

Morgan Stanley

INVESTMENT MANAGEMENT

Morgan Stanley Liquidity Funds

Annual Report
31 March 2023

Société d'Investissement à Capital Variable
incorporated under the laws of
the Grand Duchy of Luxembourg

R.C.S Number: B 174 137

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MORGAN STANLEY LIQUIDITY FUNDS

Table of Contents

Directors and Service Providers	Page 1
Board of Directors' Report	Page 2
Investment Adviser's and Sub-Adviser's Reports:	
MS Liquidity Funds - Euro Liquidity Fund	Page 8
MS Liquidity Funds - US Dollar Liquidity Fund, US Dollar Treasury Liquidity Fund and US Dollar Ultra Short Income Fund	Page 9
MS Liquidity Funds - Sterling Liquidity Fund	Page 10
Independent Auditor's Report	Page 11
Financial Statements:	
Statement of Net Assets	Page 14
Statement of Net Assets Statistics	Page 16
Statement of Operations and Changes in Net Assets	Page 19
Schedules of Investments:	
MS Liquidity Funds - Euro Liquidity Fund	Page 21
MS Liquidity Funds - US Dollar Liquidity Fund	Page 24
MS Liquidity Funds - US Dollar Treasury Liquidity Fund	Page 28
MS Liquidity Funds - US Dollar Ultra Short Income Fund	Page 29
MS Liquidity Funds - Sterling Liquidity Fund	Page 31
Notes to the Financial Statements	Page 34
Appendix 1: Total Expense Ratio (Unaudited)	Page 47
Appendix 2: Securities Financing Transactions Regulation (Unaudited)	Page 48
Appendix 3: Remuneration Policy (Unaudited)	Page 52
Appendix 4: Determination of Global Exposure (Unaudited)	Page 58
Appendix 5: Sustainable Finance Disclosure Regulation (Unaudited)	Page 59

MORGAN STANLEY LIQUIDITY FUNDS

Directors and Service Providers

Board of Directors of the Company

Andrew Mack (resigned effective 31 December 2022)
Non-Executive Director
United Kingdom

William Jones (resigned effective 31 December 2022)
Independent Non-Executive Director
Grand Duchy of Luxembourg

Henry Kelly (resigned effective 31 December 2022)
Independent Non-Executive Director
Grand Duchy of Luxembourg

Diane Hosie
Non-Executive Director
United Kingdom

Carine Feipel
Independent Non-Executive Director
Grand Duchy of Luxembourg

Susanne van Dootingh
Independent Non-Executive Director
Belgium

Zoë Parish*
Managing Director
Morgan Stanley Investment Management Limited
United Kingdom

Arthur Lev
Non-Executive Director
United States

Management Company

MSIM Fund Management (Ireland) Limited
The Observatory
7-11 Sir John Rogerson's Quay
Dublin 2 D02VC42
Ireland

Board of Directors of the Management Company

Eimear Cowhey
Independent Non-Executive Director
Ireland

Elaine Keenan
Executive Director
CEO and COO MSIM Fund Management (Ireland) Limited
Ireland

Diane Hosie
Non-Executive Director
United Kingdom

Ruairi O'Healai
Non-Executive Director
United Kingdom

Liam Miley
Independent Non-Executive Director
Ireland

Board of Directors of the Management Company (continued)

Michael Hodson
Independent Non-Executive Director
Ireland

Depository

**The Bank of New York Mellon SA/NV,
Luxembourg Branch**
2-4 rue Eugène Ruppert
L-2453 Luxembourg
Grand Duchy of Luxembourg

Registrar and Transfer Agent**, Administrative Agent** and Paying Agent**

**The Bank of New York Mellon SA/NV,
Luxembourg Branch**
2-4 rue Eugène Ruppert
L-2453 Luxembourg
Grand Duchy of Luxembourg

Domiciliary Agent

MSIM Fund Management (Ireland) Limited, Luxembourg Branch
6B, route de Trèves
L-2633 Senningerberg
Grand Duchy of Luxembourg

Investment Adviser**

Morgan Stanley Investment Management Inc.
522 Fifth Avenue
New York, New York, 10036
United States of America

Sub-Investment Adviser***

Morgan Stanley & Co International plc
25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom

Distributor

MSIM Fund Management (Ireland) Limited
The Observatory
7-11 Sir John Rogerson's Quay
Dublin 2 D02VC42
Ireland

Independent Auditor of the Company

Ernst & Young S.A.
35E, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Legal Adviser

Arendt & Medernach S.A.
41A, avenue J. F. Kennedy
L-2082 Luxembourg
Grand Duchy of Luxembourg

*Executive Director – Directors of the Company who receive a salary from the sponsor.

**Delegated by the Management Company.

***Delegated by the Investment Adviser.

MORGAN STANLEY LIQUIDITY FUNDS

Board of Directors' Report

The Board of Directors of the Company (the "Board") is pleased to present the Audited Financial Statements and Annual Report for the year ended 31 March 2023.

Activities during the year

Assets under management increased by \$20.34 billion (41.19%) from \$49.38bn on 31 March 2022 to \$69.72 billion on 31 March 2023, this was mainly due to a 118.47% increase in US Dollar Liquidity Fund AUM.

Morgan Stanley Liquidity Funds Overview

There were no important changes to Morgan Stanley Liquidity Funds.

Directors

Andrew Mack

Non-Executive Director

Andrew Mack (United Kingdom) is a non-executive director of the Company. Mr. Mack joined Morgan Stanley in 1996 and has 35 years of investment experience. Mr. Mack joined Morgan Stanley as a portfolio manager in the asset management business, where he launched and co-managed a global equity arbitrage fund. He subsequently headed the global market risk oversight team for all of Morgan Stanley before taking over as market risk manager of the European equities business. Mr. Mack was appointed as European head of multi asset class prime brokerage in 2004 and took over prime brokerage sales for Europe in 2006 before running the European listed derivative business. Mr. Mack rejoined Morgan Stanley Investment Management (MSIM) in 2008 as global chief risk officer, taking over as head of MSIM EMEA at the beginning of 2009. Mr. Mack was an employee of Morgan Stanley until 30 June 2010. Mr. Mack provided services as a consultant and senior adviser to Morgan Stanley between 1 July 2010 and 31 December 2013. Mr. Mack assumed a non-Executive Director role of Morgan Stanley Investment Management (ACD) Limited, from 10 May 2013 until 18 August 2021, which was the Management Company from 1st April 2014 until the appointment of MSIM Fund Management (Ireland) Limited on 1 January 2019. Mr. Mack has been involved in taking and managing risk for most of his investment career, his previous experience includes portfolio management, trading and risk management positions at Cargill, Bankers Trust and Black River Asset Management, a Minneapolis based hedge fund. Mr. Andrew Mack resigned as a member of the Board of Directors on 31 December 2022.

William Jones

Independent Non-Executive Director

William Jones (Luxembourg) is a non-executive director of the Company. Mr. Jones is the founder of Beaumont Governance which provides directorship and corporate governance services from Luxembourg. Mr. Jones has 33 years' experience in the funds industry and has held senior positions with Commodities Corporation, Goldman Sachs Asset Management International and Bank of Bermuda/ HSBC. Mr. Jones acts as director of investment funds and related entities sponsored by major US and international banks and asset managers. He also acts as advisor and director of non-financial start-up and early stage companies. He completed the first cohort of the INSEAD International Directors Program ("IIDP") in 2011, was a member of the IIDP Advisory Board (2011-2017) and served as its first President (2011-2015). Mr. Jones was accredited in 2011 as a certified director by IIDP and the ILA. He served on the Board of Directors of ILA (2016-2020) and its Fund Governance Committee (2010-2020) and co-chaired the Alternative Investment Task Force of ILA's Fund Governance Committee which issued the "ILA Guide for Board Members in the Context of AIF and AIFM" in July 2014. He sits on multiple committees of ALFI. He was co-vice chair of the Alternative Investment Management Association's ("AIMA") working group which issued "AIMA's Fund Director Guide" in April 2015. He served on the Board of Governors of the International School of Luxembourg from 2011 to 2015 and was its Chairman during 2014-15. Mr. Jones has law and business degrees (1988) from Columbia University and a bachelor degree (1984) from Princeton University. Mr. William Jones resigned as a member of the Board of Directors on 31 December 2022.

MORGAN STANLEY LIQUIDITY FUNDS

Board of Directors' Report (continued)

Directors (continued)

Henry Kelly

Independent Non-Executive Director

Mr. Kelly is an independent board member of several investment funds and investment management companies domiciled in Luxembourg and internationally. He is the Managing Director of the Luxembourg-based consultancy firm that he founded in 1999, KellyConsult Sàrl, which provides advisory services to the investment fund sector.

He is a member and was the founding Chairman of the Fund Governance Forum for ALFI (Association of the Luxembourg Fund Industry). From 2019 to 2021 he was a member of the Management Committee of the Luxembourg Institute of Directors (ILA) and is a founding member of the ILA Investment Funds Committee. He is a regular speaker at conferences on investment funds and corporate governance matters. From 1993 – 1999 he was a Managing Director of Flemings Luxembourg (now JP Morgan Asset Management) following 5 years' experience in the capital markets division of BNP Paribas based in Paris. Prior to these posts, he acquired seven years' experience with Price Waterhouse in Paris, Frankfurt and New York. He has a master's degree in Modern Languages from Cambridge University, is a Member of the Institute of Chartered Accountants and holds the INSEAD Certificate in Corporate Governance. He obtained the qualification of ILA certified director in 2013. Mr. Henry Kelly resigned as a member of the Board of Directors on 31 December 2022.

Diane Hosie

Non-Executive Director

Diane Hosie (United Kingdom) is a non-executive director of the Company and formerly International Head of Morgan Stanley Investment Management's client services and distribution oversight teams. Ms Hosie joined Morgan Stanley Investment Management in 1997 as a Senior Associate within Investment Management Operations and was named Managing Director in 2014. She has over 30 years' experience in Asset Management. Prior to Morgan Stanley Investment Management, Ms Hosie spent nine years with Nomura Capital Management.

Ms. Hosie is a non-executive director on a number of Luxembourg fund boards including Morgan Stanley Investment Funds, Morgan Stanley Liquidity Funds Board, and Morgan Stanley Asset Management S.A. She is also a non-executive director of MSIM Fund Management (Ireland) Ltd.

Carine Feipel

Independent Non-Executive Director and chairperson

Ms. Feipel is a Luxembourg attorney and certified independent director. She has chaired the Luxembourg Institute of Directors (ILA) from 2019 to 2023. Ms. Feipel obtained the INSEAD IDP Certificate on Corporate Governance in 2014 and was admitted by ILA as a Certified Director in the same year. Ms. Feipel serves the Board of Directors of a Luxembourg based bank, four insurance companies, both active in the life insurance and the non-life insurance fields. Ms. Feipel is further a member of the Board of Directors of various Luxembourg companies active in the financial and investment funds sectors. In 2014, Ms. Feipel was elected to the Board of Directors of ILA and became a member of the Management Committee of such association. She was appointed as Chair of such professional association in June 2019. Ms. Feipel has 21 years of experience as a lawyer with the Luxembourg law firm Arendt & Medernach where she headed the insurance law practice and was co-head of the employment law practice. Ms. Feipel was also a member of the Board of such firm and headed its New York office from 2007 to 2012. Since 2010, Ms. Feipel has been a member of various committees within the Haut Comité pour la Place Financière, a Government lead think tank coordinating promotion and innovation initiatives for the Luxembourg financial sector.

Susanne van Dootingh

Independent Non-Executive Director

Ms. van Dootingh is an independent non-executive director of various Luxembourg domiciled investment funds and management companies. Prior to becoming an independent non-executive director in 2017, Ms van Dootingh worked at State Street Global Advisors from 2002 to 2017 with her final position being Senior Managing Director, Head of European Governance and Regulatory Strategy, EMEA. During her tenure at SSGA she held various other senior positions, amongst others in Global Product Development and Fixed Income Strategy, and was the chairwoman of the SSGA flagship Luxembourg Sicav and Management Company and various other boards for a decade. Before joining SSGA in 2002, Ms van Dootingh gained experience in global fixed income portfolio management and strategy at Fortis Investment Management, Barclays Global Investors and ABN AMRO Asset Management. She graduated from the Vrije Universiteit Amsterdam with a Master's degree in Financial Sector Management.

MORGAN STANLEY LIQUIDITY FUNDS

Board of Directors' Report (continued)

Directors (continued)

Zoë Parish

Executive Director

Zoë Parish is a Managing Director of Morgan Stanley and the Head of International Product and Board Governance for Morgan Stanley Investment Management. Before returning to Morgan Stanley in 2019, Zoë spent 4 years at Coutts and Co and was most recently Head of Europe and Americas. Prior to that she was Head of Delivery responsible for developing and implementation of strategies for Coutts products for England and Wales. Prior to this, she was business lead for several strategic projects for the firm including a web based investment platform. From 1993 to 2014, Zoë held leadership and product roles in Morgan Stanley's Private Wealth Management business in EMEA. In her latest role with the firm Morgan Stanley as Managing Director, she is Head of Product and also headed up the Alternatives platform, the Private Investment Club and Strategic Lead Management for EMEA. Zoë received a B.A. (Hons) and an LLB (Hons) both from the University of London. She also sits on the Board of Morgan Stanley Asset Management S.A and is the Chairman of the Board of Trustees for the University of London Boat Club.

Arthur Lev

Non-Executive Director

Arthur Lev is the former Chairman of Morgan Stanley Investment Management (MSIM), where he spent nearly twenty years in a variety of business, risk and legal roles, most recently managing MSIM's Long Only and Alternatives businesses. Arthur also spent four years at FrontPoint Partners, a hedge fund firm that was acquired by Morgan Stanley. Arthur is currently an independent board member (and chair of Audit and Risk Committee) of Russell Investments, a global money manager based in Seattle, WA. Arthur was previously an independent director of NextCapital Group, a digital investment adviser and financial technology firm based in Chicago, IL, and Techstars, a global startup accelerator platform, based in Boulder, CO. Arthur is a graduate of the University of Southern California (AB, 1983) and Harvard Law School (JD, 1986).

Distribution of the Sub-Funds

Sub-Funds may be offered for sale in European Union Member States, subject to registration. In addition, applications to register the Company and its Sub-Funds may be made in other countries. All of the Sub-Funds and Share Classes are registered for distribution in the Grand Duchy of Luxembourg and a number of the Sub-Funds and Share Classes are registered for distribution in the following jurisdictions: Austria, Denmark, France, Germany, Ireland, Italy, the Netherlands, Norway, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

Role and Responsibility of the Board

The responsibility of the Board is governed exclusively by Luxembourg law. With respect to the financial statements of the Company, the duties of the Directors are governed by the law of 10 December 2010, on, inter alia, the accounting and annual accounts of undertakings for collective investment and by the law of 17 December 2010 relating to undertakings for collective investment.

The matters reserved for the Board include determination of each Sub-Fund's investment objective and policies, investment restrictions and powers, amendments to the Prospectus, reviewing and approving key investment and financial data, including the annual accounts, as well as the appointment of, and review of the services provided by, the Investment Adviser, the Depositary, the Administrator, the Distributor, the Auditor, and other service providers.

Prior to each Board meeting, the Directors receive detailed and timely information allowing them to be prepared for the items under discussion during the meeting. For each quarterly meeting, the Board requests and receives reports from, amongst others, the Investment Adviser, the Depositary, the Administrator, the Distributor, Risk Management as well as proposals for changes to the Fund structure as appropriate. Senior representatives of each of these functions attend Board meetings to present relevant information and address any matters arising.

The Directors take decisions in the interests of the Company and its shareholders as a whole, where conflicts of interest arise, any conflicted Director will refrain from taking part in any related deliberation or decision. A description of the Company's policy on conflicts of interest is available for inspection at the registered office.

The Board can take independent professional advice if necessary and at the Company's expense.

MORGAN STANLEY LIQUIDITY FUNDS

Board of Directors' Report (continued)

Board Evaluation

The Board carries out an annual review of its performance.

Board Composition

The Board as a whole has a breadth of investment knowledge, financial skills, as well as legal and other experience relevant to the Company's business. Directors are elected annually by shareholders at the Annual General Meeting. The Board takes into account the nature and requirements of the fund industry and of the Company's business when making recommendation to shareholders that Directors be elected.

Tabular Summary of Board Composition

Director	Residence	Executive	Non-Executive	Independent non-executive	Length of service on Board
Andrew Mack*	United Kingdom		X		10.1 years
William Jones*	Luxembourg			X	10.1 years
Henry Kelly*	Luxembourg			X	9.9 years
Diane Hosie	United Kingdom		X		4.7 years
Carine Feipel	Luxembourg			X	4.7 years
Susanne van Dootingh	Belgium			X	4.7 years
Zoe Parish	United Kingdom	X			2.7 years
Arthur Lev	United States of America		X		1.7 years

* Resigned from the Board of Directors with effect from 31 December 2022.

Board Meetings

The Board meets regularly on a quarterly basis but if necessary additional ad hoc meetings will be arranged.

At the quarterly Board meetings, the agenda includes, amongst other matters, those items highlighted under the section above called "Role and Responsibility of the Board" and the approval of the annual report and accounts.

In certain circumstances, when it may not be appropriate to wait until the next Board meeting to discuss a particular issue, authority may be delegated to one or more Board member to deal with particular business issues.

The following table captures the Directors' attendance of Board Meetings throughout the year.

Director	Number of board meetings attended
Andrew Mack*	5 of 7
Henry Kelly*	6 of 7
William Jones*	6 of 7
Carine Feipel	7 of 7
Diane Hosie	7 of 7
Susanne van Dootingh	7 of 7
Zoë Parish	7 of 7
Arthur Lev	6 of 7

* Resigned from the Board of Directors with effect from 31 December 2022.

Internal Control

The Board is responsible for the oversight of the design, implementation and maintenance of internal controls comprising monitoring the services provided by the Management Company and the Depositary, including the operational and compliance controls established by them to meet the Company's obligations to shareholders as set out in the Prospectus, The Articles of Incorporation as well as all relevant regulations. The Management Company formally reports to the Board on a quarterly basis on the various activities it is responsible for and in addition shall inform the Board without delay of any material administrative or accounting matters.

MORGAN STANLEY LIQUIDITY FUNDS

Board of Directors' Report (continued)

Corporate Governance and ALFI Code of Conduct

The Board is responsible for ensuring that a high level of corporate governance is met and considers that the Company has complied with the best practices in the Luxembourg funds industry.

The Board has adopted the principles set out in the ALFI Code of Conduct (the "Code"). These principles were amended in August 2013 and are set out below:

1. The Board should ensure that high standards of corporate governance are applied at all times;
2. The Board should have good professional standing and appropriate experience and ensure that it is collectively competent to fulfill its responsibilities;
3. The Board should act fairly and independently in the best interests of the investors;
4. The Board should act with due care and diligence in the performance of its duties;
5. The Board should ensure compliance with all applicable laws, regulations and with the Company's constitutional documents;
6. The Board should ensure that investors are properly informed, are fairly and equitably treated, and receive the benefits and services to which they are entitled;
7. The Board should ensure that an effective risk management process and appropriate internal controls are in place;
8. The Board should identify and manage fairly and effectively, to the best of its ability, any actual, potential or apparent conflict of interest and ensure appropriate disclosure;
9. The Board should ensure that shareholder rights are exercised in a considered way and in the best interests of the Company;
10. The Board should ensure that the remuneration of the Board members is reasonable and fair and adequately disclosed.

The Code was amended during the period, on 20 June 2022. Among other changes, the first principle of the Code was modified to better align with the 10 Principles of Corporate Governance of the Luxembourg Stock, and an eleventh principle was introduced.

11. The two principles are set out below:
 - I. The board should adopt clear and transparent standards of corporate governance;
 - II. The board should integrate as appropriate sustainability standards and objectives including environmental, social and governance (ESG) criteria in its business model and operations.

While these amendments to the Code heighten expectations of the Company, the Board considers that the Company has been in compliance with the principles of the Code in all material aspects throughout the year ended 31 March 2023. The Board undertakes an annual review of ongoing compliance with the principles of the Code.

Proxy Voting Policy

While these amendments to the Code heighten expectations of the Company, the Board delegates responsibility for proxy voting to the Management Company. The Management Company manages the voting rights of the shares entrusted in a prudent and diligent manner, based exclusively on the reasonable judgment of what will best serve the financial interests of clients. So far, as is practicable, the Management Company will vote at all of the meetings called by companies in which the funds are invested.

A copy of the proxy voting policy is available from the Fund's registered office upon request or on the website: <http://www.morganstanley.com/im/en-gb/institutional-investor/about-us/proxy-voting-en-gb.html>

Directors and Officers Indemnity Insurance

The Company has taken out Directors and Officers Indemnity Insurance which indemnifies the Directors against certain liabilities arising in the course of their duties and responsibilities but does not cover against any fraudulent or dishonest actions on their part.

Independent Auditor

Ernst & Young S.A. has been the Company's Independent Auditor since inception in 2012.

MORGAN STANLEY LIQUIDITY FUNDS

Board of Directors' Report (continued)

Annual General Meeting

The next Annual General Meeting of the Company will be held on 18 July 2023 at the Registered Office of the Company to consider matters relating to the year ended 31 March 2023. At this meeting shareholders will, amongst other matters, be requested to consider the usual matters at such meetings including:

1. the adoption of the financial statements and approval of the allocation of the results;
2. the approval of Directors fees;
3. the election of the Directors, all of whom wish to stand for election;
4. the election of the Auditor.

