

Morgan Stanley Investment Funds (MS INVF)

## Emerging Leaders Equity Fund

### Focusing on Growth in Continental-Sized Markets

We believe the future of emerging markets will be driven by companies that derive growth from the large, continental-sized markets such as Greater China, India, Brazil and Southeast Asia. Our benchmark-agnostic portfolio focuses on quality companies that could benefit from the tailwinds of multi-year structural growth. This differentiated approach and disciplined investment philosophy has delivered strong returns for our investors.

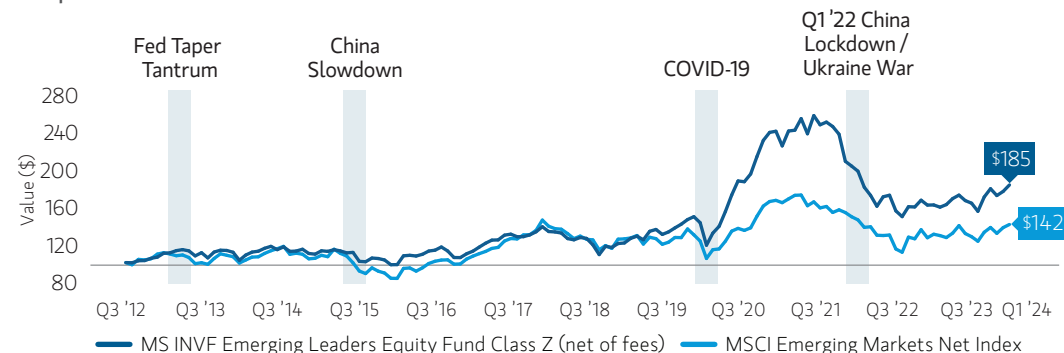


#### Overall Morningstar Rating™ for the Z Share Class

Out of 2924 EAA Fund Global Emerging Mkts Equity category funds based on risk-adjusted returns as at 31 March 2024. 3yr. rating 3 Stars, out of 2924 funds; 5yr. rating 5 Stars, out of 2276 funds; 10yr. rating 5 Stars, out of 1260 funds.

### Mitigating downside risk has led to higher, more stable returns over time—the power of compounding<sup>1</sup>

Past performance is not indicative of future results.



### Returns during the four worst quarters for MSCI EM Index since 30/06/13

	Q2 '13 FED TAPER TANTRUM	Q3 '15 CHINA SLOWDOWN	Q1 '20 COVID-19	Q1 '22 CHINA LOCKDOWN / UKRAINE WAR
Fund (Class Z, % net of fees)	-5.1	-8.9	-19.0	-16.83
Benchmark	-8.1	-17.9	-23.6	-6.97

The value of the investments and the income from them can go down as well as up and an investor may not get back the amount invested.

Current performance may be lower or higher than the figures shown.

Source: Morgan Stanley Investment Management. Performance returns reflect the average annual rates of return. The portfolio shown is net of investment advisory fees, is quoted in U.S.\$ and includes the reinvestment of dividends and income. The comparison index is the MSCI Emerging Markets Net Index with cumulative dividends reinvested. The MS INVF Emerging Leaders Equity Fund cumulative returns in up months is 1,110.2% since August 2012. For the MSCI Emerging Markets Net Index, the cumulative returns in up months is 1,516.5%. The MS INVF Emerging Leaders Equity Fund cumulative returns in down months is -84.7% since August 2012. For the MSCI Emerging Markets Net Index the cumulative returns in down months is -91.0%. Please see back for standardized performance.



MARKETING COMMUNICATION  
INVESTMENT IDEA | March 2024

### ISIN CODES

Class A	LU0815263628
Class I	LU0864381354
Class Z	LU0815264279

### THREE REASONS TO CONSIDER

#### 1 Forward-looking thematic growth

We identify structural investment themes in emerging markets and carry out extensive bottom-up research to select companies that we believe are best positioned to benefit. We avoid cyclical businesses that may erode shareholder value during market downturns.<sup>2</sup>

#### 2 Focus on high quality companies

Our companies are industry leaders run by management teams that have demonstrated disciplined capital allocation with strong balance sheets.

