**Investment Objective:** The Morgan Stanley Institutional Fund Trust (MSIFT) Ultra-Short Income Portfolio seeks current income with capital preservation while maintaining liquidity.

**Investment Philosophy:** We believe that a conservative ultra-short bond fund offers a compelling strategy that seeks to deliver current income while maintaining a focus on preserving capital and liquidity. Securities are reviewed on an ongoing basis on their ability to maintain creditworthiness taking into consideration factors such as cash flow, asset quality, debt service coverage ratios and economic developments. Additionally, exposure to guarantors and liquidity providers is monitored separately as are the various diversification requirements. The team manages the Portfolio's assets in an attempt to reduce credit or interest rate risks.

**Fund Highlights:** The MSIFT Ultra-Short Income Portfolio seeks to offer the following benefits:
- Diversified portfolio
- Managed by the same experienced and specialized portfolio management team that manages the Morgan Stanley Liquidity funds.

**Investment Process**
The management team follows a multi-pronged investment process with respect to credit risk, interest rate risk and liquidity. Securities are reviewed on an ongoing basis on their ability to manage creditworthiness taking into consideration factors such as cash flow, asset quality, debt service coverage ratios and economic developments. Additionally, exposure to guarantors and liquidity providers is monitored separately as are the various diversification requirements. The team manages the Portfolio's assets in an attempt to reduce credit or interest rate risks.

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### Fund Performance

<table>
<thead>
<tr>
<th>Period</th>
<th>Cumulative (%)</th>
<th>Annualized (%)</th>
<th>MTD</th>
<th>YTD</th>
<th>1 YR†</th>
<th>3 YR</th>
<th>5 YR</th>
<th>10 YR</th>
<th>INCEPTION</th>
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</thead>
<tbody>
<tr>
<td>Class IR Shares</td>
<td>0.15</td>
<td>0.31</td>
<td>2.59</td>
<td>198</td>
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<td>--</td>
<td>--</td>
<td>--</td>
<td>1.77</td>
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<tr>
<td>ICE BofAML 3-Month U.S. Treasury Bill Index</td>
<td>0.15</td>
<td>0.28</td>
<td>2.28</td>
<td>1.67</td>
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</thead>
<tbody>
<tr>
<td>Class IR Shares</td>
<td>2.59</td>
<td>2.13</td>
<td>1.21</td>
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<tr>
<td>ICE BofAML 3-Month U.S. Treasury Bill Index</td>
<td>2.28</td>
<td>1.87</td>
<td>0.86</td>
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</tbody>
</table>

### Average Annualized Monthly Yield (% (SEC 30-day Yield))

<table>
<thead>
<tr>
<th>Period</th>
<th>MTD</th>
<th>YTD</th>
<th>1 YR†</th>
<th>3 YR</th>
<th>5 YR</th>
<th>10 YR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class IR Shares (Subordinated)</td>
<td>1.81</td>
<td>1.88</td>
<td>1.98</td>
<td>2.05</td>
<td>2.11</td>
<td>2.29</td>
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<tr>
<td>Class IR Shares (Unsubordinated)</td>
<td>1.76</td>
<td>1.83</td>
<td>1.92</td>
<td>2.00</td>
<td>2.12</td>
<td>2.23</td>
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</table>

### Quality Distribution (% of Market NAV)

<table>
<thead>
<tr>
<th>Symbol</th>
<th>CUSIP</th>
<th>Gross (%)</th>
<th>Net (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class IR</td>
<td>MULSX</td>
<td>617456696</td>
<td>0.30</td>
</tr>
</tbody>
</table>

**Expense Ratios**
The fee waivers and/or expense reimbursements will continue at least one year or until such time as the Board of Trustees of Morgan Stanley Institutional Fund Trust (the “Fund”) acts to discontinue all or a portion of such waivers and/or reimbursements when it deems such action is appropriate. In addition, the Distributor, Adviser and Administrator may make additional voluntary fee waivers and/or expense reimbursements. The Distributor, Adviser and Administrator may discontinue these voluntary fee waivers and/or expense reimbursements at any time in the future. Absent such waivers and/or reimbursements, returns would have been lower. Expenses are based on the fund’s current prospectus.
**ULTRA-SHORT INCOME PORTFOLIO**

**FUND**

**Certificates of Deposit**

**Commercial Paper**

**Repurchase Agreements**

**Corporate Notes**

**Time Deposits**

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**Average Portfolio Maturity**

*(Month-end figures)*

**Maturity Distribution**

Breakdown by Instrument (%)

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* May not sum to 100% due to rounding.

