Morgan Stanley Investment Funds

Global Bond Fund

BROAD MARKETS FIXED INCOME TEAM

Performance Review

In the one month period ending 31 August 2023, the Fund's I shares returned -1.69% (net of fees)[1], while the benchmark returned -1.37%.

The portfolio's positioning in developed market rates (Japanese yen, New Zealand dollar) was negative.

The contribution from emerging markets local rates was negative overall, with the main driver being the exposure to Mexico.

Exposure to emerging markets external rates contributed negatively on wider spreads.

The allocation to investment grade — i.e., preference for euro over U.S. dollar (USD) credit, bias to financials with a focus on significantly important institutions — and high yield corporates (predominantly industrials) both detracted, as spreads widened overall.

Within securitized assets, the allocation to non-agency residential mortgage-backed securities (RMBS) was positive.

Within currencies, the long position in emerging market currencies expressed versus USD detracted, with most of the losses seen in Brazilian real.

Market Review

August saw government yields broadly higher across the globe. Yields in both the developed and emerging markets rose. The developed markets saw curves steepening, with the long end rising more than the front end as the possibility of rate cuts was pushed further into the future and the idea of rates staying higher for longer gained credibility. We believe we are still close to the end of the rate-hiking cycle, but rates may remain range-bound until the data proves otherwise. Emerging market yields also sold off as the inflation picture has not reversed course as dramatically as previously expected.

The investment grade credit market lost steam following the rally during the first few months of summer. With weaker-than-expected data coming out of Europe and China and central banks reemphasizing their data dependency, credit spreads in the asset class widened over the month. High yield was a different story, with lower-rated securities outperforming their higher-rated counterparts. This was mainly due to the strength of the U.S. economy and the historically low levels of defaults remaining largely subdued.

The U.S. securitized credit market had a decent month relative to corporate credit as fundamentals in the asset class, particularly in the residential mortgage market, remained strong. Similar to what was seen in the high yield markets, with relatively low historic delinquency levels remaining subdued, the asset class grinded tighter over the month. The European market marginally widened as the economic picture in the region continued to deteriorate.

Portfolio Activity

Overall, the duration of the portfolio was decreased by 0.08 years, closing at +0.25 years relative to the benchmark.

Within developed market rates, we increased the short position in Japanese government bonds and started an underweight position to the U.K. given persistent price and wage pressures.

Within emerging markets local rates, we scaled back duration exposure in Mexico on recent weakness, to reduce risk.

Within credit, we maintain a long position in investment grade, predominantly through financials and a preference for euro credit relative to USD credit, with an overall focus on the intermediate part of the curve versus the short end. August activity was muted, reflecting reduced secondary liquidity in the summer. New issues late in the month offered opportunities to switch out of secondary positions that screened expensive.

Within securitized assets, there were no major changes. We added slightly to agency RMBS given attractive valuations versus investment grade credit. Overall, we maintain a positive view to securitized credit given attractive valuations, low supply and strong underwriting.

Regarding currency positioning, we reduced our short position in USD and scaled back previous long positions in Norwegian krone and New Zealand dollar.

[1] Source: Morgan Stanley Investment Management Limited. Data as of 31 August 2023.

This document constitutes a commentary and does not constitute investment advice nor a recommendation to invest. The value of investments may rise as well as fall. Independent advice should be sought before any decision to invest.

Strategy and Outlook

A very benign July turned a bit negative in August. Risk assets underperformed, across credit, emerging markets and equities, while developed market government bond market yields went sideways or up. While it is too early to tell if a new trend has begun or if this simply reflects the usual seasonal pattern of struggling markets in the August-October period, some additional clarity has emerged. On one hand, the global economy has become very desynchronized. The U.S. economy is powering ahead, with gross domestic product (GDP) growth accelerating quarter-by-quarter such that current expectations for third quarter growth now hover around 3%, substantially higher than 2022. This isn't just resiliency; this is strength!

On the other hand, Europe and China significantly underperformed. Indeed, deflation has returned to China under the weight of a deteriorating property sector and faltering exports. Europe is flirting with recession as survey data suggests very weak manufacturing output and slowing services. Unfortunately, unlike in China, European inflation remains quite elevated. Uniquely, the U.S. has become the fastest-growing country and has managed to maintain relatively low inflation. Quite an achievement, and one that may not last.

