

Morgan Stanley Investment Management

Morgan Stanley Institutional Liquidity Fund - Tax Exempt Portfolio
Holding Analysis Report

Report Date: 10/3/2008
Cut-off Date: 10/3/2008

Holding Analysis Detail

Cusip	Description	Shares	Amortized Cost ⁽¹⁾	% of Amortized Cost
Weekly Variable Rate Bonds				
13033FK74	CALIFORNIA VAR 06/41	52,240,000.00	52,240,000.00	1.60%
3531866D6	FRANKLIN CNTY VAR 11/33	50,000,000.00	50,000,000.00	1.53%
13067JEX5	CALIFORNIA ST VAR 07/23	48,740,000.00	48,740,000.00	1.49%
167505GN0	CHICAGO ILL BRD VAR 12/32	32,100,000.00	32,100,000.00	0.98%
451908QY6	ILLINOIS DEV VAR 02/29	31,700,000.00	31,700,000.00	0.97%
939781A34	WASHINGTON ST VAR 01/38	30,395,000.00	30,395,000.00	0.93%
74703X2R2	PUTTABLE FLTG VAR 08/29	30,000,000.00	30,000,000.00	0.92%
47029WAY3	JAMES CITY CNTY VAR 07/17	29,970,000.00	29,970,000.00	0.92%
12681XAA6	CABELL CNTY W VAR 07/39	27,000,000.00	27,000,000.00	0.82%
917572UA5	UTAH WTR FIN VAR 10/36	26,500,000.00	26,500,000.00	0.81%
155674FX7	CENTRAL UTAH VAR 04/32	25,000,000.00	25,000,000.00	0.76%
594698CU4	MICHIGAN ST VAR 11/37	23,360,000.00	23,360,000.00	0.71%
359900RW9	FULTON CNTY GA VAR 06/35	23,000,000.00	23,000,000.00	0.70%
74265LSG4	PRIVATE VAR 09/35	22,950,000.00	22,950,000.00	0.70%
485029LB6	KANSAS CITY MO VAR 02/39	22,000,000.00	22,000,000.00	0.67%
646136UG4	NEW JERSEY ST VAR 12/13	21,990,000.00	21,990,000.00	0.67%
696550TE2	PALM BEACH CNTY VAR 08/31	21,960,000.00	21,960,000.00	0.67%
41415WBN1	HARRIS CNTY TEX VAR 08/10	21,075,000.00	21,075,000.00	0.64%
05248PV36	AUSTIN TR VAR 07/32	21,000,000.00	21,000,000.00	0.64%
452252EE5	ILLINOIS ST VAR 01/31	21,000,000.00	21,000,000.00	0.64%
717818UW6	PHILADELPHIA PA VAR 05/17	21,000,000.00	21,000,000.00	0.64%
744434AV3	PUBLIC PWR VAR 01/41	21,000,000.00	21,000,000.00	0.64%
232760D96	CYPRESS-FAIRBAN VAR 02/15	20,940,000.00	20,940,000.00	0.64%
880397AT1	TENNERGY CORP VAR 11/13	20,700,000.00	20,700,000.00	0.63%
19645RCK5	COLORADO EDL & VAR 11/38	20,000,000.00	20,000,000.00	0.61%
454795CQ6	INDIANA HEALTH VAR 12/31	20,000,000.00	20,000,000.00	0.61%
90348NAA9	UCF HEALTH FACS VAR 07/37	20,000,000.00	20,000,000.00	0.61%
303823FE3	FAIRFAX CNTY VA VAR 01/30	19,400,000.00	19,400,000.00	0.59%
