

 BNY MELLON  
PO Box 9672, Providence, RI 02940-9672

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# Morgan Stanley

## To the Unitholders of: *Morgan Stanley Portfolios, Series 42 - Global Best Business Models, Series 3*

In accordance with the Standard Terms and Conditions of the Trust, The Bank of New York Mellon, Trustee, submits the following cash basis statement for the calendar year ending December 31, 2022.

### Income Account

Balance on January 1, 2022	\$	279,424.23
Income Received on Securities		885,065.09
Foreign Tax Withheld		(98,724.12)
Supplemental Deposit Income		1,368.46
Miscellaneous Income		(3,677.65)
Less:		
Trustee Fee and Fund Expenses	\$	59,477.93
Sponsors Fees		41,338.29
Income Paid for Unit Redemptions		50,669.72
Distributions to Unitholders		651,002.29
Balance on December 31, 2022*	\$	260,967.78

### Distributions From the Income Account

	Date	Rate per Unit	Total per Distribution
Semi-Annually:	01-07-22	\$ 0.02894	\$ 145,470.76
	02-25-22	0.02817	141,503.99
	08-25-22	0.07536	364,027.54
<b>Total</b>		<b>\$ 0.13247</b>	<b>\$ 651,002.29</b>

### Principal and Redemption Accounts

Balance on January 1, 2022	\$	95,431.52
Proceeds Received from Sale, Maturity, Liquidation or Redemption of Securities		9,760,934.31
Receipts from Supplemental Deposits		703,991.37
Principal Received		19,884.18
Miscellaneous Principal		(1,669.55)
Less:		
Payments for Securities Acquired	\$	687,561.52
Proceeds Paid to Unitholders from the Redemption Account for Redemption of Units		9,816,677.15
Principal Distributions from Capital Account		260,228.79
Organizational Expenses		6,881.04
Balance on December 31, 2022*	\$	(192,776.67)

### Distributions From the Principal Account

	Date	Rate per Unit	Total per Distribution
	01-07-22	\$ 0.05177	\$ 260,228.79
<b>Total</b>		<b>\$ 0.05177</b>	<b>\$ 260,228.79</b>

### Securities Removed From the Portfolio

Date	Shares	Description	Proceeds
Various	636	Adobe Systems Inc	\$ 228,068.89
Various	8,690	Akzo Nobel Nv - Spon Adr	206,069.73
Various	1,552	Amazon Communications Inc	189,478.64
Various	2,112	Apple Computer Inc	312,000.53
Various	3,917	Arista Networks Inc	486,158.02
Various	538	Asml Holding Nv	303,286.18
Various	3,368	Ball Corp	199,299.29
Various	4,203	Bhp Group Ltd	252,614.17
Various	1,952	Chugai Pharmaceutical Co., Ltd. (Adr)	25,302.27
Various	826	Costco Wholesale Corp	406,841.89
Various	1,857	Crown Castle Inc	277,748.54
Various	3,742	Dsv As	289,709.44
Various	1,421	Eli Lilly Corp	487,141.78
Various	1,213	Estee Lauder Companies Inc Cl A	292,223.55
Various	502	Evolution Ab	50,309.62
Various	591	Fast Retailing Co Ltd	33,882.31
Various	1,434	Ferrari Nv	304,300.91
Various	1,956	First Republic Bank/San Francisco	258,360.38
Various	4,120	Hdfc Bank Ltd-Adr	267,701.29
Various	1,481	Honeywell International Inc	303,502.89
Various	55,965	Itau Unibanco Holding S.A. Prf Adr	275,334.70
Various	498	Macquarie Group Limited	58,130.54
Various	2,586	Nestle Sa-Adr	304,264.80
Various	2,217	Nike Inc	245,804.43
Various	15,126	Nintendo Co. Ltd Adr	212,959.04
Various	3,193	Novartis Ag-Adr	280,217.39
Various	4,569	Orsted A/S Npv Adr	145,219.97
Various	3,297	Progressive Corp Ohio	411,496.23
Various	2,851	Prologis Inc	344,768.05
Various	2,678	Ross Stores	278,418.70
Various	1,926	Sonic Healthcare Ltd	41,622.92
Various	59,258	Svenska Handelsb-A-Unsp Adr	283,490.88
Various	2,366	Taiwan Semiconductor Manufacturing Co	193,531.75
Various	3,854	Tal Education Group	20,810.47
Various	3,250	Tencent Holdings Ltd Adr	131,254.26
Various	541	Transdigm Group Inc	326,662.49
Various	1,596	Verisk Analytics Inc	290,952.38
Various	1,495	Visa Inc Cl A	311,977.74
Various	3,560	Wolters Kluwer Nv	374,873.09
Various	1,297	Woodside Energy Group Ltd Npv Adr	30,673.52
Various	1,292	Xp Inc	24,470.64
<b>Totals</b>	<b>219,526</b>		<b>\$ 9,760,934.31</b>

\* Statement Regarding Negative Balances. Income Account - A negative balance in the Income Account may be attributed to the payment cycle of the securities in the Portfolio. Distributions may be more or less than the amount credited to the Income Account. Principal and Redemption Accounts - A negative balance in the Principal and Redemption Accounts may be attributed to pending securities sales to meet unit redemptions.

Bid prices have been determined and furnished to the Trustee by the Evaluator for the Trust. The prices quoted above are stated as a percentage of the face value.

