

Morgan Stanley Investment Funds

Global Convertible Bond Fund - Z Shares (Accumulation Share Class)

Investment Objective

To generate income and the long term growth of your investment.

Investment Approach

Seeks long-term capital appreciation, measured in U.S. dollars, through investment primarily in convertible bonds issued by companies organised or operating in either the developed or emerging markets which will be denominated in global currencies.

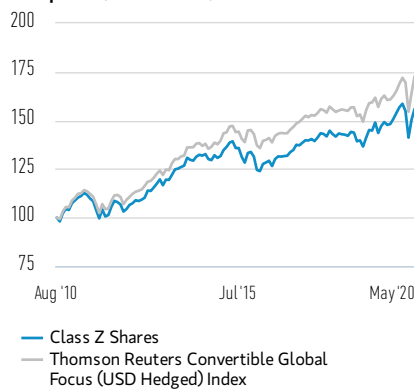
Investment Team

	JOINED FIRM	YEARS OF INVESTMENT EXPERIENCE
Tom D. Wills, Managing Director	2010	22
Christian G. Roth, Managing Director	1991	33
Richard Class, Managing Director	2009	20

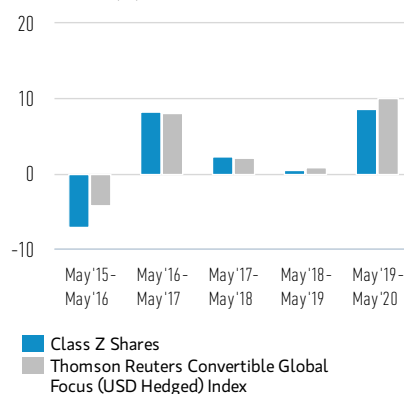
Team members may be subject to change at any time without notice.

Class Z Shares (% net of fees) vs. Index in USD

Performance of 100 USD Invested Since Inception (Cash Value)



12 Month Performance Periods to Latest Month End (%)



Investment Performance (% net of fees) in USD

	Cumulative (%)				Annualised (% p.a.)				
	1 M	3 M	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION	
Class Z Shares	3.67	0.70	-0.56	8.64	3.70	2.29	--	4.63	
Thomson Reuters Convertible Global Focus (USD Hedged) Index	5.36	1.92	2.32	10.12	4.28	3.26	--	5.73	

Calendar Year Returns (%)

	2019	2018	2017	2016	2015	2014	2013
Class Z Shares	14.82	-3.67	6.04	1.77	0.49	3.71	14.33
Thomson Reuters Convertible Global Focus (USD Hedged) Index	13.10	-3.01	6.00	1.59	3.83	4.73	13.03

Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. 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.

The Blended Index performance shown is calculated using the ICE BofAML G300 Global Convertible Index Local Currency to 31 October 2005, the ICE BofAML G300 Global Convertible Index USD Hedged to 30 April 2011 and the Thomson Reuters Thomson Reuters Convertible Global Focus (USD Hedged) Index thereafter.

Share Class

	CLASS Z
Currency	U.S. dollars
ISIN	LU0360484413
Bloomberg	MSGCVBZ LX
Inception date	06 August 2010
Net asset value	\$ 38.98

Fund Facts

Launch date	17 July 2002
Base currency	U.S. dollars
Index	Thomson Reuters Convertible Global Focus (USD Hedged) Index
Total net assets	\$ 344.03 million
Structure	Luxembourg SICAV

Charges (%)

	CLASS Z
Max Entry Charge	1.00
Ongoing Charges	0.75
Management Fee	0.60

Entry Charge is a maximum possible figure. In some cases you might pay less, you can find this out from your financial adviser. Ongoing Charges reflect the payments and expenses incurred during the fund's operation and are deducted from the assets of the fund over the period. It includes fees paid for investment management (Management Fee), trustee/custodian, and administration charges. For more information please see the Charges and Expenses section of the prospectus.

Subscriptions (USD)

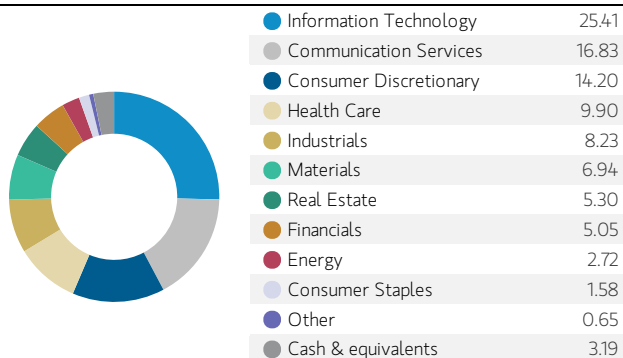
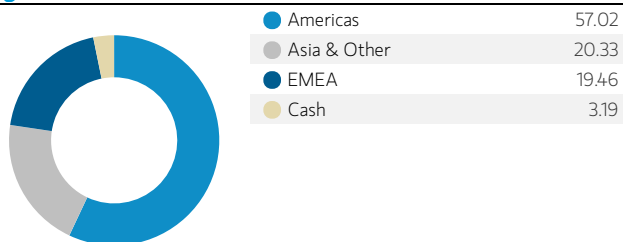
	CLASS Z
Minimum initial investment	0
Minimum subsequent investment	0

Statistics

(3 Year Annualised)	CLASS Z	INDEX
Excess Return (%)	-0.57	--
Alpha (%)	-0.54	--
Beta	0.99	--
Information ratio	-0.31	--
R squared	0.96	--
Sharpe ratio	0.22	0.29
Tracking error (%)	1.87	--
Volatility (Standard deviation) (%)	8.87	8.78

