

### APPROVED FOR USE IN GERMANY

Morgan Stanley Investment Funds

## US Growth Fund - AX Shares (Distributing Share Class)

### Investment Objective

Long term growth of your investment.

### Investment Approach

We seek high-quality established and emerging companies with sustainable competitive advantages, strong free-cash-flow yields and favorable returns on invested capital trends. We focus on long-term growth rather than short-term events, with our stock selection informed by rigorous fundamental analysis.

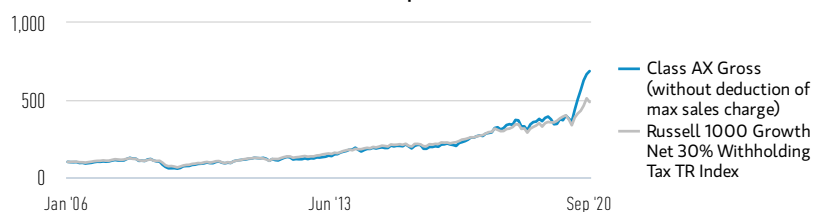
### Investment Team

	JOINED FIRM	YEARS OF INVESTMENT EXPERIENCE
Dennis Lynch, Head of Counterpoint Global	1998	26
Sam Chainani, Managing Director	1996	24
Jason Yeung, Managing Director	2002	23
Armistead Nash, Managing Director	2002	20
David Cohen, Managing Director	1993	32
Alexander Norton, Executive Director	2000	25

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)



#### 12 Month Performance Periods to Latest Month End (%)<sup>12†</sup>

	SEP '19 - SEP '20	SEP '18 - SEP '19	SEP '17 - SEP '18	SEP '16 - SEP '17	SEP '15 - SEP '16
Class AX Gross (without deduction of max sales charge) <sup>1</sup>	100.20	-6.87	37.97	22.28	16.88
Class AX Net (with the deduction of max sales charge) <sup>2</sup>	88.69	-12.22	30.03	15.25	10.16
Russell 1000 Growth Net 30% Withholding Tax TR Index	37.09	3.31	25.81	21.41	13.22

### 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 Gross (without deduction of max sales charge) <sup>1</sup>	3.03	21.94	86.02	100.20	37.02	29.75	20.76	14.05
Class AX Net (with the deduction of max sales charge) <sup>2</sup>	-2.89	14.93	75.32	88.69	34.34	28.22	20.05	13.59
Russell 1000 Growth Net 30% Withholding Tax TR Index	-4.72	13.15	24.04	37.09	21.23	19.62	16.74	11.40

### Calendar Year Returns (%)

	2019	2018	2017	2016	2015	2014	2013
Class AX Gross (without deduction of max sales charge) <sup>1</sup>	21.42	4.78	43.05	-3.14	10.53	6.19	46.35
Russell 1000 Growth Net 30% Withholding Tax TR Index	35.88	-1.89	29.67	6.56	5.19	12.54	32.83

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

<sup>1</sup> Figure shown assumes reinvestment of all distributions and deduction of fund level costs, but does not reflect the deduction of any sales charge applicable at investor level.

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

Investors should read the Key Investor Information Document and Prospectus before investing.



MORNINGSTAR OVERALL RATING\*  
EAA FUND US LARGE-CAP GROWTH EQUITY  
CLASS AX SHARES

Out of 578 Funds. Based on Risk Adjusted Return. Class AX Shares: 3yr. rating 5 Stars; 5yr. rating 5 Stars; 10yr. rating 5 Stars.

### Share Class

	CLASS AX
Currency	U.S. dollars
ISIN	LU0239688517
Bloomberg	MSUEGAX LX
Inception date	31 January 2006
Net asset value	\$ 227.59

### Fund Facts

Launch date	01 August 1992
Base currency	U.S. dollars
Index	Russell 1000 Growth Net 30% Withholding Tax TR Index
Total net assets	\$ 5.1 billion
Structure	Luxembourg SICAV

### Charges (%)

	CLASS AX
Max Entry Charge	5.75
Ongoing Charges	1.64
Management Fee	1.40

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 AX
Minimum initial investment	0
Minimum subsequent investment	0

### Statistics

#### (3 Year Annualised)

	CLASS AX	INDEX
Excess Return (%)	15.79	--
Alpha (%)	14.49	--
Beta	1.07	1.00
Information ratio	1.18	--
R squared	0.70	1.00
Sharpe ratio	1.46	1.03
Tracking error (%)	13.38	--
Volatility (Standard deviation) (%)	24.29	19.05
Down-capture ratio (%)	89.03	100.00
Up-capture ratio (%)	134.32	100.00

Please see the Fund's current prospectus and the share class' Key Investor Information Document for complete details on fees and sales charges.

