

Morgan Stanley Investment Funds (MS INVF)

Global High Yield Bond Fund

MARKETING COMMUNICATION | INVESTMENT IDEA | March 2025

1. Why MSIM for Global High Yield

- **DEPTH AND EXPERIENCE:** With track records dating back to the early 1980s, the MSIM High Yield team is one of the longest tenured high-yield managers. The team has over 35 years of experience.
- **INTEGRATED RESOURCES:** Leverage the knowledge and expertise of the other specialized investment teams across the firm.
- **RESEARCH DRIVEN CULTURE:** Our extensive, bottom-up analysis of company fundamentals and risk factors leads to a superior decision-making process.
- **TOP-DOWN RISK FACTOR ANALYSIS:** Our top-down process focuses on identifying the jurisdictions, ratings bands and currencies that offer the best relative value in the global high yield market.
- **MANAGEMENT OF DOWNSIDE RISK:** Maximizing risk-adjusted returns and minimizing down-market capture are our primary focus.

2. Why the MS INVF Global High Yield Bond Fund

- Top quartile total returns, Sharpe Ratio and Information Ratio over the 3-year, 5-year and Since Inception periods
- Focus on developed markets issuers to ensure corporate credit risk is the primary driver of returns
- Strong risk-adjusted returns*
- Offers access to the long-running MSIM Global High Yield strategy with top quartile total returns since inception*

Fast Facts

AT A GLANCE

Fund Launch Date	27 April 2017
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Investment Objective	To provide an attractive rate of return
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Benchmark	ICE BofA Developed Markets High Yield Excluding Subordinated Financial Index (USD Hedged)
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SFDR Classification	Article 8
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Structure	Luxembourg SICAV
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This Fund is classified as an Article 8 product under the Sustainable Finance Disclosure Regulation. Article 8 products are those which promote environmental or social characteristics and which integrate sustainability into the investment process in a binding manner.

* As of 2/28/2025. Past performance is no guarantee of future results. It is possible for a highly ranked fund to exhibit low or negative performance within a given period.

3. Why High Yield

Starting yields matter and are historically correlated to positive forward returns in high yield corporate bond markets.

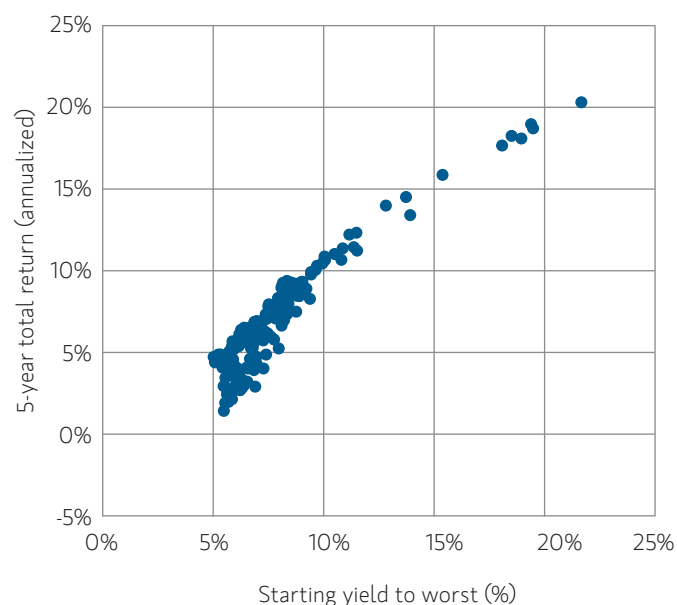
Higher yields correlate positively to long-term returns

U.S. and European High Yield – yields versus 5-year forward returns

Past performance is no guarantee of future results

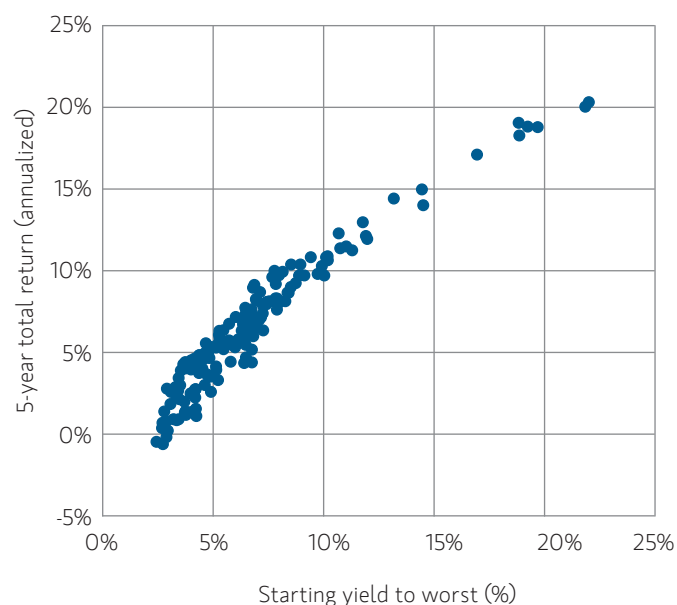
U.S. High Yield

Yield-to-worst at 28 February 2025 is 7.2%



European High Yield

Yield-to-worst at 28 February 2025 is 5.5%



Source: Bloomberg, MSIM, ICE Indices. Note: Yields are in local currency as of January 31, 2025. **US High Yield = ICE BofA US High Yield Index (HOOA). European High Yield = ICE BofA European Ccy Developed Mkts High Yield excl Sub-Financials Constrained Index (HPSD).** Based on 20 years of historic data.

This index performance is provided for illustrative purposes only and is not meant to depict the performance of a specific investment.

Risk Considerations

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. 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. The fund may be impacted by movements in the exchange rates between the fund's currency and the currencies of the fund's investments. 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.

INDEX INFORMATION

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