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

BROKER OR DEALER
MORGAN STANLEY & CO. LLC

as of 06/30/13

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

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

1. Net lagder balance
   A. Cash $6,659,421,786  7010
   B. Securities (at market) 1,778,482,096  7020
2. Net unrealized profit (loss) in open futures contracts traded on a contract market (1,235,489,649)  7030
3. Exchange traded options
   A. Add market value of open option contracts purchased on a contract market 229,642,404  7032
   B. Deduct market value of open option contracts granted (sold) on a contract market (243,544,576)  7033
4. Net equity (deficit) (add lines 1, 2, and 3) 7,389,613,881  7040
5. Accounts liquidating to a deficit and accounts with debit balances
   - gross amount 154,885,635  7045
   Less: amount offset by customer owned securities (154,726,421)  7047
   6. Amount required to be segregated (add lines 4 and 5) $7,389,672,775  7050

Funds in Segregated Accounts

7. Deposited in segregated funds bank accounts
   A. Cash 3,120,462,260  7070
   B. Securities representing investments of customers' funds (at market) 460,032,342  7080
   C. Securities held for particular customers or option customers in lieu of cash (at market) 233,037,755  7090
8. Margins on deposit with derivatives clearing organizations of contract markets
   A. Cash $357,340,512  7100
   B. Securities representing investments of customers' funds (at market) 1,943,118,781  7110
   C. Securities held for particular customers or option customers in lieu of cash (at market) 1,541,444,341  7120
9. Net settlement from (to) derivatives clearing organizations of contract markets (58,737,058)  7130
10. Exchange traded options
    A. Value of open long option contracts 229,642,404  7132
    B. Value of open short option contracts (243,544,576)  7133
11. Net equities with other FCMs
    A. Nat liquidating equity 15,067,686  7140
    B. Securities representing investments of customers' funds (at market) 0  7160
    C. Securities held for particular customers or option customers in lieu of cash (at market) 0  7170
12. Segregated funds on hand (describe: )
    A. 0  7180
13. Total amount in segregation (add lines 7 through 12) $7,597,864,487  7180
14. Excess (deficiency) funds in segregation (subtract line 6 from line 13) $208,191,692  7190
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PART II CSE

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as of 06/30/13

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

1. Amount required to be segregated in accordance
with Commission regulation 32.6
$ __________ 0 7200

2. Funds in segregated accounts
   A. Cash
      $ __________ 0 7210
   B. Securities (at market)
      __________ 0 7220
   C. Total
      __________ 0 7230

3. Excess (deficiency) funds in segregation
   (subtract line 2.C from line 1)
$ __________ 0 7240
**FOREIGN FUTURES AND FOREIGN OPTIONS SECURED AMOUNTS - SUMMARY**

I. Check the appropriate box to identify the amount shown on line 1. below.

- [ ] 7300  Secured amounts in only U.S.- domiciled customers' accounts
- [ ] 7310  Secured amounts in U.S. and foreign - domiciled customers' accounts
- [X] 7320  Net liquidating equities in all accounts of customers trading on foreign boards of trade
- [ ] 7330  Amount required to be set aside pursuant to law, rule or regulation of a foreign government or a rule of a self-regulatory organization authorized thereunder.

II. Has the FCM changed the method of calculating the amount to be set aside in separate accounts since the last financial report it filed?

- [ ] Yes 7340  If yes, explain the change below
- [X] No 7350

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<tr>
<td></td>
<td>Amount to be set aside in separate section 30.7 accounts</td>
<td>$1,916,312,105</td>
<td>7360</td>
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<td>2.</td>
<td>Total funds in separate section 30.7 accounts (page 16, line 8)</td>
<td>$2,122,690,961</td>
<td>7370</td>
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<td>3.</td>
<td>Excess (deficiency) - (subtract line 1 from line 2)</td>
<td>$206,378,856</td>
<td>7380</td>
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STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
FOR FOREIGN FUTURES AND FOREIGN OPTIONS CUSTOMERS
PURSUANT TO COMMISSION REGULATION 30.7