46247BAA9	IOWA FIN AUTH VAR 06/39	19,335,000.00	19,335,000.00	0.59%
677520NG9	OHIO ST VAR 06/26	19,235,000.00	19,235,000.00	0.59%
5760494W7	MASSACHUSETTS VAR 08/29	18,400,000.00	18,400,000.00	0.56%
19648AJD8	COLORADO HEALTH VAR 11/27	18,060,000.00	18,060,000.00	0.55%
6579027D8	NORTH CAROLINA VAR 10/37	18,030,000.00	18,030,000.00	0.55%
60635R2Q9	MISSOURI ST VAR 06/33	17,200,000.00	17,200,000.00	0.53%
7178182U1	PHILADELPHIA PA VAR 07/32	17,140,000.00	17,140,000.00	0.52%
657883CP7	NORTH BROWARD VAR 01/31	17,100,000.00	17,100,000.00	0.52%
23981MAC0	DAYTON-MONTGOME VAR 11/28	17,000,000.00	17,000,000.00	0.52%
59465HJM9	MICHIGAN ST VAR 10/38	17,000,000.00	17,000,000.00	0.52%
837152QC4	SOUTH CAROLINA VAR 10/31	16,500,000.00	16,500,000.00	0.50%
709223QG9	PENNSYLVANIA ST VAR 12/30	16,400,000.00	16,400,000.00	0.50%
626853CJ2	MURRAY CITY VAR 05/37	15,950,000.00	15,950,000.00	0.49%
938591BD5	WASHINGTON CNTY VAR 06/27	15,910,000.00	15,910,000.00	0.49%
62621NBB3	MUNICIPAL VAR 06/09	15,855,000.00	15,855,000.00	0.48%
1964582Y8	COLORADO EDL & VAR 03/37	15,700,000.00	15,700,000.00	0.48%
31222TAC7	FAYETTE CNTY GA VAR 06/37	15,000,000.00	15,000,000.00	0.46%
594698EQ1	MICHIGAN ST VAR 08/29	15,000,000.00	15,000,000.00	0.46%
686543PD5	ORLANDO & VAR 07/42	15,000,000.00	15,000,000.00	0.46%
837152QD2	SOUTH CAROLINA VAR 10/31	15,000,000.00	15,000,000.00	0.46%
917572TU3	UTAH WTR FIN VAR 10/37	15,000,000.00	15,000,000.00	0.46%
93974BU91	WASHINGTON ST VAR 06/10	15,000,000.00	15,000,000.00	0.46%
917572TV1	UTAH WTR FIN VAR 10/35	14,900,000.00	14,900,000.00	0.45%
57583FL25	MASSACHUSETTS VAR 09/33	14,800,000.00	14,800,000.00	0.45%
80483CGR6	SAVANNAH GA VAR 06/35	14,500,000.00	14,500,000.00	0.44%
5760494L1	MASSACHUSETTS VAR 04/16	14,140,000.00	14,140,000.00	0.43%
33828CAA2	FIU ATHLETICS VAR 03/33	14,000,000.00	14,000,000.00	0.43%
45528SE77	INDIANAPOLIS VAR 06/14	13,995,000.00	13,995,000.00	0.43%
41419HAA9	HARRIS CNTY TEX VAR 02/20	13,600,000.00	13,600,000.00	0.42%
05248PXU4	AUSTIN TR VAR 10/27	13,460,000.00	13,460,000.00	0.41%
45504RBG0	INDIANA ST DEV VAR 01/32	13,300,000.00	13,300,000.00	0.41%
59564FAC4	MIDCITIES MET VAR 12/31	13,135,000.00	13,135,000.00	0.40%