Characteristics

	FUND	INDEX
Duration (years)	3.34	3.40
Delta (equity sensitivity)	44.60	56.60
Current Yield (%)	0.85	0.67
Conversion premium	43.70	31.86

Sector Allocation (% of Total Net Assets)^{2,3}**FUND****Regional Allocation (% of Total Net Assets)²****FUND****Top Holdings (% of Total Net Assets)¹****FUND**

Splunk Inc, 0.500000%, 2023-09-15	1.95
Wayfair Inc, 1.000000%, 2026-08-15	1.57
Deutsche Wohnen Se, 0.325000%, 2024-07-26	1.26
Sea Ltd, 1.000000%, 2024-12-01	1.21
Zillow Group Inc, 2.000000%, 2021-12-01	1.17
Jpmorgan Chase Bank NA, 0.000000%, 2022-08-07	1.17
Etsy Inc, 0.125000%, 2026-10-01	1.17
Palo Alto Networks Inc, 0.750000%, 2023-07-01	1.15
Sika AG, 0.150000%, 2025-06-05	1.14
Nuance Communications Inc, 1.000000%, 2035-12-15	1.10
Total	12.89

¹These securities and percentage allocations are only for illustrative purposes and do not constitute, and should not be construed as, investment advice or recommendations with respect to the securities or investments mentioned.

²May not sum to 100% due to rounding.

³For additional information regarding sector classification/definitions please visit www.msci.com/gics and the glossary at www.morganstanley.com/im.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 31.05.2020 and subject to change daily.

Share Class Z Risk and Reward Profile**Lower Risk****Higher Risk****Potentially Lower Rewards****Potentially Higher Rewards**

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 which convert into company shares 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.
- There may be an insufficient number of buyers or sellers which may affect the funds ability to buy or sell securities.
- 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.

Additional Z Share Classes

	CURRENCY	LAUNCH	ISIN	BLOOMBERG
ZH (EUR)	EUR	08.04.2009	LU0360484504	MSGCUZH LX
ZH (GBP)	GBP	20.04.2017	LU1598064217	MSGCZHG LX
ZHX (EUR)	EUR	20.03.2009	LU0410169147	MRSZGZHX LX
ZX	USD	02.07.2013	LU0360613086	MSGCUZX LX

DEFINITIONS

Alpha (Jensen's) is a risk-adjusted performance measure that represents the average return on a portfolio or investment above or below that predicted by the capital asset pricing model (CAPM) given the portfolio's or investment's beta and the average market return. Prior to 6/30/2018 Alpha was calculated as the excess return of the fund versus benchmark. **Beta** is a measure of the relative volatility of a fund to the market's upward or downward movements. A beta greater than 1.0 identifies an issue or fund that will move more than the market, while a beta less than 1.0 identifies an issue or fund that will move less than the market. The Beta of the Market is always equal to 1. **Bloomberg** stands for 'Bloomberg Global Identifier (BBGID)'. This is a unique 12 digit alphanumeric code designed to enable the identification of securities, such as the Morgan Stanley Investment Funds sub-funds at share class level, on a Bloomberg Terminal. The Bloomberg Terminal, a system provided by Bloomberg L.P., enables analysts to access and analyse real-time financial market data. Each Bloomberg code starts with the same BBG prefix, followed by nine further characters that we list here in this guide for each share class of each fund. **Cash & Equivalents** are defined as the value of assets that can be converted into cash immediately. These include commercial paper, open FX

transactions, Treasury bills and other short-term instruments. Such instruments are considered cash equivalents because they are deemed liquid and not subject to significant risk of changes in values. **Conversion Premium** is the amount by which the price of a convertible security exceeds the current market value of the common stock into which it may be converted. **Current Yield** is a measure that looks at the current price of a bond instead of its face value and represents the return an investor would expect if he or she purchased the bond and held it for a year. Calculated by dividing the Annual Cash Inflows / Market Price. **Delta** is the ratio of the change in price of an option to the change in price of the underlying asset. **Duration** is a measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices. **Excess Return** or value added (positive or negative) is the portfolio's return relative to the return of the benchmark. **Information ratio** is the portfolio's alpha or excess return per unit of risk, as measured by tracking error, versus the portfolio's benchmark. **ISIN** is the international securities identification number (ISIN), a 12 digit code consisting of numbers and letters that distinctly identifies securities. **NAV** is the Net Asset Value per share of the Fund (NAV), which represents the value of the assets of a fund less its

liabilities. **R squared** measures how well an investment's returns correlate to an index. An R squared of 1.00 means the portfolio performance is 100% correlated to the index's, whereas a low r-squared means that the portfolio performance is less correlated to the index's. **Sharpe ratio** is a risk-adjusted measure calculated as the ratio of excess return to standard deviation. The Sharpe ratio determines reward per unit of risk. The higher the Sharpe ratio, the better the historical risk-adjusted performance. **Tracking error** is the standard deviation of the difference between the returns of an investment and its benchmark. **Volatility (Standard deviation)** measures how widely individual performance returns, within a performance series, are dispersed from the average or mean value.

INDEX INFORMATION

The **Thomson Reuters Convertible Global Focus USD Hedged Index** is a market weighted index with a minimum size for inclusion of \$500 million (US), 200 million (Europe), 22 billion Yen, and \$275 million (Other) of Convertible Bonds with an Equity Link.

ICE BofAML G300 Global Convertible Index - Local Currency is a global convertible index composed of companies representative of the market structure of countries in North America, Europe and the Asia/Pacific region. It is composed of securities denominated in their respective local currencies.

ICE BofAML G300 Global Convertible Index USD Hedged is a global convertible index composed of companies representative of the market structure of countries in North America, Europe and the Asia/Pacific region. It is hedged to the U.S. dollar.

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