

Morgan Stanley Investment Funds

European Champions Fund

Investment objective

Seeks long-term capital appreciation by investing in European companies that the investment team believes possess a prominent and sustainable position in their field, potentially enabling superior profitability and investment returns. The investment team combines quantitative filters with rigorous qualitative analysis to create a concentrated, high conviction portfolio.

Share Class Z Risk and Reward profile



The higher the category (1 - 7), the greater the potential reward, but also the greater the risk of losing the investment. Category 1 does not indicate a risk-free investment.

Download the fund's Key Investor Information document for share class tailored risk ratings and warnings at: www.morganstanleyinvestmentfunds.com

Class Z shares vs. benchmark^{1,2}

Performance of 100 Euro invested since inception



Returns in Euro vs. benchmark^{1,2}

Fund (net of fees) %

Period	Z	A	B	Index
One month	3.17	3.07	2.98	1.96
Last three months	4.41	4.19	3.94	5.10
YTD	12.36	11.54	10.59	11.70
One year	16.28	15.28	14.12	19.52
Since inception (annualised)	13.08	n/a	n/a	15.48

% 12 month returns

31.10.16 - 31.10.17	16.28	15.28	14.12	19.52
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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, net of fees, and does not take account of commissions and costs incurred on the issue and redemption of units.

Fund facts

Fund launch	April 2016
Investment team	Matthew Leeman, Riccardo Bindi, Jonathan Day, Jaymeen Patel
Location	London
Base currency	Euro
Benchmark	MSCI Europe Index
Total assets	€ 41.2 million
NAV Class Z	€ 30.28

Portfolio characteristics

	Fund	Index
P/CF	19.23	9.79
P/BV	5.23	1.96
Dividend Yield	1.90	2.97
Number of holdings	24	445

Top 5 holdings (% of Total Net Assets)¹

	Fund	Index
Asml Holding NV	6.03	0.72
Grifols S.A.	5.20	0.10
Sap Se	4.70	1.19
Symrise AG	4.62	0.10
Hermes International S.A.	4.56	0.18
Total	25.11	-

Geographic distribution (% of Total Net Assets)

	Fund	Index
Germany	21.92	15.24
Switzerland	18.56	12.45
United Kingdom	11.84	27.54
France	11.64	16.77
Netherlands	10.43	5.76
Spain	9.35	5.31
Denmark	8.35	2.91
Sweden	3.86	4.49
Finland	3.56	1.50
Cash & Equivalents	0.49	-
Total	100.00	-

Sector distribution (% of Total Net Assets)

	Fund	Index
Health Care	28.28	12.30
Industrials	19.80	13.33
Consumer Staples	16.02	13.75
Consumer Discretionary	15.90	10.63
Information Technology	14.88	4.94
Materials	4.62	8.06
Cash & Equivalents	0.49	-
Total	100.00	-

Charges

	Z	I	A	B	C
Ongoing charges % ³	0.90	0.94	1.74	2.74	2.44
Management Fee %	0.75	0.75	1.50	1.50	2.20

Share Class

CCY	ISIN	Bloomberg	Launch
A	EUR	LU1387591305	MSTEUCA LX 08.04.2016
AH (USD)	USD	LU1387591487	MSTEAHU LX 08.04.2016
B	EUR	LU1394890559	MSTECB LX 15.04.2016
C	EUR	LU1394890807	MSTEUCC LX 15.04.2016
I	EUR	LU1387591560	MSTEUCI LX 08.04.2016
IH (USD)	USD	LU1387591644	MSTEUIH LX 08.04.2016
Z	EUR	LU1387591727	MSTECUZ LX 08.04.2016

Footnotes

Publication date: 16 November 2017.

¹ See the 'Share Class' section for inception date(s).

² The investment team uses analysis tools to assess companies in their investment universe against a set of very strict criteria. This significantly reduces the number of companies; the team then conducts further in-depth analysis, finally building a portfolio of 20-30 stocks that they believe best meet their investment criteria.

³ The Ongoing Charges Figure ("OCF") reflects the payments and expenses which cover aspects of operating the fund and is deducted from the assets over the period. It includes fees paid for investment management, trustee/custodian, and administration charges.

