

Morgan Stanley Institutional Fund

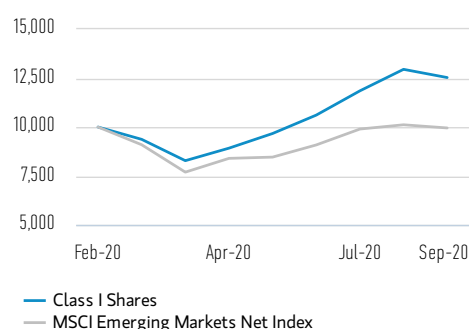
Developing Opportunity Portfolio

Investment Objective: Seeks long-term capital appreciation.

Investment Approach: The Fund seeks long-term capital appreciation by investing primarily in high quality companies located or operating in developing or emerging market countries, with capitalizations within the range of companies in the MSCI Emerging Markets Net Index. To achieve its objective, the investment team typically favors companies it believes have sustainable competitive advantages that can be monetized through growth. The investment process integrates analysis of sustainability with respect to disruptive change, financial strength, environmental and social externalities and governance (also referred to as ESG).

Class I Shares (% net of fees) vs. Index

Performance of 10,000 USD Invested Since Inception (Cash Value (\$))



Investment Performance (% net of fees) in USD

	Cumulative (%)			Annualized (% p.a.)			
	3Q20	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
Class I Shares	18.10	25.30	--	--	--	--	25.30
MSCI Emerging Markets Net Index	9.56	-0.47	--	--	--	--	-0.47

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month-end performance figures, please visit morganstanley.com/im or call 1-800-548-7786. Investment returns and principal value will fluctuate and fund shares, when redeemed, may be worth more or less than their original cost.

Performance and fund information is as of September 30, 2020, unless otherwise noted. Returns are net of fees and assume the reinvestment of all dividends and income. Returns for less than one year are cumulative (not annualized). Performance of other share classes will vary.

Growth of Investment illustration is based on an initial investment of \$10,000 made since fund inception, assumes reinvestment of dividends and capital gains and application of fees, but does not include sales charges. Performance would have been lower if sales charges had been included. Results are hypothetical.

Please keep in mind that high double-digit returns are highly unusual and cannot be sustained. Investors should also be aware that these returns were primarily achieved during favorable market conditions.

Short-term returns may not be indicative of the fund's long-term performance potential. A fund's performance, especially for very short time periods, should not be the sole factor in making your investment decision.

Expense Ratios	SYMBOL	CUSIP	GROSS (%)	NET (%)
Class A	MDOAX	61768B851	1.98	1.50
Class C	MDOBX	61768B844	2.73	2.25
Class I	MDOEX	61768B869	1.62	1.15
Class IS	MDODX	61768B836	1.60	1.10

Where the net expense ratio is lower than the gross expense ratio, certain fees have been waived and/or expenses reimbursed. These waivers and/or reimbursements will continue for at least one year from the date of the applicable fund's current prospectus (unless otherwise noted in the applicable prospectus) or until such time as the fund's Board of Directors acts to discontinue all or a portion of such waivers and/or reimbursements. Absent such waivers and/or reimbursements, returns would have been lower. Expenses are based on the fund's current prospectus. The minimum initial investment is \$5,000,000 for Class I shares.

Morningstar Category: Diversified Emerging Mkts

Lipper Category: Emerging Markets

Fund Facts

Inception date	February 14, 2020
Total net assets	\$ 93.51 million
Benchmark ¹	MSCI Emerging Markets Net Index
Distribution frequency	Annually

Characteristics

	FUND	INDEX
Active share (%)	80.37	--
Return on invested capital (%)	87.97	17.12
Return on assets (%)	4.24	3.22
5 year free cash flow growth (%)	19.40	8.65
5 year sales growth (%)	20.39	10.05
Net cash to equity (%)	30	-32
Number of holdings	32	1,387
Weighted average market capitalization (\$B)	146.80	114.90

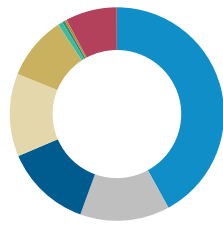
Regional Exposure (% of Total Net Assets)[#]

	FUND	INDEX
Pacific Basin	64.59	72.28
Indian Sub-Continent	11.02	8.27
North America	7.97	--
South America	7.96	5.59
Central America	0.70	1.64
Cash	7.78	--

Top Holdings (% of Total Net Assets)

	FUND	INDEX
Meituan Dianping	7.31	1.75
TAL Education Group	6.34	0.45
Foshan Haitian Flavouring	5.27	0.06
MercadoLibre Inc	5.09	--
Alibaba Group Holding Ltd	5.01	8.67
Tencent Holdings Ltd	4.83	5.94
HDFC Bank Ltd	4.79	--
Taiwan Semiconductor Mfg Co. Ltd	4.74	5.78
Magazine Luiza	4.71	0.18
Naver Corp	4.66	0.49
Total	52.75	--

Sector Allocation (% of Total Net Assets)#



	FUND	INDEX
Consumer Discretionary	42.04	20.21
Consumer Staples	13.52	6.09
Financials	13.04	17.15
Communication Services	12.57	12.71
Information Technology	9.68	18.46
Industrials	0.70	4.36
Health Care	0.39	4.32
Real Estate	0.32	2.38
Cash	7.78	--

May not sum to 100% due to the exclusion of other assets and liabilities.

