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FACTSHEET | DATA AS OF JULY 31, 2017

Morgan Stanley Investment Funds Emerging Markets Debt Fund

Investment objective

Seeks to maximise total return, measured in U.S. dollars, through investment in the debt securities of government and government-related issuers located in emerging countries.

Share Class I 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 I shares vs. benchmark¹

Performance of 100 U.S. dollars invested since inception



Returns in U.S. dollars vs. benchmark¹

Fund (net of fees) %

Period	I (USD)	A (USD)	B (USD)	Index (USD)	AH (EUR)	Index ² (EUR)
One month	0.61	0.56	0.49	0.66	0.40	0.51
Last three months	1.54	1.39	1.13	1.23	0.91	0.76
YTD	7.31	6.97	6.35	6.90	5.92	5.82
One year	5.47	4.88	3.83	4.59	3.15	2.60
Three years (ann.)	3.01	2.43	1.40	4.83	1.49	3.61
Five years (ann.)	2.95	2.36	1.35	4.51	1.70	3.66
Ten years (ann.)	5.79	5.17	4.13	7.46	-	6.66
Since inception (ann.)	10.80	n/a	n/a	11.14	4.27	6.26

% 12 month returns

31.07.16 - 31.07.17	5.47	4.88	3.83	4.59	3.15	2.60
31.07.15 - 31.07.16	9.31	8.69	7.61	11.58	7.78	10.53
31.07.14 - 31.07.15	(5.20)	(5.73)	(6.68)	(1.28)	(5.96)	(1.90)
31.07.13 - 31.07.14	8.06	7.43	6.39	10.13	7.32	9.94
31.07.12 - 31.07.13	(2.07)	(2.65)	(3.60)	(1.73)	(3.06)	(2.12)

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 I shares



EAA Fund Global Emerging Markets Bond
Out of 753 Funds. Based on Risk Adjusted Return.

Fund facts

Fund launch	April 1995
Investment team	Eric Baurmeister, Warren Mar, Sahil Tandon
Location	New York
Base currency	U.S. dollars
Benchmark	JP Morgan Emerging Markets Bond Index Global
Total assets	\$ 252.8 million
NAV Class I	\$ 98.45

Portfolio characteristics

	Fund	Index
Interest Rate Duration	6.76	6.82
Average yield to maturity	5.94	5.20
Number of holdings	132	616

Asset breakdown (% of Total Net Assets)

	Fund
Sovereign	63.42
Quasi-Sovereign	21.31
Corporates	11.20
Cash & Equivalents	4.06
Total	100.00

Geographic distribution (% of Total Net Assets)

	Fund
Mexico	13.90
Indonesia	9.67
Argentina	8.00
Russia	7.19
Brazil	6.28
Turkey	5.03
Ukraine	3.53
China	3.44
Venezuela	2.96
Other	35.92
Cash & Equivalents	4.08
Total	100.00

Quality distribution (% of Total Net Assets)³

	Fund
AA	2.15
A	8.52
BBB	40.84
BB	19.62
B	20.93
CCC	3.80
Not Rated	0.06
Cash	4.08
Total	100.00

Statistics (Class I shares)	Fund
Alpha	(1.82)
Beta	1.16
R squared	0.90
Information ratio	(0.73)
Tracking error	2.49
Fund volatility (Standard deviation)	7.36
Index volatility (Standard deviation)	6.04

Based on monthly observations, annualised over last 3 years.

Charges	Z	I	A	AH (EUR)	B
Ongoing charges % ⁴	1.05	1.09	1.64	1.68	2.64
Management Fee %	0.90	0.90	1.40	1.40	1.40

Share Class	CCY	ISIN	Bloomberg	Launch
A	USD	LU0073230004	MOREDPI LX	01.02.1997
AH (EUR)	EUR	LU0266119204	MOREDAH LX	31.10.2006
AHX (EUR)	EUR	LU0691071764	MSEKAHX LX	03.11.2011
ARM	USD	LU0749490537	MSEMARM LX	20.03.2012
AX	USD	LU0239678807	MOREDAX LX	31.01.2006
B	USD	LU0073230343	MOREDPA LX	01.07.1997
BH (EUR)	EUR	LU0341474269	MOREDBH LX	05.10.2010
BHX (EUR)	EUR	LU0691071921	MSEKBHX LX	03.11.2011
BX	USD	LU0691071848	MSEMKBX LX	03.11.2011
C	USD	LU0176158151	MSEMDBC LX	29.07.2008
I	USD	LU0057132697	MORIEMD LX	01.04.1995
Z	USD	LU0360479504	MSEMDTZ LX	24.06.2008
ZH (EUR)	EUR	LU0360479769	MOREDZH LX	23.10.2009

Footnotes

Publication date: 16 August 2017.

¹ See the 'Share Class' section for inception date(s).

² Benchmark is JPM Emerging Markets Bond Index Global Euro Hedged.

³ 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.

⁴ 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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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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