Important information

This document has been prepared by Morgan Stanley Investment Management Limited ("MSIM") solely for informational purposes and does not seek to make any recommendation to buy or sell any particular security (including Shares in the Fund) or to adopt any specific investment strategy. 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 and an investment in Shares of the Fund is suitable 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. If such a person considers an investment in Shares of the Fund, she/he should always ensure that she/he has satisfied herself/himself that she/he has been properly advised by that financial intermediary about the suitability of an investment.

Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. The value of the investments and the income from them can go down as well as up and an investor may not get back the amount invested. There are additional risks involved with this type of investment. Please refer to the Prospectus and relevant Key Investor Information for full risk disclosure.

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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. In particular, for investment funds that are not authorized or recognized by the MAS, units in such funds are not allowed to be offered to the retail public; any written material issued to persons as aforementioned in connection with an offer is not a prospectus as defined in the SFA and, accordingly, statutory liability under the SFA in relation to the content of prospectuses does not apply, and investors should consider carefully whether the investment is suitable for them.

This document contains information relating to the sub-funds ("Funds") of Morgan Stanley Investment Funds, a Luxembourg domiciled Société d'Investissement à Capital Variable. Morgan Stanley Investment Funds (the "Company") is registered in the Grand Duchy of Luxembourg as an undertaking for collective investment pursuant to Part 1 of the Law of 17th December 2010, as amended. The Company is an Undertaking for Collective Investment in Transferable Securities ("UCITS").

This communication is only intended for and will only be distributed to persons resident in jurisdictions where such distribution or availability would not be contrary to local laws or regulations. In particular, the Shares are not for distribution in the United States or to US persons.

If you are a distributor of the Morgan Stanley Investment Funds, some or all of the funds, or Shares in individual funds, may be available for distribution. Please refer to your sub-distribution agreement, for these details before forwarding fund information to your clients.

Applications for shares in Morgan Stanley Investment Funds should not be made without first consulting the current Prospectus, Key Investor Information Document, Annual Report and Semi-Annual Report ('Offering Documents'), or other documents available in your local jurisdiction, which are available free of charge from the Registered Office: European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxembourg B 29 192. In addition, all Italian investors should refer to the 'Extended Application Form', and all Hong Kong investors should refer to the 'Additional Information for Hong Kong Investors' section, outlined within the Prospectus.

Copies of the Prospectus, Key Investor Information Document, the Articles of Incorporation and the annual and semi-annual reports, in German, and further information can be obtained free of charge from the representative in Switzerland. The representative in Switzerland is Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva. The paying agent in Switzerland is Banque Cantonale de Genève, 17, quai de l'île, 1204 Geneva.

The source for all performance and index data is Morgan Stanley Investment Management Limited. Calculations are NAV to NAV. Performance is quoted net of fees and with income reinvested.

For cash management purposes the Fund may invest in shares in the Liquidity Funds of Morgan Stanley Liquidity Funds.

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.

November 2017

INFORMATION MEMORANDUM

Morgan Stanley Investment Funds (the "Company")

Société d'investissement à Capital Variable Luxembourg

IMPORTANT

This Singapore information memorandum is authorised for distribution only when accompanied by the Luxembourg prospectus for the Company. Please read this document and the Luxembourg prospectus for full information on the Funds (as defined below).

The Funds are not authorised or recognised by the Monetary Authority of Singapore ("MAS") and shares in the Funds ("Shares") are not allowed to be offered to the retail public. Moreover, this Information Memorandum which relates to the offer of Shares in the Funds is not a prospectus as defined in the Securities and Futures Act, Chapter 289 of Singapore (the "SFA").

Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you.

This Information Memorandum has not been registered as a prospectus by the MAS, and the offer of the Shares is made pursuant to the exemptions under Sections 304 and 305 of the SFA.

Accordingly, the Shares may not be offered or sold, nor may the Shares be the subject of an invitation for subscription or purchase, nor may this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Shares be circulated or distributed, whether directly or indirectly, to any person in Singapore other than under exemptions provided in the SFA for offers made (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 304 of the SFA, (b) to a relevant person (as defined in Section 305(5) of the SFA), or any person pursuant to an offer referred to in Section 305(2) of the SFA, and in accordance with the conditions specified in Section 305 of the SFA or (c) otherwise pursuant to, and in accordance with, the conditions of any other applicable provision of the SFA.

