

Morgan Stanley Investment Funds

Global Brands Equity Income Fund - AR Shares (Discretionary Distributing Share Class)

Investment Objective

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

Investment Approach

Seeks to provide investors with an attractive and sustainable income alongside long-term compounding of capital. The investment team builds a portfolio of high-quality securities, primarily issued by companies located in developed markets, in line with that of the MS INVF Global Brands Fund. A conservative overwrite is also used for enhanced income.

Investment Team	JOINED FIRM	YEARS OF INVESTMENT EXPERIENCE
William Lock, Head of International Equity Team	1994	27
Bruno Paulson, Managing Director	2009	25
Dirk Hoffmann-Becking, Executive Director	2013	21
Nic Sochovsky, Executive Director	2015	21
Vladimir A. Demine, Executive Director	2009	17
Nathan Wong, Executive Director	2017	19
Marcus Watson, Executive Director	2008	11
Alex Gabriele, Executive Director	2012	10
Richard Perrott, Vice President	2015	13

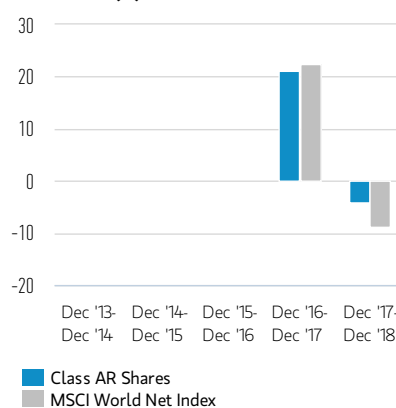
Team members may be subject to change at any time without notice.

Class AR 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 (%)



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 AR Shares	-6.02	-8.78	-4.02	-4.02	--	--	--	5.92
MSCI World Net Index	-7.60	-13.42	-8.71	-8.71	--	--	--	6.61

Calendar Year Returns (%)

	2018	2017	2016	2015	2014	2013	2012
Class AR Shares	-4.02	21.03	--	--	--	--	--
MSCI World Net Index	-8.71	22.40	--	--	--	--	--

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.

Share Class

Share Class	CLASS AR
Currency	U.S. dollars
ISIN	LU1378879594
Bloomberg	MSIGBAR LX
Inception Date	29 April 2016
NAV	\$ 26.37

Fund Facts

Launch date	29 April 2016
Base currency	U.S. dollars
Index	MSCI World Net Index
Total assets	\$ 137.93 million
Structure	Luxembourg SICAV

Charges (%)

Charges (%)	CLASS AR
Max Entry Charge	5.75
Ongoing Charges	1.99
Management Fee	1.75

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)

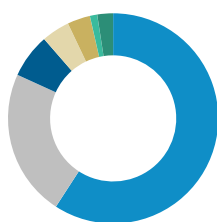
Subscriptions (USD)	CLASS AR
Minimum Initial Investment	0
Minimum Subsequent Investment	0

Characteristics

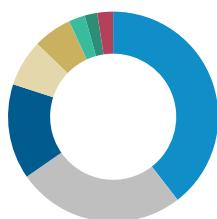
Characteristics	FUND	INDEX
Number of holdings	29	1,633
Free cash flow yield (Next 12 Months) (%) ¹	5.06	6.27
Price/earnings (Next 12 months)	18.95	13.47
Distributed Yield (%) ²	4.33	--

¹ Financials and Real Estate sectors are excluded from characteristics where income statement, balance sheet, or cash flow statement ratios are not economically meaningful.

² The distributed yield is an aggregation of the previous four quarter end dividend rates per share for the Share Class AR, expressed as a percentage of the average of the quarter ends' NAVs per share.

Top Countries (% of Total Net Assets)³

	FUND	INDEX
United States	59.18	61.71
United Kingdom	22.63	5.91
France	6.82	3.88
Germany	4.30	3.10
Netherlands	3.53	1.20
Italy	1.13	0.79
Cash & equivalents	2.42	--
Total	100.00	--

Sector Allocation (% of Total Net Assets)^{3,4}

	FUND	INDEX
Consumer Staples	39.54	8.66
Information Technology	25.84	14.93
Health Care	14.66	13.36
Communication Services	7.18	8.29
Industrials	5.96	10.93
Financials	2.50	16.20
Consumer Discretionary	1.95	10.44
Other	-0.03	--
Cash & equivalents	2.42	--
Total	100.00	--

Top Holdings (% of Total Net Assets)⁵

	FUND	INDEX
Reckitt Benckiser plc	8.41	0.14
Twenty-First Century Fox Inc	7.18	0.20
Microsoft Corp	7.12	2.07
Unilever plc	5.24	0.17
Visa Inc	4.85	0.66
Sap Se	4.30	0.27
Accenture plc	4.15	0.25
Coca-Cola Company	3.86	0.54
Philip Morris Inc	3.84	0.29
Baxter International Inc	3.70	0.09
Total	52.65	--

³ May not sum to 100% due to rounding.

⁴ For additional information regarding sector classification/definitions please visit www.msci.com/gics and the glossary at www.morganstanley.com/im.

⁵ These securities and percentage allocations are only for illustrative purposes and do not constitute, and should not be construed as, investment advice or recommendations with respect to the securities or investments mentioned.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 31.12.2018 and subject to change daily.

DEFINITIONS

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. **Distributed Yield** is an aggregate of the previous four quarter-end dividend rates per share expressed as a percentage of the average of the quarter-ends' NAVs per share. **Free cash flow yield (Next 12 months)** is a financial ratio that measures a company's operating free cash flow minus its capital expenditures per share and dividing by its price per share. Free cash flow yield ratio is calculated by using the underlying securities of the fund. **ISIN** is the international securities identification number (ISIN), a 12 digit code consisting of numbers and letters that

Share Class AR 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 company shares and the fund's simulated and/or realised return has experienced high 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 financial derivative instruments are highly sensitive and may result in losses in excess of the amount invested by the Sub-Fund.
- 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 China A-Shares via Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programs may also entail additional risks, such as risks linked to the ownership of shares.
- The derivative strategy aims to increase the income paid to investors, but there is potential for the fund to suffer losses.
- 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	29.04.2016	LU1378879321	MSIGBEA LX
AHR (EUR)	EUR	29.04.2016	LU1378880410	MSIGAHE LX

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. **Price/earnings (P/E)** is the price of a stock divided by its earnings per share for the past 12 months. Sometimes called the multiple, P/E gives investors an idea of how much they are paying for a company's earning power. The higher the P/E, the more investors are paying, and therefore the more earnings growth they are expecting.

INDEX INFORMATION

The **MSCI World Net Index** is a free float adjusted market capitalization weighted index that is designed to measure the global equity market performance of developed markets. The term "free float" represents the portion of shares outstanding that are deemed to be available for purchase in the public equity markets by investors. The performance of the Index is listed in U.S. dollars and assumes reinvestment of net dividends. The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index.

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