

Morgan Stanley Investment Funds

Global Balanced Income Fund

Investment objective

Seeks an attractive level of total return by managing a broad asset mix within a targeted risk range of 4-10%, which is subject to change. The fund invests primarily in equities, fixed income, commodity-linked investments and cash. Income is enhanced by the sale of put options on major equity indices. Derivatives such as index futures are used for efficient portfolio management.

Share Class Z Risk and Reward profile

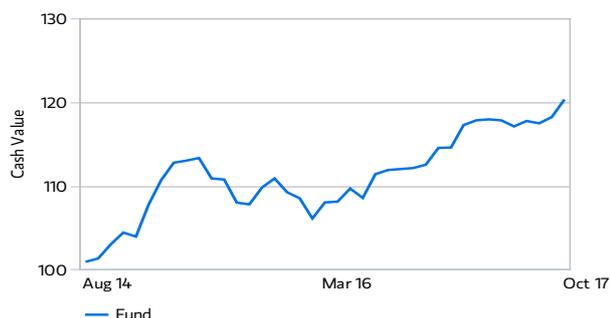


The higher the category (1 - 7), the greater the potential reward, but also the greater the risk of losing the investment. Category 1 does not indicate a risk-free investment.

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

Class Z shares¹

Performance of 100 Euro invested since inception



Returns in Euro¹

Fund (net of fees) %

Period	Z	AR	AHR (USD)	BR	CR
One month	1.76	1.64	1.77	1.56	1.60
Last three months	2.17	1.86	2.32	1.60	1.69
YTD	5.03	3.89	5.20	3.02	3.30
One year	7.28	5.89	7.43	4.83	5.15
Three years (annualised)	5.29	3.94	-	-	-
Since inception (annualised)	5.85	4.48	4.93	3.09	3.39

% 12 month returns

31.10.16 - 31.10.17	7.28	5.89	7.43	4.83	5.15
31.10.15 - 31.10.16	2.11	0.79	1.88	(0.16)	0.11
31.10.14 - 31.10.15	6.56	5.20	-	-	-

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 EUR Flexible Allocation - Global
Out of 1632 Funds. Based on Risk Adjusted Return.

Fund facts

Fund launch	July 2014
Investment team	Andrew Harmstone, Manfred Hui
Location	London
Base currency	Euro
Total assets	€ 678.4 million
NAV Class Z	€ 30.08

Ex dividend income (1 Share)

Latest dividend	0.37
Paid	05/10/2017
Next dividend due	01/05/2018

Options exposure

Effective equity exposure (including options and futures)	34.42
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Current Yield

Underlying assets	2.50
Options related	3.50
Total	6.00

Asset breakdown (% of Total Net Assets)

Fixed Income	34.81
Equity	34.42
Commodities	4.44
Cash & Equivalents	26.33
Total	100.00

Regional Exposure (% of Equity)

North America	30.41
Europe	28.92
Emerging Market	22.98
Japan	15.86
Asia ex Japan	1.83
Total	100.00

Sector Distribution (% of Equity)

Financials	17.54
Information Technology	17.35
Industrials	13.72
Consumer Discretionary	12.84
Health Care	8.69
Consumer Staples	8.35
Energy	5.29
Materials	4.95
Telecommunication Services	4.81
Utilities	4.27
Real Estate	2.19
Cash & Equivalents	0.00
Total	100.00

Currency Exposure (% of Total Net Assets)	Fund
EUR	61.89
USD	21.65
JPY	4.67
GBP	1.94
All Others	9.86
Total	100.00

Quality Distribution (% of Fixed Income) ²	Fund
AAA	8.20
AA	2.45
A	59.32
BBB	14.33
B or Below	15.71
Total	100.00

Charges	Z	A
Ongoing charges % ³	0.95	2.24
Management Fee %	0.80	2.00

Share Class	CCY	ISIN	Bloomberg	Launch
A	EUR	LU1078119317	MSGBLIA LX	31.07.2014
AHR (USD)	USD	LU1135041611	MSGBAHR LX	07.11.2014
AR	EUR	LU1092475372	MSGBIAR LX	31.07.2014
BR	EUR	LU1135002472	MSGBIBR LX	07.11.2014
CHR (USD)	USD	LU1279371170	MSGCHUS LX	24.08.2015
CR	EUR	LU1135010228	MSGBICR LX	07.11.2014
I	EUR	LU1355506806	MSGCHIA LX	05.02.2016
IHR (USD)	USD	LU1279370875	MSGIHUS LX	24.08.2015
IR	EUR	LU1092475612	MSGBIIR LX	31.07.2014
Z	EUR	LU1078119408	MSGBINZ LX	31.07.2014
ZH (USD)	USD	LU1559459315	MSGBZHU LX	07.02.2017
ZHR (GBP)	GBP	LU1268547731	MSGZHRG LX	31.07.2015

Footnotes

Publication date: 16 November 2017.

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

² 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.

³ 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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