On behalf of the Board of the Company:

Director

Director

Luxembourg, 22 June 2023

MORGAN STANLEY LIQUIDITY FUNDS

Morgan Stanley Liquidity Funds Euro Liquidity Fund - Short-Term LVNAV Money Market Fund Investment Sub-Adviser's Report for the year ended 31 March 2023

Market Review

The European Central Bank (ECB) had been an outlier amongst global policy makers as they entered the reporting period as the only major central bank not to raise interest rates amidst rising inflationary pressures amidst the pandemic recovery and a rise in global tensions caused by the Russian invasion of Ukraine. Their persistence in viewing that inflationary pressures were 'transitory' and were not a reason to loosen their extremely accommodative monetary policy stance was however becoming increasingly untenable, as more Governing Council members grew uneasy with headline inflation hitting 7.4% in March and continuing to rise. Consequently, in their June 2022 meeting while announcing an end to their quantitative easing programme application, they pre-emptively announced that they expected to raise the deposit rate by 25 basis points in their following meeting in July 2022. This move however was deemed insufficient by the time the July 2022 meeting arrived and instead the bank increased their interest rates by 50 basis points to take the deposit rate out of negative territory for the first time since 2014. The ECB followed this by continually frontloading significant hikes in an attempt to stave off inflation expectations, by hiking 75 basis points in both September 2022 and October 2022 meetings as inflation peaked at 10.5%, then following this with further 50 basis points hikes in December 2022, February 2023 and March 2023, making it 6 consecutive hikes of at least 50 basis points, and 350 basis points in total, taking the deposit rate to 3% by the end of the reporting period.

Inflation however remains uncomfortably high, despite the declines from the highs of Autumn of over 10% to around 7% by the end of the reporting period. As such, markets fully expect further hikes from the ECB as they continue to battle inflation. This is despite the financial market turmoil that embroiled several regional banks in the US, which spilled over into the European banking sector sufficiently to see one of the largest banks in the world, Credit Suisse, suffer a deposit flight, and a rushed takeover was organised by the Swiss regulator with its compatriot bank UBS. Despite this, President Lagarde has insisted that the European banking sector has no such issues due to the tighter regulation and higher capitalisation requirements, and despite signs of bank lending slowing, that further hikes to combat inflation will be required.

Fund positioning has been fairly consistent through the year, as the money market yield curve under-pricing of ECB actions has meant staying short and liquid has been the prudent strategy. Targeting each new maintenance period has allowed the Fund to pass on as much of the yield increase as possible when each rate hike has come into effect. We have also materially added to our floating-rate-note exposure through the year, as rates passed from negative to positive yields and FRN issuance became more acceptable for issuers. These strategies have contributed to running Weighted Average Maturity's (WAM) as low as 7 days ahead of rate meetings, while Weight Average Life (WAL) has peaked at over 40 days during the year. Given the positive yield now offered by the Fund, it is also now a more attractive proposition for clients, which has helped contribute to strong Fund growth through the year, growing from €8.5 billion to a peak of €11.5 billion ahead of year end, and ending the reporting period at €10.6 billion.

MORGAN STANLEY & CO INTERNATIONAL PLC.

22 June 2023

MORGAN STANLEY LIQUIDITY FUNDS

Morgan Stanley Liquidity Funds US Dollar Liquidity Fund - Short-Term LVNAV Money Market Fund, Morgan Stanley Liquidity Funds US Dollar Treasury Liquidity Fund - Public Debt CNAV Money Market Fund & Morgan Stanley Liquidity Funds US Dollar Ultra Short Income Fund - Standard VNAV Money Market Fund Investment Adviser's Report for the year ended 31 March 2023

Market Review

Monetary policy and shifting market sentiment was a key driver of portfolio composition and Fund performance for the year ending 31 March 2023. With the unemployment rate hovering near all-time lows and the Fed continuing to stimulate the economy, US CPI began to increase in 2021 and hit a peak rate of 9.1 percent in June 2022. To combat inflation and meet their objective of maximum employment and price stability, the Fed embarked on a historic tightening campaign over the next twelve months, raising the target for the benchmark rate by 475 basis points, ending the reporting period at a target range of 4.75 to 5 percent. In the background, the Fed began shrinking their almost \$9 trillion balance sheet by \$95 billion per month, beginning in May with a split of \$60 billion treasuries and \$35 billion mortgage-backed securities. As a result of the Funds entering the reporting period with a short duration profile, achieved through high levels of daily resetting SOFR floating rate notes and elevated levels of weekly liquidity, the Funds were well positioned as the Fed increased their pace of tightening throughout the year, which subsequently led to relative outperformance versus the peer group. At the close of the reporting period, futures are fairly aligned with the updated March 2023 dot-plot projections, anticipating one additional 25 basis point rate hike at the upcoming May Federal Open Market Committee meeting and then holding at these peak levels throughout the remainder of the year before easing in 2024.

MORGAN STANLEY INVESTMENT MANAGEMENT INC.

22 June 2023

MORGAN STANLEY LIQUIDITY FUNDS

Morgan Stanley Liquidity Funds Sterling Liquidity Fund - Short-Term LVNAV Money Market Fund Investment Sub-Adviser's Report for the year ended 31 March 2023

Market Review

The UK had entered a period of monetary policy tightening by the beginning of the reporting period, as the Bank of England reacted to the re-opening of the economy following the pandemic, and the inflationary pressures caused by the Russian invasion of Ukraine by raising interest rates to 0.75%. As the reporting period unfolded inflationary pressures continued to build, and the MPC's decisions to increase interest rates by 25 basis points in both May and June were followed by inflation data in July hitting 10%. Consequently, the MPC decided to increase the increments of their hikes by moving from 25 basis points to 50 basis points in August, and subsequently in September.

Immediately following the Monetary Policy Committee's (MPC), headed by Liz Truss entrusted the new Chancellor Kwasi Kwarteng, with a mini-budget stimulus plan, which focussed on higher rate tax cuts and unfunded borrowing to try and stimulate growth. Given the borrowing implications and inflationary impact of such a move, markets reacted in dramatic fashion, pricing in an instant intra-meeting 200 basis points jump in interest rates, causing Liability Driven Investment funds in particular to have large margin calls, and put pressure on both gilt yields and money market funds exposed to this sector. The Bank of England reacted by stepping in as a buyer of longer gilts to try and stem the gilt yield sell off. The impact on the government of such an adverse reaction saw an end to both Kwarteng as Chancellor and Liz Truss as PM, serving just 38 and 45 days in office respectively. They were succeeded by Jeremy Hunt as Chancellor and Rishi Sunak, defeated by Liz Truss in the Tory party selection process, as PM in a move which calmed markets.

With the political turbulence abated as many of the Truss/Kwarteng pledges were abolished, the Bank of England was able to return to its monetary policy tightening, and with CPI peaking at over 11% in October, in November we saw the largest hike yet, of 75 basis points, with a further 50 basis points in December and February. The bank returned to a 25 basis points increment in March taking the UK Bank rate to 4.25%, making it 8 hikes through the reporting period, totalling 350 basis points. The inflation pressures have however not yet subsided with strong wage growth and headline inflation still printing over 10% it is likely that the Bank will need to continue its hiking cycle beyond the end of the reporting period, with markets currently pricing in a peak of near 5% in UK interest rates.

The Fund has maintained a cautious approach to duration through the reporting period, often running with higher than normal levels of overnight deposits and short term liquidity as well as increasing exposure to floating rate assets, as we tracked rates higher through the hiking cycle. WAM was therefore at lows of less than 20 days, while WAL has been as high as 69 days. This has proven a prudent approach as the performance tracked well against peer group, particularly our decision to run shorter into the August meeting where we saw Fund size rise from a low of £4.14 billion to a high of £7.25 billion in the subsequent 6 month period, with quarter end outflows meaning the Fund closed at £6.28 billion, up slightly year on year. Some mild lengthening was taken on towards the end of the reporting period as attractive swap levels meant yield offers at levels higher than the anticipated terminal rate were achievable, and the Fund ended the period with a WAM of 40 days.

MORGAN STANLEY & CO INTERNATIONAL PLC.

22 June 2023

MORGAN STANLEY LIQUIDITY FUNDS

Independent auditor's report

To the Shareholders of
Morgan Stanley Liquidity Funds
6B, route de Trèves
L-2633 Senningerberg
Luxembourg

Opinion

We have audited the financial statements of Morgan Stanley Liquidity Funds (the “Company”) and of each of its sub-funds, which comprise the statement of net assets and the schedules of investments as at 31 March 2023, and the statement of operations and changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company and of each of its sub-funds as at 31 March 2023, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the “Law of 23 July 2016”) and with International Standards on Auditing (“ISAs”) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (“CSSF”). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “responsibilities of the “réviseur d’entreprises agréé” for the audit of the financial statements” section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (“IESBA Code”) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Company is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the “réviseur d’entreprises agréé” thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Company for the financial statements

The Board of Directors of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

MORGAN STANLEY LIQUIDITY FUNDS

Responsibilities of the Board of Directors of the Company for the financial statements (continued)

In preparing the financial statements, the Board of Directors of the Company is responsible for assessing the Company's and of each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Company either intends to liquidate the Company or any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d'entreprises agréé” for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d'entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Company.
- Conclude on the appropriateness of the Board of Directors of the Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “réviseur d'entreprises agréé” to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d'entreprises agréé”. However, future events or conditions may cause the Company or any of its sub-funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

MORGAN STANLEY LIQUIDITY FUNDS

Responsibilities of the “réviseur d’entreprises agréé” for the audit of the financial statements (continued)

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Kerry Nichol

Luxembourg, 22 June 2023

MORGAN STANLEY LIQUIDITY FUNDS

Statement of Net Assets As of 31 March 2023

	Euro Liquidity Fund EUR	US Dollar Liquidity Fund USD	US Dollar Treasury Liquidity Fund USD	US Dollar Ultra Short Income Fund USD	Sterling Liquidity Fund GBP	Combined USD
ASSETS						
Investment in securities at amortised cost/market price (Note 2a)	7,044,109,006	31,773,789,793	3,026,182,497	208,561,555	4,549,981,915	48,287,438,425
Time deposits (Note 9)	3,459,902,361	3,905,000,000	–	12,000,000	1,680,500,746	9,753,869,156
Reverse repurchase agreements (Note 8)	575,000,000	2,498,000,000	9,259,000,000	9,000,000	200,000,000	12,637,999,199
Interest receivable (Note 2c)	9,480,178	35,864,935	23,738,158	316,777	17,012,253	91,254,428
Cash at bank (Note 2d) ⁽¹⁾	199,745,851	168,114,804	62,433,385	1,951,596	31,711,305	488,723,233
Receivable from investment sold	–	–	332,873,737	–	–	332,873,737
Operating fee reimbursement	370,387	1,082,161	340,120	41,026	251,926	2,177,208
Prepaid expense	9,401	11,256	10,172	9,489	7,656	50,597
TOTAL ASSETS	11,288,617,184	38,381,862,949	12,704,578,069	231,880,443	6,479,465,801	71,594,385,983
LIABILITIES						
Payable for investment purchased	697,853,355	600,000,000	48,422,613	–	174,518,866	1,622,389,731
Dividends payable (Note 3)	1,608,032	138,461,922	45,905,832	234,393	22,353,041	213,987,630
Management fees payable (Note 6a)	3,698,880	17,093,728	5,610,338	162,696	2,404,457	29,858,405
Expense payable (Note 6e)	601,988	1,627,452	660,538	216,871	413,361	3,669,992
TOTAL LIABILITIES	703,762,255	757,183,102	100,599,321	613,960	199,689,725	1,869,905,758
NET ASSET VALUE	10,584,854,929	37,624,679,847	12,603,978,748	231,266,483	6,279,776,076	69,724,480,225

⁽¹⁾ Cash is held at the Depository.

On behalf of the Board of the Company:

Director

Director

22 June 2023

The accompanying notes form an integral part of financial statements.

MORGAN STANLEY LIQUIDITY FUNDS

Statement of Net Assets As of 31 March 2022

	Euro Liquidity Fund EUR	US Dollar Liquidity Fund USD	US Dollar Treasury Liquidity Fund USD	US Dollar Ultra Short Income Fund USD	Sterling Liquidity Fund GBP	Combined USD
ASSETS						
Investment in securities at amortised cost/market price (Note 2a)	5,905,933,454	15,122,018,439	4,352,271,142	151,909,995	4,162,584,991	31,678,107,654
Time deposits (Note 9)	2,346,675,502	1,658,000,000	–	15,000,000	1,746,556,231	6,583,633,272
Reverse repurchase agreements (Note 8)	200,000,000	605,000,000	10,787,000,000	3,000,000	–	11,617,530,056
Interest receivable (Note 2c)	676,425	1,316,492	506,916	336,431	2,685,245	6,447,993
Cash at bank (Note 2d) ⁽¹⁾	168,616,652	90,968,598	77,761,457	1,390,176	28,811,041	395,665,667
Receivable from investment sold	–	–	–	7,497,566	–	7,497,566
Operating fee reimbursement	352,301	520,097	366,030	146,914	284,675	1,799,846
Prepaid expense	321	2,512	3,097	158	–	6,124
Other assets	11,620	18,907	18,454	12,749	21,074	90,786
TOTAL ASSETS	8,622,266,275	17,477,845,045	15,217,927,096	179,293,989	5,940,943,257	50,290,778,964
LIABILITIES						
Payable for investment purchased	400,447,919	249,897,333	–	–	144,968,461	886,328,617
Dividends payable (Note 3)	–	2,021,709	1,380,929	19,185	1,656,886	5,603,363
Management fees payable (Note 6a)	2,200,070	6,542,688	2,991,733	98,027	1,380,469	13,897,952
Expense payable (Note 6e)	1,371,542	2,013,986	2,212,410	204,140	1,052,100	7,341,830
TOTAL LIABILITIES	404,019,531	260,475,716	6,585,072	321,352	149,057,916	913,171,762
NET ASSET VALUE	8,218,246,744	17,217,369,329	15,211,342,024	178,972,637	5,791,885,341	49,377,607,202

(1) Cash is held at the Depositary.

MORGAN STANLEY LIQUIDITY FUNDS

Statement of Net Assets Statistics As of 31 March 2023

	Currency	Outstanding Shares as at 31 March 2023	Outstanding Shares as at 31 March 2022	Outstanding Shares as at 31 March 2021
Euro Liquidity Fund				
Institutional Shares (Note 1)*	EUR	154,318,986	–	–
Institutional Accumulation Shares	EUR	9,977,609	7,137,438	14,856,380
Institutional Accumulation D Shares	EUR	871,010	675,531	643,425
Institutional Select Shares (Note 1)*	EUR	10,000	–	–
Institutional Select Accumulation D Shares	EUR	1,379	814	725
Institutional (+1) Accumulation Shares	EUR	1,173,194	2,267,843	2,513,933
MS Reserve Shares (Note 1)*	EUR	609,708,022	–	–
MS Reserve Accumulation D Shares	EUR	865	58,576	45,266
Qualified Shares (Note 1)*	EUR	10,000	–	–
Qualified Accumulation D Shares	EUR	1,179	1,888	19,368
US Dollar Liquidity Fund				
Advisory Shares	USD	77,937,816	14,529,491	61,994,479
Capital Shares	USD	702,548,925	669,069,556	722,726,999
Institutional Shares	USD	29,816,855,201	15,304,451,283	15,024,334,271
Institutional Accumulation Shares	USD	10,416,343	3,975,617	21,131,537
Institutional Select Shares	USD	16,076,672	33,874,640	5,719,603
MS Reserve Shares	USD	23,678,580	31,525,820	36,697,900
NR Shares	USD	1,815,080,100	80,000	80,000
NR Accumulation Shares	USD	800	800	800
Qualified Shares	USD	671,526,953	238,979,837	583,208,434
Qualified Accumulation Shares	USD	29,992,745	4,476,061	7,514,020
US Dollar Treasury Liquidity Fund				
Advisory Shares	USD	21,691,371	50,000	50,000
Capital Shares	USD	80,000	80,000	80,000
Institutional Shares	USD	8,832,605,155	10,412,485,266	8,859,943,643
Institutional Select Shares	USD	291,853,268	1,148,273,778	865,515,542
LF Shares	USD	71,874,274	80,000	80,000
MS Reserve Shares	USD	1,805,567,114	2,025,674,773	2,867,773,275
NR Shares	USD	691,771,910	80,000	80,000
Qualified Accumulation Shares	USD	8,425,142	15,784,807	17,526,110
US Dollar Ultra Short Income Fund				
Institutional Shares	USD	1,547,675	1,014,194	10,436
MS Reserve Accumulation Shares	USD	800	800	800
Qualified Shares	USD	793,301	2,542,333	3,335,837
Qualified A Shares	USD	2,674,263	3,439,386	4,466,025
Qualified A Accumulation Shares	USD	11,807	6,810	5,577
Qualified Accumulation Shares	USD	5,729	4,068	970
Sterling Liquidity Fund				
Institutional Shares	GBP	4,985,521,149	5,221,361,549	3,792,216,614
Institutional Accumulation Shares	GBP	209,419	508,560	728,926
Institutional Plus Shares	GBP	1,216,644,989	471,107,833	641,566,871
Institutional Plus Accumulation Shares	GBP	68,302	5,507	28,569
Institutional Select Shares	GBP	1,054,200	1,420,200	1,070,200
Qualified Shares	GBP	45,758,456	41,206,191	39,065,807

* Share Class launched on 27 January 2023.

MORGAN STANLEY LIQUIDITY FUNDS

Statement of Net Assets Statistics As of 31 March 2023 (continued)

	Currency	Net Asset Value per Share as at 31 March 2023	Net Asset Value per Share as at 31 March 2022	Net Asset Value per Share as at 31 March 2021
Euro Liquidity Fund				
Institutional Shares (Note 1)*	EUR	1.00	–	–
Institutional Accumulation Shares	EUR	106.64	106.02	106.73
Institutional Accumulation D Shares	EUR	9,882.22	9,824.76	9,890.63
Institutional Select Shares (Note 1)*	EUR	1.00	–	–
Institutional Select Accumulation D Shares	EUR	10,063.82	9,810.62	9,880.96
Institutional (+1) Accumulation Shares	EUR	98.16	97.59	98.24
MS Reserve Shares (Note 1)*	EUR	1.00	–	–
MS Reserve Accumulation D Shares	EUR	9,916.10	9,846.10	9,903.92
Qualified Shares (Note 1)*	EUR	1.00	–	–
Qualified Accumulation D Shares	EUR	9,878.80	9,822.06	9,888.61
US Dollar Liquidity Fund				
Advisory Shares	USD	1.00	1.00	1.00
Capital Shares	USD	1.00	1.00	1.00
Institutional Shares	USD	1.00	1.00	1.00
Institutional Accumulation Shares	USD	117.02	113.74	113.77
Institutional Select Shares	USD	1.00	1.00	1.00
MS Reserve Shares	USD	1.00	1.00	1.00
NR Shares	USD	1.00	1.00	1.00
NR Accumulation Shares	USD	103.89	100.88	100.85
Qualified Shares	USD	1.00	1.00	1.00
Qualified Accumulation Shares	USD	109.48	106.43	106.45
US Dollar Treasury Liquidity Fund				
Advisory Shares	USD	1.00	1.00	1.00
Capital Shares	USD	1.00	1.00	1.00
Institutional Shares	USD	1.00	1.00	1.00
Institutional Select Shares	USD	1.00	1.00	1.00
LF Shares	USD	1.00	1.00	1.00
MS Reserve Shares	USD	1.00	1.00	1.00
NR Shares	USD	1.00	1.00	1.00
Qualified Accumulation Shares	USD	105.52	102.92	102.90
US Dollar Ultra Short Income Fund				
Institutional Shares	USD	9.96	9.96	9.97
MS Reserve Accumulation Shares	USD	104.07	100.76	100.52
Qualified Shares	USD	9.96	9.96	9.96
Qualified A Shares	USD	9.95	9.96	9.96
Qualified A Accumulation Shares	USD	10,309.05	10,022.75	10,022.42
Qualified Accumulation Shares	USD	10,391.12	10,072.14	10,059.02
Sterling Liquidity Fund				
Institutional Shares	GBP	1.00	1.00	1.00
Institutional Accumulation Shares	GBP	118.02	115.46	115.40
Institutional Plus Shares	GBP	1.00	1.00	1.00
Institutional Plus Accumulation Shares	GBP	102.37	100.09	100.04
Institutional Select Shares	GBP	1.00	1.00	1.00
Qualified Shares	GBP	1.00	1.00	1.00

* Share Class launched on 27 January 2023.