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93974BU75	WASHINGTON ST VAR 01/10	12,000,000.00	12,000,000.00	0.37%
09107PAC1	BIRMINGHAM ALA VAR 07/37	11,775,000.00	11,775,000.00	0.36%
341507WX5	FLORIDA ST BRD VAR 07/15	11,550,000.00	11,550,000.00	0.35%
45200BS58	ILLINOIS FIN VAR 04/41	11,500,000.00	11,500,000.00	0.35%
78916VAX8	ST CLOUD MINN VAR 05/42	10,920,000.00	10,920,000.00	0.33%
196632BK8	COLORADO VAR 11/37	10,700,000.00	10,700,000.00	0.33%
97705LST5	WISCONSIN ST VAR 03/10	10,425,000.00	10,425,000.00	0.32%
93978LCZ7	WASHINGTON ST VAR 02/37	10,400,000.00	10,400,000.00	0.32%
658563AD3	NORTH VAR 05/24	10,210,000.00	10,210,000.00	0.31%
44243HAU1	HOUSTON TEX WTR VAR 07/10	10,035,000.00	10,035,000.00	0.31%
19645RAZ4	COLORADO EDL & VAR 07/37	9,895,000.00	9,895,000.00	0.30%
05248P4D4	AUSTIN TR VAR 12/31	9,770,000.00	9,770,000.00	0.30%
45479QAY5	INDIANA HEALTH VAR 05/35	9,700,000.00	9,700,000.00	0.30%
235241KL9	DALLAS TEX AREA VAR 06/16	9,500,000.00	9,500,000.00	0.29%
359900US4	FULTON CNTY GA VAR 06/32	9,400,000.00	9,400,000.00	0.29%
643284AA0	NEW CASTLE CNTY VAR 08/31	9,300,000.00	9,300,000.00	0.28%
65820PBT1	NORTH CAROLINA VAR 10/18	9,240,000.00	9,240,000.00	0.28%
64972FSM9	NEW YORK N Y VAR 12/13	9,185,000.00	9,185,000.00	0.28%
167028BE8	CHEYENNE WYO VAR 10/37	9,000,000.00	9,000,000.00	0.27%
93978EE32	WASHINGTON ST VAR 11/26	9,000,000.00	9,000,000.00	0.27%
644618F2	NEW HAMPSHIRE VAR 03/23	8,385,000.00	8,385,000.00	0.26%
64711RFN1	NEW MEXICO FIN VAR 06/24	8,000,000.00	8,000,000.00	0.24%
970351AA0	WILLIAMSTOWN KY VAR 07/38	8,000,000.00	8,000,000.00	0.24%
97710VG93	WISCONSIN ST VAR 05/36	8,000,000.00	8,000,000.00	0.24%
939781WT3	WASHINGTON ST VAR 10/30	7,635,000.00	7,635,000.00	0.23%
764897AA2	RICHMOND KY VAR 03/36	7,400,000.00	7,400,000.00	0.23%
49952MBD7	KNOX CNTY TENN VAR 08/26	6,800,000.00	6,800,000.00	0.21%
574217V36	MARYLAND ST VAR 07/41	6,800,000.00	6,800,000.00	0.21%
558656AA2	MADISONVILLE KY VAR 11/36	6,685,000.00	6,685,000.00	0.20%
45202BAW6	ILLINOIS HSG VAR 03/20	6,660,000.00	6,660,000.00	0.20%
250062AC0	DERRY TWP PA VAR 11/30	6,600,000.00	6,600,000.00	0.20%
594519K82	MICHIGAN HIGHER VAR 09/37	6,500,000.00	6,500,000.00	0.20%
45663NAD4	INFIRMARY VAR 02/40	6,100,000.00	6,100,000.00	0.19%
60635R2H9	MISSOURI ST VAR 05/38	6,000,000.00	6,000,000.00	0.18%
790608CA9	ST JOSEPH CNTY VAR 05/34	5,970,000.00	5,970,000.00	0.18%
46874GCV0	JACKSON TENN VAR 07/19	5,860,000.00	5,860,000.00	0.18%
199561FU0	COLUMBUS OHIO VAR 06/32	5,850,000.00	5,850,000.00	0.18%
1674856G1	CHICAGO ILL VAR 01/16	5,600,000.00	5,600,000.00	0.17%
19912HCW7	COLUMBUS GA DEV VAR 09/30	5,400,000.00	5,400,000.00	0.16%
118612LA6	BUCKS CNTY PA VAR 10/34	5,100,000.00	5,100,000.00	0.16%
641461KX5	NEVADA ST VAR 06/16	5,080,000.00	5,080,000.00	0.16%
4521515E9	ILLINOIS ST VAR 06/12	5,000,000.00	5,000,000.00	0.15%
574217U94	MARYLAND ST VAR 07/41	5,000,000.00	5,000,000.00	0.15%
613549FH2	MONTGOMERY CNTY VAR 04/37	5,000,000.00	5,000,000.00	0.15%
45188RWL9	ILLINOIS DEV VAR 06/29	4,900,000.00	4,900,000.00	0.15%
5742172V6	MARYLAND ST VAR 07/16	4,625,000.00	4,625,000.00	0.14%
65818PDY2	NORTH CAROLINA VAR 07/19	4,300,000.00	4,300,000.00	0.13%
160853MS3	CHARLOTTE-MECKL VAR 01/37	4,035,000.00	4,035,000.00	0.12%
359900UR6	FULTON CNTY GA VAR 05/37	3,500,000.00	3,500,000.00	0.11%
45202PAA3	ILLINOIS INTL VAR 01/23	3,500,000.00	3,500,000.00	0.11%
882721V83	TEXAS ST VAR 10/15	3,455,000.00	3,455,000.00	0.11%
987361AC6	YORKVILLE ILL VAR 03/34	3,000,000.00	3,000,000.00	0.09%
613679AB5	MONTGOMERY CNTY VAR 11/27	2,050,000.00	2,050,000.00	0.06%
362762JQ0	GAINESVILLE & VAR 05/29	1,900,000.00	1,900,000.00	0.06%
574216WJ2	MARYLAND ST VAR 12/15	1,500,000.00	1,500,000.00	0.05%
16532VAA2	CHESAPEAKE VA VAR 07/31	800,000.00	800,000.00	0.02%
613679AC3	MONTGOMERY CNTY VAR 09/29	655,000.00	655,000.00	0.02%