Where the Shares are acquired by persons who are relevant persons specified in Section 305A of the SFA, namely:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred

within 6 months after that corporation or that trust has acquired the Shares pursuant to an offer made under Section 305 of the SFA except:

- (1) to an institutional investor or to a relevant person as defined in Section 305(5) of the SFA, or which arises from an offer referred to in Section 275(1A) of the SFA (in the case of that corporation) or Section 305A(3)(i)(B) of the SFA (in the case of that trust);
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 305A(5) of the SFA; or
- (5) as specified in Regulation 36 of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.

Offer of Funds in Singapore

For the purposes of the offer in Singapore to (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 304 of the SFA, (ii) to a relevant person (as defined in Section 305(5) of the SFA), or any person pursuant to an offer referred to in Section 305(2) of the SFA, and in accordance with the conditions specified in Section 305 of the SFA only the following Funds shall be available:

Equity Funds

- Morgan Stanley Investment Funds Asia Opportunity Fund (Reference Currency: USD) (the "**Asia Opportunity Fund**")
- Morgan Stanley Investment Funds Asian Equity Fund (Reference Currency: USD) (the "**Asian Equity Fund**")
- Morgan Stanley Investment Funds Asia-Pacific Equity Fund (Reference Currency: USD) (the "**Asia-Pacific Equity Fund**")
- Morgan Stanley Investment Funds Asian Property Fund (Reference Currency: USD) (the "**Asian Property Fund**")
- Morgan Stanley Investment Funds Breakout Nations Fund (Reference Currency: USD) (the "**Breakout Nations Fund**")
- Morgan Stanley Investment Funds Emerging Europe, Middle East and Africa Equity Fund (Reference Currency: Euro) (the "**Emerging Europe, Middle East and Africa Equity Fund**")
- Morgan Stanley Investment Funds Emerging Leaders Equity Fund (Reference Currency: USD) (the "**Emerging Leaders Equity Fund**")
- Morgan Stanley Investment Funds Emerging Markets Equity Fund (Reference Currency: USD) (the "**Emerging Markets Equity Fund**")

- Morgan Stanley Investment Funds European Champions Fund (Reference Currency: Euro) (the "**European Champions Fund**")
- Morgan Stanley Investment Funds European Equity Alpha Fund (Reference Currency: Euro) (the "**European Equity Alpha Fund**")
- Morgan Stanley Investment Funds European Property Fund (Reference Currency: Euro) (the "**European Property Fund**")
- Morgan Stanley Investment Funds Eurozone Equity Alpha Fund (Reference Currency: Euro) (the "**Eurozone Equity Alpha Fund**")
- Morgan Stanley Investment Funds Frontier Markets Equity Fund (Reference Currency: USD) (the "**Frontier Markets Equity**")
- Morgan Stanley Investment Funds Global Advantage Fund (Reference Currency: USD) (the "**Global Advantage Fund**")
- Morgan Stanley Investment Funds Global Brands Fund (Reference Currency: USD) (the "**Global Brands Fund**")
- Morgan Stanley Investment Funds Global Brands Equity Income Fund (Reference Currency: USD) (the "**Global Brands Equity Income Fund**")
- Morgan Stanley Investment Funds Global Discovery Fund, (Reference Currency: USD) (the "**Global Discovery Fund**")
- Morgan Stanley Investment Funds Global Infrastructure Fund (Reference Currency: USD) (the "**Global Infrastructure Fund**")
- Morgan Stanley Investment Funds Global Opportunity Fund (Reference Currency: USD) (the "**Global Opportunity Fund**")
- Morgan Stanley Investment Funds Global Property Fund (Reference Currency: USD) (the "**Global Property Fund**")
- Morgan Stanley Investment Funds Global Quality Fund (Reference Currency: USD) (the "**Global Quality Fund**")
- Morgan Stanley Investment Funds Indian Equity Fund (Reference Currency: USD) (the "**Indian Equity Fund**")
- Morgan Stanley Investment Funds International Equity (ex US) Fund, (Reference Currency: USD) (the "**International Equity (ex US) Fund**")
- Morgan Stanley Investment Funds Japanese Equity Fund (Reference Currency: Yen) (the "**Japanese Equity Fund**")
- Morgan Stanley Investment Funds Latin American Equity Fund (Reference Currency: USD) (the "**Latin American Equity Fund**")