MORGAN STANLEY LIQUIDITY FUNDS

Statement of Net Assets Statistics As of 31 March 2023 (continued)

	Currency	Net Assets as at 31 March 2023	Net Assets as at 31 March 2022	Net Assets as at 31 March 2021
Euro Liquidity Fund				
Institutional Shares (Note 1)*	EUR	154,317,980	–	–
Institutional Accumulation Shares	EUR	1,064,038,176	756,729,389	1,585,671,547
Institutional Accumulation D Shares	EUR	8,607,510,813	6,636,926,495	6,363,878,342
Institutional Select Shares (Note 1)*	EUR	10,000	–	–
Institutional Select Accumulation D Shares	EUR	13,879,412	7,987,024	7,161,228
Institutional (+1) Accumulation Shares	EUR	115,161,007	221,317,642	246,978,323
MS Reserve Shares (Note 1)*	EUR	609,703,496	–	–
MS Reserve Accumulation D Shares	EUR	8,577,727	576,747,048	448,311,339
Qualified Shares (Note 1)*	EUR	10,000	–	–
Qualified Accumulation D Shares	EUR	11,646,318	18,539,146	191,522,100
US Dollar Liquidity Fund				
Advisory Shares	USD	77,933,825	14,524,973	62,015,220
Capital Shares	USD	702,512,945	668,962,885	722,737,584
Institutional Shares	USD	29,815,328,116	15,300,868,351	15,026,100,928
Institutional Accumulation Shares	USD	1,218,937,404	452,204,661	2,404,064,444
Institutional Select Shares	USD	16,075,849	33,857,722	5,720,683
MS Reserve Shares	USD	23,677,367	31,518,365	36,701,148
NR Shares	USD	1,814,987,149	79,981	80,015
NR Accumulation Shares	USD	83,109	80,700	80,676
Qualified Shares	USD	671,492,562	238,901,194	583,355,314
Qualified Accumulation Shares	USD	3,283,651,521	476,370,497	799,849,708
US Dollar Treasury Liquidity Fund				
Advisory Shares	USD	21,690,483	50,000	50,000
Capital Shares	USD	79,997	80,001	80,000
Institutional Shares	USD	8,832,243,566	10,412,513,708	8,859,948,382
Institutional Select Shares	USD	291,841,321	1,148,277,769	865,516,059
LF Shares	USD	71,871,332	80,001	80,000
MS Reserve Shares	USD	1,805,493,198	2,025,687,639	2,867,774,021
NR Shares	USD	691,743,594	80,001	80,000
Qualified Accumulation Shares	USD	889,015,257	1,624,572,907	1,803,478,746
US Dollar Ultra Short Income Fund				
Institutional Shares	USD	15,416,567	10,105,934	104,018
MS Reserve Accumulation Shares	USD	83,254	80,609	80,418
Qualified Shares	USD	7,897,368	25,318,177	33,230,076
Qualified A Shares	USD	26,618,184	34,245,669	44,480,875
Qualified A Accumulation Shares	USD	121,720,712	68,253,129	55,894,421
Qualified Accumulation Shares	USD	59,530,398	40,969,120	9,758,256
Sterling Liquidity Fund				
Institutional Shares	GBP	4,984,786,328	5,219,132,589	3,792,233,151
Institutional Accumulation Shares	GBP	24,715,822	58,718,704	84,120,858
Institutional Plus Shares	GBP	1,216,476,019	470,875,275	641,534,717
Institutional Plus Accumulation Shares	GBP	6,991,828	551,146	2,857,932
Institutional Select Shares	GBP	1,054,053	1,419,631	1,070,099
Qualified Shares	GBP	45,752,026	41,187,996	39,061,290

* Share Class launched on 27 January 2023.

MORGAN STANLEY LIQUIDITY FUNDS

Statement of Operations and Changes in Net Assets For the year ended to 31 March 2023

	Euro Liquidity Fund EUR	US Dollar Liquidity Fund USD	US Dollar Treasury Liquidity Fund USD	US Dollar Ultra Short Income Fund USD	Sterling Liquidity Fund GBP	Combined USD
INCOME						
Interest (Note 2c)	72,700,658	936,172,543	397,150,935	6,592,869	131,938,871	1,574,375,234
Total Positive Income	72,700,658	936,172,543	397,150,935	6,592,869	131,938,871	1,574,375,234
EXPENSES						
Management fees (Note 4,6)	16,251,112	56,367,270	27,976,662	736,982	9,953,995	113,971,019
Less: Management fees waived (Note 6)	(5,743,945)	–	–	(192,994)	(1,807,048)	(8,344,378)
Management fees - Net	10,507,167	56,367,270	27,976,662	543,988	8,146,947	105,626,641
Taxe d'Abonnement (Note 5)	888	249,525	104,645	18,462	4,222	378,638
Legal fees (Note 6c)	85,322	90,913	90,914	90,913	75,842	452,806
Directors' fees and expenses (Note 6b)	52,776	55,310	55,310	54,234	46,686	275,961
Directors' liability insurance premium	27,254	28,689	28,689	29,765	23,740	144,076
Ratings fees (Note 6c)	71,509	78,331	79,780	–	62,299	307,502
Tax charges (excluding Taxe d'Abonnement) (Note 5)	18,157	17,979	17,979	17,979	16,632	92,849
Other fees (Note 6c)	246	(1,214)	(1,577)	242	467	(1,732)
Audit fees (Note 6c)	13,430	13,169	13,169	13,169	11,924	67,833
Professional fees (Note 6c)	32,529	14,313	14,313	14,313	13,578	93,127
Distribution fees (Note 6c)	9,735	10,021	10,021	10,832	9,466	52,397
Less: Operating fee reimbursement (Note 6)	(316,757)	(375,915)	(345,876)	(231,801)	(260,644)	(1,596,901)
Total Expenses	10,502,256	56,548,391	28,044,029	562,096	8,151,159	105,893,197
Investments	(6,414)	13,178	(548,373)	38,389	412,686	(6,717)
Net realised (depreciation)/appreciation	(6,414)	13,178	(548,373)	38,389	412,686	(6,717)
Net Investment Income	62,191,988	879,637,330	368,558,533	6,069,162	124,200,398	1,468,475,320
Change in net unrealised appreciation/(depreciation)						
Investments	457,872	2,146,511	–	(117,848)	1,169,425	3,912,720
Total change in net unrealised appreciation/(depreciation)	457,872	2,146,511	–	(117,848)	1,169,425	3,912,720
Less: Distribution paid from income (Note 3)	(2,256,238)	(789,517,690)	(344,642,990)	(1,691,790)	(122,722,929)	(1,285,925,197)
Net Increase in Net Assets resulting from operations	60,393,622	92,266,151	23,915,543	4,259,524	2,646,894	186,462,843
Proceeds from issuance of shares	54,173,978,677	203,179,253,372	137,921,136,455	239,145,754	35,208,825,874	440,085,814,286
Shares redeemed	(51,867,764,114)	(182,864,209,005)	(140,552,415,274)	(191,111,432)	(34,723,582,033)	(419,370,451,599)
Increase/(Decrease) in Net Assets from share transactions	2,306,214,563	20,315,044,367	(2,631,278,819)	48,034,322	485,243,841	20,715,362,687
Increase/(Decrease) in Net Assets	2,366,608,185	20,407,310,518	(2,607,363,276)	52,293,846	487,890,735	20,901,825,530
Net Assets at the beginning of the year	8,218,246,744	17,217,369,329	15,211,342,024	178,972,637	5,791,885,341	49,377,607,202
Foreign exchange adjustment on translation	–	–	–	–	–	(554,952,507)
NET ASSETS AT THE END OF THE YEAR	10,584,854,929	37,624,679,847	12,603,978,748	231,266,483	6,279,776,076	69,724,480,225

On behalf of the Board of the Company:

Director

Director

22 June 2023

MORGAN STANLEY LIQUIDITY FUNDS

Statement of Operations and Changes in Net Assets For the year ended to 31 March 2022

	Euro Liquidity Fund EUR	US Dollar Liquidity Fund USD	US Dollar Treasury Liquidity Fund USD	US Dollar Ultra Short Income Fund USD	Sterling Liquidity Fund GBP	Combined USD
INCOME						
Interest (Note 2c)	(55,105,532)	31,189,817	10,848,282	415,587	9,543,217	(8,568,107)
Total Positive/(Negative) Income	(55,105,532)	31,189,817	10,848,282	415,587	9,543,217	(8,568,107)
EXPENSES						
Management fees (Note 4,6)	17,699,389	36,537,483	27,689,706	594,747	13,286,597	103,554,274
Less: Management fees waived (Note 6)	(10,341,599)	(9,354,537)	(20,947,508)	(319,804)	(9,086,576)	(55,061,142)
Management fees - Net	7,357,790	27,182,946	6,742,198	274,943	4,200,021	48,493,132
Taxe d'Abonnement (Note 5)	7,050	85,110	155,161	13,357	4,081	267,401
Legal fees (Note 6c)	61,333	65,020	65,020	65,020	48,587	332,756
Directors' fees and expenses (Note 6b)	40,936	48,518	48,518	48,518	34,344	240,074
Directors' liability insurance premium	24,929	29,547	29,547	29,547	20,915	146,202
Ratings fees (Note 6c)	66,996	79,075	80,207	-	57,512	315,757
Tax charges (excluding Taxe d'Abonnement) (Note 5)	15,543	15,924	15,924	15,923	11,985	82,218
Other fees (Note 6c)	34,900	38,880	35,787	34,092	26,259	185,214
Audit fees (Note 6c)	13,414	14,245	14,245	14,245	10,589	72,799
Professional fees (Note 6c)	53,446	71,415	71,415	71,415	52,850	348,597
Distribution fees (Note 6c)	8,246	8,998	8,998	8,569	7,325	46,161
Less: Operating fee reimbursement (Note 6)	(319,208)	(374,415)	(396,952)	(285,458)	(275,955)	(1,805,009)
Total Expenses	7,365,375	27,265,263	6,870,068	290,171	4,198,512	48,725,302
Investments	(3,674)	(420,558)	40,806	20,080	(414,390)	(930,204)
Net realised (depreciation)/appreciation	(3,674)	(420,558)	40,806	20,080	(414,390)	(930,204)
Net Investment (Expense)/ Income	(62,474,581)	3,503,996	4,019,020	145,496	4,930,315	(58,223,613)
Change in net unrealised appreciation/(depreciation)						
Investments	(483,028)	(5,742,184)	-	(74,066)	(2,069,543)	(9,205,807)
Total change in net unrealised appreciation/(depreciation)	(483,028)	(5,742,184)	-	(74,066)	(2,069,543)	(9,205,807)
Less: Distribution paid from income (Note 3)	-	(3,647,379)	(3,726,747)	(64,464)	(5,290,154)	(14,667,549)
Net (Decrease)/Increase in Net Assets resulting from operations	(62,957,609)	(5,885,567)	292,273	6,966	(2,429,382)	(82,096,969)
Proceeds from issuance of shares	49,372,114,148	120,264,433,019	133,353,527,589	155,980,541	35,090,610,695	359,122,207,741
Shares redeemed	(49,934,432,674)	(122,681,883,843)	(132,539,485,046)	(120,562,934)	(33,857,174,019)	(359,658,435,002)
(Decrease)/Increase in Net Assets from share transactions	(562,318,526)	(2,417,450,824)	814,042,543	35,417,607	1,233,436,676	(536,227,261)
(Decrease)/Increase in Net Assets	(625,276,135)	(2,423,336,391)	814,334,816	35,424,573	1,231,007,294	(618,324,230)
Net Assets at the beginning of the year	8,843,522,879	19,640,705,720	14,397,007,208	143,548,064	4,560,878,047	50,867,706,237
Foreign exchange adjustment on translation	-	-	-	-	-	(871,774,805)
NET ASSETS AT THE END OF THE YEAR	8,218,246,744	17,217,369,329	15,211,342,024	178,972,637	5,791,885,341	49,377,607,202

The accompanying notes form an integral part of financial statements.

MORGAN STANLEY LIQUIDITY FUNDS

Euro Liquidity Fund

Schedule of Investments

As of 31 March 2023

(Expressed in EUR)

ISSUE	DENOMINATION CURRENCY	HOLDINGS	COUPON RATE	MATURITY DATE	MARKET PRICE/AMORTISED COST*	PERCENTAGE OF NET ASSETS
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS						
COMMERCIAL PAPER 29.80%						
AGENCE CENTRALE DES ORGANISMES	EUR	150,000,000	-	03-Apr-23	149,989,535	1.42
BANCO SANTANDER SA	EUR	200,000,000	-	05-May-23	199,501,084	1.89
BANCO SANTANDER SA	EUR	50,000,000	-	05-Oct-23	49,851,443	0.47
BANK NEDERLANDSE GEMEENTEN	EUR	150,000,000	-	05-Apr-23	149,972,017	1.42
BANK NEDERLANDSE GEMEENTEN	EUR	100,000,000	-	04-Nov-23	99,936,041	0.94
BARCLAYS BANK PLC	EUR	100,000,000	-	03-Apr-23	99,994,044	0.95
BARCLAYS BANK PLC	EUR	130,000,000	-	05-Apr-23	129,970,611	1.23
BARCLAYS BANK PLC	EUR	100,000,000	-	17-Apr-23	99,898,548	0.94
BARCLAYS BANK PLC	EUR	50,000,000	-	10-May-23	49,853,444	0.47
BARCLAYS BANK PLC	EUR	50,000,000	-	10-May-23	49,853,444	0.47
BAYERISCHE MOTOREN WERKE AG	EUR	150,000,000	-	20-Apr-23	149,799,700	1.42
COLGATE-PALMOLIVE CO	EUR	44,000,000	-	06-Apr-23	43,987,158	0.42
COLGATE-PALMOLIVE CO	EUR	26,000,000	-	11-Apr-23	25,982,426	0.25
COLGATE-PALMOLIVE CO	EUR	100,000,000	-	13-Apr-23	99,917,389	0.94
COLGATE-PALMOLIVE CO	EUR	100,000,000	-	18-Apr-23	99,887,349	0.94
DEKABANK DEUTSCHE GIROZENTRALE	EUR	100,000,000	-	24-May-23	99,575,810	0.94
ERSTE ABWICKLUNGSANSTALT	EUR	200,000,000	-	06-Apr-23	199,942,900	1.89
JYSKE BANK A/S	EUR	100,000,000	-	03-Apr-23	99,993,168	0.94
LANDESBANK BADEN-WURTTENBERG	EUR	50,000,000	-	05-Apr-23	49,988,969	0.47
LANDESBANK BADEN-WURTTENBERG	EUR	150,000,000	-	06-Apr-23	149,955,677	1.42
LINDE AG	EUR	50,000,000	-	03-Apr-23	49,996,550	0.47
LINDE AG	EUR	50,000,000	-	04-Apr-23	49,993,210	0.47
LINDE AG	EUR	75,000,000	-	11-Apr-23	74,951,854	0.71
LINDE AG	EUR	50,000,000	-	27-Apr-23	49,910,731	0.47
LINDE AG	EUR	25,000,000	-	02-May-23	24,942,899	0.24
LINDE AG	EUR	50,000,000	-	03-May-23	49,889,716	0.47
LINDE AG	EUR	50,000,000	-	04-May-23	49,879,043	0.47
NESTLE SA	EUR	60,000,000	-	03-May-23	59,852,620	0.57
NYKREDIT BANK A/S	EUR	150,000,000	-	24-Apr-23	149,740,469	1.41
OESTERREICHISCHE KONTROLLBANK AG	EUR	50,000,000	-	24-Apr-23	49,913,486	0.47
OESTERREICHISCHE KONTROLLBANK AG	EUR	100,000,000	-	05-Jun-23	99,498,646	0.94
PROCTER & GAMBLE COMPANY	EUR	11,000,000	-	08-May-23	10,970,339	0.10
PROCTER & GAMBLE COMPANY	EUR	38,000,000	-	11-May-23	37,887,805	0.36
SOCIETE DE FINANCEMENT LOCAL SA	EUR	100,000,000	-	24-Apr-23	99,832,868	0.94
TOYOTA MOTOR FINANCE (NETHERLANDS)	EUR	100,000,000	-	06-Apr-23	99,973,674	0.94
TOYOTA MOTOR FINANCE (NETHERLANDS)	EUR	100,000,000	-	06-Jul-23	99,181,641	0.94
Total Commercial Paper					3,154,266,308	29.80

CERTIFICATES OF DEPOSIT 27.64%

BANK OF MONTREAL	EUR	100,000,000	3.09%	29-Sep-23	100,000,000	0.94
BELFIUS BANK SA/NV	EUR	75,000,000	-	03-Apr-23	74,994,877	0.71
BELFIUS BANK SA/NV	EUR	75,000,000	-	04-Apr-23	74,989,397	0.71
BELFIUS BANK SA/NV	EUR	75,000,000	-	05-Apr-23	74,984,150	0.71
BELFIUS BANK SA/NV	EUR	150,000,000	-	06-Apr-23	149,959,101	1.42
BRED BANQUE POPULAIRE	EUR	100,000,000	3.00%	31-May-23	99,997,673	0.94
CITIBANK NA	EUR	100,000,000	-	07-Jul-23	99,149,742	0.94
CREDIT AGRICOLE SA	EUR	100,000,000	-	09-May-23	99,717,302	0.94
DNB BANK ASA	EUR	100,000,000	3.10%	10-May-23	100,003,393	0.95
KBC BANK NV	EUR	75,000,000	-	03-Apr-23	74,994,835	0.71
KBC BANK NV	EUR	75,000,000	-	04-Apr-23	74,989,658	0.71
KBC BANK NV	EUR	75,000,000	-	05-Apr-23	74,984,049	0.71
KBC BANK NV	EUR	75,000,000	-	06-Apr-23	74,980,064	0.71

MORGAN STANLEY LIQUIDITY FUNDS

Euro Liquidity Fund

Schedule of Investments (continued)

As of 31 March 2023

(Expressed in EUR)

ISSUE	DENOMINATION CURRENCY	HOLDINGS	COUPON RATE	MATURITY DATE	MARKET PRICE/AMORTISED COST*	PERCENTAGE OF NET ASSETS
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS						
CERTIFICATES OF DEPOSIT 27.64%						
MIZUHO BANK LTD	EUR	50,000,000	-	05-Apr-23	49,878,629	0.47
MIZUHO BANK LTD	EUR	50,000,000	-	06-Apr-23	49,986,941	0.47
MIZUHO BANK LTD	EUR	100,000,000	-	11-Apr-23	99,937,545	0.94
MIZUHO BANK LTD	EUR	150,000,000	-	24-Apr-23	149,739,580	1.41
NORDEA BANK AB	EUR	150,000,000	-	24-May-23	149,363,715	1.41
ROYAL BANK OF CANADA	EUR	100,000,000	3.18%	14-Dec-23	100,010,063	0.95
SUMITOMO MITSUI BANKING CORPORATION	EUR	200,000,000	-	24-Apr-23	199,650,418	1.89
SUMITOMO MITSUI BANKING CORPORATION	EUR	175,000,000	-	27-Apr-23	174,673,952	1.65
SUMITOMO MITSUI TRUST BANK LTD	EUR	100,000,000	-	03-Apr-23	99,993,308	0.94
SUMITOMO MITSUI TRUST BANK LTD	EUR	100,000,000	-	05-Apr-23	99,979,587	0.94
SUMITOMO MITSUI TRUST BANK LTD	EUR	100,000,000	-	11-Apr-23	99,937,302	0.94
SUMITOMO MITSUI TRUST BANK LTD	EUR	100,000,000	-	03-Jul-23	99,177,222	0.94
TORONTO DOMINION BANK	EUR	30,000,000	3.14%	02-Jun-23	30,006,813	0.28
TORONTO DOMINION BANK	EUR	100,000,000	3.19%	17-Jul-23	100,032,807	0.95
TORONTO DOMINION BANK	EUR	50,000,000	3.20%	11-Sep-23	50,019,177	0.47
TORONTO DOMINION BANK	EUR	50,000,000	3.21%	27-Oct-23	50,017,474	0.47
TORONTO DOMINION BANK	EUR	75,000,000	3.30%	06-Nov-23	75,061,859	0.71
TORONTO DOMINION BANK	EUR	75,000,000	3.22%	28-Mar-24	75,000,000	0.71
Total Certificates of Deposit					2,926,210,633	27.64
ASSET BACKED COMMERCIAL PAPER 5.45%						
COLLATERALIZED COMMERCIAL PAPER CO III	EUR	100,000,000	-	12-Jun-23	99,371,353	0.94
COLLATERALIZED COMMERCIAL PAPER CO III	EUR	50,000,000	-	13-Jun-23	49,682,968	0.47
LMA SA	EUR	130,000,000	-	03-Apr-23	129,989,387	1.23
LMA SA	EUR	50,000,000	-	17-Apr-23	49,942,168	0.47
LMA SA	EUR	50,000,000	-	16-May-23	49,821,663	0.47
LMA SA	EUR	25,000,000	-	17-May-23	24,910,397	0.24
MATCHPOINT FINANCE PLC	EUR	93,000,000	-	11-Apr-23	92,937,424	0.88
MATCHPOINT FINANCE PLC	EUR	50,000,000	-	28-Apr-23	49,895,646	0.47
MATCHPOINT FINANCE PLC	EUR	30,000,000	-	15-May-23	29,901,201	0.28
Total Asset Backed Commercial Paper					576,452,207	5.45
COMMERCIAL PAPER - INTEREST BEARING 3.31%						
BANK OF MONTREAL	EUR	50,000,000	3.31%	07-Dec-23	50,058,556	0.47
BANQUE FED CRED MUTUEL	EUR	100,000,000	3.10%	11-May-23	100,003,611	0.95
BANQUE FED CRED MUTUEL	EUR	100,000,000	3.10%	29-May-23	100,016,373	0.95
LLOYDS BANK CORPORATE MARKETS	EUR	100,000,000	3.06%	06-Apr-23	100,001,022	0.94
Total Commercial Paper - Interest Bearing					350,079,562	3.31
FLOATING RATE NOTE 0.35%						
BANK OF MONTREAL	EUR	37,000,000	3.90%	15-Aug-23	37,100,296	0.35
Total Floating Rate Note					37,100,296	0.35

The accompanying notes form an integral part of financial statements.

