

Morgan Stanley Investment Funds

### Global Bond Fund - AX Shares (Distributing Share Class)

#### Investment Objective

To generate income and the long term growth of your investment.

#### 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.

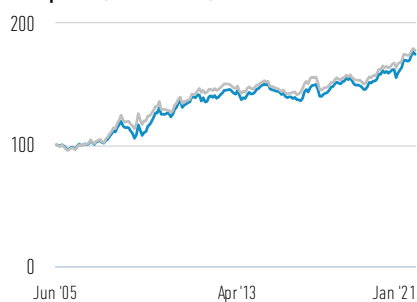
#### Investment Team

	JOINED FIRM	YEARS OF INVESTMENT EXPERIENCE
Christian G. Roth, Managing Director	1991	34
Jim Caron, Managing Director	2006	29
Michael B. Kushma, Chief Investment Officer of Global Fixed Income	1987	33
Richard Ford, Managing Director	1991	30
Utkarsh Sharma, Executive Director	2014	9

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

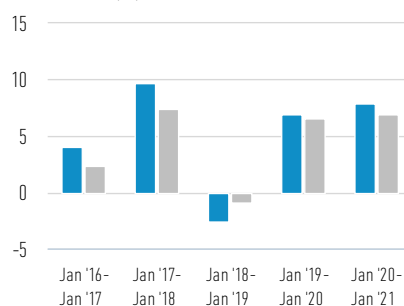
#### Class AX Shares (% net of fees) vs. Index in USD

##### Performance of 100 USD Invested Since Inception (Cash Value)



— Class AX Shares  
— Bloomberg Barclays Global Aggregate Index

##### 12 Month Performance Periods to Latest Month End (%)



■ Class AX 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 AX Shares	-1.06	2.98	-1.06	7.85	3.92	5.09	2.72	3.62
Bloomberg Barclays Global Aggregate Index	-0.88	2.28	-0.88	6.87	4.13	4.43	2.72	3.74

#### Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015	2014
Class AX Shares	10.02	8.37	-3.00	9.10	1.95	-4.93	1.59
Bloomberg Barclays Global Aggregate Index	9.20	6.84	-1.20	7.39	2.09	-3.15	0.59

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.

GLOBAL FIXED INCOME  
FACTSHEET | 31 January 2021  
Investors should read the Key Investor Information Document and Prospectus before investing.



MORNINGSTAR OVERALL RATING\*

EAA FUND GLOBAL BOND

CLASS AX SHARES

Out of 839 Funds. Based on Risk Adjusted Return. Class AX Shares: 3yr. rating 4 Stars; 5yr. rating 5 Stars; 10yr. rating 4 Stars.

#### Share Class

Share Class	CLASS AX
Currency	U.S. dollars
ISIN	LU0218435716
Bloomberg	MORIGAX LX
Inception date	01 June 2005
Net asset value	\$ 34.70

#### Fund Facts

Launch date	01 November 1989
Base currency	U.S. dollars
Index	Bloomberg Barclays Global Aggregate Index
Total net assets	\$ 1.8 billion
Structure	Luxembourg SICAV

#### Charges (%)

Charges (%)	CLASS AX
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)

Subscriptions (USD)	CLASS AX
Minimum initial investment	0
Minimum subsequent investment	0

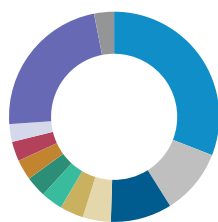
#### Statistics

##### (3 Year Annualised)

Statistics	CLASS AX	INDEX
Excess Return (%)	-0.21	--
Alpha (%)	-0.75	--
Beta	1.21	1.00
Information ratio	-0.11	--
R squared	0.91	1.00
Sharpe ratio	0.44	0.61
Tracking error (%)	1.84	--
Volatility (Standard deviation) (%)	5.40	4.26

#### Characteristics

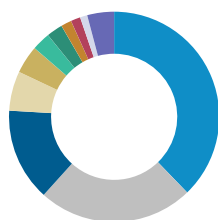
Characteristics	FUND	INDEX
Duration (years)	7.18	7.36
Average yield to maturity (%)	1.65	0.89
Number of holdings	543	26,670

**Top Countries (% of Total Net Assets)<sup>1</sup>**

	FUND
U.S.	30.95
United Kingdom	10.12
Japan	9.42
China	4.32
Spain	3.62
Ireland	3.35
Italy	3.21
France	3.14
Germany	3.02
Australia	2.72
Other	23.04
Cash	3.06

**Sector Allocation (% of Total Net Assets)<sup>1,2,3,4</sup>**

	PORTFOLIO
<b>Credit</b>	<b>32.42</b>
Investment Grade Corporates	21.91
High Yield Corporates	4.91
Convertibles	1.08
ETFs	4.49
<b>Securitized</b>	<b>18.19</b>
Agency RMBS	6.75
Non-Agency RMBS	6.58
ABS	2.44
CMBS	2.42
<b>Government</b>	<b>46.33</b>
Treasuries	37.96
Sovereign	3.54
Government Related	4.83
<b>Cash &amp; Equivalents</b>	<b>3.06</b>

