

Morgan Stanley Institutional Fund

# Europe Opportunity Fund

GLOBAL OPPORTUNITY

## Performance Review

In the quarter period ending September 30, 2025, the Portfolio's I shares returned -4.85% (net of fees)<sup>1</sup>, while the benchmark returned 3.62%.

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## Market Review

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## Portfolio Review

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## Outlook

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## Fund Facts

Inception Date	July 28, 1997
Minimum Initial Investment (\$)*	A Shares - 1,000
	I Shares - 1,000,000
Benchmark	MSCI Europe Index
Class I expense ratio	Gross 1.36 %
	Net 1.05 %
Class A expense ratio	Gross 1.62 %
	Net 1.38 %

Where the net expense ratio is lower than the gross expense ratio, certain fees have been waived and/or expenses reimbursed. These waivers and/or reimbursements will continue for at least one year from the date of the applicable fund's current prospectus (unless otherwise noted in the applicable prospectus) or until such time as the fund's Board of Directors acts to discontinue all or a portion of such waivers and/or reimbursements. Absent such waivers and/or reimbursements, returns would have been lower. Expenses are based on the fund's current prospectus, in effect as of the date of this commentary. For information on the applicable fund's current fees and expenses, please see the fund's current prospectus.

<sup>1</sup> Source: Morgan Stanley Investment Management. Data as of September 30, 2025. Performance for other share classes will vary.

\* Share class availability may vary by platform. For more information, please visit the specified fund page on the website.

This document constitutes a commentary and does not constitute investment advice nor a recommendation to invest. The value of investments may rise as well as fall. Independent advice should be sought before any decision to invest.

NOT FDIC INSURED | OFFER NO BANK GUARANTEE | MAY LOSE VALUE | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY | NOT A DEPOSIT

## Performance (%)

As of September 30, 2025

	MTD	QTD	YTD	1 YR	3 YR	5 YR	10 YR
Class I Shares at NAV	0.35	-4.85	11.35	8.36	22.24	4.48	7.56
Class A Shares at NAV	0.30	-4.96	11.09	8.00	21.83	4.15	7.19
Class A Shares (With Max 5.25% Sales Charge)	-4.96	-9.96	5.25	2.32	19.66	3.03	6.61
MSCI Europe Index	1.98	3.62	27.50	15.08	22.91	12.19	8.14

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month end performance figures, please visit [morganstanley.com/im](https://morganstanley.com/im). Investment returns and principal value will fluctuate and fund shares, when redeemed, may be worth more or less than their original cost.

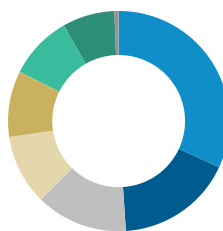
Returns are net of fees and assume the reinvestment of all dividends and income. They are compared to an unmanaged market index. Returns for less than one year are cumulative (not annualized). Performance for one year or more is based on average annual total returns. The returns are reported for Class I and A shares. Performance for other share classes will vary.

## Top Holdings (% of Total Net Assets)

	FUND	INDEX
Spotify Technology S.A.	8.83	0.83
DSV A/S	7.83	0.32
Hermès International S.A.	7.73	0.60
Moncler S.p.A.	7.36	0.11
ASML Holding NV	5.64	2.98
Schneider Electric SE	5.59	1.19
Formula One Group	5.14	--
L'Oréal S.A.	4.50	0.81
EssilorLuxottica	4.30	0.76
On Holding AG	4.00	--
<b>Total</b>	<b>60.92</b>	<b>--</b>

## Sector Allocation (% of Total Net Assets)<sup>^</sup>

	FUND	INDEX
Consumer Discretionary	31.85	8.09
Communication Services	17.06	4.02
Industrials	13.42	19.61
Financials	10.26	23.73
Health Care	9.70	13.16
Information Technology	9.34	7.37
Consumer Staples	7.64	9.33
Energy	--	4.19
Materials	--	5.41
Real Estate	--	0.75
Utilities	--	4.33
Cash	0.61	--



<sup>^</sup> May not sum to 100% due to the exclusion of other assets and liabilities.

## INDEX INFORMATION

The **MSCI Europe Index** is a free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe. 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. Any index referred to herein is the intellectual property (including registered trademarks) of the applicable licensor.

## RISK CONSIDERATIONS

There is no assurance that a mutual fund will achieve its investment objective. Funds are subject to market risk, which is the possibility that the market values of securities owned by the fund will decline and that the value of fund shares may therefore be less than what you paid for them. Market values can change daily due to economic and other events (e.g. natural disasters, health crises, terrorism, conflicts and social unrest) that affect markets, countries, companies or governments. It is difficult to predict the timing, duration, and potential adverse effects (e.g. portfolio liquidity) of events. Accordingly, you can lose money investing in this fund. Please be aware that this fund may be subject to certain additional risks. In general,

**equities securities'** values also fluctuate in response to activities specific to a company. Investments in **foreign markets** entail special risks such as currency, political, economic, market and liquidity risks. The risks of investing in **emerging market countries** are greater than the risks generally associated with investments in foreign developed countries. **European Investments Risk.** Adverse political, social or economic developments in Europe, or in a particular European country, could cause a substantial decline in the value of the Portfolio. In addition, because investments are concentrated in Europe, performance may be more volatile than a more geographically diversified set of investments. If one or more countries leave the European Union ("EU") or the EU dissolves, the world's securities markets likely will be significantly disrupted. The financial instability of some countries in the EU together with the risk of such instability impacting other more stable countries may increase the economic risk of investing in companies in Europe. **Focused Investing** To the extent that the Fund invests in a limited number of issuers, the Fund will be more susceptible to negative events affecting those issuers and a decline in the value of a particular instrument may cause the Fund's overall value to decline to a greater degree than if the Fund were invested more widely. **Derivative instruments** may disproportionately increase losses and have a significant impact on performance. They also may be subject to counterparty, liquidity, valuation, correlation and market risks. **Privately placed and restricted securities** may be subject to resale restrictions as well as a lack of publicly available information, which will increase their illiquidity and could adversely affect the ability to value and sell them (**liquidity risk**). There is no assurance strategies that incorporate **ESG factors** will result in more favorable investment performance. **Active Management Risk.** The Adviser has considerable leeway in deciding which investments to buy, hold or sell, and which trading strategies to use. Such decisions will affect performance.

## IMPORTANT INFORMATION

The views and opinions and/or analysis expressed are those of the investment team as of the date of preparation of this material and are subject to change at any time without notice due to market or economic conditions and may not necessarily come to pass. Furthermore, the views will not be updated or otherwise revised to reflect information that subsequently

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**Please consider the investment objective, risks, charges and expenses of the fund carefully before investing. The prospectus contains this and other information about the fund. To obtain a prospectus (which includes the applicable fund's current fees and expenses, if different from those in effect as of the date of this commentary), download one at [morganstanley.com/im](https://morganstanley.com/im) or call 1-800-548-7786. Please read the prospectus carefully before investing.**

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