What this means is that upward pressure on U.S. yields remains. U.S. recession risk keeps getting pushed further and further into the future. Two of our key views are 1) that while recession risk remains, it is much more of a late-2024 risk than anything to worry about for the next six months, and 2) that recession risk depends on U.S. growth remaining resilient and inflation stubborn. If this combination persists into 2024, the Federal Reserve (Fed) may have to either raise rates further (not our current view) or maintain them at current levels for all of 2024, which markets are not discounting. This could lead to a harder landing, which we define as a mild recession with the unemployment rate rising to the mid 4% area and GDP growth falling below 1%. If this scenario did materialize, it would likely lead to higher yields and underperformance of credit and emerging markets as rates stay high or even move higher.

U.S. economic resilience has helped push 10-year U.S. Treasury yields to a new post-2007 high, before pulling back on a benign July inflation report. But the bond market is not out of the woods. While September's August inflation report will also likely be benign, we are not convinced inflation will quickly or easily return to target within the Fed's time frame. Wage pressures remain and labor markets in general remain tight. While job growth has decelerated meaningfully over 2023, gains are still above that compatible with a stable unemployment rate. And, despite all the headlines of layoffs, jobless claims have fallen for four consecutive weeks. Moreover, wage settlements continue to suggest a 5% or higher risk to wages, which looks incompatible with the Fed's 2%-2.5% inflation comfort zone.

As the probability of a "soft landing" grows, the likelihood that the Fed raises its estimate of the long-run or terminal fed funds rate increases. Currently, the Fed has stated it believes the terminal rate is 2.5%. When the Fed meets later this month it will release its forecasts for this and other economic variables. We think there is a meaningful risk the Fed raises this terminal rate forecast higher, which could put upward pressure on yields even if inflation forecasts are unchanged.

The European bond outlook looks better given weaker economic performance and growing concerns at the European Central Bank, even among the so-called hawks, about not overdoing it on monetary policy. At the margin we prefer non-USD interest rate risk to that in the U.S., particularly U.K. rates, along with New Zealand and Australian yields, as they appear to have better value.

In credit, we have not altered our views. Markets continue to embrace the soft-landing scenario, notwithstanding the modest spread widening in August. Year-to-date, spreads have tightened and continued to hover near their lows. In the investment grade space, we view non-financials and A-rated bonds as expensive or rich relative to their fundamentals and prefer large-cap financials and BBB-rated corporate hybrids given their extra yield and likely ability to weather financial volatility. That said, we do not see a reason to be overly bearish. Fundamentals remain solid both at a macro and sector level, and rates volatility is likely to diminish over the rest of the year. The other challenge for investment grade corporates is wide spreads on U.S. agency mortgages. These spreads are quite competitive to higher quality investment grade, and we could substitute these for many alternatives in the investment grade universe.

The high yield market is more erratic. Spreads are in the bottom quartile, but yields are in the top quartile historically. Yield buyers find them attractive; spread buyers see them as risky. Our view: be selective. Avoiding defaults and blow-ups will eventually be key as higher rates and refinancing risks feed into corporate performance and outlooks. We are modestly positive.

We continue to favor shorter-maturity securitized credit — RMBS, asset-backed securities (ABS), selected commercial mortgage-backed securities (CMBS) — as offering the best opportunities in fixed income. That said, the outlook has modestly deteriorated as household balance sheets come under more pressure and excess savings are run down. We are trying to take advantage of higher yields on higher quality issuers to achieve our target returns, rather than venture down the risk/rating spectrum. Our favorite category of securitized credit remains non-agency residential mortgages, despite challenging home affordability. Somewhat surprisingly, U.S. housing looks like it may have bottomed out, with prices rising once again.

Recent good news on the U.S. economy has helped the dollar strengthen. While the U.S. dollar looks vulnerable in the medium term, other developed market currencies do not offer compelling advantages at the moment. Negative growth dynamics in Europe and China are undermining the attractiveness of their currencies and those of other emerging markets. The most undervalued currency continues to be the Japanese yen, but given the slow-moving nature of Japanese monetary policy and still exceptionally high hedging costs, it will be difficult for the yen to rally until Japanese rates move higher or U.S. rates begin to fall. We have moved to a more neutral stance on the dollar versus both developed and emerging market currencies as the differentiated economic

performances in the U.S. and China undermine the ability of emerging market currencies to strengthen. Likewise, we have downgraded our views and exposures in emerging markets local rates. Longer term, many emerging market bond markets look attractive, but for now the pincer of stronger U.S. growth, weaker Chinese growth and a stronger U.S. dollar undermines their case. Rising commodity prices, including oil, could also prevent emerging market countries from following through on rate cuts, or at least inhibit the countries' ability to cut from a position of strength.

