

Morgan Stanley Institutional Fund Global Counterpoint Portfolio

4Q18
FACTSHEET

Investment Approach

We seek high-quality established and emerging companies located throughout the world with strong name recognition, 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. The portfolio managers will collaborate to opportunistically allocate and rebalance the fund assets across underlying investment strategies.

Objective

Seeks long-term capital appreciation.

Investment Team

	Joined Firm	Years of Investment Experience
Dennis Lynch, Managing Director	1998	25
Kristian Heugh, Managing Director	2001	18

Investment Performance - Class I (% net of fees)

% Average Annual Total Returns	1 Year	3 Year	5 Year	10 Year	Inception [†]
Fund	-	-	-	-	-14.36
MSCI All Country World Index	-	-	-	-	-9.02

% Calendar Year Returns	4Q18	YTD	2018	2017	2016	2015	2014
Fund	-16.20	-14.36	-	-	-	-	-
MSCI All Country World Index	-12.75	-9.02	-	-	-	-	-

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.

[†] Inception returns reflect the inception date of the fund.

Performance and fund information is as of December 31, 2018, 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.

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.

Please keep in mind that 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.

Expense Ratios	Symbol	Cusip	Gross (%)	Net (%)
Class A	GLCAX	61766J427	2.59	1.40
Class C	GLCDX	61766J419	3.34	2.15
Class I	GLCIX	61766J435	2.24	1.05
Class IS	GLCSX	61766J393	2.22	1.00

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.

Fund Facts

Inception date	June 29, 2018
Team inception date	June 29, 2018
Total net assets (\$MM)	\$ 5.8
Benchmark	MSCI All Country World Index
Distribution frequency	At least annually

Portfolio Characteristics

	Fund	Index
Active share (%)	87.45	-
Number of holdings	219	2758
Return on capital (%)	16.45	14.08
5 year EPS growth (%)	20.73	8.61
Sales growth (%)	19.30	10.84
Weighted median market capitalization (\$B)	20.26	44.54
D/E weighted median (%)	55.25	71.02

Top Countries (% of Total Net Assets)

	Fund	Index
United States	57.32	54.40
China	7.79	3.60
France	5.60	3.42
United Kingdom	5.06	5.21
India	4.25	1.11
Canada	3.37	2.95
Italy	1.99	0.70
Denmark	1.91	0.54
Hong Kong	1.49	1.21
Japan	1.48	7.58

Sector Allocation (% of Total Net Assets)

	Fund	Index
Consumer Discretionary	23.86	10.44
Information Technology	19.25	14.85
Industrials	13.32	10.29
Health Care	12.29	12.11
Communication Services	9.39	8.98
Consumer Staples	8.07	8.43
Financials	7.31	17.22
Materials	3.43	4.98
Utilities	0.36	3.36
Cash	3.75	-

Top Holdings (% of Total Net Assets)

	Fund	Index
Amazon.com Inc	4.51	1.54
HDFC Bank Ltd.	4.25	–
Hermes International S.A.	2.24	0.04
Tal Education Group	2.23	0.02
ServiceNow Inc	1.83	0.08
Workday Inc	1.82	0.06
Salesforce.com Inc	1.75	0.24
Moncler SPA	1.73	0.01
Twitter Inc	1.68	0.05
Intuitive Surgical Inc	1.61	0.13
Total	23.65	–

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 presented.

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

PORTFOLIO CHARACTERISTICS 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. **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. **Earnings per share (EPS) growth** 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. **Sales growth** is the increase in sales over a specific period of time, often but not necessarily annually. **Weighted median market capitalization** is the point at which half of the market value of a portfolio is invested in stocks with a greater market cap, and consequently the other half is invested in stocks with a lower market cap. **Debt/equity (D/E)** is a measure of a company's financial leverage calculated by dividing its total liabilities by stockholders' equity.

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. 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. **Restricted and illiquid securities** may entail greater risk than investments in other types of securities, and may be more difficult to sell and value. An illiquid security may be forced to sell at a loss or for less than its fair value. **Asset allocation** to various underlying investment strategies may cause the portfolio to underperform a particular individual strategy, including those with a similar investment objective. It is possible that assets could be allocated to investment strategies that perform poorly or underperform other investments under various market conditions. **Asia market** entails liquidity risk due to the small markets and low trading volume in many countries. In addition, companies in the region tend to be volatile and there is a significant possibility of loss. Stocks of **small- and medium-capitalization companies** entail special risks, such as limited product lines, markets and financial resources, and greater market volatility than securities of larger, more established companies.

OTHER CONSIDERATIONS

The MSCI All Country World Index (ACWI) is a free float-adjusted market capitalization weighted index designed to measure the equity market performance of developed and 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 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.

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.