Total Weekly Variable Rate Bonds - Group: 2 Class: 10 SubClass: 10

1,644,815,000.00

1,644,815,000.00

50.22%

Cash Equivalent

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61699KSP9	MSILF GOVT. PORTFOLIO	744,900,000.00	744,900,000.00	22.75%
	Total Cash Equivalent - Group: Class: SubClass:	744,900,000.00	744,900,000.00	22.75%
Municipal Bonds & Notes				
8827216C2	TEXAS ST 08/09	120,000,000.00	121,453,692.05	3.71%
967244GK4	WICHITA KANS 02/09	30,000,000.00	30,164,973.91	0.92%
97705LTP2	WISCONSIN ST 06/09	27,000,000.00	27,238,822.35	0.83%
836895BQ4	SOUTH CAROLINA ASSN 04/09	24,000,000.00	24,181,000.59	0.74%
836895BS0	SOUTH CAROLINA ASSN 03/09	24,000,000.00	24,142,139.65	0.74%
451434BN3	IDAHO ST 06/09	22,500,000.00	22,706,961.68	0.69%
027651QP6	AMERICAN MUN 3.5% 04/09	16,900,000.00	16,998,556.51	0.52%
4140046F3	HARRIS CNTY TEX 3% 02/09	14,000,000.00	14,056,476.17	0.43%
39235RAE5	GREATER SOUTH TIER 06/09	13,000,000.00	13,057,191.21	0.40%
68608KNG9	OREGON ST 06/09	12,000,000.00	12,112,140.00	0.37%
49474EG31	KING CNTY WASH 10/08	12,000,000.00	12,006,329.67	0.37%
703023KR1	PATCHOGUE-MEDFORD N 06/09	10,000,000.00	10,111,708.00	0.31%
160075SL2	CHARLESTON CNTY S C 04/09	10,000,000.00	10,048,022.13	0.31%
724025CA7	PIONEER VALLEY TRAN AUTH 3% 07/09	10,000,000.00	10,042,136.36	0.31%
454624VB0	INDIANA BD BK REV 05/09	7,000,000.00	7,061,914.34	0.22%
981325BV4	WORCESTER MASS REGL 06/09	4,950,000.00	4,967,346.08	0.15%
79164MAN7	ST LOUIS MO GEN FD 06/09	4,600,000.00	4,648,925.55	0.14%
738663U35	POUGHKEEPSIE TOWN N 03/09	3,000,000.00	3,011,489.21	0.09%
6421696M3	NEW BEDFORD MASS 06/09	3,000,000.00	3,009,730.46	0.09%
394641FH2	GREENE CNTY OHIO 05/09	2,440,000.00	2,451,156.46	0.07%
54930LGU3	LUCAS CNTY OHIO 07/09	2,000,000.00	2,020,798.14	0.06%
363887KS8	GALLOWAY TWP N J 09/09	2,000,000.00	2,017,149.45	0.06%
	Total Municipal Bonds & Notes - Group: 2 Class: 5 SubClass: 10	374,390,000.00	377,508,659.97	11.53%
Commercial Paper				
59472CAQ1	STATE OF 3.5% 10/08	30,000,000.00	30,000,000.00	0.92%
88256BYN5	TEXAS MUNI 1.62% 10/08	30,000,000.00	30,000,000.00	0.92%
79642JUQ7	CTY OF SAN 1.65% 11/08	23,000,000.00	23,000,000.00	0.70%
41420JCN2	METRO TRST 1.55% 10/08	20,000,000.00	20,000,000.00	0.61%
45203WAB5	ILLINOIS 1.75% 10/08	20,000,000.00	20,000,000.00	0.61%
45885DDB9	INTERMOUNTAIN 1.55% 11/08	20,000,000.00	20,000,000.00	0.61%
43231JDD8	HILLSBOROUGH 1.7% 03/09	17,000,000.00	17,000,000.00	0.52%
57586MAX1	MASS HLTH & ED 1.6% 12/08	15,000,000.00	15,000,000.00	0.46%
88056CBH3	TN STATE SCH 1.7% 12/08	14,100,000.00	14,100,000.00	0.43%
41420JPN8	METRO TRST 1.55% 10/08	14,000,000.00	14,000,000.00	0.43%
57586MAY9	MASS HLTH & 1.63% 02/09	12,834,000.00	12,834,000.00	0.39%
57586MAV5	MASS HLTH & ED 1.8% 02/09	10,000,000.00	10,000,000.00	0.31%
88212LUD2	BRD OF REGENT 1.55% 02/09	10,000,000.00	10,000,000.00	0.31%
34281XUA2	FL MUNI PWR 1.5% 10/08	9,000,000.00	9,000,000.00	0.27%
49119BBU3	KY 1.65% 10/08	9,000,000.00	9,000,000.00	0.27%
91512XAD9	BRD OF REGENTS 1.6% 11/08	7,000,000.00	7,000,000.00	0.21%
45203TAA4	ILL FNCE AUTH 1.75% 01/09	6,000,000.00	6,000,000.00	0.18%
91513RBQ1	UNIV OF TX 1.65% 02/09	3,000,000.00	3,000,000.00	0.09%
	Total Commercial Paper - Group: 2 Class: 5 SubClass: 5	269,934,000.00	269,934,000.00	8.24%
Daily Variable Rate Bonds				
57585KGP7	MASSACHUSETTS VAR 11/49	32,450,000.00	32,450,000.00	0.99%
57583RVZ5	MASSACHUSETTS VAR 10/42	21,750,000.00	21,750,000.00	0.66%
939783PV2	WASHINGTON ST VAR 03/36	20,000,000.00	20,000,000.00	0.61%
249183UD4	DENVER COLO VAR 09/29	15,000,000.00	15,000,000.00	0.46%
41315RGV0	HARRIS CNTY TEX VAR 12/41	12,600,000.00	12,600,000.00	0.38%

