SUPPLEMENT TO

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II CSE

BROKER OR DEALER

MORGAN STANLEY & CO. LLC

as of 08/31/14

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			$	8,580,341,988	7010
B. Securities (at market)				1,880,246,656	7020
2. Net unrealized profit (loss) in open futures contracts traded on a contract market				(38,369,118)	7030
3. Exchange traded options					
A. Add market value of open option contracts purchased on a contract market				240,213,408	7032
B. Deduct market value of open option contracts granted (sold) on a contract market				(196,188,674)	7033
4. Net equity (deficit) (add lines 1, 2, and 3)				10,466,244,260	7040
5. Accounts liquidating to a deficit and accounts with debit balances					
- gross amount	25,851,896	7045			
Less: amount offset by customer owned securities	(25,664,065)	7047		187,831	7050
6. Amount required to be segregated (add lines 4 and 5)			$	10,466,432,091	7060
FUNDS IN SEGREGATED ACCOUNTS					
7. Deposited in segregated funds bank accounts					
A. Cash				2,336,580,375	7070
B. Securities representing investments of customers' funds (at market)				2,621,121,973	7080
C. Securities held for particular customers or option customers in lieu of cash (at market)				270,844,464	7090
8. Margins on deposit with derivatives clearing organizations of contract markets					
A. Cash			$	3,210,911,789	7100
B. Securities representing investments of customers' funds (at market)				584,048,893	7110
C. Securities held for particular customers or option customers in lieu of cash (at market)				1,609,402,192	7120
9. Net settlement from (to) derivatives clearing organizations of contract markets				(4,680,308)	7130
10. Exchange traded options					
A. Value of open long option contracts				240,213,408	7132
B. Value of open short option contracts				(196,188,674)	7133
11. Net equities with other FCMs					
A. Net liquidating equity				1,972,844	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)				10,674,226,956	7180
14. Excess (deficiency) funds in segregation (subtract line 6 from line 13)			$	207,794,865	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			$	102,794,865	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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MORGAN STANLEY & CO. LLC	as of	08/31/14

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			$ 1,583,850,873	7315
B. Securities (at market)			548,091,786	7317
2. Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade			141,652,203	7325
3. Exchange traded options				
A. Market value of open option contracts purchased on a foreign board of trade			13,878,049	7335
B. Market value of open contracts granted (sold) on a foreign board of trade			(9,454,512)	7337
4. Net equity (deficit) (add lines 1. 2. and 3.)			$ 2,278,018,399	7345
5. Accounts liquidating to a deficit and accounts with				
debit balances - gross amount	$ 9,259,949	7351		
Less: amount offset by customer owned securities	(9,209,483)	7352	50,466	7354
6. Amount required to be set aside as the secured amount - Net Liquidating Equity Method (add lines 4 and 5)			$ 2,278,068,865	7355
7. Greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6.			$ 2,278,068,865	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			$ 231,904,241	7500		
B. Other banks qualified under Regulation 30.7						
Name(s):	0	7510	101,027,513	7520	$ 332,931,754	7530
2. Securities						
A. In safekeeping with banks located in the United States			$ 570,495,764	7540		
B. In safekeeping with other banks qualified under Regulation 30.7						
Name(s):	0	7550	0	7560	570,495,764	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			$ 1,058,251,236	7700		
B. Securities			377,556,022	7710		
C. Unrealized gain (loss) on open futures contracts			141,651,500	7720		
D. Value of long option contracts			13,878,049	7730		
E. Value of short option contracts			((9,454,512))	7735	1,581,882,295	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					$ 2,485,309,813	7770
9. Excess (deficiency) set Aside Funds for Secured Amount (subtract Line 7 Secured Statement page 15 from Line 8)					$ 207,240,948	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					$ 102,240,948	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			$ 4,748,155,301	8500
B. Securities (at market)			1,802,530,178	8510
2. Net unrealized profit (loss) in open cleared swaps			(1,893,624,308)	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)			$ 4,657,061,171	8550
5. Accounts liquidating to a deficit and accounts with				
debit balances - gross amount	$ 22,704,053	8560		
Less: amount offset by customer owned securities	(22,683,596)	8570	20,457	8580
6. Amount required to be segregated for cleared swaps customers (add lines 4 and 5)			$ 4,657,081,628	8590

Funds in Cleared Swaps Customer Segregated Accounts

7. Deposited in cleared swaps customer segregated accounts at banks		
A. Cash	$ 755,733,187	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)	19,587,119	8620
8. Margins on deposit with derivatives clearing organizations in cleared swaps customer segregated accounts		
A. Cash	1,846,991,144	8630
B. Securities representing investments of cleared swaps customers' funds (at market)	320,011,036	8640
C. Securities held for particular cleared swaps customers in lieu of cash (at market)	1,782,943,059	8650
9. Net settlement from (to) derivatives clearing organizations	50,659,510	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)	$ 4,775,925,055	8720
14. Excess (deficiency) funds in cleared swaps customer segregation (subtract line 6 from line 13)	$ 118,843,427	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	$ 26,843,427	8770