MORGAN STANLEY LIQUIDITY FUNDS

Euro Liquidity Fund

Schedule of Investments (continued)

As of 31 March 2023

(Expressed in EUR)

	MARKET PRICE/AMORTISED COST*	PERCENTAGE OF NET ASSETS
Total Transferable Securities and Money Market Instruments	<u>7,044,109,006</u>	<u>66.55</u>
Total Investments	7,044,109,006	66.55
Other assets in excess of liabilities	<u>3,540,745,923</u>	<u>33.45</u>
Total Net Assets	<u>10,584,854,929</u>	<u>100.00</u>

*Securities with residual maturity days up to 75 days or with Mark to Market deviance under 10bps are valued at Amortised Cost (applicable for a Sub-Fund qualifying as an LVNAV Money Market Fund).

MORGAN STANLEY LIQUIDITY FUNDS

US Dollar Liquidity Fund

Schedule of Investments

As of 31 March 2023

(Expressed in USD)

ISSUE	DENOMINATION CURRENCY	HOLDINGS	COUPON RATE	MATURITY DATE	MARKET PRICE/AMORTISED COST*	PERCENTAGE OF NET ASSETS
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS						
COMMERCIAL PAPER 47.96%						
ABN AMRO BANK	USD	250,000,000	-	15-Jun-23	247,405,840	0.66
AGENCE CENTRALE DES ORGANISMES	USD	500,000,000	-	03-Apr-23	499,943,365	1.33
AGENCE CENTRALE DES ORGANISMES	USD	250,000,000	-	02-May-23	249,064,863	0.66
AGENCE CENTRALE DES ORGANISMES	USD	250,000,000	-	04-May-23	248,999,698	0.66
APPLE INC	USD	188,000,000	-	25-Apr-23	187,425,276	0.50
BANK NEDERLANDSE GEMEENTEN	USD	250,000,000	-	03-Apr-23	249,972,223	0.66
BANK NEDERLANDSE GEMEENTEN	USD	650,000,000	-	05-Apr-23	649,768,567	1.73
BANK OF MONTREAL	USD	250,000,000	-	06-Apr-23	249,866,113	0.66
BARCLAYS BANK PLC	USD	250,000,000	-	03-Apr-23	249,966,530	0.66
BARCLAYS BANK PLC	USD	30,000,000	-	31-May-23	29,728,902	0.08
BARCLAYS BANK PLC	USD	70,600,000	-	05-Jun-23	69,874,284	0.19
BARCLAYS BANK PLC	USD	75,000,000	-	16-Jun-23	74,192,813	0.20
BARCLAYS BANK PLC	USD	150,000,000	-	21-Jun-23	148,200,783	0.39
BARCLAYS BANK PLC	USD	120,000,000	-	23-Jun-23	118,523,840	0.32
BARCLAYS BANK PLC	USD	100,000,000	-	26-Jun-23	98,322,578	0.26
BARCLAYS BANK PLC	USD	60,000,000	-	26-Jun-23	59,234,255	0.16
BARCLAYS BANK PLC	USD	75,000,000	-	03-Jul-23	73,962,279	0.20
BARCLAYS BANK PLC	USD	75,000,000	-	05-Jul-23	73,939,400	0.20
BARCLAYS BANK PLC	USD	63,214,000	-	04-Aug-23	62,071,217	0.17
BARTON CAPITAL SA	USD	50,000,000	-	05-Apr-23	49,979,792	0.13
BARTON CAPITAL SA	USD	50,000,000	-	27-Apr-23	49,825,694	0.13
BARTON CAPITAL SA	USD	50,000,000	-	02-May-23	49,789,584	0.13
BARTON CAPITAL SA	USD	50,000,000	-	04-May-23	49,775,556	0.13
BARTON CAPITAL SA	USD	100,000,000	-	15-Jun-23	98,910,350	0.26
BPCE SA	USD	250,000,000	-	06-Jun-23	247,652,673	0.66
CABOT TRAIL FUNDING LLC	USD	225,000,000	-	22-Jun-23	222,290,568	0.59
CDP FINANCIAL INC	USD	55,000,000	-	01-Jun-23	54,506,461	0.15
CDP FINANCIAL INC	USD	50,000,000	-	20-Jun-23	49,423,663	0.13
CDP FINANCIAL INC	USD	250,000,000	-	02-Oct-23	250,000,000	0.66
CDP FINANCIAL INC	USD	30,000,000	-	17-Nov-23	28,934,128	0.08
CDP FINANCIAL INC	USD	50,000,000	-	22-Nov-23	48,185,750	0.13
CDP FINANCIAL INC	USD	50,000,000	-	27-Nov-23	48,147,982	0.13
CDP FINANCIAL INC	USD	90,000,000	-	01-Dec-23	86,612,262	0.23
CITIGROUP GLOBAL MARKETS	USD	150,000,000	-	03-Jul-23	147,991,925	0.39
COOPERATIEVE RABOBANK UA	USD	400,000,000	-	15-Jun-23	395,782,000	1.05
DNB BANK ASA	USD	785,000,000	-	05-Apr-23	784,688,614	2.09
DZ BANK AG DEUTSCHE ZENTRAL- GENOSSENSCH	USD	992,000,000	-	03-Apr-23	991,868,292	2.64
DZ PRIVATBANK SA	USD	250,000,000	-	03-Apr-23	249,977,705	0.66
ERSTE ABWICKLUNGSANSTALT	USD	500,000,000	-	06-Apr-23	499,766,890	1.33
ERSTE ABWICKLUNGSANSTALT	USD	500,000,000	-	04-May-23	498,057,785	1.32
FEDERATION DES CAISSES DESJARDINS	USD	1,000,000,000	-	03-Apr-23	999,866,670	2.66
FEDERATION DES CAISSES DESJARDINS	USD	250,000,000	-	05-Apr-23	249,900,000	0.66
FMS WERTMANAGEMENT ANSTALT DES OEFFENTLICHEN RECHTS	USD	200,000,000	-	03-May-23	199,230,860	0.53
FMS WERTMANAGEMENT ANSTALT DES OEFFENTLICHEN RECHTS	USD	300,000,000	-	04-May-23	298,808,016	0.79
GLAXOSMITHKLINE PLC	USD	100,000,000	-	18-Apr-23	99,784,444	0.27
JYSKE BANK A/S	USD	400,000,000	-	06-Apr-23	399,843,864	1.06
KINGDOM OF BELGIUM	USD	200,000,000	-	06-Apr-23	199,907,428	0.53
KREDITANSTALT FUR WIEDERAUFBAU	USD	250,000,000	-	03-Apr-23	249,978,877	0.66
KREDITANSTALT FUR WIEDERAUFBAU	USD	300,000,000	-	06-Apr-23	299,889,366	0.80
KREDITANSTALT FUR WIEDERAUFBAU	USD	250,000,000	-	04-May-23	249,034,920	0.66
LA BANQUE POSTALE	USD	400,000,000	-	05-Apr-23	399,891,672	1.06
LA BANQUE POSTALE	USD	100,000,000	-	15-Jun-23	99,028,264	0.26
LANDESBANK BADEN-WURTTENBERG	USD	300,000,000	-	03-May-23	298,874,934	0.79

The accompanying notes form an integral part of financial statements.

MORGAN STANLEY LIQUIDITY FUNDS

US Dollar Liquidity Fund

Schedule of Investments (continued)

As of 31 March 2023

(Expressed in USD)

ISSUE	DENOMINATION CURRENCY	HOLDINGS	COUPON RATE	MATURITY DATE	MARKET PRICE/AMORTISED COST*	PERCENTAGE OF NET ASSETS
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS						
COMMERCIAL PAPER 47.96%						
LANDWIRTSCHAFTLICHE RENTENBANK	USD	200,000,000	-	27-Apr-23	199,405,856	0.53
LLOYDS BANK PLC	USD	160,000,000	-	05-Jul-23	157,796,693	0.42
MIZUHO BANK LTD	USD	110,000,000	-	14-Jul-23	108,338,084	0.29
NEDERLANDSE WATERSCHAPSBANK NV	USD	250,000,000	-	28-Apr-23	249,156,050	0.66
NESTLE SA	USD	99,500,000	-	20-Apr-23	99,272,104	0.26
NRW.BANK	USD	500,000,000	-	03-Apr-23	499,933,475	1.33
NRW.BANK	USD	500,000,000	-	04-Apr-23	499,866,945	1.33
NRW.BANK	USD	250,000,000	-	05-Apr-23	249,900,210	0.66
NRW.BANK	USD	300,000,000	-	18-Apr-23	299,358,666	0.80
PODIUM FUNDING TRUST	USD	30,000,000	-	20-Jun-23	29,646,773	0.08
REPUBLIC OF AUSTRIA	USD	100,000,000	-	27-Apr-23	99,701,096	0.27
SOCIETE GENERALE	USD	250,000,000	-	01-May-23	248,999,102	0.66
SOCIETE GENERALE	USD	250,000,000	-	02-May-23	248,964,588	0.66
ST ENGINEERING NA INC	USD	100,000,000	-	27-Apr-23	99,658,335	0.27
STATE OF THE NETHERLANDS	USD	1,450,000,000	-	27-Apr-23	1,445,672,402	3.84
STE TRANSORE HOLDINGS INC	USD	215,000,000	-	05-Apr-23	214,913,103	0.57
STE TRANSORE HOLDINGS INC	USD	67,000,000	-	06-Apr-23	66,963,894	0.18
SUNCORP-METWAY LTD	USD	25,000,000	-	10-May-23	24,868,240	0.07
SUNCORP-METWAY LTD	USD	65,000,000	-	10-Jul-23	64,013,061	0.17
SUNCORP-METWAY LTD	USD	50,000,000	-	11-Jul-23	49,233,016	0.13
SWEDBANK AB	USD	190,000,000	-	20-Jun-23	187,932,800	0.50
TOYOTA FINANCE AUSTRALIA	USD	80,000,000	-	15-Jun-23	79,184,848	0.21
TOYOTA FINANCE AUSTRALIA	USD	106,000,000	-	08-Aug-23	104,047,415	0.28
TOYOTA MOTOR CREDIT CORP	USD	70,000,000	-	10-Jul-23	69,007,450	0.18
TOYOTA MOTOR FINANCE (NETHERLANDS)	USD	65,000,000	-	30-May-23	64,445,291	0.17
Total Commercial Paper					18,046,949,312	47.96
CERTIFICATES OF DEPOSIT 15.57%						
ABN AMRO BANK	USD	250,000,000	-	15-Jun-23	247,405,840	0.66
BANK OF AMERICA NA	USD	1,250,000,000	4.85%	03-Apr-23	1,250,000,000	3.32
BANK OF AMERICA NA	USD	400,000,000	5.15%	21-Jun-23	400,017,716	1.06
BANK OF NOVA SCOTIA	USD	75,000,000	5.10%	21-Jun-23	74,986,944	0.20
BANK OF NOVA SCOTIA	USD	325,000,000	5.27%	02-Oct-23	324,961,728	0.86
BARCLAYS BANK PLC	USD	200,000,000	5.51%	10-May-23	200,114,342	0.53
CANADIAN IMPERIAL BANK OF COMMERCE	USD	200,000,000	5.50%	02-May-23	200,091,590	0.53
CANADIAN IMPERIAL BANK OF COMMERCE	USD	350,000,000	5.15%	23-Jun-23	350,084,588	0.93
EUROCLEAR BANK SA/NV	USD	100,000,000	-	01-Aug-23	98,234,495	0.26
MIZUHO BANK LTD	USD	150,000,000	-	04-May-23	149,362,104	0.40
MIZUHO BANK LTD	USD	100,000,000	-	08-May-23	99,521,578	0.27
MIZUHO BANK LTD	USD	50,000,000	-	08-Jun-23	49,523,062	0.13
MIZUHO BANK LTD	USD	150,000,000	-	15-Jun-23	148,410,971	0.39
MIZUHO BANK LTD	USD	110,000,000	-	31-Jul-23	108,074,377	0.29
OVERSEA-CHINESE BANKING CORP	USD	65,000,000	4.63%	03-Apr-23	64,999,611	0.17
OVERSEA-CHINESE BANKING CORP	USD	50,000,000	5.15%	13-Jun-23	49,992,093	0.13
SUMITOMO MITSUI BANKING CORPORATION	USD	150,000,000	-	08-May-23	149,287,605	0.40
SUMITOMO MITSUI BANKING CORPORATION	USD	100,000,000	-	15-Jun-23	98,954,533	0.26
SUMITOMO MITSUI TRUST BANK LTD	USD	220,000,000	4.80%	04-Apr-23	220,000,000	0.59
SUMITOMO MITSUI TRUST BANK LTD	USD	300,000,000	4.79%	05-Apr-23	300,000,000	0.80
SUMITOMO MITSUI TRUST BANK LTD	USD	600,000,000	4.79%	06-Apr-23	600,000,000	1.60
SUMITOMO MITSUI TRUST BANK LTD	USD	250,000,000	4.79%	10-Apr-23	250,000,000	0.66
SVENSKA HANDELSBANKEN AB	USD	75,000,000	5.53%	26-May-23	75,071,497	0.20

The accompanying notes form an integral part of financial statements.

MORGAN STANLEY LIQUIDITY FUNDS

US Dollar Liquidity Fund

Schedule of Investments (continued)

As of 31 March 2023

(Expressed in USD)

ISSUE	DENOMINATION CURRENCY	HOLDINGS	COUPON RATE	MATURITY DATE	MARKET PRICE/AMORTISED COST*	PERCENTAGE OF NET ASSETS
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS						
CERTIFICATES OF DEPOSIT 15.57%						
SVENSKA HANDELSBANKEN AB	USD	350,000,000	-	02-Nov-23	350,000,000	0.93
Total Certificates of Deposit					5,859,094,674	15.57
COMMERCIAL PAPER - INTEREST BEARING 12.89%						
AUSTRALIA AND NEW ZEALAND BANKING	USD	150,000,000	5.49%	02-May-23	150,060,166	0.40
AUSTRALIA AND NEW ZEALAND BANKING	USD	100,000,000	5.42%	16-Jun-23	100,081,867	0.27
BANK OF NOVA SCOTIA	USD	250,000,000	5.45%	15-May-23	250,143,353	0.66
BANK OF NOVA SCOTIA	USD	50,000,000	5.26%	12-Jun-23	50,024,552	0.13
BANK OF NOVA SCOTIA	USD	96,000,000	5.40%	05-Jul-23	96,088,567	0.26
BANK OF NOVA SCOTIA	USD	25,000,000	5.33%	10-Jul-23	25,018,800	0.07
BPCE SA	USD	200,000,000	5.27%	05-Jul-23	200,103,104	0.53
BPCE SA	USD	200,000,000	5.25%	05-Jul-23	200,092,532	0.53
CANADIAN IMPERIAL BANK OF COMMERCE	USD	150,000,000	5.46%	08-May-23	150,080,955	0.40
CDP FINANCIAL INC	USD	50,000,000	5.43%	20-Apr-23	50,010,504	0.13
CDP FINANCIAL INC	USD	75,000,000	5.45%	08-May-23	75,036,005	0.20
CDP FINANCIAL INC	USD	200,000,000	5.43%	15-May-23	200,109,946	0.53
CDP FINANCIAL INC	USD	75,000,000	5.23%	20-Jun-23	75,024,980	0.20
COMMONWEALTH BANK OF AUSTRALIA	USD	115,000,000	5.49%	09-May-23	115,061,421	0.31
MACQUARIE BANK LTD	USD	100,000,000	5.30%	13-Jun-23	100,055,668	0.27
NORDEA BANK AB	USD	275,000,000	5.47%	27-Apr-23	275,108,710	0.73
NORDEA BANK AB	USD	100,000,000	5.42%	15-Jun-23	100,082,587	0.27
ROYAL BANK OF CANADA	USD	150,000,000	5.48%	04-May-23	150,066,840	0.40
ROYAL BANK OF CANADA	USD	75,000,000	5.48%	04-May-23	75,033,420	0.20
ROYAL BANK OF CANADA	USD	100,000,000	5.47%	10-May-23	100,051,852	0.27
ROYAL BANK OF CANADA	USD	150,000,000	5.45%	12-May-23	150,079,560	0.40
SKANDINAVISKA ENSKILDA BANKEN AB	USD	420,000,000	5.47%	09-May-23	420,232,970	1.12
STARBIRD FUNDING CORP	USD	50,000,000	5.34%	03-Oct-23	50,000,000	0.13
STARBIRD FUNDING CORP	USD	90,000,000	5.34%	04-Oct-23	89,988,433	0.24
SVENSKA HANDELSBANKEN AB	USD	250,000,000	5.51%	01-May-23	250,104,873	0.66
SVENSKA HANDELSBANKEN AB	USD	210,000,000	5.45%	08-May-23	210,103,087	0.56
TORONTO DOMINION BANK	USD	125,000,000	5.48%	15-May-23	125,082,264	0.33
TORONTO DOMINION BANK	USD	200,000,000	5.47%	21-Jun-23	200,130,966	0.53
UBS AG	USD	200,000,000	5.52%	21-Jun-23	200,003,664	0.53
UBS AG	USD	150,000,000	5.43%	06-Jul-23	150,005,289	0.40
UBS AG	USD	125,000,000	5.18%	15-Nov-23	124,913,216	0.33
UBS AG	USD	120,000,000	5.18%	17-Nov-23	119,916,757	0.32
WESTPAC BANKING CORP	USD	220,000,000	5.42%	15-Jun-23	220,184,386	0.58
Total Commercial Paper - Interest Bearing					4,848,081,294	12.89
ASSET BACKED COMMERCIAL PAPER 7.94%						
ATLANTIC ASSET SECURITIZATION	USD	45,000,000	-	08-May-23	44,786,298	0.12
ATLANTIC ASSET SECURITIZATION	USD	50,000,000	-	14-Jun-23	49,444,896	0.13
ATLANTIC ASSET SECURITIZATION	USD	50,000,000	-	15-Jun-23	49,437,292	0.13
ATLANTIC ASSET SECURITIZATION	USD	75,000,000	-	22-Jun-23	74,047,748	0.20
ATLANTIC ASSET SECURITIZATION	USD	42,000,000	-	06-Jul-23	41,374,075	0.11
ATLANTIC ASSET SECURITIZATION	USD	50,000,000	-	07-Jul-23	49,247,442	0.13
ATLANTIC ASSET SECURITIZATION	USD	50,000,000	-	12-Jul-23	49,209,904	0.13
BARTON CAPITAL SA	USD	50,000,000	-	10-Jul-23	49,243,342	0.13
BARTON CAPITAL SA	USD	100,000,000	-	26-Jul-23	98,245,325	0.26

The accompanying notes form an integral part of financial statements.

MORGAN STANLEY LIQUIDITY FUNDS

US Dollar Liquidity Fund

Schedule of Investments (continued)

As of 31 March 2023

(Expressed in USD)

ISSUE	DENOMINATION CURRENCY	HOLDINGS	COUPON RATE	MATURITY DATE	MARKET PRICE/AMORTISED COST*	PERCENTAGE OF NET ASSETS
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS						
ASSET BACKED COMMERCIAL PAPER 7.94%						
COLLATERALIZED COMMERCIAL PAPER FLEX CO LLC	USD	150,000,000	5.27%	12-May-23	150,052,890	0.40
COLLATERALIZED COMMERCIAL PAPER FLEX CO LLC	USD	125,000,000	5.40%	14-Nov-23	124,849,782	0.33
COLLATERALIZED COMMERCIAL PAPER FLEX CO LLC	USD	150,000,000	5.16%	16-Nov-23	149,861,499	0.40
FAIRWAY FINANCE LLC	USD	100,000,000	5.52%	04-May-23	100,047,088	0.27
LMA SA	USD	32,000,000	-	09-May-23	31,843,416	0.08
LMA SA	USD	75,000,000	-	10-May-23	74,619,452	0.20
LMA SA	USD	50,000,000	-	15-May-23	49,712,919	0.13
LMA SA	USD	80,000,000	-	16-May-23	79,524,114	0.21
LMA SA	USD	30,000,000	-	22-May-23	29,793,248	0.08
LMA SA	USD	40,000,000	-	23-May-23	39,715,930	0.11
LMA SA	USD	20,300,000	-	24-May-23	20,153,008	0.05
LMA SA	USD	23,000,000	-	09-Jun-23	22,757,603	0.06
LMA SA	USD	70,000,000	-	14-Jun-23	69,227,395	0.18
LMA SA	USD	89,000,000	-	15-Jun-23	88,004,232	0.23
LMA SA	USD	90,000,000	-	16-Jun-23	88,965,249	0.24
LMA SA	USD	127,500,000	-	20-Jun-23	125,933,662	0.34
LMA SA	USD	137,000,000	-	21-Jun-23	135,295,240	0.36
LMA SA	USD	20,000,000	-	22-Jun-23	19,747,911	0.05
LMA SA	USD	65,000,000	-	23-Jun-23	64,170,384	0.17
LMA SA	USD	75,000,000	-	26-Jun-23	74,006,750	0.20
LMA SA	USD	25,000,000	-	07-Jul-23	24,625,626	0.07
LMA SA	USD	60,000,000	-	11-Jul-23	59,063,980	0.16
LMA SA	USD	40,150,000	-	20-Jul-23	39,466,895	0.11
MATCHPOINT FINANCE PLC	USD	200,000,000	5.24%	03-Jul-23	200,035,896	0.53
NIEUW AMSTERDAM RECEIVABLES CORP	USD	225,000,000	-	23-Jun-23	222,282,601	0.59
SHEFFIELD RECEIVABLES CORP	USD	100,000,000	-	20-Jun-23	98,835,625	0.26
SHEFFIELD RECEIVABLES CORP	USD	100,000,000	-	22-Jun-23	98,806,183	0.26
STARBIRD FUNDING CORP	USD	200,000,000	5.25%	23-Jun-23	200,084,444	0.53
Total Asset Backed Commercial Paper					2,986,519,344	7.94
GOVERNMENT BOND 0.09%						
SWEDISH EXPORT CREDIT	USD	33,160,000	0.75%	06-Apr-23	33,145,169	0.09
Total Government Bond					33,145,169	0.09
Total Transferable Securities and Money Market Instruments					31,773,789,793	84.45
Total Investments					31,773,789,793	84.45
Other assets in excess of liabilities					5,850,890,054	15.55
Total Net Assets					37,624,679,847	100.00

*Securities with residual maturity days up to 75 days or with Mark to Market deviance under 10bps are valued at Amortised Cost (applicable for a Sub-Fund qualifying as an LVNAV Money Market Fund).

