

SUPPLEMENT TO
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER
MORGAN STANLEY & CO. LLC

as of 02/28/14

STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION
FOR CUSTOMERS TRADING ON U.S. COMMODITY EXCHANGES

SEGREGATION REQUIREMENTS (Section 4d(2) of the CEAct)

1. Net ledger balance			
A. Cash	\$	7,978,742,722	7010
B. Securities (at market)		1,172,056,840	7020
2. Net unrealized profit (loss) in open futures contracts traded on a contract market		959,351,076	7030
3. Exchange traded options			
A. Add market value of open option contracts purchased on a contract market		199,336,502	7032
B. Deduct market value of open option contracts granted (sold) on a contract market	(	147,733,832	7033
4. Net equity (deficit) (add lines 1, 2, and 3)		10,161,753,308	7040
5. Accounts liquidating to a deficit and accounts with debit balances			
- gross amount		9,652,026	7045
Less: amount offset by customer owned securities	(	8,573,377	7047
6. Amount required to be segregated (add lines 4 and 5)	\$	10,162,831,957	7060

FUNDS IN SEGREGATED ACCOUNTS

7. Deposited in segregated funds bank accounts			
A. Cash		3,041,677,835	7070
B. Securities representing investments of customers' funds (at market)		2,100,082,235	7080
C. Securities held for particular customers or option customers in lieu of cash (at market)		242,096,951	7090
8. Margins on deposit with derivatives clearing organizations of contract markets			
A. Cash	\$	2,368,124,754	7100
B. Securities representing investments of customers' funds (at market)		1,569,085,731	7110
C. Securities held for particular customers or option customers in lieu of cash (at market)		929,959,889	7120
9. Net settlement from (to) derivatives clearing organizations of contract markets		66,389,417	7130
10. Exchange traded options			
A. Value of open long option contracts		199,336,502	7132
B. Value of open short option contracts	(	147,733,832	7133
11. Net equities with other FCMs			
A. Net liquidating equity		999,976	7140
B. Securities representing investments of customers' funds (at market)		0	7160
C. Securities held for particular customers or option customers in lieu of cash (at market)		0	7170
12. Segregated funds on hand (describe: _____)		0	7150
13. Total amount in segregation (add lines 7 through 12)		10,370,019,458	7180
14. Excess (deficiency) funds in segregation (subtract line 6 from line 13)	\$	207,187,501	7190
15. Management Target Amount for Excess funds in segregation	\$	105,000,000	7194
16. Excess (deficiency) funds in segregation over (under) Management Target Amount Excess	\$	102,187,501	7198

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STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION
FOR CUSTOMERS' DEALER OPTIONS ACCOUNTS

1. Amount required to be segregated in accordance

with Commission regulation 32.6

\$ 0 7200

2. Funds in segregated accounts

A. Cash

\$ 0 7210

B. Securities (at market)

0 7220

C. Total

0 7230

3. Excess (deficiency) funds in segregation

(subtract line 2.C from line 1)

\$ 0 7240

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STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
PURSUANT TO COMMISSION REGULATION 30.7

FOREIGN FUTURES AND FOREIGN OPTIONS SECURED AMOUNTS

Amount required to be set aside pursuant to law, rule or regulation of a foreign government or a rule of a self-regulatory organization authorized thereunder	\$	0	7305
1. Net ledger balance - Foreign Futures and Foreign Option Trading - All Customers			
A. Cash	\$	1,676,842,125	7315
B. Securities (at market)		535,950,762	7317
2. Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade		282,510,407	7325
3. Exchange traded options			
A. Market value of open option contracts purchased on a foreign board of trade		11,127,502	7335
B. Market value of open contracts granted (sold) on a foreign board of trade		(6,747,362)	7337
4. Net equity (deficit) (add lines 1. 2. and 3.)	\$	2,499,683,434	7345
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$	8,894,506	7351
Less: amount offset by customer owned securities	(	8,506,764)	7352
		387,742	7354
6. Amount required to be set aside as the secured amount - Net Liquidating Equity Method (add lines 4 and 5)	\$	2,500,071,176	7355
7. Greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6.	\$	2,500,071,176	7360

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STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
PURSUANT TO COMMISSION REGULATION 30.7