#### 3 Compounding effects

Our discipline on the entry/exit prices and strict focus on quality growth companies has delivered strong performance. The focus on environmental, social and governance issues continues to be an important part of our investment process.<sup>3</sup>

**Performance – Class Z (% net of fees)**

Average annual total return (Periods ending 31 March 2024)

	QTD	1 YEAR	3 YEARS	5 YEARS	10 YEARS	SINCE INCEPTION (17/08/2012)
MS INVF Emerging Leaders Equity Fund	2.30	13.44	-6.69	7.89	5.20	5.44
MSCI Emerging Markets Net Index	2.37	8.15	-5.05	2.22	2.95	3.05
Morningstar Global Emerging Markets Equity	2.46	8.48	-5.65	1.91	2.19	2.41

**Calendar Year Returns (%)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
MS INVF Emerging Leaders Equity Fund - Z	12.41	-33.10	2.91	58.88	26.14	-12.78	26.73	2.53	-6.44	-1.22
MSCI Emerging Markets Net Index	9.83	-20.09	-2.54	18.31	18.42	-14.57	37.28	11.19	-14.92	-2.19

Source: Morgan Stanley Investment Management. Returns for less than one year are cumulative (unannualized). Performance of other share classes will vary. 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 compares mutual funds within a universe of funds with similar investment objectives, including dividend reinvestment. Past performance is no guarantee of future results. Morningstar rankings and ratings may vary for other share classes.

<sup>1</sup> The illustration is based on an initial investment of \$100 in the Fund's Class Z shares made at fund inception, assumes reinvestment of dividends and capital gains, but does not reflect the impact of management expenses. Performance would have been lower if management expenses had been included. Results are hypothetical.

<sup>2</sup> This information represents how the portfolio management team generally implements its investment process under normal market conditions.

<sup>3</sup> Strategies that incorporate impact investing and/or Environmental, Social and Governance (ESG) factors could result in relative investment performance deviating from other strategies or broad market benchmarks, depending on whether such sectors or investments are in or out of favor in the market. As a result, there is no assurance ESG strategies will result in more favorable investment performance.

<sup>4</sup> As of 31 March 2024. Standard deviation is for three-year period.

**Risk Considerations**

- 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.
- Sustainability factors can pose risks to investments, for example: impact asset values, increased operational costs.
- There may be an insufficient number of buyers or sellers which may affect the funds ability to buy or sell securities.
- Investments in China involves a risk of a total loss due to factors such as government action or inaction, market volatility and reliance on primary trading partners.
- 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.

**Investment Team**

The MS INVF Emerging Leaders Equity Fund is managed by Vishal Gupta along with senior members of the Emerging Markets Leaders Equity team.



**VISHAL GUPTA**  
Managing Director

Joined the firm in 2014, 19 years of financial industry experience

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

**Fund Snapshot<sup>4</sup>**

As of 31 March 2024

Number of Holdings	33
Active Share (%)	87.94
Standard Deviation (%)	18.55
Standard Deviation (Benchmark) (%)	17.76

This is a marketing communication. Applications for shares in the Fund should not be made without first consulting the current Prospectus and the Key Information Document (“KID”) or Key Investor Information Document (“KIID”), which are available in English and in the official language of your local jurisdiction at [morganstanleyinvestmentfunds.com](http://morganstanleyinvestmentfunds.com) or free of charge from the Registered Office of Morgan Stanley Investment Funds, European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxembourg B 29 192. A summary of investor rights is available in English at the same website. Information in relation to sustainability aspects of the Fund and the summary of investor rights is available at the aforementioned website. If the management company of the relevant Fund decides to terminate its arrangement for marketing that Fund in any EEA country where it is registered for sale, it will do so in accordance with the relevant UCITS rules.

## DEFINITIONS

**Active Share** is the fraction of the portfolio or fund that is invested differently than its benchmark as of the last day of the reporting period. A portfolio with a high degree of Active share does not assure a fund's relative outperformance. Active Share calculation may consolidate holdings with the same economic exposure. **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 is a typical range, not a maximum number. **Targets** are typical ranges. There is no assurance that these targets will be attained. **Tracking Error** is the standard deviation of the difference between the returns of an investment and its benchmark. Up-capture ratio upside/ downside market capture measures 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.

## INDEX INFORMATION

The **MSCI Emerging Markets Net Index** is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance of emerging 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 MSCI Emerging Markets Index currently consists of 24 emerging-market country indices. The performance of the index is listed in U.S. dollars and assumes reinvestment of net dividends. The index does not include any expenses, fees or sales charges, which would lower performance. The index is unmanaged and should not be considered an investment. It is not possible to invest directly in an index.

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