**Currency Allocation (% of Total Net Assets)<sup>1</sup>**

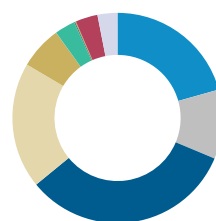
	FUND
US Dollar	37.79
Euro	23.90
Japanese Yen	14.25
British Pound	6.08
Chinese Yuan Renminbi	4.32
Chinese Offshore Renminbi	2.83
Canadian Dollar	2.49
South Korean Won	1.62
Australian Dollar	1.48
Norwegian Krone	1.11
Other	4.13

<sup>1</sup> May not sum to 100% due to the exclusion of other assets and liabilities.

<sup>2</sup> 'Securitized' includes agency and non-agency RMBS and CMBS

<sup>3</sup> Credit Default Swap - In addition to the market values noted for Investment Grade Credit, High Yield Credit and CMBS, there may be additional notional long or short exposure to credit default swaps in these markets.

Please refer to the Prospectus for full risk disclosures, available at [www.morganstanleyinvestmentfunds.com](http://www.morganstanleyinvestmentfunds.com). All data as of 31.01.2021 and subject to change daily.

**Quality Distribution (% of Total Net Assets)<sup>1,5</sup>**

	FUND
AAA	20.66
AA	10.64
A	32.79
BBB	19.38
BB	6.61
B	3.13
CCC	0.19
CC	0.12
Not Rated	3.42
Cash	3.06

**Top Holdings (% of Total Net Assets)**

	FUND
Umbs, 2.500000%, 2050-02-25	2.94
Japan (Government of), 1.700000%, 2033-06-20	2.90
Ishares \$ Corp Bond Uctis Etf USD (Dist)	2.26
United States Treasury, 3.125000%, 2048-05-15	1.97
Japan (Government of), 0.100000%, 2026-06-20	1.81
Japan (Government of), 2.000000%, 2040-09-20	1.68
Umbs, 2.000000%, 2050-05-25	1.64
China (Peoples Republic of), 3.130000%, 2029-11-21	1.58
Canadian Government Bond, 2.250000%, 2029-06-01	1.50
Umbs, 3.000000%, 2046-02-25	1.32
<b>Total</b>	<b>19.60</b>

<sup>4</sup> For additional information regarding sector classification/definitions please visit [www.msci.com/gics](http://www.msci.com/gics) and the glossary at [www.morganstanley.com/im](http://www.morganstanley.com/im).

<sup>5</sup> Quality distribution data for securities is sourced from Fitch, Moody's and S&P. Where the credit ratings for individual securities differ between the three ratings agencies, the 'highest' rating is applied. The rating of credit default swaps is based on the 'highest' rating of the underlying reference bond. 'Cash' includes investments in short term instruments, including investments in Morgan Stanley liquidity funds.

## Share Class AX Risk and Reward Profile

Lower Risk

Higher Risk



Potentially Lower Rewards

Potentially Higher Rewards

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 fixed income securities and the fund's simulated and/or realised return has experienced medium 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 value of bonds are likely to decrease if interest rates rise and vice versa.
- The value of financial derivative instruments are highly sensitive and may result in losses in excess of the amount invested by the Sub-Fund.
- Issuers may not be able to repay their debts, if this happens the value of your investment will decrease. This risk is higher where the fund invests in a bond with a lower credit rating.
- 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 funds ability to buy or sell securities.
- Investment in Fixed Income Securities via the China Interbank Bond Market may also entail additional risks, such as counterparty and liquidity risk.
- 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.

### Additional A Share Classes

	CURRENCY	LAUNCH	ISIN	BLOOMBERG
A	USD	01.02.1997	LU0073230426	MORGLBI LX
AH (EUR)	EUR	25.10.2010	LU0552899485	MSGBDAAH LX
AHX (EUR)	EUR	03.11.2011	LU0691071418	MSGEAHX LX

### 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 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.

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Applications for shares in the Fund should not be made without first consulting the current Prospectus, Key Investor Information Document ("KIID"), Annual Report and Semi-Annual Report ("Offering Documents"), or other documents available in your local jurisdiction which is 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, KIID, 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 document has been prepared solely for informational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy.

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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.

The **Europe/Asia and South Africa category (EAA)** includes funds domiciled in European markets, major cross-border Asian markets where material numbers of European UCITS funds are available (principally Hong Kong, Singapore and Taiwan), South Africa, and selected other Asian and African markets where Morningstar believes it is of benefit to investors for the funds to be included in the EAA classification system.

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