

Morgan Stanley Inst US Sm Cp Value Inst

Release Date
12-31-09

Category
Small Value

Investment Strategy from investment's prospectus

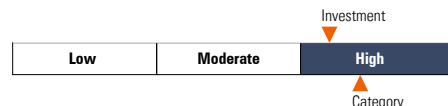
The investment seeks above-average total return over a market cycle of three to five years.

The fund invests primarily at least 80% of the assets in common stocks of small-capitalization companies traded on a U.S. securities exchange. The Advisor seeks undervalued stocks relative to the market place or similar companies.

Past name(s): Morgan Stanley inst US Sm Cap Val Inst.

Volatility and Risk

Volatility as of 12-31-09



Risk Measures as of 12-31-09	Port Avg	Rel S&P 500	Rel Cat
3 Yr Std Dev	23.30	1.17	0.91
3 Yr Beta	1.09	—	0.93

Prospectus Risk as of 12-31-09

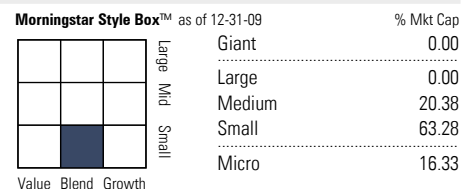
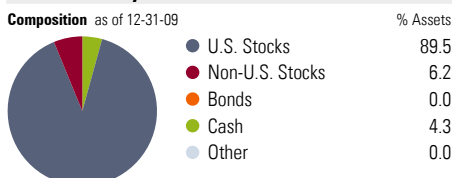
Active Management, Currency, Derivatives, Emerging Markets, Equity Securities, Focused Capitalization, Foreign Securities, Hedging Strategies, Industry and Sector Investing, Loss of money, Market Risk/Market Volatility, and Not FDIC insured risks.

Investment Risk

The investor should note that funds that invest in securities involve special additional risks.

Small Cap Funds: Smaller companies typically have higher risk of failure, and are not as well established as larger blue-chip companies. Historically, the smaller company stocks have experienced a greater degree of market volatility than the overall market average.

Portfolio Analysis



Top 10 Holdings as of 12-31-09

Company	% Assets
Maximus, Inc.	4.21
Healthsouth Corporation	3.42
AAR Corporation	3.07
Proassurance Corporation	2.37
AerCap Holdings N.V.	2.34
Perrigo Company	2.33
Zep, Inc.	2.30
Syniverse Holdings, Inc.	2.25
Corn Products International, Inc.	2.22
Pharmacia Corporation	2.15

Morningstar Super Sectors as of 12-31-09

Sector	% Fund
Information	15.98
Service	52.43
Manufacturing	31.61

Operations

Gross Prosp Exp Ratio	0.81% of fund assets
Net Prosp Exp Ratio	0.81% of fund assets
Management Fee	0.66%
12b-1 Fee	—
Other Fee	0.00%
Fund Inception Date	07-01-86
Total Fund Assets (\$mil)	712.4
Advisor	Morgan Stanley Invstmt Management Inc
Subadvisor	—

Waiver Data

Type	Exp. Date	%
—	—	—

Portfolio Manager(s)
Richard Glass, CFA. Since 2003.
Alexander Yaggy. Since 2006.

Notes

Expenses include sub-transfer agency fees that are incurred on a class-by-class basis. The Portfolio may invest a portion of its assets in other investment companies (the Acquired Funds). The Portfolio's shareholders indirectly bear a pro rata portion of the expenses of the Acquired Funds in which the Portfolio invests. The estimated fees are based upon the average allocation of the Portfolio's investments in the Acquired Funds and upon the actual total operating expenses of the Acquired Funds (including any current waivers and expenses limitations) for the fiscal year ended 9/30/08. Actual Acquired Fund expenses incurred by the Portfolio may vary with changes in the allocation of the Portfolio assets among the Acquired Funds with the other events that directly affect the expenses of the Acquired Fund. A Redemption Fee may apply to any shares that are redeemed or exchanged within 30 days of acquisition (including acquisitions through exchanges). The Redemption Fee equals 2.00% of the net asset value of the shares redeemed or exchanged. Redemption Fees are paid to and retained by the Fund and are not sales charges (loads). Funds or their affiliates may pay compensation to ING affiliates offering a fund. Such compensation may be paid out of distribution, service and/or 12b-1 fees that are deducted from the fund's assets, and/or may be paid directly by the fund's affiliates. Any fees deducted from fund assets are discussed in the fund's prospectus and disclosed in the fund fact sheet. Because these fees are paid on an on-going basis, over time these fees will increase the cost of your investment and may cost you more than paying other types of sales charges. If offered through a retirement program, additional fees and expenses may be charged under that program. NOT A DEPOSIT. NOT FDIC INSURED. NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY. NOT GUARANTEED BY THE INSTITUTION. MAY GO DOWN IN VALUE.