



# MS INVF Global Balanced Income Fund 2025: Target Income Level

MARKETING COMMUNICATION | CUSTOM SOLUTIONS | PORTFOLIO SOLUTIONS GROUP | NOTICE | 31 January 2025

The investment objective of the Morgan Stanley Investment Funds (MS INVF) Global Balanced Income Fund (the “Fund”) is to provide regular income and capital appreciation, through investing primarily in a portfolio of transferable securities and money market instruments globally and through the use of financial derivative instruments.

On an annual basis, we provide an estimate of the income level for the following calendar year. The income generated for the Fund has three components: 1.) the income from dividends and coupons received from the Fund’s fixed income and equity investments; 2.) an enhanced income stream derived from selling liquid put options on three major equity indices. The premium income derived from selling put options is primarily driven by the implied volatility of these instruments and; 3.) for non-base currency share classes e.g. US dollar, Australian dollar and Pound sterling, the interest rate differential between the non-base currency and the base (euro) currency. Having reviewed the prevailing volatility environment, we estimate for the following currency share classes an anticipated annual income level for 2025:

Share class currency	Estimated annual income for 2025
Euro	4.5%
US dollar	5.5%
Australian dollar	5.0%
Pound sterling	5.5%

This income is an estimate only and actual income may vary; lower or higher levels of income may be achieved. Income generation from any source is not guaranteed and depends, *inter alia*, on market conditions and the performance of individual investments held in the Fund.

Different share classes have different distribution policies. This is likely to affect the level of income distributed on different share classes and whether some distribution of capital alongside income may

be made. Shares with the sub-indicator "R" (such as Class AR or BR) may distribute capital as well as income and depending on the level of income and distributions made, product expenses may be charged to capital. For more information about the distribution policy and risks associated with different share classes please refer to the Fund's prospectus and the Key Information Document ("KIDs") or KIIDs.

*The income estimate is reviewed at least annually, is indicative only and not guaranteed. When income for any share class is paid from capital, or expenses are charged to capital, the result will be a reduction of the capital that the Fund has available for investment for that share class. There can be no assurance that the Fund will achieve its objectives.*

## RISK CONSIDERATIONS

- The fund may be impacted by movements in the exchange rates between the fund's currency and the currencies of the fund's investments.
- 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.
- 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.
- There are increased risks of investing in emerging markets as political, legal and operational systems may be less developed than in developed markets.
- 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.

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. Luxemburg B 29 192.

Information in relation to sustainability aspects of the Fund and the summary of investor rights is available at the aforementioned website.

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Colombian eligible investors acknowledge that the interests in the Fund (i) are not financial products, (ii) are transferable only in accordance with the terms of the Fund's constitutional documents and (iii) do not offer any principal protection.

Colombian eligible investors acknowledge Colombian laws and regulations (in particular, foreign exchange, securities and tax regulations) applicable to any transaction or investment consummated in connection with an investment in the Fund, and represent that they are the sole liable party for full compliance with any such laws and regulations. In addition, Colombian investors acknowledge and agree that the Fund will not have any responsibility, liability or obligation in connection with any consent, approval, filing, proceeding, authorization or permission required by the investor or any actions taken or to be taken by the investor in connection with the offer, sale or delivery of the interests in the Fund under Colombian law.

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