The Bank of New York Mellon, as Trustee, is not in a position to determine, or assist unit holders in determining capital gains and losses. Questions that apply to the calculations of income taxes should be referred to your tax consultant.

Trustee reports for 2022, if applicable for your UIT, will not be distributed in paper form. Future reports will be posted to the Sponsor's website

(www.morganstanley.com/what-we-do/wealth-management/unit-investment-trusts). You may request a paper copy free of charge by contacting your Financial Advisor.

**Securities Acquired - Purchases**

Date	Shares	Description	Cost
Various	41	Adobe Systems Inc	\$ 18,673.72
Various	574	Akzo Nobel Nv - Spon Adr	17,043.07
Various	7,840	Amazon Communications Inc	12,902.67
Various	139	Apple Computer Inc	23,221.75
Various	258	Arista Networks Inc	32,536.61
Various	34	Asml Holding Nv	21,417.06
Various	221	Ball Corp	17,315.94
Various	277	Bhp Group Ltd	16,839.85
Various	127	Chugai Pharmaceutical Co., Ltd. (Adr)	1,971.10
Various	53	Costco Wholesale Corp	28,362.62
Various	121	Crown Castle Inc	21,530.75
Various	246	Dsv As	22,954.67
Various	93	Eli Lilly Corp	25,954.16
Various	78	Estee Lauder Companies Inc Cl A	24,034.93
Various	32	Evolution Ab	3,620.44
Various	38	Fast Retailing Co Ltd	2,208.43
Various	93	Ferrari Nv	21,230.44
Various	128	First Republic Bank/San Francisco	22,583.43
Various	271	Hdfc Bank Ltd-Adr	17,465.33
Various	97	Honeywell International Inc	19,398.86
Various	3,702	Itau Unibanco Holding S.A. Prf Adr	16,694.86
Various	32	Macquarie Group Limited	4,476.60
Various	170	Nestle Sa-Adr	21,756.56
Various	146	Nike Inc	19,873.37
Various	70,915	Nintendo Co. Ltd Adr	14,905.39
Various	209	Novartis Ag-Adr	17,956.00
Various	301	Orsted A/S Npv Adr	10,926.13
Various	216	Progressive Corp Ohio	24,293.83
Various	188	Prologis Inc	26,860.24
Various	176	Ross Stores	17,140.64
Various	126	Sonic Healthcare Ltd	3,605.55
Various	3,921	Svenska Handelsb-A-Unsp Adr	18,810.91
Various	156	Taiwan Semiconductor Manufacturing Co	16,671.61
Various	253	Tal Education Group	993.43
Various	214	Tencent Holdings Ltd Adr	10,441.49
Various	34	Transdigm Group Inc	21,823.45
Various	104	Verisk Analytics Inc	20,745.88
Various	97	Visa Inc Cl A	20,474.01
Various	234	Wolters Kluwer Nv	24,735.16
Various	6,945	Woodside Energy Group Ltd Npv Adr	982.98
Various	84	Xp Inc	2,127.60
<b>Totals</b>	<b>98,984</b>		<b>\$ 687,561.52</b>

**Stock Splits and Dividends**

Date	Description	Reason
06-02-22	Woodside Energy Group Ltd Npv Adr	Spin-off
06-06-22	Amazon Communications Inc	Stock Split
10-04-22	Nintendo Co. Ltd Adr	Stock Split

**Per Unit Value Based on the 12/31/22 Bid Evaluation**

	Annually
Principal Value	\$ 8.91329
Income Value	0.03537
<b>Total Value</b>	<b>\$ 8.94866</b>

**Securities Portfolio As of December 31, 2022**

Shares	Description
2,364	Adobe Systems Inc
32,317	Akzo Nobel Nv - Spon Adr
6,710	Amazon Communications Inc
7,855	Apple Computer Inc

**Securities Portfolio As of December 31, 2022 - Continued**

Shares	Description
14,566	Arista Networks Inc
2,000	Asml Holding Nv
12,524	Ball Corp
15,630	Bhp Group Ltd
7,260	Chugai Pharmaceutical Co., Ltd. (Adr)
3,070	Costco Wholesale Corp
6,907	Crown Castle Inc
13,912	Dsv As
5,285	Eli Lilly Corp
4,509	Estee Lauder Companies Inc Cl A
1,868	Evolution Ab
2,199	Fast Retailing Co Ltd
5,336	Ferrari Nv
7,276	First Republic Bank/San Francisco
15,319	Hdfc Bank Ltd-Adr
5,508	Honeywell International Inc
208,111	Itau Unibanco Holding S.A. Prf Adr
1,850	Macquarie Group Limited
9,615	Nestle Sa-Adr
8,244	Nike Inc
74,409	Nintendo Co. Ltd Adr
11,870	Novartis Ag-Adr
16,991	Orsted A/S Npv Adr
12,260	Progressive Corp Ohio
10,601	Prologis Inc
9,960	Ross Stores
7,163	Sonic Healthcare Ltd
220,358	Svenska Handelsb-A-Unsp Adr
8,799	Taiwan Semiconductor Manufacturing Co
14,332	Tal Education Group
12,084	Tencent Holdings Ltd Adr
2,013	Transdigm Group Inc 2
5,934	Verisk Analytics Inc
5,559	Visa Inc Cl A
13,239	Wolters Kluwer Nv
5,648	Woodside Energy Group Ltd Npv Adr
4,805	Xp Inc
<b>836,260</b>	
<b>4,035,989</b>	<b>Units Outstanding</b>