For further information, please contact your Morgan Stanley Investment Management representative.

Fund Facts

Launch date	01 November 1989
Base currency	U.S. dollars
Benchmark	Custom- Blended Benchmark

Calendar Year Returns (%)

Past performance is not a reliable indicator of future results.

	YTD	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Class I Shares	0.58	-16.73	-5.10	10.48	8.79	-2.63	9.57	2.37	-4.52	2.05	-2.01
Blended Benchmark	0.74	-16.25	-4.71	9.20	6.84	-1.20	7.39	2.09	-3.15	0.59	-2.60

All performance data is calculated NAV to NAV, net of fees, and does not take account of commissions and costs incurred on the issue and redemption of units. The sources for all performance and Index data is Morgan Stanley Investment Management. **Please visit our website www.morganstanley.com/im to see the latest performance returns for the fund's other share classes.**

Share Class I Risk and Reward Profile

The risk and reward category shown is based on historic data.

- Historic figures are only a guide and may not be a reliable indicator of what may happen in the future.
- As such this category may change in the future.
- The higher the category, the greater the potential reward, but also the greater the risk of losing the investment. Category 1 does not indicate a risk free investment.
- The fund is in this category because it invests in fixed income securities and the fund's simulated and/or realised return has experienced medium rises and falls historically.
- The fund may be impacted by movements in the exchange rates between the fund's currency and the currencies of the fund's investments.

This rating does not take into account other risk factors which should be considered before investing, these include:

- 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.
- Investment in Fixed Income Securities via the China Interbank Bond Market may also entail additional risks, such as counterparty and liquidity risk.
- There are increased risks of investing in emerging markets as political, legal and operational systems may be less developed than in developed markets.
- 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.

Please refer to the Prospectus for full risk disclosures. All data as of 31 August 2023 and subject to change daily.

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 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.

If the management company of the relevant Fund decides to terminate its arrangement for marketing that Fund in any EEA country where it is registered for sale, it will do so in accordance with the relevant UCITS rules.

INDEX INFORMATION

The **Blended Index** performance shown is calculated using the **JPM Global Traded Unhedged Index** from inception through 31

March 2004, the **FTSE WGBI Index** to 31 January 2010 and the **Bloomberg Global Aggregate Bond Index** thereafter.

The **Bloomberg Global Aggregate Index**: provides a broad-based measure of the global investment grade fixed-rate debt markets. Total Returns shown is unhedged USD.The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index.

The **JPM Global Traded Unhedged Index:** provides a broad-based measure of the global investment grade fixed-rate debt markets. Total Returns shown is unhedged USD.The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index.

The **FTSE WGBI Index:** measures the performance of fixed-rate, local currency, and investment grade sovereign bonds. The WGBI provides a broad benchmark for the global sovereign fixed income market.

"Bloomberg®" and the Bloomberg Index/Indices used are service marks of Bloomberg Finance L.P. and its affiliates, and have been licensed for use for certain purposes by Morgan Stanley Investment Management (MSIM). Bloomberg is not affiliated with MSIM, does not approve, endorse, review, or recommend any product, and. does not guarantee the timeliness, accurateness, or completeness of any data or information relating to any product.

DISTRIBUTION

This material is only intended for and will be only distributed to persons resident in jurisdictions where such distribution or availability would not be contrary to local laws or regulations. It is the responsibility of any person in possession of this material and any persons wishing to make an application for Shares in pursuant to the Prospectus to inform themselves and observe all applicable laws and regulations of any relevant jurisdictions.

MSIM, the asset management division of Morgan Stanley (NYSE: MS), and its affiliates have arrangements in place to market each other's products and services. Each MSIM affiliate is regulated as appropriate in the jurisdiction it operates. MSIM's affiliates are: Eaton Vance Management (International) Limited, Eaton Vance Advisers International Ltd, Calvert Research and Management, Eaton Vance Management, Parametric Portfolio Associates LLC, and Atlanta Capital Management LLC.

In the EU, MSIM materials are issued by MSIM Fund Management (Ireland) Limited ("FMIL"). FMIL is regulated by the Central Bank of Ireland and is incorporated in Ireland as a private company limited by shares with company registration number 616661 and has its registered address at 24-26 City Quay, Dublin 2 , DO2 NY19, Ireland.

Outside the EU, MSIM materials are issued by Morgan Stanley Investment Management Limited (MSIM Ltd) is authorised and regulated by the Financial Conduct Authority. Registered in England. Registered No. 1981121. Registered Office: 25 Cabot Square, Canary Wharf, London E14 4QA.

