

Morgan Stanley

INVESTMENT MANAGEMENT

MORGAN STANLEY INVESTMENT FUNDS (MS INVF)

Global Brands Fund

At Morgan Stanley Investment Management, the International Equity Team believes investing in high-quality companies with powerful brands may offer earnings resilience and long-term return potential.

ACTIVE
FUNDAMENTAL EQUITY

INVESTMENT IDEA
INTERNATIONAL EQUITY TEAM
MARCH 2019

SHARE CLASS

Class I	LU0119620176
Class IH (EUR)	LU0346800435
Class Z	LU0360482987
Class ZH (EUR)	LU0360483019
Class ZH (GBP)	LU0715348123
Class ZX	LU0360612351



Overall Morningstar Rating
for the I Share Class

The Importance of Quality

The team believes the best way to compound shareholder wealth over time is to invest in high-quality companies run by high-quality management teams, purchased at the right price. The economic robustness of quality companies helps to deliver returns when you need them most, namely during challenging market environments. This is important because the key to compounding shareholder wealth is to avoid the permanent loss of capital.

Reasons to Consider the MS INVF Global Brands Fund

- 1 High-Quality Focus**

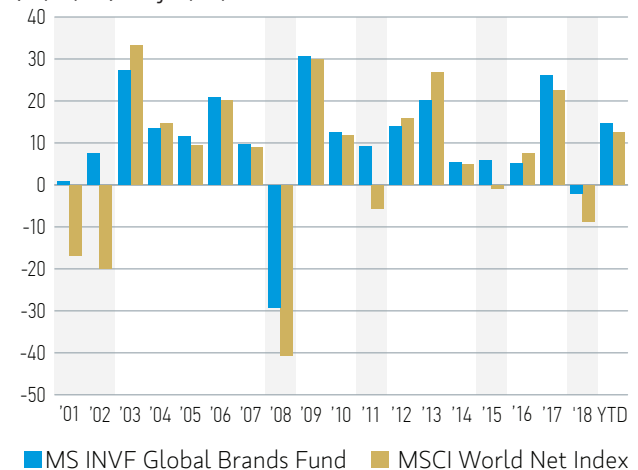
With a focus on sustainable compounders – those companies with the ability to consistently compound shareholder wealth over the long term – and on managing downside portfolio risk, the Fund has been offering strongly differentiated performance and risk characteristics for almost two decades.
- 2 Powerful Brands**

The team seeks high-quality companies built on hard-to-replicate intangible assets, such as brands, licenses or networks. These often have recurring sales that underpin sustainability and resilience, as well as strong management teams that allocate capital efficiently.
- 3 Strong Defense**

The Fund has a history of providing relative downside protection in weak markets and providing outperformance when it really mattered: e.g., the DotCom collapse, the Credit Crisis, the Sovereign Debt Crisis.

Attractive Absolute Returns while Seeking to Manage Downside Risk

Calendar Year Returns for Class I (% Net of Fees) – Since inception (30/10/00) as of 31/03/19



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.

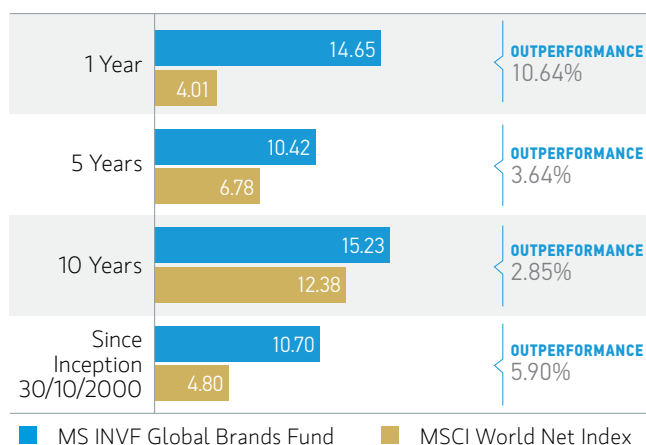
High Conviction Approach

Top Ten Holdings (As of March 31, 2019)^{1,2}

SECURITY NAME	INTANGIBLE ASSETS	COUNTRY	(%)
Reckitt Benckiser	Calgon/Finish, Vanish, Scholl, Clearasil, Nurofen, Strepsils, Enfamil	United Kingdom	8.5
Microsoft	Office, Windows, Xbox, Skype, Azure, Office365	United States	7.2
Philip Morris	Marlboro, Chesterfield, L&M, Philip Morris and IQOS	United States	6.8
SAP	SAP, HANA, Concur, Ariba, SuccessFactors	Germany	5.1
Unilever	Dove, Knorr, Lipton, Omo, Ben & Jerry's, Axe	United Kingdom	5.1
VISA	Visa	United States	5.0
Accenture	Accenture, Avanade, Fjord, Accenture Interactive	United States	4.8
Baxter International	Baxter	United States	4.3
Heineken	Heineken, Amstel, Sol, Tiger, Birra Moretti, Desperados	Netherlands	3.7
Danaher	Beckman Coulter, Leica Biosystems, Pall, Sciex, Hach, VideoJet	United States	3.8
Total			54.3

Investment Performance – Class I (% net of fees)¹

Average Annual Total Returns (Periods ending March 31, 2019)



12 Month Performance Periods to Latest Month End (%)¹

	MAR '18 – MAR '17	MAR '16 – MAR '15	MAR '14 – MAR '13	MAR '12 – MAR '11	MAR '10 – MAR '09
Class I	14.65	12.58	11.50	9.40	4.23
MSCI World Net Index	4.01	13.59	14.77	-3.45	6.03

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.
- 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 Stock Connect program may also entail additional risks, such as risks linked to the ownership of shares.
- 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.

¹ Source: Morgan Stanley Investment Management.

² 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.

INDEX INFORMATION

The **MSCI World 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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