- Morgan Stanley Investment Funds US Advantage Fund (Reference Currency: USD) (the "**US Advantage Fund**")
- Morgan Stanley Investment Funds US Growth Fund (Reference Currency: USD) (the "**US Growth Fund**")
- Morgan Stanley Investment Funds US Insight Fund, (Reference Currency: USD) (the "**US Insight Fund**")
- Morgan Stanley Investment Funds US Property Fund (Reference Currency: USD) (the "**US Property Fund**")

Bond Funds

- Morgan Stanley Investment Funds Absolute Return Fixed Income Fund (Reference Currency: EUR) (the "**Absolute Return Fixed Income Fund**")
- Morgan Stanley Investment Funds Asian Fixed Income Opportunities Fund (Reference Currency: USD) (the "**Asian Fixed Income Opportunities Fund**")
- Morgan Stanley Investment Funds Emerging Markets Corporate Debt Fund (Reference Currency: USD) (the "**Emerging Markets Corporate Debt Fund**")
- Morgan Stanley Investment Funds Emerging Markets Debt Fund (Reference Currency: USD) (the "**Emerging Markets Debt Fund**")
- Morgan Stanley Investment Funds Emerging Markets Domestic Debt Fund (Reference Currency: USD) (the "**Emerging Markets Domestic Debt Fund**")
- Morgan Stanley Investment Funds Emerging Markets Fixed Income Opportunities Fund (Reference Currency: USD) (the "**Emerging Markets Fixed Income Opportunities Fund**")
- Morgan Stanley Investment Funds Euro Bond Fund (Reference Currency: Euro) (the "**Euro Bond Fund**")
- Morgan Stanley Investment Funds Euro Corporate Bond Fund (Reference Currency: Euro) (the "**Euro Corporate Bond Fund**")
- Morgan Stanley Investment Funds Euro Strategic Bond Fund (Reference Currency: Euro) (the "**Euro Strategic Bond Fund**")
- Morgan Stanley Investment Funds European Currencies High Yield Bond Fund (Reference Currency: Euro) (the "**European Currencies High Yield Bond Fund**")
- Morgan Stanley Investment Funds Global Bond Fund (Reference Currency: USD) (the "**Global Bond Fund**")
- Morgan Stanley Investment Funds Global Convertible Bond Fund (Reference Currency: USD) (the "**Global Convertible Bond Fund**")

- Morgan Stanley Investment Funds Global Credit Fund (Reference Currency: USD) (the "**Global Credit Fund**")
- Morgan Stanley Investment Funds Global Fixed Income Opportunities Fund (Reference Currency: USD) (the "**Global Fixed Income Opportunities Fund**")
- Morgan Stanley Investment Funds Global High Yield Bond Fund (Reference Currency: USD) (the "**Global High Yield Bond Fund**")
- Morgan Stanley Investment Funds Global Mortgage Securities Fund (Reference Currency: USD) (the "**Global Mortgage Securities Fund**")
- Morgan Stanley Investment Funds Short Maturity Euro Bond Fund (Reference Currency: Euro) (the "**Short Maturity Euro Bond Fund**")
- Morgan Stanley Investment Funds US Dollar Corporate Bond Fund, (Reference Currency: USD) (the "**US Dollar Corporate Bond Fund**")
- Morgan Stanley Investment Funds US Dollar High Yield Bond Fund, (Reference Currency: USD) (the "**US Dollar High Yield Bond Fund**")
- Morgan Stanley Investment Funds US Dollar Short Duration Bond Fund, (Reference Currency: USD) (the "**US Dollar Short Duration Bond Fund**")
- Morgan Stanley Investment Funds US Dollar Short Duration High Yield Bond Fund, (Reference Currency: USD) (the "**US Dollar Short Duration High Yield Bond Fund**")

Liquidity Fund

- Morgan Stanley Investment Funds US Dollar Liquidity Fund (Reference Currency: USD) (the "**US Dollar Liquidity Fund**")

