

# Morgan Stanley Investment Funds

## Global Property Fund

### Important information

- The Fund primarily invests in the equity securities of companies in the real estate industry located throughout the world's developed countries and emerging markets.
- Investment involves risks. Key risks for this fund include Risk of Investment in the Real Estate Industry and REITs, Risk of Investment in Equity, Exchange Rate Risk, Emerging Market 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.

### Investment objective

Seeks to provide long term capital appreciation, measured in U.S. dollars, primarily through investment in the equity securities of companies in the real estate industry located throughout the world.

### Class A shares vs. benchmark<sup>1</sup>

Performance of 100 U.S. dollars invested since inception



### Returns in U.S. dollars vs. benchmark<sup>1</sup>

Fund (net of fees) %

| Period                   | A      | Index  |
|--------------------------|--------|--------|
| One month                | (0.10) | (0.35) |
| Last three months        | 1.45   | 2.39   |
| YTD                      | 7.64   | 10.00  |
| One year                 | 1.31   | 2.58   |
| Three years (cumulative) | 9.84   | 18.23  |
| Five years (cumulative)  | 30.01  | 42.77  |
| Ten years (cumulative)   | -      | 20.44  |

### % 12 month returns

|                     |        |        |
|---------------------|--------|--------|
| 31.12.15 - 31.12.16 | (1.16) | 1.66   |
| 31.12.14 - 31.12.15 | (2.09) | (0.18) |
| 31.12.13 - 31.12.14 | 10.21  | 11.91  |
| 31.12.12 - 31.12.13 | 5.90   | 6.76   |
| 31.12.11 - 31.12.12 | 30.48  | 30.53  |

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.

### Morningstar Overall Rating

#### Class A shares



EAA Fund Property - Indirect Global

Out of 442 Funds. Based on Risk Adjusted Return.

### Fund facts

|                    |                                                                                                                        |
|--------------------|------------------------------------------------------------------------------------------------------------------------|
| Fund launch        | October 2006                                                                                                           |
| Portfolio Managers | Ted Bigman, Sven van Kemenade, Michiel te Paske, Angeline Ho, Bill Grant, Desmond Foong                                |
| Location           | New York/Amsterdam/Singapore                                                                                           |
| Base currency      | U.S. dollars                                                                                                           |
| Benchmark          | FTSE EPRA/NAREIT Developed Real Estate (Net) Equally Weighted Between North American, European and Asian Regions Index |
| Total assets       | \$ 972.8 million                                                                                                       |
| NAV Class A        | \$ 29.46                                                                                                               |

### Portfolio characteristics

|                    | Fund |
|--------------------|------|
| Dividend Yield     | 3.46 |
| Number of holdings | 168  |

### Top 10 holdings (% of Total Net Assets)

|                             | Fund         |
|-----------------------------|--------------|
| Simon Property Group        | 4.24         |
| Unibail-Rodamco Se          | 3.26         |
| Sun Hung Kai Properties Ltd | 3.06         |
| Mitsubishi Estate Co. Ltd   | 2.51         |
| Mitsui Fudosan Co. Ltd      | 2.50         |
| Land Securities Group plc   | 2.41         |
| Vonovia Se                  | 2.21         |
| Ck Asset Holdings Ltd       | 2.18         |
| Hongkong Land Holdings Ltd  | 2.13         |
| Boston Properties Inc       | 2.07         |
| <b>Total</b>                | <b>26.57</b> |

### Geographic allocation (% of Total Net Assets)

|                    | Fund          |
|--------------------|---------------|
| United States      | 32.69         |
| Hong Kong          | 14.49         |
| Japan              | 12.18         |
| United Kingdom     | 10.07         |
| France             | 8.49          |
| Australia          | 6.30          |
| Germany            | 4.18          |
| Spain              | 1.54          |
| Ireland            | 1.52          |
| Other              | 8.64          |
| Cash & Equivalents | (0.10)        |
| <b>Total</b>       | <b>100.00</b> |

| Sector allocation (% of Total Net Assets) | Fund          |
|-------------------------------------------|---------------|
| Diversified                               | 37.65         |
| Retail                                    | 24.64         |
| Office                                    | 15.29         |
| Residential                               | 10.84         |
| Industrial                                | 3.90          |
| Lodging/Resorts                           | 2.66          |
| Self Storage                              | 2.55          |
| Healthcare                                | 2.42          |
| Industrial/Office Mixed                   | 0.14          |
| Cash & Equivalents                        | (0.10)        |
| <b>Total</b>                              | <b>100.00</b> |

| Statistics (Class A shares)           | Fund   |
|---------------------------------------|--------|
| Alpha                                 | (2.56) |
| Beta                                  | 0.99   |
| R squared                             | 0.96   |
| Information ratio                     | (1.16) |
| Tracking error                        | 2.21   |
| Fund volatility (Standard deviation)  | 11.34  |
| Index volatility (Standard deviation) | 11.28  |

Based on monthly observations, annualised over last 3 years.

| Charges                        | A    |
|--------------------------------|------|
| Ongoing charges % <sup>2</sup> | 1.74 |
| Management Fee %               | 1.50 |
| Sales Charge %                 | 5.75 |

| Share Class <sup>3</sup> | CCY | ISIN         | Bloomberg  | Launch     |
|--------------------------|-----|--------------|------------|------------|
| A                        | USD | LU0266114312 | MORGPRALX  | 31.10.2006 |
| AH (EUR)                 | EUR | LU0552900242 | MSGPYALX   | 25.10.2010 |
| B                        | USD | LU0266114585 | MORGPRBLX  | 31.10.2006 |
| BH (EUR)                 | EUR | LU0341470432 | MORGPRBLX  | 25.10.2010 |
| C                        | USD | LU0362497223 | MSGPROC LX | 25.07.2008 |
| CH (EUR)                 | EUR | LU0552900325 | MSGPYCH LX | 25.10.2010 |
| I                        | USD | LU0266114668 | MORGPRILX  | 31.10.2006 |
| IX                       | USD | LU0266115475 | MORGPIX LX | 31.10.2006 |
| Z                        | USD | LU0360485493 | MORGPRZ LX | 05.08.2008 |
| ZH (EUR)                 | EUR | LU0360485576 | MSGPZHE LX | 14.08.2017 |
| ZX                       | USD | LU0360613599 | MSGPYZXLX  | 20.01.2017 |

#### Footnotes

Publication date: 16 October 2017.

<sup>1</sup> See the 'Share Class' section for inception date(s).

<sup>2</sup> 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.

<sup>3</sup> Only A and C share classes of the Fund are authorized by the Securities & Futures Commission of Hong Kong to be offered to the public in Hong Kong.

The fund is not authorised by the SFC under the Code on REITs, but is authorised under the Code on Unit Trusts and Mutual Funds. Such authorisation does not imply official approval or recommendation. Furthermore, please note that any underlying Real Estate Investment Trusts ("REITs") of which the fund invests in may not necessarily be authorised by the SFC and the dividend policy/payout policy of the fund is not representative of the dividend policy/payout policy of the underlying REITs.

#### Morningstar

##### Morningstar

**Ratings:** The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most

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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 Morgan Stanley liquidity funds.

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