

MORGAN STANLEY INSTITUTIONAL FUND

Global Insight Portfolio

COUNTERPOINT GLOBAL | COMMENTARY | JUNE 30, 2023

Performance Review

For the quarter, the Global Insight Portfolio (Class I) returned 11.12%, and the MSCI All Country World Index returned 6.18%.

Counterpoint Global seeks high quality companies, which we define primarily as those with sustainable competitive advantages. We manage concentrated portfolios that are highly differentiated from the benchmark, with securities weighted on our assessment of the quality of the company and our conviction. The value added or detracted in any period of time will typically result from stock selection, given our philosophy and process.

The long-term investment horizon and conviction weighted, highly active investment approach embraced by Counterpoint Global can result in periods of performance deviation from the benchmark and peers. The portfolio outperformed the MSCI All Country World Index this quarter primarily due to favorable stock selection; sector allocations also contributed to a lesser extent.

Global equities, as measured by the MSCI All Country World Index, advanced over the quarter. Information Technology, Consumer Discretionary and Communication Services posted the highest return in the MSCI All Country World Index. The majority of sectors advanced over the period; however, Materials, Utilities and Consumer Staples, posted negative returns and were the relative underperformers in the index.

Recession fears, downside earnings risks for 2023, and the recent failure of several U.S regional banks continued to weigh on market sentiment and contributed to continued volatility. Against this backdrop, we continued to focus on company-specific fundamentals, which, across portfolio holdings have largely remained healthy and in-line with our expectations. We continue to own many high-quality companies with attractive end-game potential, strong balance sheets, and multiple competitive advantages. We believe today's market offers an attractive opportunity to buy unique companies with strong fundamentals that can be long-term winners over the next three to five years. While we have opportunistically added to some positions and initiated new ones, overall, we have made few changes as we remain confident in the long-term prospects for the businesses we own.

Consumer Discretionary was the top contributing sector across the portfolio due to favorable stock selection and the positive impact of an average overweight position in the sector. Global-e Online, the world's leading platform to enable and accelerate direct-to-consumer cross-border e-commerce, was the top contributor in the sector and fourth greatest across the portfolio. Its shares advanced as the company continued to deliver strong fundamental performance characterized by revenue and profitability growth that outpaced the overall e-commerce industry, and strong traction with new partnership initiatives, particularly with Shopify. Management's continued execution has also buoyed investor confidence in the company's ability to further capitalize on the secular growth in direct-to-consumer cross border e-commerce.

Industrials was the second greatest relative contributor due to favorable stock selection. Uber, a leading global mobility services platform, was the second greatest contributor across the portfolio due to strong fundamentals characterized by healthy revenue growth and profit margin expansion.

Information Technology also contributed to relative results due to strong stock selection and an average overweight position in the sector. Shopify, which operates a cloud-based software and services platform that enables merchants to build an ecommerce presence, was the top contributor across the portfolio. Its outperformance was driven by continued strong business execution in a tougher economic environment, ongoing traction with new product offerings, and divestment of the company's capital intense logistics business unit.

Stock selection in Financials and Materials, as well as a lack of exposure to Consumer Staples, Energy, Utilities, and Real Estate, also aided performance.

Conversely, Health Care was the top detractor in the portfolio this quarter, due to unfavorable stock selection and the adverse impact of an average overweight position. Agilon Health was the top detractor in the sector and across the portfolio. Agilon is a health care services provider, offering its Total Care platform to a network of community-based physicians who are looking to transition from a traditional fee-for-service reimbursement model and towards a value-based care model for their Medicare Advantage patients. The company reported better than expected results, however its shares languished due to broader investor concerns around medical loss ratios trending higher for businesses focused on Medicare Advantage patients. Royalty Pharma, one of the largest buyers of biopharmaceutical royalties and a leading funder of innovation across academic institutions, non-profits, biotechnology, and pharmaceutical companies, was the second greatest detractor across the portfolio. The company reported solid results, however its shares remained pressured due to investors' ongoing concerns around clinical trial results for a few of its partners' new therapies and the impact to potential related royalties.

Lastly, Communication Services was the second greatest detractor in the portfolio due to unfavorable stock selection. Sea Ltd, a Southeast Asia internet and mobile platform company, was the third greatest detractor across the portfolio. Despite showing meaningful improvement in their bottom-line, a current focus from management, its shares declined as the company reported mixed quarterly results characterized by increased competition across several markets and continued user engagement decline across their mobile games division.

Outlook

Counterpoint Global looks to own a portfolio of unique companies with diverse business drivers, strong competitive advantages and positioning, and healthy secular growth prospects whose market value we believe can increase significantly over the long-term for underlying fundamental reasons, independent of the macro or market environment. We find these companies through fundamental research. Our emphasis is on secular growth, and as a result short-term market events are not as meaningful in the stock selection process.

Counterpoint Global believes having a market outlook can be an anchor. We focus on assessing company prospects over a five year investment horizon. Current portfolio positioning reflects what we believe are the best long-term investment opportunities.

The views, opinions, forecasts and estimates expressed are those of the investment team at the time of writing and are subject to change at any time due to market, economic, or other conditions, and may not necessarily come to pass. These comments are not representative of the opinions and views of the firm as a whole. Portfolio holdings and sectors are subject to change daily. All information provided is for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the sectors referenced. Past performance is no guarantee of future results.

