

# Morgan Stanley Investment Funds

## US Property Fund

### Important information

- The Fund invests primarily in equity securities of companies in the US real estate industry.
- Investment involves risks. Key risks for this fund include Risk of Investment in the Real Estate Industry and REITs, Risk of Investment in Equity 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, by investing in equity securities of companies in the U.S. real estate industry.

### 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	0.75	(0.20)
Last three months	(0.55)	0.64
YTD	(1.34)	2.74
One year	(4.46)	(0.53)
Three years (cumulative)	16.43	28.11
Five years (cumulative)	33.62	49.97
Ten years (cumulative)	34.08	55.60

### % 12 month returns

31.12.15 - 31.12.16	3.09	7.34
31.12.14 - 31.12.15	(1.17)	2.02
31.12.13 - 31.12.14	29.71	28.65
31.12.12 - 31.12.13	2.26	1.31
31.12.11 - 31.12.12	11.94	16.78

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 North America  
Out of 32 Funds. Based on Risk Adjusted Return.

### Fund facts

Fund launch	January 1996
Portfolio Managers	Ted Bigman, Bill Grant
Location	New York
Base currency	U.S. dollars
Benchmark	FTSE NAREIT Equity REITs (Net) Index
Total assets	\$ 262.5 million
NAV Class A	\$ 70.74

### Portfolio characteristics

	Fund
Dividend Yield	3.71
Number of holdings	58

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

	Fund
Simon Property Group	10.01
Ggp Inc	7.37
Boston Properties Inc	6.23
Vornado Realty Trust	6.19
Public Storage Inc	5.57
Equity Residential Properties	4.59
Regency Centers Corp	3.25
Camden Property Trust	2.92
Prologis Inc	2.88
Lasalle Hotel Properties	2.68
<b>Total</b>	<b>51.69</b>

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

	Fund
Regional Malls	20.86
Office	15.13
Apartments	11.81
Lodging/Resorts	8.94
Diversified	8.51
Self Storage	7.54
Health Care	7.30
Industrial	6.00
Shopping Centers	5.32
Other	7.88
Cash & Equivalents	0.70
<b>Total</b>	<b>100.00</b>

Statistics (Class A shares)	Fund
Alpha	(3.41)
Beta	0.98
R squared	0.91
Information ratio	(0.76)
Tracking error	4.47
Fund volatility (Standard deviation)	14.62
Index volatility (Standard deviation)	14.27

Based on monthly observations, annualised over last 3 years.

Charges	A
Ongoing charges % <sup>2</sup>	1.64
Management Fee %	1.40
Sales Charge %	5.75

Share Class <sup>3</sup>	CCY	ISIN	Bloomberg	Launch
A	USD	LU0073233958	MORUSRI LX	31.01.1997
B	USD	LU0073234097	MORUSRB LX	01.03.1997
F	USD	LU1244752280	MSTUSPF LX	30.09.2015
I	USD	LU0073233875	MORIUSR LX	09.01.1996
Z	USD	LU0360477474	MSUSPRZ LX	27.11.2009

#### 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

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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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