

# Morgan Stanley Investment Funds

## Emerging Europe, Middle East and Africa Equity Fund

### Investment objective

Seeks long-term capital appreciation, measured in euro, by investing primarily in equity securities of issuers in Central, Eastern and Southern Europe (including the Russian Federation), the Middle East and Africa.

### 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](http://www.morganstanleyinvestmentfunds.com)

### Class I shares vs. benchmark<sup>1</sup>

Performance of 100 Euro invested since inception



### Returns in Euro vs. benchmark<sup>1</sup>

Fund (net of fees) %

Period	I	A	B	Index
One month	1.12	1.07	0.99	2.45
Last three months	(0.90)	(1.04)	(1.28)	(4.24)
YTD	7.73	7.39	6.77	(0.60)
One year	11.55	10.93	9.82	7.49
Three years (annualised)	7.10	6.49	5.43	0.66
Five years (annualised)	6.76	6.16	5.12	0.05
Ten years (annualised)	1.22	0.63	(0.33)	0.16
Since inception (annualised)	7.56	n/a	n/a	4.09

### % 12 month returns

31.07.16 - 31.07.17	11.55	10.93	9.82	7.49
31.07.15 - 31.07.16	(1.69)	(2.25)	(3.22)	(6.09)
31.07.14 - 31.07.15	12.01	11.38	10.27	1.06
31.07.13 - 31.07.14	6.20	5.60	4.58	6.59
31.07.12 - 31.07.13	6.30	5.73	4.70	(7.79)

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 EMEA Equity

Out of 32 Funds. Based on Risk Adjusted Return.

### Fund facts

<b>Fund launch</b>	October 2000
<b>Investment team</b>	Gaite Ali, Eric Carlson, Paul Psaila
<b>Location</b>	New York
<b>Base currency</b>	Euro
<b>Benchmark</b>	MSCI Emerging Europe, Middle East and Africa Index
<b>Total assets</b>	€ 115.7 million
<b>NAV Class I</b>	€ 84.97

### Portfolio characteristics

	Fund	Index
P/CF	13.62	8.29
P/BV	1.78	1.38
P/E	14.88	12.35
Dividend Yield	1.79	3.31
Number of holdings	35	163

### Top 10 holdings (% of Total Net Assets)

	Fund	Index
Naspers Ltd	7.27	13.37
Gazprom Oao	4.99	2.89
Pko Bank Polski	4.28	1.32
CCC S.A.	3.98	0.26
Steinhoff International Holdings	3.95	2.06
Avi Ltd	3.81	-
Lpp S.A.	3.79	0.35
Yandex NV	3.73	-
Epam Systems Inc	3.47	-
Bank Zachodni Wbk S.A.	3.41	0.51
<b>Total</b>	<b>42.68</b>	<b>-</b>

### Geographic distribution (% of Total

#### Net Assets)

	Fund	Index
Poland	27.16	8.89
South Africa	26.83	45.51
Russia	17.04	20.99
Turkey	4.64	8.07
United States	3.47	-
Austria	3.23	-
Egypt	3.11	0.86
Hungary	3.10	2.26
Romania	3.00	-
Other	5.37	-
Cash & Equivalents	3.05	-
<b>Total</b>	<b>100.00</b>	<b>-</b>

Statistics (Class I shares)	Fund	Index
Alpha	6.43	-
Beta	0.73	1.00
R squared	0.80	1.00
Information ratio	0.87	-
Tracking error	7.36	-
Fund volatility (Standard deviation)	13.13	16.07

Based on monthly observations, annualised over last 3 years.

Charges	Z	I	A	B
Ongoing charges % <sup>2</sup>	1.30	1.34	1.89	2.89
Management Fee %	1.10	1.10	1.60	1.60

Share Class	CCY	ISIN	Bloomberg	Launch
A	EUR	LU0118140002	MORSEEA LX	17.10.2000
AX	EUR	LU0218443736	MOREEAX LX	01.06.2005
B	EUR	LU0118140697	MORSEEB LX	16.10.2000
I	EUR	LU0118140184	MORSEEL LX	16.10.2000
Z	EUR	LU0360482631	MORSEBZ LX	25.06.2008

#### Footnotes

Publication date: 16 August 2017.

<sup>1</sup> See the 'Share Class' section for inception date(s).

<sup>2</sup> 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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