MORGAN STANLEY LIQUIDITY FUNDS

US Dollar Treasury Liquidity Fund

Schedule of Investments

As of 31 March 2023

(Expressed in USD)

ISSUE	DENOMINATION CURRENCY	HOLDINGS	COUPON RATE	MATURITY DATE	AMORTISED COST	PERCENTAGE OF NET ASSETS
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS						
GOVERNMENT BONDS 20.50%						
GOVERNMENT OF THE UNITED STATES	USD	1,196,431,863	0.63%	15-Apr-23	1,197,881,857	9.51
GOVERNMENT OF THE UNITED STATES	USD	668,000,000	4.77%	31-Oct-23	668,404,094	5.30
GOVERNMENT OF THE UNITED STATES	USD	717,000,000	4.72%	31-Jan-24	716,999,585	5.69
Total Government Bonds					2,583,285,536	20.50
TREASURY BILLS 3.51%						
GOVERNMENT OF THE UNITED STATES	USD	355,100,000	-	17-Apr-23	354,450,957	2.81
GOVERNMENT OF THE UNITED STATES	USD	40,270,000	-	15-Jun-23	40,023,391	0.32
GOVERNMENT OF THE UNITED STATES	USD	49,200,000	-	01-Aug-23	48,422,613	0.38
Total Treasury Bills					442,896,961	3.51
Total Transferable Securities and Money Market Instruments					3,026,182,497	24.01
Total Investments					3,026,182,497	24.01
Other assets in excess of liabilities					9,577,796,251	75.99
Total Net Assets					12,603,978,748	100.00

The accompanying notes form an integral part of financial statements.

MORGAN STANLEY LIQUIDITY FUNDS

US Dollar Ultra Short Income Fund

Schedule of Investments

As of 31 March 2023

(Expressed in USD)

ISSUE	DENOMINATION CURRENCY	HOLDINGS	COUPON RATE	MATURITY DATE	MARKET PRICE	PERCENTAGE OF NET ASSETS
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS						
COMMERCIAL PAPER 61.30%						
AMERICAN HONDA FINANCE	USD	2,000,000	-	05-May-23	1,989,623	0.86
AMERICAN HONDA FINANCE	USD	5,000,000	-	12-Jun-23	4,944,125	2.14
AMERICAN HONDA FINANCE	USD	3,000,000	-	21-Jun-23	2,962,055	1.28
AT&T INC	USD	8,000,000	-	17-Oct-23	7,746,711	3.35
AUSTRALIA AND NEW ZEALAND BANKING	USD	1,245,000	-	15-Dec-23	1,198,719	0.52
BANK OF MONTREAL	USD	423,000	-	06-Nov-23	409,656	0.18
BARCLAYS BANK PLC	USD	6,850,000	-	27-Jul-23	6,729,743	2.91
BARCLAYS BANK PLC	USD	2,500,000	-	10-Aug-23	2,451,050	1.06
BARTON CAPITAL SA	USD	1,000,000	-	28-Jun-23	986,690	0.43
BPCE SA	USD	5,000,000	-	15-Nov-23	4,835,502	2.09
CATHOLIC HEALTH INITIATIVES	USD	3,481,000	-	03-May-23	3,464,519	1.50
CDP FINANCIAL INC	USD	5,000,000	-	13-Jun-23	4,947,799	2.14
CDP FINANCIAL INC	USD	4,000,000	-	27-Oct-23	3,870,570	1.67
CITIGROUP GLOBAL MARKETS	USD	5,000,000	-	03-Jul-23	4,933,064	2.13
DZ BANK AG DEUTSCHE ZENTRAL- GENOSSENSCH	USD	8,000,000	-	03-Apr-23	7,996,832	3.46
EIDP INC	USD	5,500,000	-	01-Jun-23	5,451,644	2.36
FISERV INC	USD	9,000,000	-	04-Apr-23	8,994,910	3.89
HSBC BANK PLC	USD	2,000,000	-	28-Apr-23	1,992,340	0.86
HSBC BANK PLC	USD	2,500,000	-	09-Jun-23	2,475,563	1.07
HSBC BANK PLC	USD	2,000,000	-	04-Aug-23	1,963,656	0.85
HSBC BANK PLC	USD	1,000,000	-	08-Dec-23	962,914	0.41
LLOYDS BANK PLC	USD	5,000,000	-	03-Oct-23	4,863,419	2.10
MARSH & MCLENNAN COS INC	USD	5,000,000	-	05-Sep-23	4,875,882	2.11
MONDELEZ INT	USD	5,000,000	-	03-Apr-23	4,997,883	2.16
MONDELEZ INT	USD	5,000,000	-	15-Jun-23	4,942,609	2.14
NATIONAL AUSTRALIA BANK LTD	USD	3,000,000	-	15-Jun-23	2,967,858	1.28
NUTRIEN LTD	USD	9,000,000	-	10-Apr-23	8,987,140	3.88
ONTARIO TEACHERS' PENSION PLAN	USD	5,000,000	-	31-Oct-23	4,848,565	2.10
PARKER HANNIFIN CORP	USD	8,750,000	-	05-Jul-23	8,624,184	3.73
PSP CAPITAL INC	USD	3,000,000	-	17-Aug-23	2,939,639	1.27
SUNCORP-METWAY LTD	USD	5,000,000	-	10-Jul-23	4,924,082	2.13
VERIZON COMMUNICATIONS INC	USD	7,500,000	-	05-Apr-23	7,494,844	3.24
Total Commercial Paper					141,773,790	61.30
FLOATING RATE NOTES 16.95%						
BANK OF MONTREAL	USD	500,000	5.10%	15-Sep-23	499,377	0.22
BANK OF MONTREAL	USD	7,281,000	5.18%	08-Dec-23	7,249,578	3.13
BANK OF MONTREAL	USD	1,000,000	5.54%	08-Mar-24	997,707	0.43
BANK OF NOVA SCOTIA	USD	6,405,000	5.09%	15-Sep-23	6,396,049	2.77
BANK OF NOVA SCOTIA	USD	2,465,000	5.38%	15-Sep-23	2,463,376	1.06
CANADIAN IMPERIAL BANK OF COMMERCE	USD	1,000,000	5.17%	22-Jun-23	999,553	0.43
ROYAL BANK OF CANADA	USD	2,065,000	5.28%	26-Oct-23	2,067,321	0.89
ROYAL BANK OF CANADA	USD	6,697,000	5.13%	19-Jan-24	6,652,274	2.88
TORONTO DOMINION BANK	USD	500,000	5.28%	28-Sep-23	499,551	0.22
TORONTO DOMINION BANK	USD	5,000,000	5.19%	04-Mar-23	4,967,680	2.15
TORONTO DOMINION BANK	USD	1,840,000	5.74%	08-Mar-24	1,841,081	0.80
UBS AG	USD	2,320,000	5.15%	01-Jun-23	2,317,562	1.00
UBS AG	USD	2,250,000	5.19%	09-Feb-24	2,238,548	0.97
Total Floating Rate Notes					39,189,657	16.95

The accompanying notes form an integral part of financial statements.

MORGAN STANLEY LIQUIDITY FUNDS

US Dollar Ultra Short Income Fund

Schedule of Investments (continued)

As of 31 March 2023

(Expressed in USD)

ISSUE	DENOMINATION CURRENCY	HOLDINGS	COUPON RATE	MATURITY DATE	MARKET PRICE	PERCENTAGE OF NET ASSETS
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS						
COMMERCIAL PAPER - INTEREST BEARING 5.62%						
BNZ INTERNATIONAL FUNDING LTD	USD	2,000,000	5.56%	21-Apr-23	2,000,690	0.86
BPCE SA	USD	4,000,000	5.47%	13-Sep-23	4,004,199	1.73
SVENSKA HANDELSBANKEN AB	USD	2,000,000	5.58%	28-Jul-23	2,003,537	0.87
UBS AG	USD	5,000,000	5.47%	21-Jun-23	5,000,085	2.16
Total Commercial Paper - Interest Bearing					13,008,511	5.62
CERTIFICATES OF DEPOSIT 4.61%						
DNB BANK ASA	USD	1,150,000	5.01%	02-Nov-23	1,148,776	0.50
NORDEA BANK AB	USD	5,000,000	5.44%	14-Aug-23	5,005,453	2.16
WESTPAC BANKING CORP	USD	4,500,000	5.52%	08-Aug-23	4,506,619	1.95
Total Certificates of Deposit					10,660,848	4.61
ASSET BACKED COMMERCIAL PAPER 1.28%						
LMA SA	USD	3,000,000	-	18-Jul-23	2,949,905	1.28
Total Asset Backed Commercial Paper					2,949,905	1.28
CORPORATE BOND 0.42%						
SWEDBANK AB	USD	1,000,000	0.60%	25-Sep-23	978,844	0.42
Total Corporate Bond					978,844	0.42
Total Transferable Securities and Money Market Instruments					208,561,555	90.18
Total Investments					208,561,555	90.18
Other assets in excess of liabilities					22,704,928	9.82
Total Net Assets					231,266,483	100.00

The accompanying notes form an integral part of financial statements.

MORGAN STANLEY LIQUIDITY FUNDS

Sterling Liquidity Fund

Schedule of Investments

As of 31 March 2023

(Expressed in GBP)

ISSUE	DENOMINATION CURRENCY	HOLDINGS	Coupon RATE	Maturity DATE	MARKET PRICE/AMORTISED COST*	PERCENTAGE OF NET ASSETS
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS						
CERTIFICATES OF DEPOSIT 40.60%						
ABN AMRO BANK	GBP	94,500,000	-	03-May-23	94,168,423	1.50
ABN AMRO BANK	GBP	50,000,000	-	09-May-23	49,789,036	0.79
BANK OF NOVA SCOTIA	GBP	50,000,000	4.14%	09-May-23	50,007,983	0.80
BANQUE FED CRED MUTUEL	GBP	30,000,000	-	03-Apr-23	29,996,693	0.48
BARCLAYS BANK PLC	GBP	35,000,000	4.41%	13-Jul-23	34,998,073	0.56
BARCLAYS BANK PLC	GBP	50,000,000	-	03-Aug-23	49,249,950	0.78
BELFIUS BANK SA/NV	GBP	75,000,000	-	05-Apr-23	74,977,418	1.19
BELFIUS BANK SA/NV	GBP	75,000,000	-	06-Apr-23	74,969,891	1.19
BNP PARIBAS	GBP	50,000,000	3.93%	11-Apr-23	49,999,436	0.80
BNP PARIBAS	GBP	50,000,000	4.35%	14-Jul-23	49,970,297	0.79
BNP PARIBAS	GBP	50,000,000	4.36%	08-Aug-23	49,952,276	0.79
CITIBANK NA	GBP	50,000,000	4.15%	12-May-23	49,997,030	0.80
COMMONWEALTH BANK OF AUSTRALIA	GBP	50,000,000	4.47%	08-Nov-23	49,970,000	0.79
COOPERATIEVE RABOBANK UA	GBP	50,000,000	4.28%	05-Jul-23	49,946,600	0.79
DNB BANK ASA	GBP	50,000,000	4.22%	20-Jun-23	49,980,743	0.80
EUROCLEAR BANK SA/NV	GBP	65,000,000	-	07-Aug-23	63,963,680	1.02
LLOYDS BANK CORPORATE MARKETS	GBP	50,000,000	4.22%	08-May-23	50,002,277	0.80
LLOYDS BANK PLC	GBP	75,000,000	4.28%	03-Jul-23	74,987,710	1.19
MIZUHO BANK LTD	GBP	75,000,000	4.20%	06-Apr-23	75,000,000	1.19
MIZUHO BANK LTD	GBP	50,000,000	4.20%	13-Apr-23	50,000,000	0.80
MIZUHO BANK LTD	GBP	50,000,000	4.00%	13-Apr-23	49,999,281	0.80
MIZUHO BANK LTD	GBP	25,000,000	-	09-May-23	24,894,518	0.40
MIZUHO BANK LTD	GBP	50,000,000	-	05-Nov-23	49,783,001	0.79
NATIONAL AUSTRALIA BANK LTD	GBP	50,000,000	4.12%	12-May-23	49,995,690	0.80
NATWEST BANK	GBP	50,000,000	4.65%	13-Sep-23	49,969,965	0.79
NORDEA BANK AB	GBP	75,000,000	4.53%	05-Jul-23	75,010,177	1.19
NORDEA BANK AB	GBP	50,000,000	-	17-Jul-23	49,342,505	0.78
NORDEA BANK AB	GBP	50,000,000	4.56%	06-Sep-23	50,034,778	0.80
OVERSEA-CHINESE BANKING CORP	GBP	50,000,000	3.90%	06-Apr-23	50,000,459	0.80
OVERSEA-CHINESE BANKING CORP	GBP	50,000,000	4.02%	24-Apr-23	50,006,193	0.80
OVERSEA-CHINESE BANKING CORP	GBP	50,000,000	-	11-May-23	49,788,630	0.79
ROYAL BANK OF CANADA	GBP	50,000,000	4.62%	05-Jan-24	49,996,328	0.80
SKANDINAVISKA ENSKILDA BANKEN AB	GBP	50,000,000	4.72%	27-Sep-23	49,958,460	0.79
SOCIETE GENERALE	GBP	50,000,000	4.34%	31-May-23	50,027,971	0.80
SOCIETE GENERALE	GBP	50,000,000	4.40%	10-Jul-23	49,964,900	0.79
SOCIETE GENERALE	GBP	50,000,000	4.45%	31-Jul-23	49,956,599	0.79
SUMITOMO MITSUI BANKING CORPORATION	GBP	50,000,000	4.04%	06-Apr-23	50,000,000	0.80
SUMITOMO MITSUI BANKING CORPORATION	GBP	50,000,000	4.00%	13-Apr-23	49,999,008	0.80
SUMITOMO MITSUI BANKING CORPORATION	GBP	50,000,000	-	19-Apr-23	49,904,567	0.79
SUMITOMO MITSUI BANKING CORPORATION	GBP	50,000,000	4.30%	28-Apr-23	50,000,000	0.80
SUMITOMO MITSUI BANKING CORPORATION	GBP	50,000,000	4.27%	09-May-23	50,000,000	0.80
SUMITOMO MITSUI TRUST BANK LTD	GBP	50,000,000	4.15%	12-May-23	49,996,490	0.80
SVENSKA HANDELSBANKEN AB	GBP	50,000,000	4.36%	18-Aug-23	49,954,730	0.79
TORONTO DOMINION BANK	GBP	50,000,000	4.13%	08-May-23	50,001,037	0.80
TORONTO DOMINION BANK	GBP	50,000,000	4.60%	24-Jul-23	49,998,334	0.80
TORONTO DOMINION BANK	GBP	50,000,000	4.63%	28-Jul-23	50,033,511	0.80
TORONTO DOMINION BANK	GBP	50,000,000	4.42%	07-Nov-23	49,836,077	0.79
UBS AG	GBP	30,000,000	-	03-Apr-23	29,996,669	0.48
UBS AG	GBP	50,000,000	-	12-Jul-23	49,356,068	0.79
Total Certificates of Deposit					2,549,733,462	40.60
COMMERCIAL PAPER 17.32%						
ABN AMRO BANK	GBP	10,000,000	-	03-May-23	9,967,337	0.16
AGENCE CENTRALE DES ORGANISMES	GBP	100,000,000	-	05-Apr-23	99,968,445	1.59
AGENCE CENTRALE DES ORGANISMES	GBP	75,000,000	-	11-May-23	74,668,958	1.19
AGENCE CENTRALE DES ORGANISMES	GBP	75,000,000	-	11-May-23	74,660,362	1.19
BARCLAYS BANK PLC	GBP	75,000,000	-	22-May-23	74,575,594	1.19
BARCLAYS BANK PLC	GBP	50,000,000	-	20-Jul-23	49,338,593	0.79
BARCLAYS BANK PLC	GBP	45,000,000	-	06-Sep-23	44,126,937	0.70
BRED BANQUE POPULAIRE	GBP	50,000,000	-	03-Apr-23	49,994,758	0.80

The accompanying notes form an integral part of financial statements.

MORGAN STANLEY LIQUIDITY FUNDS

Sterling Liquidity Fund

Schedule of Investments (continued)

As of 31 March 2023

(Expressed in GBP)

ISSUE	DENOMINATION CURRENCY	HOLDINGS	COUPON RATE	MATURITY DATE	MARKET PRICE/AMORTISED COST*	PERCENTAGE OF NET ASSETS
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS						
COMMERCIAL PAPER 17.32%						
DBS BANK LTD	GBP	50,000,000	-	16-Jun-23	49,542,633	0.79
DEKABANK DEUTSCHE GIROZENTRALE	GBP	50,000,000	-	24-Apr-23	49,879,566	0.79
HSBC BANK PLC	GBP	100,000,000	-	10-May-23	99,581,259	1.59
KREDITANSTALT FUR WIEDERAUFBAU	GBP	50,000,000	-	15-Sep-23	49,011,212	0.78
LA BANQUE POSTALE	GBP	50,000,000	-	11-Apr-23	49,951,614	0.79
LLOYDS BANK PLC	GBP	50,000,000	-	02-Aug-23	49,247,093	0.78
MATCHPOINT FINANCE PLC	GBP	75,000,000	-	03-May-23	74,751,873	1.19
NYKREDIT BANK A/S	GBP	50,000,000	-	23-May-23	49,707,840	0.79
PACCAR FINANCIAL EUROPE BV	GBP	10,000,000	-	12-Apr-23	9,988,821	0.16
SKANDINAVISKA ENSKILDA BANKEN AB	GBP	50,000,000	-	08-May-23	49,800,169	0.79
SWEDBANK AB	GBP	50,000,000	-	27-Sep-23	48,837,925	0.78
TOYOTA MOTOR FINANCE (NETHERLANDS)	GBP	30,000,000	-	12-May-23	29,870,948	0.48
Total Commercial Paper					1,087,471,937	17.32
ASSET BACKED COMMERCIAL PAPER 7.85%						
COLLATERALIZED COMMERCIAL PAPER CO III	GBP	75,000,000	-	17-May-23	74,614,074	1.19
COLLATERALIZED COMMERCIAL PAPER CO III	GBP	50,000,000	-	22-May-23	49,716,113	0.79
COLLATERALIZED COMMERCIAL PAPER CO III	GBP	50,000,000	-	30-May-23	49,672,506	0.79
COLLATERALIZED COMMERCIAL PAPER CO III	GBP	75,000,000	-	12-Jun-23	74,363,242	1.18
LMA SA	GBP	70,000,000	-	06-Apr-23	69,969,560	1.11
LMA SA	GBP	50,000,000	-	06-Apr-23	49,978,307	0.80
LMA SA	GBP	50,000,000	-	18-Apr-23	49,910,228	0.80
MATCHPOINT FINANCE PLC	GBP	75,000,000	-	03-Apr-23	74,993,964	1.19
Total Asset Backed Commercial Paper					493,217,994	7.85
FLOATING RATE NOTES 5.09%						
AUSTRALIA AND NEW ZEALAND BANKING	GBP	50,000,000	5.18%	26-May-23	50,021,966	0.80
BANK OF MONTREAL	GBP	50,000,000	4.49%	09-Jun-23	50,000,879	0.80
BANK OF MONTREAL	GBP	50,000,000	4.54%	13-Jul-23	50,013,948	0.80
BANK OF MONTREAL	GBP	50,000,000	4.73%	02-Nov-23	50,051,777	0.80
NATIONAL AUSTRALIA BANK LTD	GBP	55,000,000	4.51%	14-Jun-23	54,963,293	0.87
NORDEA BANK AB	GBP	50,000,000	4.58%	10-Aug-23	49,966,995	0.79
ROYAL BANK OF CANADA	GBP	14,500,000	5.18%	25-Jan-24	14,578,713	0.23
Total Floating Rate Notes					319,597,571	5.09
CORPORATE BOND 0.80%						
COMMONWEALTH BANK OF AUSTRALIA	GBP	50,000,000	-	06-Apr-24	50,000,000	0.80
Total Corporate Bond					50,000,000	0.80
COMMERCIAL PAPER - INTEREST BEARING 0.79%						
TORONTO DOMINION BANK	GBP	50,000,000	4.80%	27-Oct-23	49,960,951	0.79
Total Commercial Paper - Interest Bearing					49,960,951	0.79
Total Transferable Securities and Money Market Instruments					4,549,981,915	72.45
Total Investments					4,549,981,915	72.45

The accompanying notes form an integral part of financial statements.