Switzerland: MSIM materials are issued by Morgan Stanley & Co. International plc, London (Zurich Branch) Authorised and regulated by the Eidgenössische Finanzmarktaufsicht ("FINMA"). Registered Office: Beethovenstrasse 33, 8002 Zurich, Switzerland.

Italy: MSIM FMIL (Milan Branch), (Sede Secondaria di Milano) Palazzo Serbelloni Corso Venezia, 16 20121 Milano, Italy. **The Netherlands:** MSIM FMIL (Amsterdam Branch), Rembrandt Tower, 11th Floor Amstelplein 1 1096HA, Netherlands. **France:** MSIM FMIL (Paris Branch), 61 rue de Monceau 75008 Paris, France. **Spain**: MSIM FMIL (Madrid Branch), Calle Serrano 55, 28006, Madrid, Spain. **Germany:** MSIM FMIL Frankfurt Branch, Grosse Gallusstrasse 18, 60312 Frankfurt am Main, Germany (type: branch office (FDI) pursuant to Section 53b KWG).

Dubai: MSIM Ltd (Representative Office, Unit Precinct 3-7th Floor-Unit 701 and 702, Level 7, Gate Precinct Building 3, Dubai International Financial Centre, Dubai, 506501, United Arab Emirates. Telephone: +97 (0)14 709 7158).

This document is distributed in the Dubai International Financial Centre by Morgan Stanley Investment Management Limited (Representative Office), an entity regulated by the Dubai Financial Services Authority ("DFSA"). It is intended for use by professional clients and market counterparties only. This document is not intended for distribution to retail clients, and retail clients should not act upon the information contained in this document.

This document relates to a financial product which is not subject to any form of regulation or approval by the DFSA. The DFSA has no responsibility for reviewing or verifying any documents in connection with this financial product. Accordingly, the DFSA has not approved this document or any other associated documents nor taken any steps to verify the information set out in this document, and has no responsibility for it. The financial product to which this document relates may be illiquid and/or subject to restrictions on its resale or transfer. Prospective purchasers should conduct their own due diligence on the financial product. If you do not understand the contents of this document, you should consult an authorized financial adviser.

Hong Kong: This material is disseminated by Morgan Stanley Asia Limited for use in Hong Kong and shall only be made available to "professional investors" as defined under the Securities and Futures Ordinance of Hong Kong (Cap 571). The contents of this material have not been reviewed nor approved by any regulatory authority including the Securities and Futures Commission in Hong Kong. Accordingly, save where an exemption is available under the relevant law, this material shall not be issued, circulated, distributed, directed at, or made available to, the public in Hong Kong. **Singapore:** This material should not be considered to be the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Singapore other than (i) to an institutional investor under section 304 of the Securities and Futures Act, Chapter 289 of Singapore ("SFA"); or (ii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. In particular, for investment funds that are not authorized or recognized by the MAS, units in such funds are not allowed to be offered to the retail public; any written material issued to persons as aforementioned in connection with an offer is not a prospectus as defined in the SFA and, accordingly, statutory liability under the SFA in relation to the content of prospectuses does not apply, and investors should consider carefully whether the investment is suitable for them. **Australia:** This material is provided by Morgan Stanley Investment Management (Australia) Pty Ltd ABN 22122040037, AFSL No. 314182 and its affiliates and does not constitute an offer of interests. Morgan Stanley Investment Management (Australia) Pty Limited arranges for MSIM affiliates to provide financial services to Australian wholesale clients. Interests will only be offered in circumstances under which no disclosure is required under the Corporations Act 2001 (Cth) (the "Corporations Act"). Any offer of interests will not purport to be an offer of interests in circumstances under which disclosure is required under the Corporations Act and will only be made to persons who qualify as a "wholesale client" (as defined in the Corporations Act). This

material will not be lodged with the Australian Securities and Investments Commission.

Chile: Potential investors are advised that this document refers to foreign securities that may be registered in the Foreign Securities Register ("FSR") from the Commission for Financial Markets (Comisión para el Mercado Financiero or "CMF") (the "Registered Securities") or that may not be registered in the FSR (the "Non-Registered Securities").