Asset Allocation Funds

- Morgan Stanley Investment Funds Global Balanced Defensive Fund, (Reference Currency: Euro) (the "**Global Balanced Defensive Fund**")
- Morgan Stanley Investment Funds Global Balanced Fund, (Reference Currency: Euro) (the "**Global Balanced Fund**")
- Morgan Stanley Investment Funds Global Balanced Risk Control Fund of Funds, (Reference Currency: Euro) (the "**Global Balanced Risk Control Fund of Funds**")
- Morgan Stanley Investment Funds Global Balanced Income Fund (Reference Currency: Euro) (the "**Global Balanced Income Fund**")
- Morgan Stanley Investment Funds Global Multi-Asset Income Fund (Reference Currency: Euro) (the "**Global Multi-Asset Income Fund**")

- Morgan Stanley Investment Funds Global Multi-Asset Opportunities Fund, (Reference Currency: Euro) (the “Global Multi-Asset Opportunities Fund”)

Alternative Investment Funds

- Morgan Stanley Investment Funds Liquid Alpha Capture Fund (Reference Currency: USD) (the "**Liquid Alpha Capture Fund**")

The Singapore information memorandum relates to the aforesaid Funds. Investors may invest in the aforesaid Funds by subscribing for Shares in the share capital of the Company. The offer or sale of the Shares which is the subject of this Information Memorandum is regulated and governed by the provisions of the SFA. The supervisory authority is the Monetary Authority of Singapore.

Address and contact details of the : 10 Shenton Way, MAS Building
 Monetary Authority of Singapore Singapore 079117
 Tel: (65)-6225-5577
 Fax: (65)-6229-9229

Investment Objectives and Policies

Please refer to Section 1.2 of the Luxembourg prospectus.

Risks Factors

Please refer to Section 1.5 of the Luxembourg prospectus.

Accounts

Please refer to Section 3.1 of the Luxembourg prospectus under the heading "**Annual and Semi-annual Reports**".

Regulatory Information

1. Company

Name	:	Morgan Stanley Investment Funds
Place of incorporation	:	Please refer to Section 3.1 of the Luxembourg prospectus.
Registered office	:	European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg
Supervisory authority	:	Commission de Surveillance du Secteur Financier
Address	:	283, route d'Arlon, L-1150 Luxembourg, Grand Duchy of Luxembourg
Tel	:	(352)-262511
Fax	:	(352)-2625-12601
Legislation under which the Company is regulated	:	See page 1 of the Luxembourg prospectus

2. Custodian

Name : J.P. Morgan Bank Luxembourg S.A.
Place of incorporation : Please refer to Section 3.1 of the Luxembourg prospectus.

Supervisory authority : Commission de Surveillance du Secteur Financier
Address : 283, route d'Arlon, L-1150 Luxembourg, Grand Duchy of Luxembourg
Tel : (352)-262511
Fax : (352)-2625-12601

3. Management Company

Name : Morgan Stanley Investment Management (ACD) Limited
Place of incorporation : Please refer to Section 3.1 of the Luxembourg prospectus.

Supervisory authority : Financial Conduct Authority
Address : 25 The North Colonnade, Canary Wharf, London E14 5HS
Tel : (44)-20-7066-1000
Fax : (44)-20-7066-8349

4. Investment Advisers

Investment Adviser for all Funds except the Liquidity Funds : Morgan Stanley Investment Management Limited
Place of incorporation : Please refer to Section 3.1 of the Luxembourg prospectus.

Supervisory authority : Financial Conduct Authority
Address : 25 The North Colonnade, Canary Wharf, London E14 5HS
Tel : (44)-20-7066-1000
Fax : (44)-20-7066-8349

Investment Adviser for the Liquidity Funds : Morgan Stanley & Co. International plc
Place of incorporation : Please refer to Section 3.1 of the Luxembourg prospectus.
Supervisory authority : Financial Conduct Authority
Address : 25 The North Colonnade, Canary Wharf, London E14 5HS
Tel : (44)-20-7676-1000
Fax : (44)-20-7066-8349

Redemption of Shares

Please refer to Section 2.3 of the Luxembourg prospectus.

Charges and Expenses

Please refer to Section 2.5 of the Luxembourg prospectus.

Past Performance

Past performance figures may be obtained in the annual and semi-annual reports of the Company at www.morganstanleyinvestmentfunds.com.

Side Letters

The Company does not enter directly into side letters with investors.