

Morgan Stanley Investment Funds

Global Fixed Income Opportunities Fund

Investment objective

Seeks to provide an attractive level of total return, measured in U.S. dollars, through investment in global fixed income securities. The Fund will seek to achieve the investment policy through an optimal allocation across the various fixed income asset classes as well as through market and instrument selection. The Fund is able to invest across different currencies, credit, and interest rate markets. It may include exposure to asset classes such as Investment Grade, Emerging Markets, High Yield, Asset-Backed Securities, Mortgage-Backed Securities and Convertibles.

Share Class Z Risk and Reward profile



The higher the category (1 - 7), the greater the potential reward, but also the greater the risk of losing the investment. Category 1 does not indicate a risk-free investment.

Download the fund's Key Investor Information document for share class tailored risk ratings and warnings at: www.morganstanleyinvestmentfunds.com

Class Z shares vs. benchmark¹

Performance of 100 U.S. dollars invested since inception



Returns in U.S. dollars vs. benchmark¹

Fund (net of fees) %

Period	Z	A	B	Index
One month	0.60	0.57	0.48	0.42
Last three months	1.66	1.51	1.25	0.87
YTD	6.87	6.32	5.42	2.65
One year	6.87	6.19	5.11	(1.88)
Three years (annualised)	3.62	2.94	1.91	0.14
Five years (annualised)	4.33	3.64	2.61	(0.18)
Since inception (annualised)	5.79	n/a	n/a	0.47

% 12 month returns

31.10.16 - 31.10.17	6.87	6.19	5.11	(1.88)
31.10.15 - 31.10.16	3.87	3.19	2.17	5.59
31.10.14 - 31.10.15	0.22	(0.45)	(1.44)	(3.07)
31.10.13 - 31.10.14	6.43	5.69	4.65	0.22
31.10.12 - 31.10.13	4.42	3.73	2.69	(1.54)

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.

Morningstar Overall Rating

Class Z shares



EAA Fund Global Flexible Bond

Out of 150 Funds. Based on Risk Adjusted Return.

Fund facts

Fund launch	November 2011
Investment team	Christian Roth, Michael Kushma, Jim Caron, Richard Ford
Location	New York
Base currency	U.S. dollars
Benchmark²	Global Fixed Income Opportunities Blend
Total assets	\$ 2.2 billion
NAV Class Z	\$ 35.00

Portfolio characteristics

Portfolio characteristics	Fund
Duration	2.41
Average yield to maturity	3.89
Number of holdings	573

Geographic distribution (% of Total Net Assets)

Geographic distribution (% of Total Net Assets)	Fund
U.S.	41.58
United Kingdom	5.70
Brazil	3.76
Spain	3.59
Portugal	3.31
Australia	2.99
Indonesia	2.62
Argentina	2.58
France	2.39
Other	26.03
Cash & Equivalents	5.45
Total	100.00

Sector distribution (% of Total Net Assets)^{3,4,5}

Sector distribution (% of Total Net Assets) ^{3,4,5}	Fund
Credit	39.30
Investment Grade Credit	16.90
High Yield Credit	14.40
Emerging Markets Corporates	0.70
Convertibles	7.30
Securitized	25.20
RMBS/ABS	19.40
CMBS	5.80
Government Bonds	30.10
G4* Long-Dated Bonds	1.60
Other Developed Markets	5.90
Emerging Markets External Debt	9.30
Emerging Markets Local Currency Debt	13.30
Credit Default Swaps	(0.50)
Cash	5.90

Currency distribution (%)	Fund
US Dollar	99.35
Russian Ruble	1.38
Indonesian Rupiah	0.94
Norwegian Krone	0.90
Argentine Peso	0.66
Polish Zloty New	0.50
Brazilian Real	0.46
Hungarian Forint	0.02
Canadian Dollar	(0.02)
Peruvian Nuevo	(0.03)
Other	(4.18)
Total	100.00

Quality distribution (% of Total Net Assets) ⁶	Fund
AAA	3.70
AA	1.54
A	13.79
BBB	25.55
BB	18.41
B	13.89
CCC	3.84
CC	1.52
C	0.19
D	0.19
Not Rated	11.48
Cash	5.91
Total	100.00

Statistics (Class Z shares)	Fund
Beta	0.22
R squared	0.10
Fund volatility (Standard deviation)	3.25
Index volatility (Standard deviation)	4.65
Based on monthly observations, annualised over last 3 years.	