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Total Daily Variable Rate Bonds - Group: 2 Class: 10 SubClass: 5		101,800,000.00	101,800,000.00	3.11%
Put Option Bonds				
414009AU4	HARRIS CNTY TEX VAR 12/27	51,280,000.00	51,280,000.00	1.57%
414009AT7	HARRIS CNTY TEX VAR 12/24	25,000,000.00	25,000,000.00	0.76%
548347AX1	LOWER NECHES VAR 02/17	10,000,000.00	10,000,000.00	0.31%
Total Put Option Bonds - Group: 2 Class: 5 SubClass: 15		86,280,000.00	86,280,000.00	2.63%
Semi-Annual Bonds				
57586CZ40	MASSACHUSETTS VAR 10/37	23,000,000.00	23,000,000.00	0.70%
57586CZ32	MASSACHUSETTS VAR 10/37	21,000,000.00	21,000,000.00	0.64%
4520013L2	ILLINOIS EDL VAR 07/36	5,700,000.00	5,700,000.00	0.17%
Total Semi-Annual Bonds - Group: 2 Class: 5 SubClass: 16		49,700,000.00	49,700,000.00	1.52%
Total Fund		3,271,819,000.00	3,274,937,659.97	100.00%
Market Value			3,274,937,659.97	
Net Assets⁽²⁾			3,525,358,168.85	

(1) Amortized Cost - A method of valuation, discussed in rule 2a-7 of the Investment Company Act of 1940, in which a portfolio security is carried at cost and any discount or premium from par is amortized to income on a daily basis over the life of the instrument.

(2) Net Assets - The term used by an investment company to designate the excess of the fair value of securities owned, cash, receivables, and other assets over the liabilities of the company.

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