

Morgan Stanley Investment Funds

Global Bond Fund - A Shares (Accumulation Share Class)



MORNINGSTAR OVERALL RATING*
EAA FUND GLOBAL BOND
CLASS A SHARES

Out of 885 Funds. Based on Risk Adjusted Return. Class A Shares: 3yr. rating 5 Stars; 5yr. rating 4 Stars; 10yr. rating 4 Stars.

Important information

- The Fund invests primarily in domestic, international and Euromarket fixed income securities of varying maturities denominated in US Dollars and other currencies, including emerging markets.
- Investment involves risks. Key risks for this fund include Interest Rate Risk, Credit Risk, High Yield Securities Risk, Exchange Rate Risk, Emerging Market Currency Risk, Derivatives Risk, Downgrading Risk, Unrated Securities 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.
- The Fund may use derivatives for investment or efficient portfolio management (including hedging) purposes which may expose to higher counterparty, liquidity and valuation risks. The Fund may suffer losses from its derivatives usage.

Investment Approach

Seeks to provide an attractive rate of return, measured in U.S. dollars, through market, instrument and currency selection. The Fund consists of domestic, international and euromarket fixed income securities of varying maturities denominated in U.S. dollars and other currencies, including emerging markets.

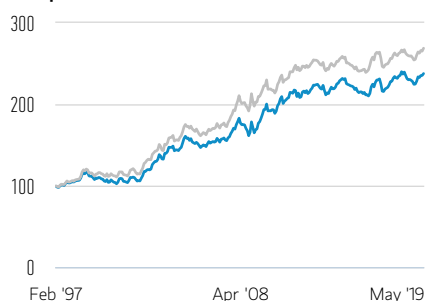
Investment Team

	JOINED FIRM	YEARS OF INVESTMENT EXPERIENCE
Christian G. Roth, Managing Director	1991	32
Michael B. Kushma, Chief Investment Officer of Global Fixed Income	1987	31
Jim Caron, Managing Director	2006	27
Richard Ford, Managing Director	1991	28

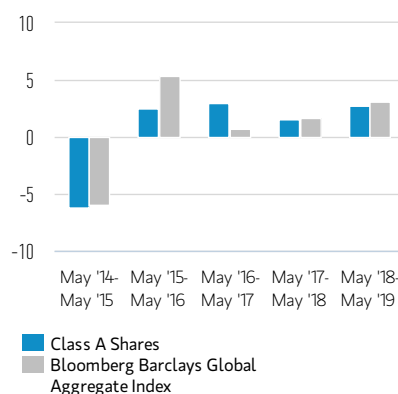
Team members may be subject to change at any time without notice.

Class A 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 (%)



— Class A Shares
— Bloomberg Barclays Global Aggregate Index

■ Class A Shares
■ Bloomberg Barclays Global Aggregate Index

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 A Shares	0.99	2.10	4.11	2.71	2.41	0.65	3.01	3.96
Bloomberg Barclays Global Aggregate Index	1.35	2.32	3.28	3.09	1.86	0.91	2.53	4.53

Calendar Year Returns (%)

	2018	2017	2016	2015	2014	2013	2012
Class A Shares	-2.99	9.13	1.91	-4.93	1.62	-2.42	7.38
Bloomberg Barclays Global Aggregate Index	-1.20	7.39	2.09	-3.15	0.59	-2.60	4.32

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. The sources for all performance and Index data is Morgan Stanley Investment Management.

The Blended Index performance shown is calculated using the JPM Global Traded Unhedged Index from inception through 31 March 2004, the FTSE WGBI Index to 31 January 2010 and the Bloomberg Barclays Global Aggregate Bond Index thereafter.

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 increased the fund's AUM by USD 1,517,320 and USD 650,280, respectively.

Please refer to the additional information and definitions section at the end of this document.

Share Class

	CLASS A
Currency	U.S. dollars
ISIN	LU0073230426
Bloomberg	MORGLBI LX
Inception Date	01 February 1997
Net Asset Value	\$ 42.85

Fund Facts

Launch date	01 November 1989
Base currency	U.S. dollars
Index	Bloomberg Barclays Global Aggregate Index
Total assets	\$ 651.55 million
Structure	Luxembourg SICAV

Charges (%)

	CLASS A
Max Entry Charge	4.00
Ongoing Charges	1.04
Management Fee	0.80

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 A
Minimum Initial Investment	0
Minimum Subsequent Investment	0

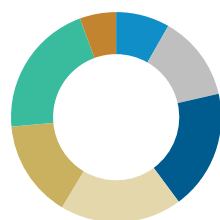
Statistics

(3 Year annualised)

