

## INVESTMENT MANAGEMENT

Morgan Stanley Institutional Fund Trust

### Ultra-Short Income Portfolio (Class IR)

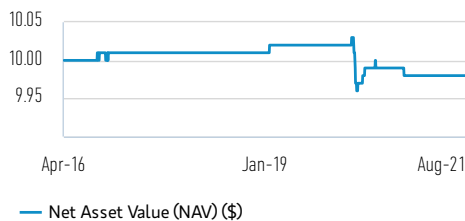
**Investment Objective:** The Morgan Stanley Institutional Fund Trust (MSIFT) Ultra-Short Income Portfolio seeks current income with capital preservation while maintaining liquidity.

**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.

**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 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.

#### Class IR Shares Historical NAV

(Since Inception)



**Fund Highlights:** The MSIFT Ultra-Short Income Portfolio seeks to offer the following benefits:

- Diversified portfolio<sup>2</sup>
- Managed by the same experienced and specialized portfolio management team that manages the Morgan Stanley Liquidity funds.

#### Investment Performance

	Cumulative (%)			Annualized (% p.a.) <sup>†</sup>			
	MTD	YTD	1 YR <sup>†</sup>	3 YR	5 YR	10 YR	INCEPTION
Class IR Shares	0.01	0.11	0.19	1.44	1.39	--	1.36
ICE BofAML 3-Month U.S. Treasury Bill Index	0.00	0.03	0.09	1.34	1.17	--	1.14

#### Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015	2014
Class IR Shares	0.48	2.59	2.13	1.21	--	--	--
ICE BofAML 3-Month U.S. Treasury Bill Index	0.67	2.28	1.87	0.86	--	--	--

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

	AUG 2021	JUL 2021	JUN 2021	MAY 2021	APR 2021	MAR 2021	FEB 2021	JAN 2021	DEC 2020	NOV 2020	OCT 2020	SEP 2020
Class IR Shares (Subsidized)	0.15	0.15	0.14	0.14	0.15	0.15	0.17	0.24	0.31	0.32	0.32	0.40
Class IR Shares (Unsubsidized)	-0.01	0.00	-0.01	0.00	0.01	0.04	0.07	0.16	0.23	0.25	0.26	0.33

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](http://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.

<sup>†</sup>Average Annual Total Returns are as of the most recent quarter-end. All other performance and fund information is as of August 31, 2021.

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.

Expense Ratios	SYMBOL	CUSIP	GROSS (%)	NET (%)
Class IR	MULSX	617455696	0.31	0.25

The fee waivers and/or expense reimbursements will continue for 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.

#### Fund Facts

Total net assets	\$ 13.7 billion
Inception date	April 28, 2016
Fund rating	AAAf/S1 (Fitch Rating*)
Benchmark <sup>1</sup>	ICE BofAML 3-Month U.S. Treasury Bill Index
Lipper category	Ultra-Short Obligations Funds
Morningstar category	Ultra-Short Bond
Net asset value	\$ 9.98
Distribution frequency	Monthly
Purchase deadline	4 PM ET
Redemption deadline	4 PM ET
Minimum initial investment (\$)	10,000,000

#### Characteristics

	FUND
Weighted average maturity (days)	58
Weighted average life (days)	107
1-day current yield subsidized (%)	0.14
1-day current yield unsubsidized (%)	-0.02
7-day current yield subsidized (%)	0.14
7-day current yield unsubsidized (%)	-0.02
SEC 30-day yield subsidized (%)	0.15
SEC 30-day yield unsubsidized (%)	-0.01
30-day effective yield subsidized (%)	0.15
30-day effective yield unsubsidized (%)	-0.01

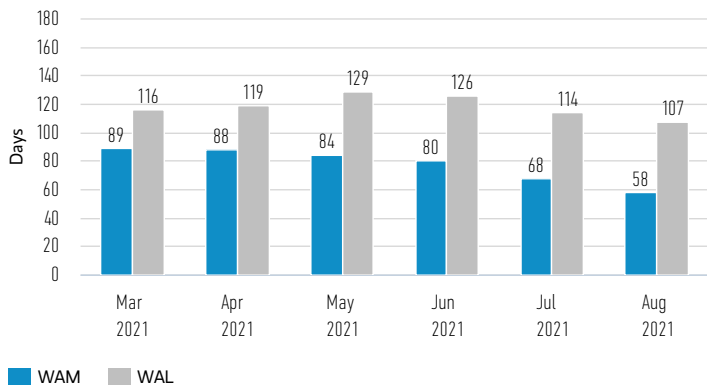
#### Quality Distribution(% of Market NAV)

	FUND
A-1/P-1	94.93
A-2/P-2	5.07

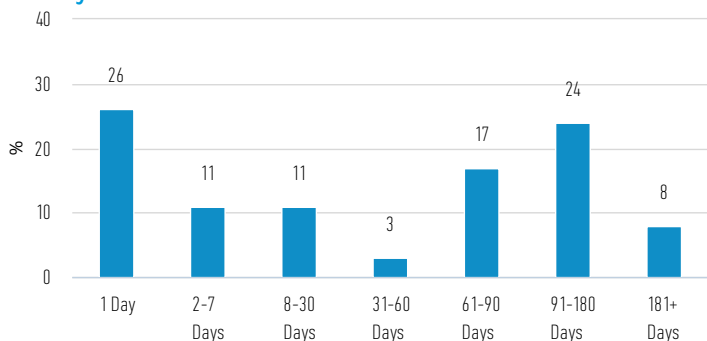
\* As of 09/09/2020, the ratings reflect Fitch's review of the fund's investment and credit guidelines, the portfolio's expected credit quality, maturities and diversification, and Morgan Stanley Investment Management Inc.'s capabilities as investment advisor. The 'AAAf' FCQR indicates the highest underlying credit quality (or lowest vulnerability to default). The 'S1' Market Risk Sensitivity Rating indicates a very low sensitivity to market risk. For more information, please visit: [http://www.fitchratings.com/creditdesk/public/ratings\\_definitions/index.cfm](http://www.fitchratings.com/creditdesk/public/ratings_definitions/index.cfm). There is no standard method for assigning ratings and not all bond funds have market risk sensitivity ratings. The portfolio may have changed since the date of the rating; and there is no guarantee that the fund will continue to have the same rating or perform in the future as rated.

**Average Portfolio Maturity**

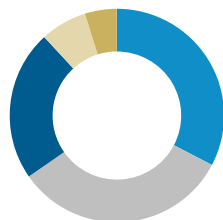
(Month-end figures)



**Maturity Distribution**



**Breakdown by Instrument (%)\***



Instrument	FUND
Certificates of Deposit	32.67
Commercial Paper	32.66
Repurchase Agreements	22.83
Corporate Notes	7.02
Time Deposits	4.83

\* May not sum to 100% due to rounding.

**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 securities mentioned or securities in the industries shown above.

The information herein is a general communications which is not impartial and has been prepared solely for information 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 material contained herein has not been based on a consideration of any individual client 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.

**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 firm's 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** reflects what the yield would have been had a fee and/or expense waiver not been

in place during the period shown. **Weighted average life** measures the weighted average of the maturities of the portfolio's individual holdings. **Weighted average maturity** measures the weighted average of the maturities of the portfolio's individual holdings, taking into account reset dates for floating rate securities.

**INDEX INFORMATION: (1)** 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. 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 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 than a fund that does not concentrate its investments 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). They 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: (2)** 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.

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**CONTACT DETAILS**

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