<sup>†</sup> Example: An investor wishes to purchase shares of USD 100. At the maximum sales charge of 5.75% the investor has to expend USD 106.10. The sales charge is only incurred upon subscription.

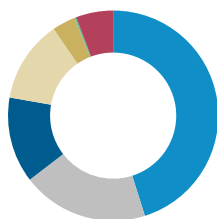
<sup>2</sup> Figure shown assumes reinvestment of all distributions and deduction of fund level costs, and includes the deduction of the maximum sales charge applicable at investor level that may be taken out of your money before it is invested.

**Characteristics**

	FUND	INDEX
Active share (%)	87.74	--
5 year EPS growth (%)	45.73	25.35
D/E weighted median (%)	53.97	101.00
Dividend Yield (%)	0.00	0.82
Number of holdings	40	447
Return on capital (%)	-1.14	20.31
Sales growth (%)	41.66	11.77
Weighted median market capitalization (\$B)	39.47	231.18

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

	FUND	INDEX
Information Technology	45.47	44.52
Health Care	19.58	14.04
Consumer Discretionary	13.31	16.47
Communication Services	12.75	10.86
Industrials	3.64	4.63
Materials	0.14	0.83
Energy	0.13	0.07
Other	-0.02	--
Cash	5.74	--

**Top Holdings (% of Total Net Assets)<sup>5</sup>**

	FUND	INDEX
Zoom Video Communications Inc	7.20	0.47
Square Inc	6.58	0.36
Shopify Inc.	6.14	--
Amazon.com Inc	5.37	8.08
Veeva Systems Inc-Class A	4.88	0.23
Intuitive Surgical Inc	4.87	0.50
Spotify Technology S.A.	4.27	0.19
Carvana Co.	4.10	0.07
Trade Desk Inc/the	3.69	0.13
Uber Technologies Inc	3.64	0.23
<b>Total</b>	<b>50.74</b>	<b>--</b>

<sup>3</sup> May not sum to 100% due to the exclusion of other assets and liabilities.

<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> 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](http://www.morganstanleyinvestmentfunds.com). All data as of 30.09.2020 and subject to change daily.

**DEFINITIONS**

The **5 year Earnings Per Share (EPS) growth rate** is the weighted average of earnings per share growth for all securities in the portfolio projected for the past five fiscal years. Earnings per share for a company is defined as total earnings divided by shares outstanding. **Active Share** is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index (based on holdings and weight of holdings). Active Share scores range from 0%-100%. A score of 100% means you are completely different from the benchmark. Active Share calculation may consolidate holdings with the same economic exposure. **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. **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

**Share Class AX Risk and Reward Profile**

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 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 fund's 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.
- 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	LU0073232471	MORUEGI LX
AH (EUR)	EUR	31.10.2006	LU0266117414	MSUEGAH LX

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. **Debt/equity (D/E)** is a measure of a company's financial leverage calculated by dividing its total liabilities by stockholders' equity. **Dividend yield** is the ratio between how much a company pays out in dividends each year relative to its share price. **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. **Return on capital** is a measure of a company's efficiency at allocating the capital under its control to profitable investments, calculated by dividing net income minus dividends by total capital. **Sales growth** is the increase in sales over a

specific period of time, often but not necessarily annually. **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. **Upside/downside market capture** measures annualized performance in up/down markets relative to the market benchmark. **Volatility (Standard deviation)** measures how widely individual performance returns, within a performance series, are dispersed from the average or mean value. **Weighted median market capitalization** is the point at which half of the market value of a portfolio or index is invested in stocks with a greater market cap, while the other half of the market value is invested in stocks with a lower market cap.

## INDEX INFORMATION

The **Russell 1000 Growth Net 30% Withholding Tax TR Index** measures the performance of the large-cap growth segment of the U.S. equity universe, net 30% withholding tax TR. It includes those Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000® Index is an index of approximately 1,000 of the largest U.S. companies based on a combination of market capitalization and current index membership.

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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

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