This material is a general communication, which is not impartial and all information provided has been prepared solely for informational and educational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. The information herein has not been based on a consideration of any individual investor circumstances and is not investment advice, nor should it be construed in any way as tax, accounting, legal or regulatory advice. To that end, investors should seek independent legal and financial advice, including advice as to tax consequences, before making any investment decision.

Past performance is not indicative of future results. Subject to change daily. Fund information is provided for informational purposes only and should not be deemed as a recommendation to buy or sell any security or securities in the sectors and countries that may be presented.

Index data displayed under characteristics and allocations are calculated using MSIM and/or other third-party methodologies and may differ from data published by the vendor.

DEFINITIONS: 5 year free cash flow growth is the compound annual growth rate of Free Cash Flow over a 5-year period. It is calculated by $[\text{Free Cash Flow}(0) / \text{Free Cash Flow}(-5)]^{1/5} - 1$. **5 year sales growth** is the compound annual growth rate of Sales over the last 5 years. It is calculated by $[\text{Sales}(0) / \text{Sales}(-5)]^{1/5} - 1$. **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. **Net cash to equity** is the ratio of a company's cash on hand against the total net worth of the company. It is calculated by $[(\text{Total Cash and cash equivalents} - \text{Total Liabilities}) / \text{Shareholder's Equity}]$. **Return on assets (ROA)** is a measure of a company's profitability, equal to a fiscal year's earnings divided by its total assets, expressed as a percentage. **Return on invested capital (ROIC)** represents the performance ratio measuring a company's percentage return on its invested capital. Income statement items as of latest reported fiscal period, and Balance Sheet items from one period earlier. ROIC is calculated by dividing Net Income by $(\text{Property, Plant \& Equipment} + \text{Working Capital} + \text{Short Term Debt} - \text{Cash \& Equivalents})$. ROIC has a cap of 200% and a floor of 0%, ex Financials and Real Estate Sectors. **Weighted average market capitalization** is an average of the market capitalization of stocks held by a portfolio or comprising an index, adjusted by each stock's corresponding weight in the portfolio or index.

INDEX INFORMATION: (1) 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 Index currently consists of 26 emerging markets countries. 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.

RISK CONSIDERATIONS: There is no assurance that a portfolio will achieve its investment objective. Portfolios are subject to market risk, which is the possibility that the market values of securities owned by the portfolio will decline and that the value of portfolio shares may therefore be less than what you paid for them. Market values can change daily due to economic and other events (e.g. natural disasters, health crises, terrorism, conflicts and social unrest) that affect markets, countries, companies or governments. It is difficult to predict the timing, duration, and potential adverse effects (e.g. portfolio liquidity) of events. Accordingly, you can lose money investing in this portfolio. Please be aware that this portfolio may be subject to certain additional risks. In general, **equities securities'** values also fluctuate in response to activities specific to a company. Investments in **foreign markets** entail special risks such as currency, political, economic, market and liquidity risks. The risks of investing in **emerging market countries** are greater than risks associated with investments in foreign developed countries. **Derivative instruments** may disproportionately increase losses and have a significant impact on performance. They also may be subject to counterparty, liquidity, valuation, correlation and market risks. **Focused investing.** To the extent that the Portfolio invests in a limited number of issuers, the Portfolio will be more susceptible to negative events affecting those issuers and a decline in the value of a particular instrument may cause the Portfolio's overall value to decline to a greater degree than if the Portfolio were invested more widely. **Liquidity risk.** The portfolio may invest in restricted and illiquid securities, which may be difficult for the portfolio to sell at a reasonable price. **China risk.** Investments in China involve risk of a total loss due to government action or inaction. Additionally, the Chinese economy is export-driven and highly reliant on trade. Adverse changes to the economic conditions of its primary trading partners, such as the United States, Japan and South Korea, would adversely impact the Chinese economy and the Fund's investments. Moreover, a slowdown in other significant economies of the world, such as the United States, the European Union and certain Asian countries, may adversely affect economic growth in China. An economic downturn in China would adversely impact the Portfolio's investments. **Risks**

of investing through stock connect. Any investments in A-shares listed and traded through Stock Connect, or on such other stock exchanges in China which participate in Stock Connect is subject to a number of restrictions that may affect the Portfolio's investments and returns. Moreover, Stock Connect A shares generally may not be sold, purchased or otherwise transferred other than through Stock Connect in accordance with applicable rules. The Stock Connect program may be subject to further interpretation and guidance. There can be no assurance as to the program's continued existence or whether future developments regarding the program may restrict or adversely affect the Portfolio's investments or returns.

Please consider the investment objective, risks, charges and expenses of the fund carefully before investing. The prospectus contains this and other information about the fund. To obtain a prospectus, download one at morganstanley.com/im or call 1-800-548-7786. Please read the prospectus carefully before investing.

Morgan Stanley Investment Management (MSIM) is the asset management division of Morgan Stanley.