

# Morgan Stanley VIF Emerging Markets Debt Portfolio — Class II

## Investment Strategy from investment's prospectus

The investment seeks high total return. The fund invests at least 80% of the fund's assets in debt securities of issuers located in emerging market or developing countries. It may invest, to a lesser extent, in securities denominated in currencies other than U.S. dollars. The fund may invest in fixed income securities that are rated below "investment grade" or are not rated, but are of equivalent quality. It may, but it is not required to, use derivative instruments for a variety of purposes, including hedging, risk management, portfolio management or to earn income. The fund is non-diversified.

Past name: Morgan Stanley UIF Emerg Mkts Debt II.

## Category Description: Emerging Markets Bond

Emerging-markets bond portfolios invest more than 65% of their assets in foreign bonds from developing countries. The largest portion of the emerging-markets bond market comes from Latin America, followed by Eastern Europe. Africa, the Middle East, and Asia make up the rest.

## Operations

Fund Inception Date	12-19-02
Initial Share Class Inception Date	06-16-97
Advisor	Morgan Stanley Investment Management, Inc.
Subadvisor	Morgan Stanley Investment Management Ltd

## Fees and Expenses as of 04-30-21

Gross Prospectus Expense Ratio	1.40%
Net Prospectus Expense Ratio	1.15%

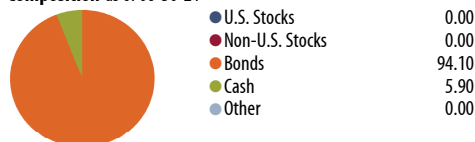
Waiver Data	Type	Exp.Date	%
Expense Ratio	Contractual	07-01-22	0.25

## Portfolio Manager(s)

Eric J. Baurmeister, CFA. Since 2002.  
Warren Mar. B.A., University of Auckland. Since 2014.

## Portfolio Analysis as of 06-30-21

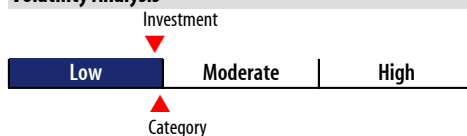
### Composition as of 06-30-21



### Top 20 Holdings as of 06-30-21

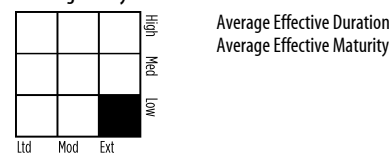
Security	% Assets
Morgan Stanley InstLqdy TrsSecs Instl 12-31-30	4.63
Qatar (State of) 4.82% 03-14-49	2.36
Russian Federation 5.62% 04-04-42	2.30
Petroleos Mexicanos 7.69% 01-23-50	1.99
Philippines (Republic of) 9.5% 02-02-30	1.77
Oman (Sultanate of) 6.25% 01-25-31	1.63
Ukraine (Republic of) 7.75% 09-01-23	1.52
Oman (Sultanate of) 6% 08-01-29	1.50
Russian Federation 4.5% 04-04-22	1.45
Colombia (Republic of) 5% 06-15-45	1.18
Abu Dhabi (Emirate of) 2.5% 09-30-29	1.17
Sinopec Group Overseas Development (2018) Limited 2.95% 11-12-29	1.08
Brazil (Federative Republic) 5% 01-27-45	1.06
Turkey (Republic of) 5.75% 03-22-24	1.05
Indonesia (Republic of) 4.12% 01-15-25	1.05
Nigeria (Federal Republic of) 9.25% 01-21-49	1.02
South Africa (Republic of) 4.3% 10-12-28	1.02
Peru (Republic of) 6.55% 03-14-37	1.01
Mexico (United Mexican States) 7.75% 05-29-31	1.00
Petroleos Mexicanos 6.84% 01-23-30	0.99
Total Number of Stock Holdings	—
Total Number of Bond Holdings	166
Annual Turnover Ratio %	40.00
Total Fund Assets (\$mil)	154.15

## Volatility Analysis



In the past, this investment has shown a relatively small range of fluctuations relative to other investments. Based on this measure, currently more than two thirds of all investments have shown higher levels of risk. Consequently, this investment may appeal to investors looking for a conservative investment strategy.

## Morningstar Style Box™ as of 06-30-21



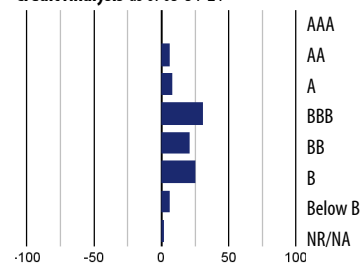
## Risk Measures as of 09-30-21

Metric	Port Avg	BC Aggr
3 Yr Std Dev	11.45	3.54
3 Yr Sharpe Ratio	0.41	1.23
3 Yr Alpha	-0.91	—
3 Yr Beta	1.32	—
3 Yr R-squared	15.96	—

## Morningstar Sectors as of 06-30-21

Sector	%Fund
Government	83.78
Corporate	10.32
Securitized	0.00
Municipal	0.00
Cash and Equivalents	5.90
Other	0.00

## Credit Analysis as of 03-31-21



## Notes

This material is authorized for client use only when preceded by and accompanied by a Disclosure Statement, a product prospectus, a prospectus and/or informational brochure containing more complete information. These can be obtained from your investment professional and should be read carefully before investing or sending money.

NOT A DEPOSIT — NOT FDIC INSURED — NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY — NOT GUARANTEED BY THE INSTITUTION — MAY GO DOWN IN VALUE