MORGAN STANLEY LIQUIDITY FUNDS

Sterling Liquidity Fund

Schedule of Investments (continued)

As of 31 March 2023

(Expressed in GBP)

	MARKET PRICE/AMORTISED COST*	PERCENTAGE OF NET ASSETS
Other assets in excess of liabilities	1,729,794,161	27.55
Total Net Assets	6,279,776,076	100.00

*Securities with residual maturity days up to 75 days or with Mark to Market deviance under 10bps are valued at Amortised Cost (applicable for a Sub-Fund qualifying as an LVNAV Money Market Fund).

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements 31 March 2023

1. General information:

Capital terms used and not defined herein shall have the same meaning as included in the Prospectus of Morgan Stanley Liquidity Sub-Fund (the “Company”). The Company was incorporated on 21 December 2012 for an unlimited period of time as a self-managed société d’investissement à capital variable under the form of a société anonyme. The Company is authorised under Part I of the Law of 17 December 2010 in accordance with the provisions of the UCITS Directive and listed on the official list of UCITS approved by the Commission de Surveillance du Secteur Financier (the “CSSF”). The registered office of the Company is located at 6B route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg.

Each Sub-Fund (with the exception of the VNAV Fund, US Dollar Ultra Short Income Fund which is qualified as a standard Money Market Fund) qualified as a short-term Money Market Fund pursuant to the Money Market Fund (MMF) Regulation. The MMF Regulation describes three different types of Money Market Funds as below:

Public Debt CNAV Money Market Fund

Seeks to maintain a Stable NAV and at least 99.5% of the assets are invested in Money Market Instruments issued or guaranteed by International Public Entities, reverse repurchase agreements secured with government debt and in cash. The US Dollar Treasury Liquidity Fund is a Public Debt CNAV fund.

Low Volatility NAV (LVNAV) Money Market Fund

Seeks to maintain a Stable NAV under the condition that the Stable NAV does not deviate from the Net Asset Value per Share by more than 20 basis points. In case of a deviation of more than 20 basis points between the Stable NAV and the Net Asset Value per Share, the following redemption or issue of Shares will be undertaken at a price that is equal to the Net Asset Value per Share. The Euro Liquidity Fund, Sterling Liquidity Fund and US Dollar Liquidity Fund are LVNAV funds.

Variable NAV (VNAV) Money Market Fund

Shares are issued or redeemed at a price that is equal to the Fund’s Net Asset Value per Share. The US Dollar Ultra Short Income Fund is a VNAV fund.

MSIM Fund Management (Ireland) Limited (“MSIM (Ireland)”) was appointed as Management Company (the “Management Company”) to provide collective portfolio management services to the Company. MSIM (Ireland) is an indirect wholly owned subsidiary of Morgan Stanley and was incorporated as a company limited by shares under the laws of Ireland on 5 December 2017 and is regulated in Ireland by the Central Bank of Ireland.

The Company is an “umbrella fund” which is composed of more than one Sub-Fund, each representing a separate portfolio of assets. However, each Sub-Fund is exclusively responsible for all liabilities attributable to it. The Company does not rely on external support for guaranteeing the liquidity of the funds or stabilising the NAV per share.

The Company currently offers five Sub-Funds: the Euro Liquidity Fund, the US Dollar Liquidity Fund, the US Dollar Treasury Liquidity Fund, the US Dollar Ultra Short Income Fund and the Sterling Liquidity Fund. The Euro Liquidity Fund was launched on 10 January 2013, the US Dollar Liquidity Fund, the US Dollar Treasury Liquidity Fund and the Sterling Liquidity Fund were launched on 17 June 2013 and the US Dollar Ultra Short Income Fund was launched on 25 April 2019.

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements (continued) 31 March 2023

1. General information: (continued)

The Class of Shares that are active (except footnoted differently) as at 31 March 2023 are detailed in the table below:

Name of the Sub-Fund	Class of Shares	Launch date
Euro Liquidity Fund	Institutional Shares	27 January 2023
	Institutional Accumulation Shares	17 June 2013
	Institutional Accumulation D Shares	18 March 2019
	Institutional Select Shares	27 January 2023
	Institutional Select Accumulation D Shares	18 March 2019
	Institutional (+1) Accumulation Shares	24 May 2016
	MS Reserve Shares	27 January 2023
	MS Reserve Accumulation D Shares	18 March 2019
	Qualified Shares	27 January 2023
Qualified Accumulation D Shares	18 March 2019	
US Dollar Liquidity Fund	Advisory Shares	16 August 2016
	Capital Shares	1 April 2019
	Institutional Shares	17 June 2013
	Institutional Accumulation Shares	17 June 2013
	Institutional Select Shares	16 January 2014
	MS Reserve Shares	17 June 2013
	NR Shares	1 April 2019
	NR Accumulation Shares	25 November 2019
	Qualified Shares	12 April 2018
Qualified Accumulation Shares	15 March 2016	
US Dollar Treasury Liquidity Fund	Advisory Shares	16 August 2016
	Capital Shares	1 April 2019
	Institutional Shares	17 June 2013
	Institutional Select Shares	16 January 2014
	LF Shares	1 April 2019
	MS Reserve Shares	17 June 2013
	NR Shares	1 April 2019
Qualified Accumulation Shares	26 September 2018	
US Dollar Ultra Short Income Fund	Institutional Shares	25 April 2019
	MS Reserve Accumulation Shares	13 January 2020
	Qualified Shares	25 April 2019
	Qualified A Shares	25 April 2019
	Qualified A Accumulation Shares	11 December 2019
Qualified Accumulation Shares	11 December 2019	
Sterling Liquidity Fund	Institutional Shares	17 June 2013
	Institutional Accumulation Shares	17 June 2013
	Institutional Plus Shares	1 April 2019
	Institutional Plus Accumulation Shares	28 April 2020
	Institutional Select Shares	26 June 2014
	Qualified Shares	17 June 2013

Each Sub-Fund's Investment objective is to provide investors with liquidity and an attractive rate of income relative to short term interest rates, to the extent consistent with the preservation of capital.

Each Sub-Fund has its own Investment policy but all are classified as Short-Term Money Market Funds (with the exception of the VNAV Fund, US Dollar Ultra Short Income Fund which is qualified as a standard Money Market Fund) in accordance with European Money Market Fund (MMF) Regulation.

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements (continued) 31 March 2023

1. General information: (continued)

The following share classes were listed on the Luxembourg Stock Exchange Securities Official List from 15 October 2020:

US Dollar Liquidity Fund Institutional Accumulation Shares
US Dollar Liquidity Fund Institutional Distributing Shares
US Dollar Treasury Fund Liquidity Institutional Distributing Shares

2. Summary of Significant Accounting Policies:

The financial statements of the Company have been prepared in accordance with the accounting principles generally accepted in Luxembourg.

(a) Valuation of Investments

Pursuant to the MMF Regulation, the Company's investments are valued on each Business Day using the Mark-to-Market Method. Where the use of the Mark-to-Market Method is not relevant or possible, the Company values the relevant assets of each Sub-Fund conservatively by using the Mark-to-Model Method. A Net Asset Value per share is then calculated.

By way of derogation for a Sub-Fund qualifying as a Public Debt CNAV Money Market Fund, the securities, money market instruments and other instruments are valued based on their amortised cost. Under this method, amortised cost is determined by valuing an instrument at its cost and thereafter assuming a constant amortisation to maturity of any discount or premium, regardless of the impact of fluctuating interest rates on the market value of the instruments. A stable Net Asset Value per share is then calculated.

By way of derogation for a Sub-Fund qualifying as an LVNAV Money Market Fund, the securities, money market instruments and other instruments are valued based on marked-to-market / market-to-model pricing with the permitted use of "Amortised cost accounting" where there is a residual maturity of up to seventy-five (75) days and the deviation between the amortised cost price versus the mark-to-market / mark-to-model price is below 0.10%. A stable Net Asset Value per share is then calculated.

For a Sub-Fund qualifying as a VNAV Money Market Fund, the securities, money market instruments and other instruments are valued based on marked-to-market / market-to-model pricing. A variable Net Asset Value per share is then calculated.

The Management Company may adjust the value of any investment if taking into account currency, marketability and/or such other considerations as is deemed relevant (such as, applicable rate of interest, anticipated rate of dividend, maturity or liquidity) if it is considered that such adjustment is required to reflect the fair value thereof.

The Administrator determines and publishes, at least daily, the extent to which the Stable NAV per Share of each class of Stable NAV deviates from the Net Asset Value per Share of such class. For LVNAV Money Market Funds, a Stable NAV per Share may only be applied for subscription and/or redemption if such Stable NAV, including part of the assets valued in accordance with Mark-to-Market Method or Mark-to-Model Method, does not deviate by more than 0.20% from the relevant Net Asset Value. Should the deviation exceed 0.20%, the subscriptions and redemptions will be undertaken at a price equal to the Net Asset Value per Share with no obligation to revert back to a Stable NAV per Share once the deviation falls back under 0.20%. There were no deviations in excess of 0.20% as at 31 March 2023.

(b) Security Transactions

When applicable, security transactions are accounted for on the trade date.

(c) Interest Income

Interest income is accrued daily and includes the amortisation of premiums and accretion of discounts. Interest income is recognised on an accrual basis and is shown net of withholding taxes, except where the withholding tax

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements (continued) 31 March 2023

2. Summary of Significant Accounting Policies: (continued)

(c) Interest Income (continued)

has been recovered or is receivable. It is possible for the interest income of a Sub-Fund to be negative depending on market conditions.

(d) Cash

Cash and other liquid assets are valued at their face value plus interest accrued, where applicable. It is possible for the interest accrual of a Sub-Fund to be negative depending on market conditions. Cash owed to bank is shown in current liabilities in the Statement of Net Assets.

(e) Foreign currency translation

Financial statements are presented for each Sub-Fund in the base currency of the Sub-Fund. The combined Statement of Net Assets, Statement of Operations and Changes in Net Assets are presented in US dollars, based on the exchange rate ruling at the date of these financial statements and on the average exchange rate over the reporting period for the Statement of Operations and Changes in Net Assets.

The currency exchange rates against the US Dollar were as follows:

as of 31 March 2023	as of 31 March 2022
1 USD = 0.920429 EUR	1 USD = 0.898755 EUR
1 USD = 0.808767 GBP	1 USD = 0.759503 GBP

The average currency exchange rates against the US Dollar were as follows:

as of 31 March 2023	as of 31 March 2022
1 USD = 0.961139 EUR	1 USD = 0.860183 EUR
1 USD = 0.830751 GBP	1 USD = 0.731800 GBP

(f) Reverse repurchase agreement valuation policy

The Company may enter into reverse repurchase transactions which consist of the purchase and sale of securities, backed by collateral, with a clause reserving the seller the right or the obligation to repurchase from the acquirer the securities sold at a price and term specified by the two parties in their contractual arrangement. These are valued at par value.

3. Dividends and Distributions:

The Directors intend to declare all net income of the US Dollar Liquidity Fund, US Dollar Treasury Liquidity Fund, US Dollar Ultra Short Income Fund and Sterling Liquidity Fund with the exception of Institutional Accumulation Shares, Institutional Plus Accumulation Shares, Institutional Select Accumulation Shares, Institutional (+1) Accumulation Shares, Qualified Accumulation Shares, Administrative Accumulation Shares, Advisory Accumulation Shares, Advantage Accumulation Shares, and MS Reserve Accumulation Shares (“the Accumulating Share Classes”) on each Dealing Day as a dividend to Shareholders on the register of members as at the close of business on the relevant Dealing Day in an attempt to stabilise the Net Asset Value per Share of each class at US\$1.00 in the case of the US Dollar Liquidity Fund, US\$1.00 in the case of the US Dollar Treasury Liquidity Fund and £1.00 in the case of the Sterling Liquidity Fund. Dividends are declared daily and are payable monthly on or about the first Business Day of each following month. For this purpose, net income of each Sub-Fund (from the time immediately preceding determination thereof) shall consist of interest earned by each Sub-Fund and realised profits on the disposal/valuation of investments as may be lawfully distributed less realised losses (including fees and expenses) of each Sub-Fund.

There was no receipt from the Compulsory Redemption of shares made during the year.

In the case of the Accumulating Classes of Shares, the Euro Liquidity Fund, US Dollar Liquidity Fund, US Dollar Treasury Liquidity Fund, US Dollar Ultra Short Income Fund and Sterling Liquidity Fund intend to retain the net income and/or capital gains attributable to such Classes of Shares in the value of these Classes of Shares.

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements (continued) 31 March 2023

3. Dividends and Distributions: (continued)

Where there are substantial adverse movements in interest rates, there can be no assurance that the Sub-Funds will be successful in maintaining positive net investment income. Where a Sub-Fund posts negative net investment income, such negative net investment income will be retained in the value of the Share classes.

4. Management Company Services Agreement, Investment Advisory Agreement, Depository Agreement, Administration Agreement, Registrar and Transfer Agent Agreement, Paying Agent Agreement, Domiciliary Agreement and Distribution Agreement:

The Management Company is responsible for providing collective portfolio management services (including investment advisory services, administrative and distribution services), risk management and other administrative and operational services to the Company, subject to the overall supervision and control of the Company.

The Management Company has delegated to Morgan Stanley Investment Management Inc., the function of Investment Adviser of the Sub-Funds pursuant to an investment advisory agreement dated 1 January 2019 (the "Investment Advisory Agreement"). The Company may terminate its appointment immediately where it is in the best interest of Shareholders to do so.

The Board of Directors of the Company has appointed The Bank of New York Mellon SA/NV, Luxembourg Branch (the "Depository") as the depository of all of the Company's assets, including its cash and securities, which are held either directly or through other financial institutions such as correspondent banks, subsidiaries or affiliates of the Depository or clearing systems. The rights and duties of the Depository are governed by the Depository Agreement dated 7 March 2016, amended and novated effective 18 March 2019 for an unlimited period of time from the date of its signature.

The Management Company has delegated to The Bank of New York Mellon SA/NV, Luxembourg Branch (the "Administrator") the function of Administrator pursuant to the Administration Agreement dated 7 March 2016, amended and novated effective 18 March 2019. The Administrator carries out all administrative duties related to the administration of the Company, including the calculation of the Net Asset Value of the Shares, the provision of accounting services to the Company and notices and other documents to the Shareholders.

The Management Company has also delegated to the Administrator the function of registrar, transfer agent and paying agent of the Company pursuant to the Administration Agreement dated 7 March 2016, amended and novated effective 18 March 2019. The registrar and transfer agent of the company processes all subscriptions, redemptions and transfers of Shares and will register these transactions in the share register of the Company while the paying agent of the Company assists in the payment of dividends declared by the Company to its Shareholders.

Pursuant to a Domiciliary Agreement, the Company has appointed MSIM Fund Management (Ireland) Limited, Luxembourg Branch, as its Domiciliary Agent to provide the Company's registered office, to store its corporate documents and to perform other related administrative functions.

MSIM Fund Management (Ireland) Limited (FMIL) has been appointed to act as Distributor. In this respect, it may engage certain financial institutions (Intermediaries) to solicit and sell Shares to investors.

5. Taxation:

Under current law and practice, the Company is not liable to any Luxembourg income tax, nor are dividends paid by the Company liable to any Luxembourg withholding tax. However, the Company is liable in Luxembourg to a reduced rate of subscription tax ("taxe d'abonnement") of 0.01% per annum of its net assets, such tax being payable quarterly and calculated on the total Net Asset Value of the Company at the end of the relevant quarter.

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements (continued) 31 March 2023

5. Taxation: (continued)

Pursuant to Article 175 b) of the Law, an exemption from the subscription tax may be applicable where a Sub-Fund or Class meets the following criteria: (i) the Shares of the Sub-Fund or the Class must be reserved for Institutional Investors; (ii) the exclusive object of the Sub-Fund's portfolio must be the investment in money market instruments and/or deposits with credit institutions; (iii) the remaining average maturity of the Sub-Fund's portfolio must be less than 90 days, and (iv) the Sub-Fund must benefit from the highest possible rating of a recognised rating agency.

Under the aforementioned legislation and regulations prevailing in Luxembourg, Qualified A Shares, Qualified A Accumulation Shares, Qualified Accumulation D Shares, Qualified Shares, Qualified Accumulation Shares are subject to annual subscription tax ("taxe d'abonnement") at a reduced rate of 0.01% per annum of their net assets. The remaining Classes of Shares listed within the Company's prospectus are exempt from this tax.

The Company is registered for VAT in Luxembourg and is required to self-assess for Luxembourg VAT on services received from outside Luxembourg (that are considered taxable under Luxembourg VAT rules).

In respect of any Sub-Fund or Class of Shares the Management Company may choose (in the event that the TER as outlined in Appendix 1 is exceeded) to waive all or any portion of its subscription tax ("taxe d'abonnement") and/or absorb some or all other expenses in its absolute discretion for any period of time. This waiver is entirely voluntary and may be discontinued at any time without notice at the sole discretion of the Management Company.

6. Fees and expenses:

(a) Service Provider Fees

The Company shall pay the Management Company a Management Fee in respect of each Sub-Fund, the particulars of which are set out in "*Fund Particulars*" within the Company's prospectus. In addition, the Company is responsible for all of the Management Company's reasonable cash disbursements, including but not limited to out-of-pocket expenses, provided however that the Management Company shall be required to provide the Company with evidence of any such disbursement.

The fees of the Investment Adviser, the Depositary, the Administrator and the Distributor appointed in respect of each Sub-Fund (all of which fees are payable monthly in arrears) will be paid by the Management Company out of the Management Fee it receives. The Management Company may instruct the Company to pay any of these fees to the Investment Adviser, the Depositary, the Administrator directly out of the assets of the Company. In such case, the Management Fee due to the Management Company is reduced accordingly.

In respect of any Sub-Fund or Class of Shares the Management Company may choose to waive all or any portion of its fee and/or absorb some or all other expenses in its absolute discretion for any period of time. This waiver is entirely voluntary and may be discontinued at any time without notice at the sole discretion of the Management Company.

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements (continued) 31 March 2023

6. Fees and expenses: (continued)

(a) Service Provider Fees (continued)

The maximum and effective actual chargeable Management fee rates as at 31 March 2023 were as follows:

Name of the Sub-Fund	Class of Shares	Management Fee Rate
Euro Liquidity Fund	Institutional Shares	0.20% per annum of the NAV
	Institutional Accumulation Shares	0.20% per annum of the NAV
	Institutional Accumulation D Shares	0.20% per annum of the NAV
	Institutional Select Shares	0.25% per annum of the NAV
	Institutional Select Accumulation D Shares	0.25% per annum of the NAV
	Institutional (+1) Accumulation Shares	0.20% per annum of the NAV
	MS Reserve Shares	Nil
	MS Reserve Accumulation D Shares	Nil
	Qualified Shares	0.20% per annum of the NAV
US Dollar Liquidity Fund	Qualified Accumulation D Shares	0.20% per annum of the NAV
	Advisory Shares	0.45% per annum of the NAV
	Capital Shares	0.15% per annum of the NAV
	Institutional Shares	0.20% per annum of the NAV
	Institutional Accumulation Shares	0.20% per annum of the NAV
	Institutional Select Shares	0.25% per annum of the NAV
	MS Reserve Shares	Nil
	NR Shares	0.10% per annum of the NAV
	NR Accumulation Shares	0.10% per annum of the NAV
US Dollar Treasury Liquidity Fund	Qualified Shares	0.20% per annum of the NAV
	Qualified Accumulation Shares	0.20% per annum of the NAV
	Advisory Shares	0.45% per annum of the NAV
	Capital Shares	0.15% per annum of the NAV
	Institutional Shares	0.20% per annum of the NAV
	Institutional Select Shares	0.25% per annum of the NAV
	LF Shares	0.06% per annum of the NAV
	MS Reserve Shares	Nil
	NR Shares	0.10% per annum of the NAV
US Dollar Ultra Short Income Fund	Qualified Accumulation Shares	0.20% per annum of the NAV
	Qualified A Shares	0.50% per annum of the NAV
	Qualified A Accumulation Shares	0.50% per annum of the NAV
	Qualified Accumulation Shares	0.20% per annum of the NAV
	MS Reserve Accumulation Shares	Nil
	Institutional Shares	0.20% per annum of the NAV
Sterling Liquidity Fund	Institutional Accumulation Shares	0.20% per annum of the NAV
	Institutional Plus Shares	0.10% per annum of the NAV
	Institutional Plus Accumulation Shares	0.10% per annum of the NAV
	Institutional Select Shares	0.25% per annum of the NAV
	Qualified Shares	0.20% per annum of the NAV
	Institutional Shares	0.20% per annum of the NAV

(b) Director's Remuneration

The Directors are paid an annual fee of Euro 35,000 by the Company for their services as Directors. The Chairman of the Board receives an additional Euro 5,000 in respect of their chairman duties. In addition, the Directors are also entitled to be reimbursed for their reasonable and vouched out of pocket expenses incurred in discharging their duties as Directors.

Directors who are executive directors or employees of the Investment Adviser, the Management Company or its affiliate will not be entitled to remuneration from the Company for their services as Directors of the Company.

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements (continued) 31 March 2023

6. Fees and expenses: (continued)

(c) Ongoing Charges and Expenses

The Company pays any expenses in respect of circulating details of the Net Asset Value, stamp duties, taxes, company secretarial fees, insurance, the fees and expenses of the auditors, tax and legal advisers and fees connected with listing on any stock exchange and the costs of regulatory bodies, trade bodies and rating agencies. The costs of printing and distributing reports, accounts and any explanatory memoranda, any necessary translation fees, the costs of registering the Company for sale in any jurisdiction, the fees and expenses of any paying or information agents, or correspondent banks, the fees and expenses of any representative appointed in respect of the Company in any jurisdiction, the cost of publishing prices and any costs incurred as a result of periodic updates of the Prospectus, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law) are also paid by the Company.