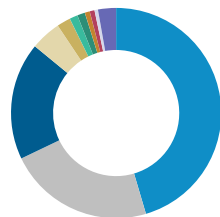
	CLASS A	INDEX
Excess Return (%)	0.55	--
Alpha (%)	0.55	--
Beta	1.01	--
Information ratio	0.43	--
R squared	0.93	--
Sharpe ratio	0.23	0.12
Tracking error (%)	1.29	--
Volatility (Standard deviation) (%)	4.84	4.64

Characteristics

	FUND	INDEX
Duration (years)	6.96	7.01
Average yield to maturity (%)	2.27	1.64
Number of holdings	398	23,706

Duration Distribution (% of Total Net Assets)¹

	FUND
Less than 1 Year	8.31
1 to 3 Years	13.20
3 to 5 Years	18.52
5 to 7 Years	18.83
7 to 10 Years	15.02
Greater than 10 Years	20.91
Other	-0.40
Cash & equivalents	5.62
Total	100.00

Currency Allocation (% of Total Net Assets)¹

	FUND
US Dollar	45.44
Euro	22.46
Japanese Yen	18.05
British Pound	4.68
Canadian Dollar	2.10
Australian Dollar	1.26
South Korean Won	1.19
Indonesian Rupiah	0.77
Mexican New Peso	0.75
Swiss Franc	0.53
Other	2.77
Total	100.00

¹May not sum to 100% due to rounding.

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.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 31.05.2019 and subject to change daily.

DEFINITIONS

Alpha (Jensen's) is a risk-adjusted performance measure that represents the average return on a portfolio or investment above or below that predicted by the capital asset pricing model (CAPM) given the portfolio's or investment's beta and the average market return. Prior to 6/30/2018 Alpha was calculated as the excess return of the fund versus benchmark. **Average yield to maturity** measures the annual return on interest-bearing securities. In this it is assumed that they will be held to maturity. This metric includes both the coupon payments received during the term of the security and the repayment of the capital on maturity. **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. **Duration** is a measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices. **Excess Return** or value added (positive or negative) is the portfolio's return relative to the return of the benchmark. **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. **R squared** measures how well an investment's returns correlate to

Additional A Share Classes

	CURRENCY	LAUNCH	ISIN	BLOOMBERG
AH (EUR)	EUR	25.10.2010	LU0552899485	MSGBDAH LX
AHX (EUR)	EUR	03.11.2011	LU0691071418	MSGEAHX LX
AX	USD	01.06.2005	LU0218435716	MORIGAX LX

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. **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. **Volatility (Standard deviation)** measures how widely individual performance returns, within a performance series, are dispersed from the average or mean value.

INDEX INFORMATION

The **Bloomberg Barclays Global Aggregate Index**: provides a broad-based measure of the global investment grade fixed-rate debt markets. Total Returns shown is unhedged USD. The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index.

The **JPM Global Traded Unhedged Index**: provides a broad-based measure of the global investment grade fixed-rate debt markets. Total Returns shown is unhedged USD. The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index.

The **FTSE WGBI Index**: measures the performance of fixed-rate, local currency, and investment grade sovereign bonds. The WGBI provides a broad benchmark for the global sovereign fixed income market.

DISTRIBUTION

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 to US persons.

Hong Kong: This document has been issued by Morgan Stanley Asia Limited for use in Hong Kong. The contents of this document and website have not been reviewed by the Securities & Futures Commission of Hong Kong. The investment returns are denominated in base currency. HK/US dollar-based investors are therefore exposed to exchange rate fluctuations.

IMPORTANT INFORMATION

Any index referred to herein is the intellectual property (including registered trademarks) of the applicable licensor. Any product based on an index is in no way sponsored, endorsed, sold or promoted by the applicable

licensor and it shall not have any liability with respect thereto.

All investments involve risks, including the possible loss of principal. The material contained herein has not been based on a consideration of any individual client circumstances and is not investment advice, nor should it be construed in any way as tax, accounting, legal or regulatory advice. To that end, investors should seek independent legal and financial advice, including advice as to tax consequences, before making any investment decision.

MSIM Ireland 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. MSIM Ireland shall not be liable for, and accepts no liability for, the use or misuse of this document by any such financial intermediary. 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.

The whole or any part of this work may not be reproduced, copied or transmitted or any of its contents disclosed to third parties without MSIM Ireland's express written consent.

All information contained herein is proprietary and is protected under copyright law.

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.

***MORNINGSTAR**

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 weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account sales loads.

© 2019 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Past performance is no guarantee of future results.**