Funds Deposited in Separate Regulation 30.7 Accounts

1. Cash in banks
   A. Banks located in the United States $ 181,426,324 7500
   B. Other banks designated by the Commission Name(s): 0 7510

2. Securities
   A. In safekeeping with banks located in the United States $ 186,845,133 7520
   B. In safekeeping with other banks designated by the Commission Name(s): 0 7550

3. Equities with registered futures commission merchants
   A. Cash $ 0 7580
   B. Securities 0 7590
   C. Unrealized gain (loss) on open futures contracts 0 7600
   D. Value of long option contracts 0 7610
   E. Value of short option contracts (0) 7615

4. Amounts held by clearing organizations of foreign boards of trade
   Name(s): 0 7630
   A. Cash $ 0 7640
   B. Securities 0 7650
   C. Amount due to (from) clearing organizations - daily variation 0 7660
   D. Value of long option contracts 0 7670
   E. Value of short option contracts (0) 7675

5. Amounts held by members of foreign boards of trade
   Name(s): 0 7690
   A. Cash $ 1,110,846,702 7700
   B. Securities 296,137,534 7710
   C. Unrealized gain (loss) on open futures contracts (204,211,826) 7720
   D. Value of long option contracts 35,295,234 7730
   E. Value of short option contracts (22,623,656) 7735

6. Amounts with other depositories designated by a foreign board of trade Name(s): 0 7750

7. Segregated funds on hand (describe: )

8. Total funds in separate section 30.7 accounts (to page 15 line 2) $ 2,122,690,961 7770

A. If any securities shown are other than the types of securities referred to in CFTC Regulation 1.25, attach a separate schedule detailing the obligations shown on each such line.
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as of 06/30/13

STATEMENT OF SEQUESTRATION REQUIREMENTS AND
FUNDS IN CLEARED OTC DERIVATIVES SEQUESTERED ACCOUNTS

CLEARED OTC DERIVATIVES CUSTOMER REQUIREMENTS

1. Net ledger balance
   A. Cash $581,495,464  8500
   B. Securities (at market) 783,223,688  8510

2. Net unrealized profit (loss) in open cleared OTC derivatives
   399,095,276  8520

3. Cleared OTC derivatives options
   A. Market value of open cleared OTC derivatives option contracts purchased
      0  8530
   B. Market value of open cleared OTC derivatives option contracts granted (sold)
      0  8540

4. Net equity (deficit) (add lines 1, 2 and 3) $1,763,814,428  8550

5. Accounts liquidating to a deficit and accounts with debit balances
   - gross amount $29,641,005  8560
   Less: amount offset by customer owned securities (28,773,032)  8570  867,973  8580

6. Amount required to be sequestered for cleared OTC derivatives customers
   (add lines 4 and 5) $1,764,882,401  8590

FUNDS IN CLEARED OTC DERIVATIVES CUSTOMER SEQUESTERED ACCOUNTS

7. Deposited in cleared OTC derivatives customer sequestered accounts at banks
   A. Cash $265,375,529  8600
   B. Securities representing investment of customers' funds (at market)
   C. Securities held for particular customers or option customers in lieu of cash (at market)

8. Margins on deposit with derivatives clearing organizations in cleared OTC derivatives customer sequestered accounts
   A. Cash 936,655,628  8630
   B. Securities representing investment of customers' funds (at market) 0  8640
   C. Securities held for particular customers or option customers in lieu of cash (at market) 762,994,048  8650

9. Net settlement from (to) derivatives clearing organizations 44,681,108  8660

10. Cleared OTC derivatives options
    A. Value of open cleared OTC derivatives long option contracts 0  8670
    B. Value of open cleared OTC derivatives short option contracts 0  8680

11. Net equities with other FCMs
    A. Net liquidating equity 0  8690
    B. Securities representing investment of customers' funds (at market) 0  8700
    C. Securities held for particular customers or option customers in lieu of cash (at market) 0  8710

12. Cleared OTC derivatives customer funds on hand 0  8715

13. Total amount in sequestration (add lines 7 through 12) $1,040,661,484  8720

14. Excess (deficiency) funds in sequestration (subtract line 6 from line 13) $175,979,063  8730

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