**Definitions:** The 1-day and 7-day current yield is an annualized net yield which assumes dividends are not reinvested in the fund. The 30-day effective yields are annualized net yields that describe 1-year earnings assuming dividends are reinvested at the average rate of the last 30 days. Quality distribution refers to the rating given by a Nationally Recognized Statistical Rating Organization (NRSRO) and is the rating firms’ subjective opinion concerning the ability and willingness of an issuer to meet its financial obligations in full and on time. Ratings apply only to portfolio holdings and do not remove the Fund’s market risk. Quality distribution data for securities is sourced from Fitch, Moody’s and S&P. Where the credit ratings for individual securities differ between the three ratings agencies, the highest’ rating is applied. The rating of credit default swaps is based on the highest’ rating of the underlying reference bond. ‘Cash’ includes investments in short term instruments, including investments in Morgan Stanley liquidity funds. **SEC yield** is a measure of the income generated by the portfolio’s underlying asset over the trailing 30 days, relative to the asset base of the portfolio itself. The **SEC 30-day yield - subsidized** reflects current fee waivers in effect. Absent such fee waivers, the yield would have been lower. The **SEC 30-day yield- unsubsidized** does not reflect the fee waivers currently in effect. **Subsidized yield** reflects current fee waivers in effect. Absent such fee waivers, the yield would have been lower. **Unsubsidized yield**

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**INDEX INFORMATION:**

The ICE Bank of America Merrill Lynch 3-Month U.S. Treasury Bill Index is an unmanaged index of short-term U.S. government securities with a remaining term to final maturity of less than three months. 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. Accordingly, you can lose money investing in these portfolios. Please be aware that these portfolios may be subject to certain additional risks. **Fixed-income** securities are subject to the ability of an issuer to make timely principal and interest payments (credit risk), changes in interest rates (interest-rate risk), the creditworthiness of the issuer and general market liquidity (market risk). In a rising interest-rate environment, bond prices may fall and may result in periods of volatility and increased portfolio redemptions. In a declining interest-rate environment, the portfolio may generate less income. Longer-term securities may be more sensitive to interest rate changes. The Portfolio is more susceptible to any economic, business, political, regulatory or other developments that adversely affect issuers in the financial services industry. **Asset-backed securities** are sensitive to early prepayment risk and a higher risk of default and may be hard to value and difficult to sell (liquidity risk). They are also subject to credit, market and interest rate risks. Asset-backed securities are sensitive to early prepayment risk and a higher risk of default and may be hard to value and difficult to sell (liquidity risk). The are also subject to credit, market and interest rate risks. Certain U.S. government securities purchased by the portfolio, such as those issued by Fannie Mae and Freddie Mac, are not backed by the full faith and credit of the U.S. It is possible that these issuers will not have the funds to meet their payment obligations in the future. **Repurchase agreements** are subject to default and credit risks. By investing in **municipal obligations**, the fund may be susceptible to political, economic, regulatory or other factors affecting their issuers. **Foreign securities** are subject to currency, political, economic and market risks. Illiquid securities may be more difficult to sell and value than publicly traded securities (liquidity risk).

**OTHER CONSIDERATIONS:** Diversification does not eliminate the risk of loss. This piece must be preceded or accompanied by the Portfolio’s prospectus. The prospectus contains information about the Portfolio, including the investment objectives, risks, charges and expenses. Please read the prospectus carefully before investing.

Morgan Stanley Distribution, Inc. serves as the distributor for Morgan Stanley Institutional Liquidity Funds.

**CONTACT DETAILS**

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Email: liquidityteam@morganstanley.com

Web: www.morganstanley.com/liquidity