The Management Company has chosen to reimburse these expenses to all the share classes in the Sub-Funds in order to reduce the impact the fees may have on the net returns of the Sub-Fund. This reimbursement is entirely voluntary and may be discontinued at any time without notice at the sole discretion of the Management Company.

(d) Establishment Charges and Expenses

The cost of establishing the Company and the expenses of the initial offer of Shares in the Sub-Funds, the preparation and printing of the initial Prospectus, marketing costs and the fees of all professionals relating to it were borne by the Distributor of the Sub-Fund.

(e) Expenses Payable

Expenses payable comprise of other miscellaneous expenses payable by the Sub-Fund.

7. Related Party Holdings, Transactions and Affiliations:

Morgan Stanley Investment Funds was incorporated on 21 November 1988 under the laws of the Grand Duchy of Luxembourg as a “Société d’Investissement à Capital Variable” (“SICAV”) and is registered as an undertaking for collective investment pursuant to Part 1 of the Law of 17 December 2010. The 2010 Law transposes the recast UCITS Directive (Directive 2009/65/EC) into Luxembourg legislation.

A number of Sub-Funds of Morgan Stanley Investment Funds invest into the Company from time to time. These transactions were all executed in the normal course of business at arm’s length.

The Sub-Funds of Morgan Stanley Investment Funds that held shares in the Company’s Euro Liquidity Fund as at 31 March 2023 were as follows:

Global Multi-Asset Opportunities Fund

The Sub-Funds of Morgan Stanley Investment Funds that held shares in the Company’s US Dollar Liquidity Fund as at 31 March 2023 were as follows:

Emerging Leaders Equity Fund

Latin American Equity Fund

US Permanence Fund

Next Generation Emerging Markets Fund (Previously known as Emerging Europe Middle East and Africa Equity Fund)

Sustainable Asia Equity Fund

Sustainable Emerging Markets Equity Fund

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements (continued) 31 March 2023

7. Related Party Holdings, Transactions and Affiliations: (continued)

The Sub-Funds of Morgan Stanley Investment Funds that held shares in the Company's US Dollar Treasury Liquidity Fund as at 31 March 2023 were as follows:

Asia Opportunity Fund
Asian Property Fund
Developing Opportunity Fund
Emerging Markets Corporate Debt Fund
Emerging Markets Debt Fund
Emerging Markets Domestic Debt Fund
Emerging Markets Fixed Income Opportunities Fund
Euro Corporate Bond Fund
Euro Strategic Bond Fund
European High Yield Bond Fund
Floating Rate Absolute Fund
Global Asset Backed Securities Fund
Global Bond Fund
Global Brands Equity Income Fund
Global Brands Fund
Global Convertible Bond Fund
Global Endurance Fund
Global Fixed Income Opportunities Fund
Global High Yield Bond Fund
Global Infrastructure Fund
Global Insight Fund
Global Opportunity Fund
Global Permanence Fund
Global Property Fund
Global Quality Fund
Global Sustain Fund
International Equity (ex US) Fund
Short Duration US Government Income Fund
Global Credit Fund (Previously known as Sustainable Global Credit Fund)
US Advantage Fund
US Dollar Short Duration Bond Fund
US Growth Fund
US Insight Fund
US Property Fund
Vitality Fund

No Sub-Fund of Morgan Stanley Investment Funds held shares in the Company's Sterling Liquidity Fund and US Dollar Ultra Short Income Fund.

The affiliations of the Board of Directors of the Company are as follows:

All the Directors of Morgan Stanley Liquidity Funds are also Directors of Morgan Stanley Investment Funds.

Diane Hosie, Director of Morgan Stanley Liquidity Funds, is also non-executive Director of the Management Company MSIM Fund Management (Ireland) Limited.

The Investment Adviser, the Sub-Investment Adviser, the Management Company, the Domiciliary Agent and the Distributor are related parties to the Company following the contractual arrangement disclosed in Note 4.

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements (continued) 31 March 2023

8. Reverse Repurchase Transactions:

As at 31 March 2023, the Sub-Funds Euro Liquidity Fund, US Dollar Liquidity Fund, US Dollar Treasury Liquidity Fund, US Dollar Ultra Short Income Fund and Sterling Liquidity Fund had entered into reverse repurchase transactions. The total value of the reverse repurchase agreements is as follows:

Name of the Sub-Fund	Description	Tri-Party Agent	Reverse Repurchase Transactions	CCY	Market Value of Collateral Received	CCY
Euro Liquidity Fund	BNP Paribas / 2.50% / 03/04/2023	Euroclear	200,000,000	EUR	204,000,274	EUR
	Canadian Imperial Bank of Commerce / 2.50% / 03/04/2023	Euroclear	75,000,000	EUR	76,500,001	EUR
	Citigroup Global Markets / 2.71% / 03/04/2023	Euroclear	300,000,000	EUR	308,490,081	EUR
	Total		575,000,000	EUR	588,990,356	EUR
US Dollar Liquidity Fund	BNP Paribas / 4.80% / 03/04/2023	Bank of New York	770,000,000	USD	785,714,160	USD
	RBC Dominion Securities / 4.80% / 03/04/2023	Bank of New York	650,000,000	USD	663,000,000	USD
	Societe Generale / 4.80% / 03/04/2023	Bank of New York	378,000,000	USD	385,714,255	USD
	Sumitomo Mitsui Banking Corporation / 4.80% / 03/04/2023	Bank of New York	700,000,000	USD	714,000,079	USD
	Total		2,498,000,000	USD	2,548,428,494	USD
US Dollar Treasury Liquidity Fund	ABN Amro Securities LLC / 4.80% / 03/04/2023	Bank of New York	1,000,000,000	USD	1,020,408,068	USD
	Bank of Nova Scotia / 4.79% / 03/04/2023	Bank of New York	1,022,000,000	USD	1,042,856,198	USD
	BNP Paribas / 4.80% / 03/04/2023	Bank of New York	65,000,000	USD	66,326,520	USD
	BOFA Securities Inc / 4.80% / 03/04/2023	Bank of New York	800,000,000	USD	816,000,000	USD
	Credit Agricole Corporate / 4.78% / 03/04/2023	Bank of New York	1,000,000,000	USD	1,020,406,384	USD
	Daiwa America Corp / 4.80% / 03/04/2023	Bank of New York	450,000,000	USD	459,183,616	USD
	Deutsche Bank Securities / 4.80% / 03/04/2023	Bank of New York	450,000,000	USD	459,183,619	USD
	JP Morgan Securities LLC / 4.80% / 03/04/2023	Bank of New York	1,250,000,000	USD	1,275,510,026	USD
	MUFG Securities / 4.79% / 03/04/2023	Bank of New York	250,000,000	USD	255,101,789	USD
	RBC Dominion Securities / 4.80% / 03/04/2023	Bank of New York	1,250,000,000	USD	1,275,000,029	USD
	Societe Generale / 4.80% / 03/04/2023	Bank of New York	122,000,000	USD	124,489,805	USD
	Sumitomo Mitsui Banking Corporation / 4.80% / 03/04/2023	Bank of New York	1,400,000,000	USD	1,428,000,006	USD
	Toronto Dominion Bank / 4.80% / 03/04/2023	Bank of New York	200,000,000	USD	204,081,675	USD
	Total		9,259,000,000	USD	9,446,547,735	USD
US Dollar Ultra Short Income Fund	JP Morgan Securities LLC / 4.80% / 03/04/2023	Bank of New York	9,000,000	USD	9,183,672	USD
	Total		9,000,000	USD	9,183,672	USD
Sterling Liquidity Fund	Canadian Imperial Bank of Commerce / 4.08% / 03/04/2023	Euroclear	100,000,000	GBP	102,000,000	GBP
	National Australia Bank Ltd / 4.09% / 03/04/2023	Euroclear	100,000,000	GBP	102,000,000	GBP
	Total		200,000,000	GBP	204,000,000	GBP

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements (continued) 31 March 2023

8. Reverse Repurchase Transactions: (continued)

The collateral received by the Sub-Funds in respect of reverse repurchase transactions as at 31 March 2023 is outlined in section II of Appendix 2: Securities Financing Transaction Regulations (Unaudited).

During the financial year, interest received by and charged to the Sub-Funds in relation to reverse repurchase transactions was recorded under the heading “Interest” within the Statement of Operations and Changes in Net Assets. These values are outlined in section V of Appendix 2. There are no other direct or indirect costs relating to reverse repurchase transactions.

9. Time Deposits:

As at 31 March 2023, the Sub-Funds Euro Liquidity Fund, US Dollar Liquidity Fund, US Dollar Ultra Short Income Fund and Sterling Liquidity Fund held time deposits as follows:

Name of the Sub-Fund	Counterparty	Currency	Holdings	Interest (%)	Maturity Date
Euro Liquidity Fund	LA BANQUE POSTALE	EUR	752,835,214	2.87	03-Apr-2023
	BANQUE FED CRED MUTUEL	EUR	751,000,000	2.85	03-Apr-2023
	ERSTE GROUP BANK AG	EUR	602,888,901	2.90	03-Apr-2023
	SWEDBANK AB	EUR	500,360,218	2.86	03-Apr-2023
	DZ BANK AG DEUTSCHE ZENTRAL-GENOSS	EUR	400,869,828	2.85	03-Apr-2023
	SUMITOMO MITSUI BANKING CORPORATION	EUR	200,127,229	2.77	03-Apr-2023
	MIZUHO BANK LTD	EUR	100,864,560	2.86	03-Apr-2023
	CREDIT AGRICOLE CIB	EUR	50,771,335	2.88	03-Apr-2023
	ING BANK NV	EUR	50,149,093	2.80	03-Apr-2023
	BRED BANQUE POPULAIRE	EUR	50,035,983	2.88	03-Apr-2023
	Total	EUR	3,459,902,361		

Name of the Sub-Fund	Counterparty	Currency	Holdings	Interest (%)	Maturity Date
US Dollar Liquidity Fund	NATIONAL BANK OF CANADA	USD	1,033,000,000	4.80	03-Apr-2023
	SKANDINAVISKA ENSKILDA BANKEN AB	USD	670,000,000	4.81	03-Apr-2023
	DNB BANK ASA	USD	577,000,000	4.77	03-Apr-2023
	AUSTRALIA AND NEW ZEALAND BANKING	USD	350,000,000	4.82	03-Apr-2023
	ROYAL BANK OF CANADA	USD	350,000,000	4.77	03-Apr-2023
	COOPERATIEVE RABOBANK UA	USD	290,000,000	4.79	03-Apr-2023
	BARCLAYS BANK PLC	USD	209,000,000	4.82	03-Apr-2023
	SVENSKA HANDELSBANKEN AB	USD	150,000,000	4.76	03-Apr-2023
	BNP PARIBAS	USD	120,000,000	4.80	03-Apr-2023
	TORONTO DOMINION BANK	USD	90,000,000	4.80	03-Apr-2023
	CREDIT AGRICOLE CIB	USD	56,000,000	4.80	03-Apr-2023
	CANADIAN IMPERIAL BANK OF COMMERCE	USD	5,000,000	4.80	03-Apr-2023
	MIZUHO BANK LTD	USD	5,000,000	4.82	03-Apr-2023
	Total	USD	3,905,000,000		

Name of the Sub-Fund	Counterparty	Currency	Holdings	Interest (%)	Maturity Date
US Dollar Ultra Short Income Fund	CREDIT AGRICOLE CIB	USD	6,000,000	4.80	03-Apr-2023
	MIZUHO BANK LTD	USD	6,000,000	4.82	03-Apr-2023
Total	USD	12,000,000			

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements (continued) 31 March 2023

9. Time Deposits: (continued)

Name of the Sub-Fund	Counterparty	Currency	Holdings	Interest (%)	Maturity Date
Sterling Liquidity Fund	ROYAL BANK OF CANADA	GBP	334,048,199	4.18	03-Apr-2023
	SUMITOMO MITSUI BANKING CORPORATION	GBP	302,202,614	4.20	03-Apr-2023
	COMMONWEALTH BANK OF AUSTRALIA	GBP	256,754,623	4.25	03-Apr-2023
	BRED BANQUE POPULAIRE	GBP	251,361,598	4.17	03-Apr-2023
	COOPERATIEVE RABOBANK UA	GBP	200,921,061	4.18	03-Apr-2023
	SWEDBANK AB	GBP	133,000,000	4.15	03-Apr-2023
	DBS BANK LTD	GBP	101,667,967	4.18	03-Apr-2023
	MIZUHO BANK LTD	GBP	100,544,684	4.17	03-Apr-2023
	Total	GBP	1,680,500,746		

10. Indemnifications:

The Company has arrangements in place for the indemnification of the members of its Board of Directors, the Administrator, the Depositary and the Management Company (the "Indemnified Parties") in certain circumstances, which exclude the Indemnified Parties' own negligence, willful default, or fraud.

11. Transaction Costs:

There were no transaction costs charged to the Sub-Funds during the year ended 31 March 2023.

12. Statement of Portfolios and latest Prospectus changes:

The list of changes in the portfolio for the year and latest prospectus are available free of charge at the registered office of the Management Company.

13. Counterparty Risk:

All instruments listed in Notes 8 and 9 are transacted through third parties. The Company is subject to the risk that counterparties will not be able to fulfil their obligations with respect to transactions, positions, balances or otherwise, whether due to insolvency, bankruptcy or other causes. In such case, the Company may be able to recover none or only a portion of its assets held with such counterparty. This could subject the Company to substantial losses.

14. Investment Risk:

A Money Market Fund is not a guaranteed investment therefore investment in any Sub-Fund carries with it a degree of financial risk, which may vary among Sub-Funds. Investments in Money Market Funds is different from investments in deposits, the value of Investor shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.

15. Epidemics/Pandemics/Outbreaks Risk:

The performance of the Shares depends on the performance of the investments of the Funds, which could also be adversely affected by the effects of epidemics, pandemics or outbreaks of communicable diseases. In response to intensifying efforts to contain epidemics, pandemics or outbreaks of communicable diseases, governments around the world may take a number of actions, such as prohibiting residents' freedom of movement, encouraging or ordering employees to work remotely from home, and banning public activities and events, among others. Any prolonged disruption of businesses could negatively impact financial conditions. The performance of the Shares could be adversely affected to the extent that any of these epidemics, pandemics or outbreaks harms the economy in general.

MORGAN STANLEY LIQUIDITY FUNDS

Notes to the Financial Statements (continued) 31 March 2023

16. Significant events:

On 24 February 2022 Russia invaded Ukraine. The international community responded by imposing blocking sanctions on individuals, corporations and the Russian Central Bank. Prices of Russian and Ukrainian securities declined significantly following the invasion. The Directors have made an assessment regarding the potential impact of the Russia-Ukraine conflict on the Fund. The Directors would like to inform the stakeholders that at no point had the Morgan Stanley Liquidity Funds had any exposure to Russia.

Mr. Andrew Mack, Mr. William Jones and Mr. Henry Kelly resigned from the Board of Directors with effect from 31 December 2022.

On 27 January 2023, the following Share Classes were launched on the Euro Liquidity Fund:

- Institutional Shares
- Institutional Select Shares
- Qualified Shares
- MS Reserve Shares

There were no other significant events during the year.

17. Post balance sheet events:

There were no post balance sheet events after the year end.

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 1: Total Expense Ratio (Unaudited)

The below table discloses the total expense ratios (TER) attributable to the Classes of Shares of the Sub-Funds as at 31 March 2023. All total expense ratios disclosed are net of waived investment management fees and reimbursed operating fees.

Name of the Sub-Fund	Class of Shares	TER (%) As at 31 March 2023	TER (%) As at 31 March 2022
Euro Liquidity Fund	Institutional Shares ¹	0.16%	–
	Institutional Accumulation D Shares	0.13%	0.08%
	Institutional Accumulation Shares	0.13%	0.08%
	Institutional Select Shares ¹	0.22%	–
	Institutional Select Accumulation D Shares	0.17%	0.13%
	Institutional (+1) Accumulation Shares	0.12%	0.08%
	Qualified Shares ¹	0.15%	–
	MS Reserve Shares	–	–
	MS Reserve Accumulation D Shares	–	–
	Qualified Accumulation D Shares	0.13%	0.09%
US Dollar Liquidity Fund	Advisory Shares	0.45%	0.15%
	Capital Shares	0.15%	0.14%
	Institutional Shares	0.20%	0.15%
	Institutional Accumulation Shares	0.20%	0.15%
	Institutional Select Shares	0.25%	0.15%
	MS Reserve Shares	–	–
	NR Shares	0.10%	0.10%
	NR Accumulation Shares	0.10%	0.10%
	Qualified Shares	0.21%	0.15%
	Qualified Accumulation Shares	0.21%	0.15%
US Dollar Treasury Liquidity Fund	Advisory Shares	0.45%	0.05%
	Capital Shares	0.15%	0.05%
	Institutional Shares	0.20%	0.05%
	Institutional Select Shares	0.25%	0.05%
	LF Shares	0.06%	0.04%
	MS Reserve Shares	–	–
	NR Shares	0.10%	0.04%
	Qualified Accumulation Shares	0.21%	0.05%
US Dollar Ultra Short Income Fund	Institutional Shares	0.10%	0.10%
	Qualified Shares	0.11%	0.11%
	Qualified A Shares	0.41%	0.23%
	Qualified Accumulation Shares	0.11%	0.11%
	Qualified A Accumulation Shares	0.41%	0.24%
	MS Reserve Accumulation Shares	–	–
Sterling Liquidity Fund	Institutional Shares	0.16%	0.06%
	Institutional Accumulation Shares	0.16%	0.06%
	Institutional Plus Shares	0.10%	0.06%
	Institutional Plus Accumulation Shares	0.10%	0.05%
	Institutional Select Shares	0.21%	0.08%
	Qualified Shares	0.17%	0.06%

¹ Refer to Note 1 for details of launch dates of Classes of Shares. TER is annualised.

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 2: Securities Financing Transactions Regulation (Unaudited)

The Company engages in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include reverse repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Company's only involvement in and exposures related to securities financing transactions is its engagement in reverse repurchase activity for the year ended 31 March 2023 as detailed below:

I. Global Data

Amount of assets engaged in Reverse Repurchase Transactions

The following table details the total value of assets engaged in reverse repurchase transactions as at 31 March 2023:

Sub-Fund Name	Sub-Fund Currency	Market Value in Sub-Fund Currency	% of Total Net Assets Value
Euro Liquidity Fund	EUR	575,000,000	5.43%
US Dollar Liquidity Fund	USD	2,498,000,000	6.64%
US Dollar Treasury Liquidity Fund	USD	9,259,000,000	73.46%
US Dollar Ultra Short Income Fund	USD	9,000,000	3.89%
Sterling Liquidity Fund	GBP	200,000,000	3.18%

II. Concentration Data

Collateral Issuers

The following table lists the issuers by value of non-cash collateral received by the Sub-Funds in respect of reverse repurchase transactions as at 31 March 2023:

Issuer Name	COLLATERAL MARKET VALUE (In Sub-Fund Currency)				
	Euro Liquidity Fund	US Dollar Liquidity Fund	US Dollar Treasury Liquidity Fund	US Dollar Ultra Short Income Fund	Sterling Liquidity Fund
	EUR	USD	USD	USD	GBP
Government of the Kingdom of Spain	445,916,939	-	-	-	-
Government of the Kingdom of Belgium	363,691	-	-	-	-
Government of the Republic of Italy	66,573,416	-	-	-	-
Government of the Republic of France	76,136,310	-	-	-	-
Government of the United Kingdom	-	-	-	-	204,000,000
Government of the United States of America	-	2,548,428,494	9,446,547,735	9,183,672	-
Total	588,990,356	2,548,428,494	9,446,547,735	9,183,672	204,000,000

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 2: Securities Financing Transactions Regulation (Unaudited) (continued)

II. Concentration Data (continued)

Counterparties

The following table lists the counterparties by value of assets engaged in reverse repurchase transactions as at 31 March 2023:

Sub-Fund Name	Counterparty	Incorporation Country	Settlement and Clearing	Currency	Market Value of Reverse Repurchase Transactions
Euro Liquidity Fund	Citigroup Global Markets	United States of America	Tri-party	EUR	300,000,000
Euro Liquidity Fund	Canadian Imperial Bank of Commerce	Canada	Tri-party	EUR	75,000,000
Euro Liquidity Fund	BNP Paribas	France	Tri-party	EUR	200,000,000
US Dollar Liquidity Fund	RBC Dominion Securities	Canada	Tri-party	USD	650,000,000
US Dollar Liquidity Fund	BNP Paribas	France	Tri-party	USD	770,000,000
US Dollar Liquidity Fund	Societe Generale	France	Tri-party	USD	378,000,000
US Dollar Liquidity Fund	Sumitomo Mitsui Banking Corporation	Japan	Tri-party	USD	700,000,000
US Dollar Treasury Liquidity Fund	ABN Amro Securities LLC	Netherlands	Tri-party	USD	1,000,000,000
US Dollar Treasury Liquidity Fund	Bank of Nova Scotia	Canada	Tri-party	USD	1,022,000,000
US Dollar Treasury Liquidity Fund	BNP Paribas	France	Tri-party	USD	65,000,000
US Dollar Treasury Liquidity Fund	BOFA Securities Inc	United States of America	Tri-party	USD	800,000,000
US Dollar Treasury Liquidity Fund	Credit Agricole Corporate	France	Tri-party	USD	1,000,000,000
US Dollar Treasury Liquidity Fund	Deutsche Bank Securities	Germany	Tri-party	USD	450,000,000
US Dollar Treasury Liquidity Fund	MUFG Securities	Japan	Tri-party	USD	250,000,000
US Dollar Treasury Liquidity Fund	RBC Dominion Securities	Canada	Tri-party	USD	1,250,000,000
US Dollar Treasury Liquidity Fund	Sumitomo Mitsui Banking Corporation	Japan	Tri-party	USD	1,400,000,000
US Dollar Treasury Liquidity Fund	Toronto Dominion Bank	Canada	Tri-party	USD	200,000,000
US Dollar Treasury Liquidity Fund	JP Morgan Securities LLC	United States of America	Tri-party	USD	1,250,000,000
US Dollar Treasury Liquidity Fund	Daiwa America Corp	Japan	Tri-party	USD	450,000,000
US Dollar Treasury Liquidity Fund	Societe Generale	France	Tri-party	USD	122,000,000
US Dollar Ultra Short Income Fund	JP Morgan Securities LLC	United States of America	Tri-party	USD	9,000,000
Sterling Liquidity Fund	Canadian Imperial Bank of Commerce	Canada	Tri-party	GBP	100,000,000
Sterling Liquidity Fund	National Australia Bank Ltd	Australia	Tri-party	GBP	100,000,000

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 2: Securities Financing Transactions Regulation (Unaudited) (continued)

III. Aggregate Transaction Data

Type, currency and quality of collateral

Non-cash collateral received by the Sub-Fund in respect of reverse repurchase transactions as at the reporting date is in the form of fixed income instruments issued by governments of the following countries: Belgium, France, Italy, Spain, United Kingdom and United States.