For Registered Securities, please be advised: The securities being offered are foreign. Shareholder rights and obligations are those of the issuer's home jurisdiction. Shareholders and potential investors should inform themselves on what those rights and obligations are and how to exercise them. CMF supervision of the securities is limited to information requirements in Rule 352, overall supervision is conducted by the foreign regulator in the issuer's home jurisdiction. Public information available for the securities is exclusively that required by the foreign regulator and accounting principles and auditing rules might differ to those applicable to Chilean issuers. The provisions on Article 196 of Law 18.045 are applicable to all parties involved in the registration, deposit, transaction and other acts associated with the foreign securities ruled by Title XXIV of Law 18.045.

Applications for Fund interests in the sub-fund mentioned herein should not be made without first consulting the current Prospectus, Key Information Document ("KID") or Key Investor Information Document ("KIID"), Annual Report and Semi-Annual Report ("Offering Documents"), or other documents available in your local jurisdiction which is available free of charge from the Registered Office European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxemburg B 29 192.

For Non-Registered Securities, please be advised: THE SECURITIES INCLUDED IN THIS DOCUMENT ARE NOT REGISTERED IN THE FSR AND OFFERS REGARDING SUCH SECURITIES WILL BE CONDUCTED SUBJECT TO GENERAL RULE N°336 OF THE CMF, BEGINNING AT THE DATE OF THIS DOCUMENT. THESE ARE FOREIGN SECURITIES AND THEIR ISSUER IS UNDER NO OBLIGATION TO PROVIDE PUBLIC DOCUMENTS IN CHILE. THE SECURITIES ARE NOT SUBJECT TO THE SUPERVISION OF THE CMF AND CANNOT BE PUBLICLY OFFERED. THEREFORE, THIS DOCUMENT AND OTHER OFFERING MATERIALS RELATING TO THE OFFER OF THE INTERESTS IN THE FUND DO NOT CONSTITUTE A PUBLIC OFFER OF, OR AN INVITATION TO SUBSCRIBE FOR OR PURCHASE, THE FUND INTERESTS IN THE REPUBLIC OF CHILE.

Please contact your local Distributor or the person who provided this document for information on the registration status of specific securities.

Peru: The Fund is a sub Fund of the Morgan Stanley Investment Funds, a Luxembourg domiciled Société d'Investissement à Capital Variable (the "Company") is registered in the Grand Duchy of Luxembourg as an undertaking for collective investment pursuant to Part 1 of the Law of 17th December 2010, as amended. The Company is an Undertaking for Collective Investment in Transferable Securities ("UCITS"). If the Fund and the interests in the Fund have been registered in Peru under ***Decreto Legislativo 862: Ley de Fondos de Inversión y sus Sociedades Administradoras*** as amended; under ***Decreto Legislativo 861: Ley del Mercado de Valores*** (the "Securities Market Law") as amended, and under the ***Reglamento del Mercado de Inversionistas Institucionales*** approved by ***Resolución SMV N°021-2013-SMV/01*** as amended by the ***Resolución de Superintendente N°126-2020-SMV/02*** (the "***Reglamento 1***") and ***Resolución de Superintendente N°035-2021-SMV/02*** (the "***Reglamento 2***"), and are being offered to institutional investors only (as defined in article 8 of the Securities Market Law) under the special public offering directed exclusively to the institutional investors under the ***Reglamento 1 and Reglamento 2***, then the interests in the Fund will be registered in the Section ***"Del Mercado de Inversionistas Institucionales"*** of the Securities Market Public Registry (***Registro Público del Mercado de Valores***) maintained by the ***Superintendencia del Mercado de Valores (SMV),*** and the offering of the Fund interests in Peru only to institutional investors will be subject to the supervision of the SMV, as well as any transfers of the Fund interests shall be subject to the limitations contained in the Securities Market Law and the regulations issued thereunder mentioned before, under which the Fund interests may only be transferred between institutional investors under Article 27 of the ***Reglamento 1 and Reglamento 2***. If neither the Fund nor the interests in the Fund have been and will not be registered in Peru under ***Decreto Legislativo 862*** and under ***Decreto Legislativo 861 referenced above***, nor they will be subject to a public offering directed to institutional investors under the ***Reglamento 1***, and will be offered to institutional investors only (as defined in article 8 of the Securities Market Law) pursuant to a private placement, according to article 5 of the Securities Market Law, the interests in the Fund will not be registered in the Securities Market Public Registry maintained by the ***SMV,*** and the offering of the Fund interests in Peru to institutional investors nor the Fund will be subject to the supervision of the SMV, and any transfers of the Fund interests shall be subject to the limitations contained in the Securities Market Law and the regulations issued thereunder mentioned before, under which the Fund interests may only be transferred between institutional investors. Applications for Fund interests in the sub-fund mentioned herein should not be made without first consulting the current Prospectus, Key Information Document ("KID") or Key Investor Information Document ("KIID"), Annual Report and Semi-Annual Report ("Offering Documents"), or other documents available in your local jurisdiction which is available free of charge from the Registered Office European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxemburg B 29 192.

