

Morgan Stanley Investment Funds

Global Discovery Fund - B Shares (Accumulation Share Class)

Investment Objective

Long term growth of your investment.

Investment Approach

We seek high-quality established and emerging companies located throughout the world with strong free-cash-flow yields and favorable returns on invested capital trends. We focus on long-term growth rather than short-term events, with our stock selection informed by rigorous fundamental analysis.

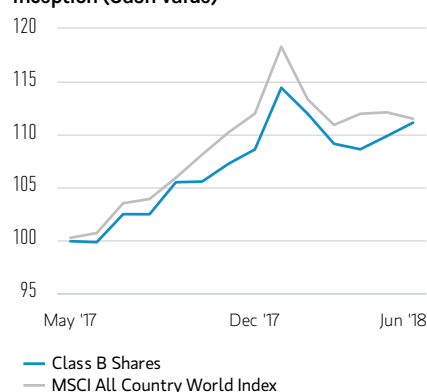
Investment Team

	JOINED FIRM	YEARS OF INVESTMENT EXPERIENCE
Dennis Lynch, Head of Growth Investing	1998	24
David Cohen, Managing Director	1993	30
Sam Chainani, Managing Director	1996	22
Alexander Norton, Executive Director	2000	23
Jason Yeung, Managing Director	2002	21
Armistead Nash, Managing Director	2002	18

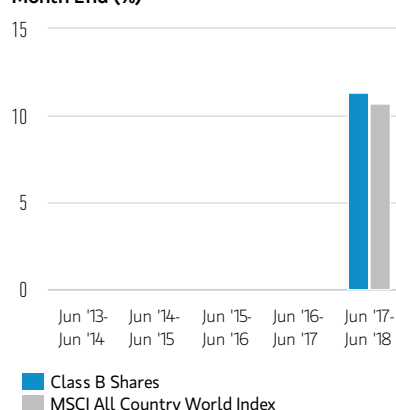
Team members may be subject to change at any time without notice. Prior to 30 April 2018, Burak Alici was primarily responsible for day to day management.

Class B 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 B Shares	1.17	1.83	2.33	11.32	--	--	--	10.05
MSCI All Country World Index	(0.54)	0.53	(0.43)	10.73	--	--	--	10.38

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.

ACTIVE FUNDAMENTAL EQUITY

FACTSHEET | 30 June 2018

Investors should read the Key Investor Information Document and Prospectus before investing.

Share Class

	CLASS B
Currency	U.S. dollars
ISIN	LU1610903442
Bloomberg	MSGLDBA LX
Inception Date	24 May 2017
NAV	\$ 27.78

Fund Facts

Launch date	28 November 2014
Base currency	U.S. dollars
Index	MSCI All Country World Index
Total assets	\$ 37.09 million
Structure	Luxembourg SICAV

Charges (%)

	CLASS B
Max Entry Charge	0.00
Ongoing Charges	2.84
Management Fee	1.60

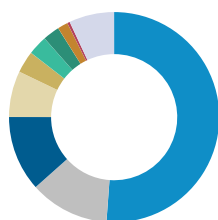
Entry Charge is a maximum possible figure. In some cases you might pay less, you can find this out from your financial adviser. Ongoing Charges reflect the payments and expenses incurred during the fund's operation and are deducted from the assets of the fund over the period. It includes fees paid for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

Subscriptions (USD)

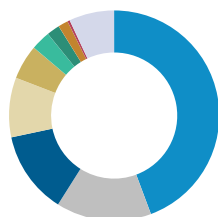
	CLASS B
Minimum Initial Investment	0
Minimum Subsequent Investment	0

Characteristics

	FUND	INDEX
Active share (%)	97.10	--
Number of holdings	31	2,781
Return on capital (%)	7.80	9.88
5 year EPS growth (%)	(1.22)	6.82
Sales growth (%)	7.21	10.64
Weighted median market capitalization (\$B)	13.20	47.29
D/E weighted median (%)	68.99	69.72
Dividend Yield (%)	1.44	2.40

Top Countries (% of Total Net Assets)¹

	FUND	INDEX
United States	51.19	53.64
France	12.23	3.48
Canada	11.62	3.07
United Kingdom	7.09	5.69
Brazil	3.37	0.68
Denmark	2.99	0.53
Germany	2.58	3.02
Italy	1.60	0.77
New Zealand	0.40	0.07
Cash & equivalents	6.94	--
Total	100.00	--

Sector Allocation (% of Total Net Assets)^{1,2}

	FUND	INDEX
Consumer Discretionary	44.32	12.38
Industrials	14.65	10.50
Information Technology	12.71	19.61
Materials	9.18	5.24
Financials	5.32	17.45
Health Care	2.99	11.12
Telecommunication Services	2.00	2.80
Energy	1.53	6.82
Real Estate	0.37	3.03
Cash & equivalents	6.94	--
Total	100.00	--

Top Holdings (% of Total Net Assets)³

	FUND	INDEX
Christian Dior S.A.	9.20	--
Amazon.com Inc	8.36	1.55
Whitbread plc	5.83	0.02
Mercadolibre Inc	4.65	0.03
Welbilt Inc	4.56	--
Nutrien Ltd	4.54	0.08
Constellation Software Inc/Can	4.50	0.03
Dillards Inc	4.33	--
Carmax Inc	4.26	0.03
Autoliv Inc	4.16	0.03
Total	54.39	--

¹ May not sum to 100% due to rounding.

² For additional information regarding sector classification/definitions please visit www.msci.com/gics and the glossary at www.morganstanley.com/im.

³ These 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.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 30.06.2018 and subject to change daily.

DEFINITIONS

The **5 year Earnings Per Share (EPS) growth rate** is the weighted average of earnings per share growth for all securities in the portfolio projected for the past five fiscal years. Earnings per share for a company is defined as total earnings divided by shares outstanding. **Active share** is a measure of the percentage of stock holdings in a managers portfolio that differ from the benchmark index (based on holdings and weight of holdings). Active share scores range from 0%-100%. A score of 100% means you are completely different from the benchmark. **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

Share Class B 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 company shares and the fund's simulated and/or realised return has experienced high 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 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.
- Investment in China A-Shares via Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programs may also entail additional risks, such as risks linked to the ownership of shares.
- 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.

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. **Debt/equity (D/E)** is a measure of a company's financial leverage calculated by dividing its total liabilities by stockholders' equity. **Dividend yield** is the ratio between how much a company pays out in dividends each year relative to its share price. **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. **Number of holdings** provided are a typical range, not a maximum number. The portfolio may exceed this from time to time due to market conditions and outstanding trades. **Return on capital** is a

measure of a company's efficiency at allocating the capital under its control to profitable investments, calculated by dividing net income minus dividends by total capital. **Sales growth** is the increase in sales over a specific period of time, often but not necessarily annually. **Weighted median market capitalization** is the point at which half of the market value of a portfolio is invested in stocks with a greater market cap, and consequently the other half is invested in stocks with a lower market cap.

INDEX INFORMATION

The **MSCI All Country World Index (ACWI)** 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 performance of the Index is listed in U.S. dollars and assumes reinvestment of net dividends. The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index.

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Applications for shares in the Fund should not be made without first consulting the current Prospectus, 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. Luxembourg 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, 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'Île, 1204 Geneva. The document 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.

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