FUNDS DEPOSITED IN SEPARATE REGULATION 30.7 ACCOUNTS

1. Cash in banks			
A. Banks located in the United States	\$	442,883,279	7500
B. Other banks qualified under Regulation 30.7			
Name(s): 0		182,252,224	7520
	\$		625,135,503
			7530
2. Securities			
A. In safekeeping with banks located in the United States	\$	509,236,452	7540
B. In safekeeping with other banks qualified under Regulation 30.7			
Name(s): 0		0	7560
			509,236,452
			7570
3. Equities with registered futures commission merchants			
A. Cash	\$	0	7580
B. Securities		0	7590
C. Unrealized gain (loss) on open futures contracts		0	7600
D. Value of long option contracts		0	7610
E. Value of short option contracts	(	0	7615
			0
			7620
4. Amounts held by clearing organizations of foreign boards of trade			
Name(s): 0			7630
A. Cash	\$	0	7640
B. Securities		0	7650
C. Amount due to (from) clearing organizations - daily variation		0	7660
D. Value of long option contracts		0	7670
E. Value of short option contracts	(	0	7675
			0
			7680
5. Amounts held by members of foreign boards of trade			
Name(s): 0			7690
A. Cash	\$	760,937,315	7700
B. Securities		526,654,310	7710
C. Unrealized gain (loss) on open futures contracts		282,512,329	7720
D. Value of long option contracts		11,127,508	7730
E. Value of short option contracts	(	6,747,368	7735
			1,574,484,094
			7740
6. Amounts with other depositories designated by a foreign board of trade			
Name(s): 0			7750
			0
			7760
7. Segregated funds on hand (describe:)			
			0
			7765
8. Total funds in separate section 30.7 accounts			
	\$	2,708,856,049	7770
9. Excess (deficiency) set Aside Funds for Secured Amount (subtract Line 7 Secured Statement page 15 from Line 8)			
	\$	208,784,873	7380
10. Management Target Amount for Excess funds in separate section 30.7 accounts			
	\$	105,000,000	7780
11. Excess (deficiency) funds in separate 30.7 accounts over (under) Management Target			
	\$	103,784,873	7785

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STATEMENT OF CLEARED SWAPS CUSTOMER SEGREGATION REQUIREMENTS AND
FUNDS IN CLEARED SWAPS CUSTOMER ACCOUNTS UNDER 4D(F) OF THE CEA

Cleared Swaps Customer Requirements

1. Net ledger balance		
A. Cash	\$ 2,522,996,074	8500
B. Securities (at market)	822,564,983	8510
2. Net unrealized profit (loss) in open cleared swaps	163,446,068	8520
3. Cleared swaps options		
A. Market value of open cleared swaps option contracts purchased	0	8530
B. Market value of open cleared swaps option contracts granted (sold)	(0)	8540
4. Net equity (deficit) (add lines 1, 2, and 3)	\$ 3,509,007,125	8550
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$ 6,482,665	8560
Less: amount offset by customer owned securities	(5,075,182)	8570
	1,407,483	8580
6. Amount required to be segregated for cleared swaps customers (add lines 4 and 5)	\$ 3,510,414,608	8590

Funds in Cleared Swaps Customer Segregated Accounts

7. Deposited in cleared swaps customer segregated accounts at banks		
A. Cash	\$ 488,648,922	8600
B. Securities representing investments of cleared swaps customers' funds (at market)	0	8610
C. Securities held for particular cleared swaps customers in lieu of cash (at market)	14,240,937	8620
8. Margins on deposit with derivatives clearing organizations in cleared swaps customer segregated accounts		
A. Cash	1,277,550,783	8630
B. Securities representing investments of cleared swaps customers' funds (at market)	960,000,000	8640
C. Securities held for particular cleared swaps customers in lieu of cash (at market)	808,324,047	8650
9. Net settlement from (to) derivatives clearing organizations	77,502,176	8660
10. Cleared swaps options		
A. Value of open cleared swaps long option contracts	0	8670
B. Value of open cleared swaps short option contracts	(0)	8680
11. Net equities with other FCMs		
A. Net liquidating equity	0	8690
B. Securities representing investments of cleared swaps customers' funds (at market)	0	8700
C. Securities held for particular cleared swaps customers in lieu of cash (at market)	0	8710
12. Cleared swaps customer funds on hand (describe: _____)	0	8715
13. Total amount in cleared swaps customer segregation (add lines 7 through 12)	\$ 3,626,266,865	8720
14. Excess (deficiency) funds in cleared swaps customer segregation (subtract line 6 from line 13)	\$ 115,852,257	8730
15. Management Target Amount for Excess funds in cleared swaps segregated accounts	\$ 92,000,000	8760
16. Excess (deficiency) funds in cleared swaps customer segregated accounts over (under) Management Target Excess	\$ 23,852,257	8770