INVESTMENT MANAGEMENT

Performance (%) as of June 30, 2023

Class I Share at NAV

	MTD	QTD	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
MSIF Global Insight Portfolio	7.33	11.12	34.06	26.52	-11.70	1.62	8.04
MSCI All Country World Index	5.81	6.18	13.93	16.53	10.99	8.10	8.75

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.

The gross expense ratio is 1.34% for Class I shares and the net expense ratio is 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 \$1,000,000 for Class I shares. The minimum initial investment may be waived in certain situations. Please see the Fund's prospectus for additional information.

Returns are net of fees and assume the reinvestment of all dividends and income. They are compared to an unmanaged market index. Returns for less than one year are cumulative (unannualized). Performance for one year or more is based on average annual total returns. The returns are reported for Class I shares. Performance for other share classes will vary.

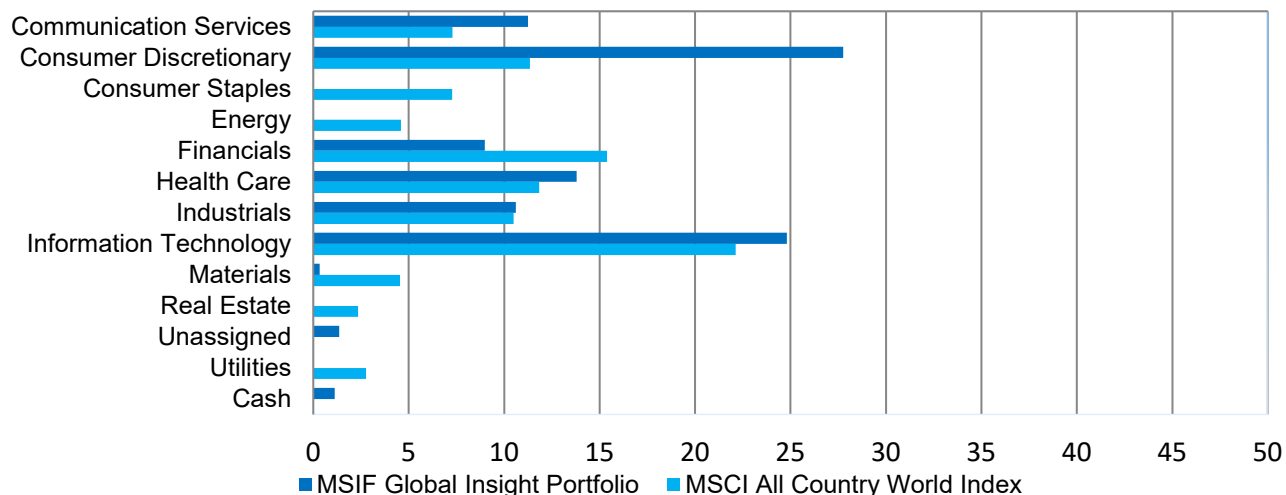
Please keep in mind that high double-digit returns are highly unusual and cannot be sustained. Investors should also be aware that these returns were primarily achieved during favorable market conditions.

The **MSCI All Country (MSCI AC) World Index** 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 index does not include any expenses, fees or sales charges, which would lower performance. The index is unmanaged and should not be considered an investment. It is not possible to invest directly in an index. Any index referred to herein is the intellectual property (including registered trademarks) of the applicable licensor.

Top Ten Holdings % of Total Net Assets, as of June 30, 2023. Subject to change.

Shopify	7.0
Cloudflare	6.7
Trade Desk	6.4
Global-e Online	6.3
Uber Technologies	5.8
Adyen	5.7
Coupang	5.2
MercadoLibre	5.1
Snowflake	4.9
Grab Holdings	4.9
Total	58.0

Sector Allocation As of June 30, 2023.



Source: FactSet Research Systems, Inc. / Morgan Stanley Investment Management.
Cash is frictional and accounted for 1.13% of the portfolio.

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.

This material has been prepared on the basis of publicly available information, internally developed data and other third-party sources believed to be reliable. However, no assurances are provided regarding the reliability of such information and the Firm has not sought to independently verify information taken from public and third-party sources.

Risk considerations There is no assurance that a mutual fund will achieve its investment objective. Funds 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. To the extent that the Fund invests in a limited number of issuers (**focused investing**), the Fund will be more susceptible to negative events affecting those issuers and a decline in the value of a particular instrument may cause the Fund's overall value to decline to a greater degree than if the Fund were invested more widely. **Privately placed and restricted securities** may be subject to resale restrictions as well as a lack of publicly available information, which will increase their illiquidity and could adversely affect the ability to value and sell them (**liquidity risk**). **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. Investments in **small and medium capitalization companies** tend to be more volatile and less liquid than those of larger, more established, companies. **Active Management Risk.** In pursuing the Portfolio's investment objective, the Adviser has considerable leeway in deciding which investments to buy, hold or sell on a day-to-day basis, and which trading strategies to use. The success or failure of such decisions will affect performance. To the extent the Portfolio invests a substantial portion of its assets in the **information technology sector**, the Portfolio may be particularly impacted by events that adversely affect the sector, such as rapid changes in technology product cycles, product obsolescence, government regulation, and competition, and may fluctuate more than that of a portfolio that does not invest significantly in companies in the technology sector.

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 is the asset management division of Morgan Stanley.

NOT FDIC INSURED	OFFER NO BANK GUARANTEE	MAY LOSE VALUE	NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY	NOT A DEPOSIT
------------------	-------------------------	----------------	--	---------------