IMPORTANT INFORMATION

EMEA: This marketing communication has been issued by MSIM Fund Management (Ireland) Limited ("FMIL"). MSIM FMIL is regulated by the Central Bank of Ireland and is incorporated in Ireland as a private company limited by shares with company registration number 616661 and has its registered address at 24-26 City Quay, Dublin 2 , DO2 NY19, Ireland.

This material contains information relating to the sub-funds of Morgan Stanley Investment Funds, a Luxembourg domiciled Société d'Investissement à Capital Variable. Morgan Stanley Investment Funds (the "Company") is registered in the Grand Duchy of Luxembourg as an undertaking for collective investment pursuant to Part 1 of the Law of 17th December 2010, as amended. The Company is an Undertaking for Collective Investment in Transferable Securities ("UCITS").

Applications for shares in the sub-fund should not be made without first consulting the current Prospectus, Key Information Document ("KID") or Key Investor Information Document ("KIID"), Annual Report and Semi-Annual Report ("Offering Documents"), or other documents available in your local jurisdiction which is available free of charge from the Registered Office: European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxemburg B 29 192. In addition, all Italian investors should refer to the 'Extended Application Form', and

all Hong Kong investors should refer to the 'Additional Information for Hong Kong Investors' section, outlined within the Prospectus. Copies of the Prospectus, KID or KIID, the Articles of Incorporation and the annual and semi- annual reports, in German, and further information can be obtained free of charge from the representative in Switzerland. The representative in Switzerland is Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva. The paying agent in Switzerland is Banque Cantonale de Genève, 17, quai de l'Ile, 1204 Geneva. The material has been prepared solely for informational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. Investors should be aware that a diversified strategy does not protect against a loss in a particular market.

The views and opinions and/or analysis expressed are those of the the investment team as of the date of preparation of this material and are subject to change at any time without notice due to market or economic conditions and may not necessarily come to pass. Furthermore, the views will not be updated or otherwise revised to reflect information that subsequently becomes available or circumstances existing, or changes occurring, after the date of publication. The views expressed do not reflect the opinions of all investment personnel at Morgan Stanley Investment Management (MSIM) and its subsidiaries and affiliates (collectively "the Firm"), and may not be reflected in all the strategies and products that the Firm offers.

Any index referred to herein is the intellectual property (including registered trademarks) of the applicable licensor. Any product based on an index is in no way sponsored, endorsed, sold or promoted by the applicable licensor and it shall not have any liability with respect thereto. The Fund is actively managed, and the management of the fund is not constrained by the composition of the Benchmark.

All investments involve risks, including the possible loss of principal. 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.

The use of leverage increases risks, such that a relatively small movement in the value of an investment may result in a disproportionately large movement, unfavourable as well as favourable, in the value of that investment and, in turn, the value of the Fund.

Investment in the Fund concerns the acquisition of units or shares in a fund, and not in a given underlying asset such as building or shares of a company, as these are only the underlying assets owned.

The information contained in this communication is not a research recommendation or 'investment research' and is classified as a 'Marketing Communication' in accordance with the applicable European or Swiss regulation. This means that this marketing communication (a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research (b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

MSIM has not authorised financial intermediaries to use and to distribute this material, unless such use and distribution is made in accordance with applicable law and regulation. MSIM shall not be liable for, and accepts no liability for, the use or misuse of this material by any such financial intermediary. If you are a distributor of the Morgan Stanley Investment Funds, some or all of the funds or shares in individual funds may be available for distribution. Please refer to your sub-distribution agreement for these details before forwarding fund information to your clients.

The whole or any part of this material may not be directly or indirectly reproduced, copied, modified, used to create a derivative work, performed, displayed, published, posted, licensed, framed, distributed or transmitted or any of its contents disclosed to third parties without the Firm's express written consent. This material may not be linked to unless such hyperlink is for personal and non-commercial use. All information contained herein is proprietary and is protected under copyright and other applicable law.

This material may be translated into other languages. Where such a translation is made this English version remains definitive. If there are any discrepancies between the English version and any version of this material in another language, the English version shall prevail.

© 2023 Morgan Stanley. All rights reserved.