All collateral received is denominated in the same currency as each respective Sub-Fund.

All of the Sub-Funds' securities collateral have a credit rating of investment grade. Quality of collateral has been interpreted as pertaining to fixed income instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

These designations are derived from the credit rating issued to the security or its issuer by at least one globally recognised credit rating agency, such as Standard & Poor's and Moody's. Fixed income instruments with a credit rating between 'AAA' and 'BBB' are deemed as investment grade. Credit ratings for fixed income instruments below these designations are considered below investment grade.

Sub-Fund Name	Sub-Fund Currency	Type of Collateral	Quality of Collateral	COLLATERAL MARKET VALUE (in Sub-Fund Currency) Total
Euro Liquidity Fund	EUR	Fixed Income	Investment grade	588,990,356
US Dollar Liquidity Fund	USD	Fixed Income	Investment grade	2,548,428,494
US Dollar Treasury Liquidity Fund	USD	Fixed Income	Investment grade	9,446,547,735
US Dollar Ultra Short Income Fund	USD	Fixed Income	Investment grade	9,183,672
Sterling Liquidity Fund	GBP	Fixed Income	Investment grade	204,000,000

Maturity tenure of collateral

The following table provides an analysis of the maturity tenor of collateral received in relation to the reverse repurchase transactions as at the reporting date:

Sub-Fund Name	Sub-Fund Currency	COLLATERAL MARKET VALUE (in Sub-Fund Currency)						
		1 day	2 to 6 days	1 to 4 weeks	1 to 3 months	3 to 12 months	more than 1 year	open maturity
Euro Liquidity Fund	EUR	-	-	240,470	-	242,406,945	346,342,941	-
US Dollar Liquidity Fund	USD	-	100	200	100	310,223,587	2,238,204,507	-
US Dollar Treasury Liquidity Fund	USD	-	379,354	151,868,198	105,170,195	1,476,936,800	7,712,193,188	-
US Dollar Ultra Short Income Fund	USD	-	-	-	1,530,471	1,551,242	6,101,959	-
Sterling Liquidity Fund	GBP	-	-	-	-	-	204,000,000	-

Maturity tenure of reverse repurchase transactions

All transactions as at 31 March 2023 were entered into for a duration of one business day of the respective Sub-Fund.

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 2: Securities Financing Transactions Regulation (Unaudited) (continued)

IV. Re-use of Collateral

Non-cash collateral received by a Sub-Fund may not be sold, re-invested or pledged. As the collateral in receipt for reverse repurchase transactions is entirely in the form of securities, there is no re-use of this collateral.

V. Safekeeping of Collateral

Collateral Received

Whilst there are several Tri-Party Agents who hold the collateral received by the Sub-Funds, it is the Depositary, The Bank of New York Mellon SA/NV, Luxembourg Branch, who is ultimately responsible for the safekeeping of the collateral on behalf of these Sub-Funds. All collaterals are held in segregated accounts.

Collateral Granted

No collateral is granted by the Company as part of the reverse repurchase transactions.

Return and Cost

All returns from reverse repurchase transactions will accrue to the Sub-Funds and are not subject to any returns sharing arrangements with the Management Company, the Investment Adviser or any other third parties.

The following table provides an analysis of return and cost in respect of the reverse repurchase transactions for the year ended 31 March 2023:

Sub-Fund Name	Sub-Fund Currency	In Sub-Fund Currency		% Return by Sub-Funds*
		Interest received by Sub-Funds	Interest charged to Sub-Funds	
Euro Liquidity Fund	EUR	1,971,189	-	0.34%
US Dollar Liquidity Fund	USD	14,980,770	-	0.60%
US Dollar Treasury Liquidity Fund	USD	110,975,694	-	1.20%
US Dollar Ultra Short Income Fund	USD	68,730	-	0.76%
Sterling Liquidity Fund	GBP	2,758,726	-	1.38%

* % Return by Sub-Funds reflects reverse repurchase transaction interest as a % of the annualised notional value.

There are no other direct or indirect costs relating to reverse repurchase transactions.

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 3: UCITS 2022 Remuneration Disclosure by MSIM Fund Management (Ireland) Limited (FMIL) to Morgan Stanley Liquidity Funds (Unaudited)

1. Legal background

This remuneration disclosure has been prepared as required by, and in accordance with, the guidance provided in (1) EU Commission Recommendation on remuneration policies in the financial services sector (2009/384 EC) dated 30 April 2004 ; (2) EU Directive 2009/65/EC (as amended by Directive 2014/91/EU) ("the UCITS Directive"); (3) the European Securities and Markets Authority's (ESMA) "Guidelines on sound remuneration policies under the UCITS Directive", (ESMA/2016/575) dated 14 October 2016 ("the Guidelines") and in particular with section 14.1 (headed "External Disclosure").

The data used in the analysis for this disclosure relates to the financial year ending 31 December 2022 of Morgan Stanley ("the Firm") and to the remuneration of staff of MSIM Fund Management (Ireland) Limited (FMIL) (the "UCITS Management Company") and its senior management team and other members of its staff whose actions have a material impact on the risk profile of the UCITS it manages or on the UCITS Management Company itself ("Identified Staff").

2. The "Identified Staff" for the purposes of this disclosure

The Guidelines define "Identified Staff" as follows:

- a) "categories of staff, including senior management, risk takers, control functions, staff responsible for heading the investment management, administration, marketing, and any employee receiving total remuneration that falls into the remuneration bracket of senior management and risk takers, whose professional activities have a material impact on the management company's risk profile or the risk profiles of UCITS that it manages" ("Group A"); and
- b) "categories of staff of the entity(ies) to which investment management activities have been delegated by the management company and whose professional activities have a material impact on the UCITS management company's risk profile or the risk profiles of UCITS that the UCITS management company manages" ("Group B").

References in this disclosure letter to "Identified Staff" or to staff in Group A or Group B, should be construed accordingly.

No Identified Staff are employed or paid by the UCITS Management Company itself (as it has no employees). All of the Identified Staff are employees of other Morgan Stanley entities whose professional activities are considered to have a material impact on the risk profile of the UCITS managed by the UCITS Management Company, taking into consideration the internal organisation, nature, scope and complexity of the UCITS Management Company and the UCITS it manages.

The Identified Staff within Group A are staff who have been seconded to the UCITS Management Company and who are therefore subject to the Guidelines as adopted by the Central Bank of Ireland (CBI).

The Identified Staff in Group B are staff of one of the Morgan Stanley group entities to which the portfolio management of one or more of the UCITS Management Company's Funds has been delegated pursuant to Article 13 of the UCITS Directive. They are not seconded to, or performing a function of, the UCITS Management Company. Accordingly they are not staff of the UCITS Management Company. They are subject to rules which are as equally as effective as UCITS rules on remuneration.

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 3: UCITS 2022 Remuneration Disclosure by MSIM Fund Management (Ireland) Limited (FMIL) to Morgan Stanley Liquidity Funds (Unaudited) (continued)

3. Process for determining remuneration policies and principles

The UCITS Management Company, as an affiliate of Morgan Stanley, benefits from the resources available within the Firm and is subject to the remuneration policies and practices that are applied on a Firm-wide level, including the Global Incentive Compensation Discretion Policy and the Global Compensation Policy.

In determining, maintaining and implementing remuneration policies and practices applicable to the UCITS Management Company, including Identified Staff, the UCITS Management Company is subject to the remuneration policies and practices that apply to all Morgan Stanley International Limited (MSI) group entities as well as those applying to Morgan Stanley globally and may consult, or receive guidance from, the Firm's control functions and relevant remuneration committees to ensure consistency. Remuneration policy is designed to satisfy four key Firm-wide remuneration objectives: (i) deliver pay for sustainable performance, (ii) align remuneration with shareholders' interests, (iii) attract and retain top talent, and (iv) mitigate excessive risk-taking.

In support of these objectives, annual compensation (i.e. remuneration) for the majority of the Firm's employees, including Identified Staff, is comprised of two key elements: fixed remuneration and variable remuneration (variable incentive remuneration) that is discretionary based on, among other factors, Firm performance measured against risk-adjusted metrics and individual and business segment performance.

The committee that manages remuneration for the Firm is the Compensation, Management Development and Succession Committee (CMDS Committee) of the Morgan Stanley Board of Directors. As of 31 December 2022, it consisted of four directors, all of whom are independent under the New York Stock Exchange listing standards. Each year, the CMDS Committee's mandate is to review the Firm-wide aggregate variable remuneration pool for variable incentive remuneration and to review and approve the design and structure of Morgan Stanley's Firm-wide deferred incentive remuneration programs, including the form of deferred incentive remuneration awards to be granted, the portion of variable incentive remuneration to be deferred, and the vesting, payment, cancellation and clawback provisions of deferred incentive remuneration awards. The CMDS Committee has adopted the Global Incentive Compensation Discretion Policy, which applies to all Firm entities worldwide and sets forth guidance for managers on the use of discretion and considerations for assessing risk management and outcomes when making variable incentive remuneration decisions, and considerations for assessing risk management and outcomes. It has also approved the Global Compensation Policy which covers compensation philosophy and objectives, framework and governance.

In addition, the Board of the UCITS Management Company has adopted a remuneration policy (the "MSIM Fund Management (Ireland) Limited Remuneration Policy") in compliance with UCITS and the Guidelines as adopted by the CBI.

The policy is also appropriate to the UCITS Management Company's size, internal organization and the nature, scope and complexity of its activities. As well as complying with all of the UCITS management company's legal obligations, the principles of the MSIM Fund Management (Ireland) Limited Remuneration.

Policy support the business strategy, objectives, values and long-term interests of its clients, including the Fund. In particular, the MSIM Fund Management (Ireland) Limited Remuneration Policy is designed to ensure that remuneration is consistent with and promotes sound and effective risk management and does not encourage risk taking that is inconsistent with the risk profile of the UCITS managed by the UCITS Management Company.

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 3: UCITS 2022 Remuneration Disclosure by MSIM Fund Management (Ireland) Limited (FMIL) to Morgan Stanley Liquidity Funds (Unaudited) (continued)

3. Process for determining remuneration policies and principles (continued)

When determining its own remuneration decisions or influencing the decisions made by other Morgan Stanley entities, the UCITS Management Company takes fully into account and complies with (1) Irish, UK and EU legislation; (2) the MSIM Fund Management (Ireland) Limited Remuneration Policy and CBI requirements; and (3) the requirements of other remuneration policies set by the Firm. In doing so, it applies consistent principles with the objective of aligning the incentivisation of Identified Staff with business objectives, supporting the delivery of the UCITS Management Company's business plans and corporate values, avoiding conflicts of interest and enabling the right calibre of staff to be recruited. The UCITS Management Company always seeks to ensure, therefore, that the remuneration principles applied by it and the Firm are consistent with and promote sound and effective risk management and do not encourage risk-taking that is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS managed by the UCITS Management Company.

The following considerations are taken into account in the design, implementation and oversight of the UCITS Management Company's remuneration policies and practices:

- Overall corporate governance principles and structures as well as their interactions with the remuneration system;
- The inputs provided by all control functions (i.e. human resources, risk management, compliance, internal audit, etc.), which will be properly involved in the design of the Remuneration Policy, as further described below; and
- The clear distinction between operating and control functions, the safeguards for preventing conflicts of interests and the internal reporting system.

4. Involvement of control functions in risk management and the remuneration of those control functions

The control functions of the Firm assist the UCITS Management Company in implementing its overall remuneration strategy, having regard to operational, liquidity, market and counterparty risks.

In particular:

- a. The Risk Management function helps to ensure that the structure and design of remuneration arrangements does not encourage risk taking that is inconsistent with the risk profile of the UCITS managed by the UCITS Management Company;
- b. The Human Resources and Compliance functions analyse how the remuneration structure affects the UCITS Management Company's compliance with legislation, regulations and internal policies;
- c. The Internal Audit function periodically carries out an independent audit of the design, implementation and effects of Morgan Stanley's remuneration policies;
- d. The EMEA Remuneration Oversight Committee (EROC) provides formal oversight of EMEA remuneration matters to ensure remuneration practices in EMEA are compliant with relevant UK and EU legislation and follow good practice standards. The membership of the EROC is made up of the EMEA control function heads as well as the EMEA Chief Executive Officer. The EROC reviews activities of the UCITS Management Company that may lead to individual or collective adjustments of remuneration for its employees; and

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 3: UCITS 2022 Remuneration Disclosure by MSIM Fund Management (Ireland) Limited (FMIL) to Morgan Stanley Liquidity Funds (Unaudited) (continued)

4. Involvement of control functions in risk management and the remuneration of those control functions (continued)

- e. The MSI Remuneration Committee was established with effect from 1 January 2017. It is appointed by the Board of Directors of MSI to assist in discharging its obligations in relation to remuneration matters of MSI and its subsidiaries (the MSI Group) and identified material risk takers. Its remit includes reviewing the remuneration policies and practices of the UCITS Management Company in accordance with the Guidelines.

The Control Functions, including Risk Management, Compliance, Finance, Internal Audit, and Human Resources, along with Legal, are independent from the businesses they monitor. Those engaged in control functions are remunerated in accordance with objectives linked to their functions. Their objectives are independent of the financial performance of the UCITS of the UCITS Management Company. Potential conflicts that may arise in relation to individual compensation decisions are mitigated by the independent role of Human Resources in the year end compensation process.

5. Design and structure of remuneration

Remuneration paid to Identified Staff is awarded in accordance with Morgan Stanley principles relating to remuneration. Annual compensation is comprised of two key elements: fixed remuneration and variable remuneration. Staff eligibility for annual incentive compensation (variable remuneration) is discretionary and subject to a multi-dimensional performance measurement, which considers, as applicable, the performance of the individual, the UCITS Management Company, the business segment and the Firm.

Identified Staff receive a total annual remuneration package consisting of fixed pay that is comprised of base salary and, in certain circumstances, one or more allowances that are reviewed at least annually; and variable remuneration¹, payable partially as a cash bonus and partially in the form of deferred incentive remuneration awards. The amount of variable incentive remuneration is discretionary and is determined on the basis of, but not limited to, a variety of factors, including performance measured against risk-adjusted metrics and individual performance. It is possible that an individual could be awarded no variable incentive remuneration. Deferred incentive remuneration awards are typically subject to vesting over a multi-year period and are subject to cancellation until the payment date for competition, cause (i.e., any act or omission that constitutes a breach of obligation to the Company, including failure to comply with internal compliance, ethics or risk management standards, and failure or refusal to perform duties satisfactorily, including supervisory and management duties), disclosure of proprietary information, and solicitation of employees or clients. Awards are also subject to malus until the payment date if an employee's act or omission (including with respect to direct supervisory responsibilities) causes a restatement of the Firm's consolidated financial results, constitutes a violation of the Firm's global risk management principles, policies and standards, or causes a loss of revenue associated with a position on which the employee was paid and the employee operated outside of internal control policies.

The UCITS Management Company competes for access to talent globally with investment management firms, private equity firms, hedge funds, investment banks, brokerage firms and other companies offering financial services, and the UCITS Management Company's ability to sustain or improve its position in this highly competitive environment depends substantially on its ability to continue to attract and retain the most qualified individuals. In support of the UCITS Management Company's recruitment and retention objectives, the Firm continually monitors competitive pay levels and structures its incentive awards to include, among other things, vesting, deferred payment and cancellation provisions that protect the UCITS Management Company's interests and align the interests of Identified Staff with those of the UCITS' investors.

¹ The Firm does not award variable remuneration to a non-executive director for their non-executive director role.

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 3: UCITS 2022 Remuneration Disclosure by MSIM Fund Management (Ireland) Limited (FMIL) to Morgan Stanley Liquidity Funds (Unaudited) (continued)

5. Design and structure of remuneration (continued)

The Firm's Global Incentive Compensation Discretion Policy requires compensation managers to consider only legitimate, business related factors when exercising discretion in determining variable incentive compensation, including adherence to Morgan Stanley's core values, conduct, disciplinary actions in the current performance year, risk management and risk outcomes. The policy specifically provides that all managers must consider whether or not an individual managed risk appropriately and effectively managed and supervised the risk control practices of his or her reports during the performance year. Compensation managers are trained on the Global Incentive Compensation Discretion Policy and are required to certify that they have followed the requirements of that policy and have escalated situations potentially requiring attention.

Other performance criteria that may be taken into account in deciding whether to award, and the amount of any variable incentive remuneration to award, includes (but is not limited to):

- business and market conditions;
- individual conduct, including but not limited to, adherence to Morgan Stanley's code of conduct and policies;
- contribution to the performance and profitability of the business unit, the UCITS Management Company and the Firm;
- contribution to the strategic objectives of the UCITS Management Company, business unit, the Firm and the team;
- revenue and profitability of funds managed by a portfolio manager;
- assets managed by a portfolio manager; and
- contribution to client objectives.

6. Quantitative remuneration disclosure²: scope of disclosure

We are required to disclose and include in this report certain aggregate remuneration details for (1) the entire staff of the UCITS Management Company³, (2) the UCITS Management Company's senior management team and other members of its staff whose actions have a material impact on the risk profile of the UCITS the UCITS Management Company manages or on the UCITS Management Company itself⁴, and (3) the staff of the delegate of the UCITS Management Company to whom investment management functions (including risk management) have been delegated.

As explained above, however, the UCITS Management Company has no employees. Its staff are all secondees.

We have included in our disclosure the relevant remuneration information details for all Identified Staff i.e. for those in Group A and Group B (defined above).

² Identified Staff and their associated remuneration are not allocated to individual UCITS so a breakdown by UCITS Fund does not exist and is not readily available.

³ Article 69 (3) (a) of the UCITS Directive.

⁴ Article 69 (3) (b) of the UCITS Directive and section 14 of the Guidelines.

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 3: UCITS 2022 Remuneration Disclosure by MSIM Fund Management (Ireland) Limited (FMIL) to Morgan Stanley Liquidity Funds (Unaudited) (continued)

7. Quantitative remuneration disclosure: financial information

On the basis of (1) our own financial records for staff in Group A and (2) the financial information supplied to us (pursuant and subject to their respective sectoral and jurisdictional obligations, both legal and regulatory) by entities to which relevant investment management activities have been delegated (the "Delegate Companies"), the requisite remuneration information in respect of the 2022 financial year ending 31 December 2022, was as follows:

- a. The total fixed remuneration paid to all staff of the UCITS Management Company was USD 656,300.
- b. The total variable remuneration (variable incentive compensation) paid to all staff of the UCITS Management Company was USD 507,287.
- c. The number of individuals included as UCITS Management Company's staff was 88.
- d. The total remuneration (fixed and variable combined) paid to senior management and other members of staff whose actions have a material impact on the risk profile of the UCITS or on the UCITS Management Company itself was USD 821,773.

8. Quantitative remuneration disclosure: rationale for apportionment

In calculating the "remuneration paid" to the staff in a) to d) above, we have, in accordance with the UCITS Directive and the Guidelines, adopted a proportionate approach and included a relevant proportion of staff's total remuneration. The apportionment method takes in to account a number of factors including, but not limited to; number of accounts managed by investment managers, number of accounts of the contracting entity, headcount of the Investment Management business as a proportion of the Institutional Securities Group and Investment Management Group overall headcount.

MSIM Fund Management (Ireland) Limited (FMIL)

22 June 2023

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 4: Determination of Global Exposure (unaudited)

The methodology used in order to calculate the Global Exposure resulting from the use of financial derivative instruments is the commitment approach in accordance with the CSSF Circular 11/512.

MORGAN STANLEY LIQUIDITY FUNDS

Appendix 5: Sustainable Finance Disclosure Regulation (Unaudited)

The Company has been categorised as an Article 6 financial product for the purposes of the Sustainable Finance Disclosure Regulation. For the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities.