

Investment Team

	JOINED FIRM	YEARS OF INVESTMENT EXPERIENCE
Ruchir Sharma, Head of Emerging Markets and Chief Global Strategist	1996	27
Eric Carlson, Managing Director	1997	25
Paul Psaila, Managing Director	1994	27
Amay Hattangadi, Managing Director	1997	24

Effective December 31, 2020, May Yu is no longer serving as portfolio manager on the Fund.

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

Class I 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 '20 - SEP '21	SEP '19 - SEP '20	SEP '18 - SEP '19	SEP '17 - SEP '18	SEP '16 - SEP '17
Class I Gross (without deduction of max sales charge) ¹	21.54	7.87	1.05	-7.01	17.64
Class I Net (with the deduction of max sales charge) ²	17.90	4.63	-1.98	-9.80	14.11
MSCI Emerging Markets Net Index	18.20	10.54	-2.02	-0.81	22.46

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 I Gross (without deduction of max sales charge) ¹	-4.57	-5.26	3.54	21.54	9.83	7.71	5.79	6.59
Class I Net (with the deduction of max sales charge) ²	-7.44	-8.10	0.43	17.90	8.72	7.05	5.47	6.47
MSCI Emerging Markets Net Index	-3.97	-8.09	-1.25	18.20	8.58	9.23	6.09	6.88

Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015	2014
Class I Gross (without deduction of max sales charge) ¹	14.24	18.72	-17.05	35.20	5.83	-10.66	-4.30
MSCI Emerging Markets Net Index	18.31	18.42	-14.57	37.28	11.19	-14.92	-2.19

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.

[†]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.



MORNINGSTAR OVERALL RATING*

EAA FUND GLOBAL EMERGING MARKETS EQUITY

CLASS I SHARES

Out of 2397 Funds. Based on Risk Adjusted Return. Class I Shares: 3yr. rating 4 Stars; 5yr. rating 3 Stars; 10yr. rating 4 Stars.

Share Class

	CLASS I
Currency	U.S. dollars
ISIN	LU0054793475
Bloomberg	MORIEMM LX
Inception date	01 July 1993
Net asset value	\$ 60.31

Fund Facts

Launch date	01 July 1993
Base currency	U.S. dollars
Index	MSCI Emerging Markets Net Index
Total net assets	\$ 670.52 million
Structure	Luxembourg SICAV

Charges (%)

	CLASS I
Max Entry Charge	3.00
Ongoing Charges	1.34
Management Fee	1.10

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 I
Minimum initial investment	0
Minimum subsequent investment	0

Statistics

(3 Year Annualised)

	CLASS I	INDEX
Beta	0.99	1.00
Information ratio	0.33	--
R squared	0.96	1.00
Sharpe ratio	0.44	0.38
Tracking error (%)	3.76	--
Volatility (Standard deviation) (%)	19.66	19.40
Down-capture ratio (%)	94.87	100.00
Up-capture ratio (%)	99.51	100.00

¹Figure 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.

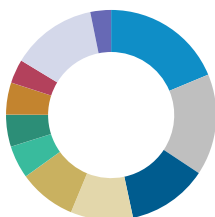
²Figure shown assumes reinvestment of all distributions and deduction of fund level costs, and includes the deduction of the maximum sales charge applicable at investor level that may be taken out of your money before it is invested.

Characteristics

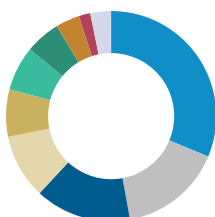
	FUND	INDEX
Active share (%)	67.47	--
Number of holdings	76	1,418
Price/earnings (last 12 months)	19.46	13.67
Price/cash flow	13.39	9.95
Price/book	3.28	1.87
Return on equity (%)	19.64	15.08
Weighted average market capitalization (\$B)	146.41	87.61
Weighted median market capitalization (\$B)	47.92	18.07
Dividend Yield (%)	1.66	2.26

Top Countries (% of Total Net Assets)³

	FUND	INDEX
China	18.71	33.97
Taiwan	15.57	14.71
India	12.34	12.18
South Korea	9.57	12.61
Russia	8.84	3.93
South Africa	5.04	3.16
United States	4.93	--
Mexico	4.92	1.91
Brazil	3.67	4.45
Other	13.12	--
Cash	3.19	--

**Sector Allocation (% of Total Net Assets)^{3,4}**

	FUND	INDEX
Technology	31.26	20.87
Financials	15.81	19.48
Consumer Discretionary	14.79	14.68
Communication Services	9.90	10.39
Materials	7.26	8.66
Energy	6.84	5.86
Consumer Staples	5.41	5.90
Industrials	3.67	4.86
Health Care	1.76	4.95
Cash	3.19	--



³ May not sum to 100% due to the exclusion of other assets and liabilities.

⁴ For additional information regarding sector classification/definitions please visit www.msci.com/gics and the glossary at www.morganstanley.com/im.

⁵ 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.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 30.09.2021 and subject to change daily.

Top Holdings (% of Total Net Assets)⁵

	FUND	INDEX
Taiwan Semiconductor Manufacturing Co. Lt	8.23	6.51
Samsung Electronics Co. Ltd	6.01	3.79
Tencent Holdings Ltd	4.68	4.33
Tcs Group Holding plc	2.47	0.14
Asml Holding NV	2.32	--
Anglo American plc	2.22	--
Delta Electronics Inc	2.17	0.22
Sea Ltd	2.05	--
Reliance Industries Ltd	1.96	1.23
Housing Development Finance Corp Ltd	1.93	0.81
Total	34.04	--

Share Class I Risk and Reward Profile

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 shares of companies from emerging markets 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.

EU Cross Border Distribution of Funds Important Disclosure

This is a marketing communication. Applications for shares in the Fund should not be made without first consulting the current Prospectus and the Key Investor Information Document ("KIID"), which are available in English and in the official language of your local jurisdiction at morganstanleyinvestmentfunds.com or free of charge from the Registered Office of Morgan Stanley Investment Funds, European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxembourg B 29 192. A summary of investor rights is available in English at the same website. 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 relevant UCITS rules.

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. **Return on equity (ROE)** is the amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. **Sharpe ratio** is a risk-adjusted measure calculated as the ratio of excess return to standard deviation. The Sharpe ratio determines reward per unit of risk. The higher the Sharpe ratio, the better the historical risk-adjusted performance. **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. **Weighted average market capitalization** is an average of the market capitalization of stocks comprising a portfolio or index, adjusted by each stock's weight in the portfolio or index. **Weighted median market capitalization** is the point at which half of the market value of a portfolio or index is invested in stocks with a greater market cap, while the other half of the market value is invested in stocks with a lower market cap.

INDEX INFORMATION

The **MSCI Emerging Markets Net Index** is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance of 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 MSCI Emerging Markets Index currently consists of 23 emerging-market country indices. The performance of the index is listed in U.S. dollars and assumes reinvestment of net dividends.

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