Charges	Z	A	B
Ongoing charges % ⁷	0.60	1.24	2.24
Management Fee %	0.45	1.00	1.00

Share Class	CCY	ISIN	Bloomberg	Launch
A	USD	LU0694238766	MSGFINA LX	07.11.2011
AH (CHF)	CHF	LU1206779933	MGFIAHC LX	20.03.2015
AH (EUR)	EUR	LU0712123511	MSGFIAH LX	02.04.2012
AHR (EUR)	EUR	LU1033666402	MSGFAHR LX	05.03.2014
AHX (EUR)	EUR	LU0699139464	MSGFAHX LX	07.11.2011
AR	USD	LU1697575931	MSGFIAR LX	11.10.2017
ARM	USD	LU1077972468	MSGFARM LX	03.07.2014
AX	USD	LU0694238840	MSGFIAX LX	07.11.2011
B	USD	LU0699139548	MSGFOPB LX	07.11.2011
BH (EUR)	EUR	LU0712123602	MSGFIBH LX	02.04.2012
BHR (EUR)	EUR	LU1033668796	MSGFBHR LX	05.03.2014
BHX (EUR)	EUR	LU0699139894	MSGFBHX LX	07.11.2011
BX	USD	LU0699139621	MSGFOBX LX	07.11.2011
C	USD	LU0712122976	MSGFICU LX	15.11.2012
CH (EUR)	EUR	LU0712123784	MSGFCHE LX	15.11.2012
CHR (EUR)	EUR	LU1033668879	MSGFCHR LX	05.03.2014
CHX (EUR)	EUR	LU0864486377	MSGCHXE LX	14.12.2012
I	USD	LU0694238923	MSGFINI LX	08.07.2014
IH (EUR)	EUR	LU0712123867	MSGFIHE LX	07.11.2017
IR	USD	LU1697575774	MSGFIIR LX	11.10.2017
IX	USD	LU0712123198	MSGFIXU LX	03.07.2014
Z	USD	LU0694239061	MSGFINZ LX	07.11.2011
ZH (CHF)	CHF	LU1192610829	MGFIZHC LX	23.02.2015
ZH (EUR)	EUR	LU0712124089	MGFIZH LX	25.01.2013
ZHR (GBP)	GBP	LU1699749930	MSGFZHR LX	16.10.2017
ZX	USD	LU0712123271	MSGZXUS LX	04.11.2014

Footnotes

- Publication date: 16 November 2017.
- ¹ See the 'Share Class' section for inception date(s).
- ² The Bloomberg Barclays Global Aggregate Hedged USD Index is used for performance representation from 1st January 2017. Prior to that it was the Bloomberg Barclays Global Aggregate Index. Note that the fund uses the Bloomberg Barclays Global Aggregate Index for the risk methodology stated in the prospectus.
- ³ 'Securitized' includes agency and non-agency RMBS and CMBS
- ⁴ 'G4' is defined as government bonds from U.S., U.K., Germany and Japan. May include TIPS
- ⁵ Credit Default Swap - In addition to the market values noted for Investment Grade Credit, High Yield Credit and CMBS, there may be additional notional long or short exposure to credit default swaps in these markets.
- ⁶ 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.
- ⁷ The Ongoing Charges Figure ("OCF") reflects the payments and expenses which cover aspects of operating the fund and is deducted from the assets over the period. It includes fees paid for investment management, trustee/custodian, and administration charges.

Morningstar

Ratings: The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account sales loads. © 2017 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Past performance is no guarantee of future results.**

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Copies of the Prospectus, Key Investor Information Document, 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'Île, 1204 Geneva.

The source for all performance and index data is Morgan Stanley Investment Management Limited. Calculations are NAV to NAV. Performance is quoted net of fees and with income reinvested.

For cash management purposes the Fund may invest in shares in the Liquidity Funds of Morgan Stanley Liquidity Funds.

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