

MORGAN STANLEY THEMATIC BASKETS

AI Enablers & Adopters Strategy

PRODUCT OVERVIEW

This Thematic Basket invests in companies that Morgan Stanley & Co. LLC Research (“MS&Co. Research”) believes may benefit from their enablement and/or adoption of artificial intelligence (“AI”).

Morgan Stanley Smith Barney LLC (the “Sponsor”), developed the AI Enablers & Adopters Strategy trust by drawing on a subset of stocks listed in a report by MS&Co. Research titled “Mapping AI’s Diffusion” (the “Report”) published on January 2, 2024.

In creating the Report, MS&Co. Research sought to identify those companies it believes are enablers and/or adopters of AI, and for whom MS&Co. Research further believes that AI plays a significant role in, or is core to, the overall thesis supporting the investment case for each company to, the overall thesis supporting the investment case for each company.

- “Enabler” is defined as a company that MS&Co. Research believes provides the foundational technology that enables companies to utilize AI to run their businesses.
- “Adopter” is defined as a company that MS&Co. Research believes is actively adopting AI, and when combined with their scale (as measured in terms of data, capital, and/or reach), will help such company expand market share within its industry.

For purposes of grading the level of importance of AI as it relates to the investment thesis for a company’s stock:

- “Core to Thesis” is the highest level, meaning AI is believed to be core to the investment thesis for a company’s stock.
- “Significant” is the second-highest level, meaning AI is among the most important topics in the investment thesis for a company’s stock.

In general, the subset of securities selected for the Trust will include securities of companies rated “Overweight” by MS&Co. Research, with a market capitalization of at least \$10 Billion, that are traded on a U.S. exchange, or in the over-the-counter market, and will exclude securities subject to regulatory, tax or trading restrictions of the Sponsor.

1. Based on a \$10.00 Unit price.

2. There is no initial sales charge if the Unit price is \$10.00 per Unit or less. If the Unit price exceeds \$10.00 per Unit an initial sales charge is paid at the time of purchase.

3. Advisory accounts are charged an annual asset-based fee. See the disclosure page for more information

4. Unitholders also pay organizational fees and ongoing operating expenses. Please see the prospectus for more information regarding fees and expenses.

UNIT INVESTMENT TRUST PORTFOLIO INFORMATION

SPONSOR Morgan Stanley Smith Barney LLC

Asset class US. Equities

Initial date of deposit 02/23/24

Termination date 02/20/26

Securities 44

CUSIPs

Cash accounts 61776A101

Fee accounts 61776A119

Morgan Stanley Symbols

Cash accounts MSAI1

Fee accounts MSAI1F

NASDAQ ticker MSAIAX

SALES CHARGE FOR BROKERAGE ACCOUNTS^{1,2,4}

Initial Sales Charge² 0.00%

Deferred Sales Charge 2.40%

Maximum Sales Charge 2.40%

SALES CHARGE FOR CG/PM ADVISORY ACCOUNTS^{3,4}

Maximum Sales Charge 0.00%

AS OF FEBRUARY 23, 2024

TICKER	SECURITY	WEIGHT	TICKER	SECURITY	WEIGHT
COMMUNICATIONS SERVICES		13.76%	ENERGY		4.58%
GOOGL	Alphabet Inc.	2.25	BKR	Baker Hughes Company	2.29
BIDU	Baidu Inc ADR	2.33	SLB	Schlumberger N.V. ADR	2.29
META	Meta Platforms Inc	2.26	INFORMATION TECHNOLOGY		47.55%
NTES	NetEase, Inc	2.30	ACN	Accenture Plc	2.20
TCEHY	Tencent Holdings Ltd.ADR	2.29	ADBE	Adobe Inc.	2.27
TTD	Trade Desk Inc	2.33	AMD	Advanced Micro Devices, Inc.	2.23
CONSUMER DISCRETIONARY		9.13%	AAPL	Apple Inc.	2.26
AMZN	Amazon.com, Inc	2.29	ANET	Arista Networks, Inc.	2.27
SONY	Sony Group Corporation ADR	2.27	DDOG	Datadog, Inc.	2.27
TSLA	Tesla Inc	2.25	DELL	Dell Technologies, Inc.	2.26
TCOM	Trip.com Group Ltd ADR	2.32	DSCSY	DISCO Corporation ADR	2.31
FINANCIALS		13.57%	FUJIY	FUJIFILM Holdings Corp. ADR	2.28
AXP	American Express Company	2.26	GLOB	Globant SA	2.20
JPM	JPMorgan Chase & Co	2.24	HUBS	HubSpot, Inc.	2.28
NU	Nu Holdings Ltd.	2.30	INTU	Intuit Inc.	2.22
RF	Regions Financial Corporation	2.28	LNVGY	Lenovo Group ADR	2.30
SPGI	S&P Global, Inc	2.21	MSFT	Microsoft Corporation	2.26
WFC	Wells Fargo & Company	2.28	MDB	MongoDB, Inc.	2.28
HEALTH CARE		2.22%	NVDA	NVIDIA Corp.	2.32
UNH	UnitedHealth Group Inc	2.22	CRM	Salesforce, Inc.	2.23
INDUSTRIALS		9.19%	SAP	SAP SE ADR	2.30
EXPGY	Experian PLC ADR	2.30	NOW	ServiceNow, Inc.	2.28
RCRUY	Recruit Holdings Co., LTD ADR	2.30	SNOW	Snowflake, Inc.	2.29
RELX	RELX PLC ADR	2.31	TSM	Taiwan Semiconductor Manufacturing Co., LTD. ADR	2.24
WTKWY	Wolters Kluwer N.V. ADR	2.28			

The composition of the Trust's portfolio was determined as of the initial date of deposit and will likely differ from that shown due to the requirement that only whole shares be purchased for the portfolio. Sector weightings will likely vary thereafter due to market fluctuations in the underlying securities. Please refer to the prospectus for important disclosures regarding Morgan Stanley's and its affiliates' business relationships related to the Trust's securities holdings.

ABOUT UITs

Morgan Stanley UITs offer numerous benefits for clients:

Disciplined approach: Takes the emotion out of the investment process by eliminating the need for buy and sell decisions.

Fully transparent: Clients know what the UIT holds for the duration of the UIT's life.

Defined life: UITs have a defined maturity date.

Convenience: UITs offer one ticket exposure to various asset classes, market sectors, thought leadership and/or investment themes.

Exclusivity: Offered only to Morgan Stanley clients.

Disclosures

The portfolio is designed to remain fixed over its 24-month life. There is no guarantee it will achieve its objectives.

This communication shall not constitute an offer to sell or a solicitation of an offer to buy; nor shall there be any sale of these securities in any state in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

Investors should consider the investment objectives, risks, and charges and expenses carefully before investing. Clients should contact their Financial Advisor to request a prospectus, which contains this and other information about the Trust. Clients should read it carefully before investing.

Risk considerations | Choosing a unit investment trust ("UIT") depends on a client's tolerance for risk, among other things. As with any equity investment, unit prices will fluctuate and there is no assurance that prices will appreciate and not decline over the life of a UIT. Stock prices can be volatile and holders can lose money by investing in a UIT. In addition, the amount of dividends a client receives depends on each issuer's dividend policy, the financial condition of the securities and general economic conditions. Companies paying dividends can reduce or cut pay-outs at any time. Clients should understand the potential risks associated with common stocks. In addition, the Trust may invest significantly in one or more sectors. Because of their narrow focus, sector investments tend to be more volatile than investments that diversify across many sectors.

The portfolio is a UIT, which uses a buy and hold strategy that is designed to remain fixed over its 24 month term. The Trust issues redeemable securities or "units" at prices based on net asset value. Units can be sold at any time, in accordance with the prospectus, at a price that will reflect the net asset value less any remaining deferred sales charge and/or other charges as applicable. The proceeds may be more or less than the original value of a client's investment. Clients can opt for dividends to be reinvested in additional units or paid out in cash. The Trust is part of a long-term strategy and clients should consider their ability to remain invested until the Trust reaches maturity. Clients should also consider the tax implications of investing in successive portfolios if one is available. Morgan Stanley Smith Barney LLC and its affiliates do not provide tax or legal advice. Clients should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

Investors will pay the full amount of any organizational charge, and in brokerage, also the full amount of any sales charge, if the investor redeems their investment in a UIT prior to the termination date.

You should note that the Trust will continue to purchase or hold securities, notwithstanding the fact that MS&Co. Research may revise its opinion with respect to any individual security based on the selection process employed by MS&Co. Research or any subsequent analysis. In particular, any subsequent creation of a similar type of list of securities or an update of any above referenced selection process by MS&Co. Research will not affect the composition of the Trust.

Consulting Group Advisor or Portfolio Manager Accounts – Units may be purchased through a Consulting Group Advisor ("CGA") non-discretionary investment advisory account or a Portfolio Manager ("PM") discretionary investment advisory account. Units that are eligible for purchase through CGA/PM accounts are not assessed sales charges, but CGA/PM accounts are subject to an annual asset-based program fee of up to 2.00% and clients pay UIT organizational and other expenses. Clients should see the CGA/PM program disclosure brochure (available online at www.morganstanley.com/ADV) for more information on the CGA/PM program, including the conflicts of interest associated with offering a proprietary UIT in the CGA/PM program.

Diversification does not guarantee a profit or protect against a loss.