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

BROKER OR DEALER
MORGAN STANLEY & CO. LLC

as of 01/31/14

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

#### SEGREGATION REQUIREMENTS (Section 4d(2) of the CEA)

1. Net ledger balance
   - A. Cash
   - B. Securities (at market)

2. Net unrealized profit (loss) in open futures contracts traded on a contract market
   - Value

3. Exchange traded options
   - A. Add market value of open option contracts purchased on a contract market
   - B. Deduct market value of open option contracts granted (sold) on a contract market
   - Net equity (deficit) (add lines 1, 2, and 3)

4. Accounts liquidating to a deficit and accounts with debit balances
   - Gross amount
   - Less: amount offset by customer owned securities
   - Net amount required to be segregated (add lines 4 and 5)

#### FUNDS IN SEGREGATED ACCOUNTS

7. Deposited in segregated funds bank accounts
   - A. Cash
   - B. Securities representing investments 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 of contract markets
   - A. Cash
   - B. Securities representing investments of customers' funds (at market)
   - C. Securities held for particular customers or option customers in lieu of cash (at market)

9. Net settlement from (to) derivatives clearing organizations of contract markets
   - Value

10. Exchange traded options
    - A. Value of open long option contracts
    - B. Value of open short option contracts

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

12. Segregated funds on hand (describe)

13. Total amount in segregation (add lines 7 through 12)

14. Excess (deficiency) funds in segregation (subtract line 6 from line 13)

15. Management Target Amount for Excess funds in segregation

16. Excess (deficiency) funds in segregation over (under) Management Target Amount Excess

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Line</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$8,708,726,659</td>
<td>7010</td>
</tr>
<tr>
<td>Securities (at market)</td>
<td>$1,197,776,011</td>
<td>7020</td>
</tr>
<tr>
<td>Net unrealized profit (loss) in open futures contracts traded on a contract market</td>
<td>$294,636,570</td>
<td>7030</td>
</tr>
<tr>
<td>Add market value of open option contracts purchased on a contract market</td>
<td>$183,156,057</td>
<td>7032</td>
</tr>
<tr>
<td>Deduct market value of open option contracts granted (sold) on a contract market</td>
<td>$156,519,816</td>
<td>7033</td>
</tr>
<tr>
<td>Net equity (deficit) (add lines 1, 2, and 3)</td>
<td>$10,227,778,481</td>
<td>7040</td>
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<tr>
<td>Accounts liquidating to a deficit and accounts with debit balances</td>
<td>$24,438,054</td>
<td>7045</td>
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<tr>
<td>Gross amount</td>
<td>$23,975,277</td>
<td>7047</td>
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<tr>
<td>Less: amount offset by customer owned securities</td>
<td>$462,777</td>
<td>7050</td>
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<tr>
<td>Net amount required to be segregated (add lines 4 and 5)</td>
<td>$10,228,241,258</td>
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<tr>
<td>Deposited in segregated funds bank accounts</td>
<td>$3,405,192,669</td>
<td>7070</td>
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<tr>
<td>Securities representing investments of customers' funds (at market)</td>
<td>$1,750,081,061</td>
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<tr>
<td>Securities held for particular customers or option customers in lieu of cash (at market)</td>
<td>$272,363,325</td>
<td>7090</td>
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<tr>
<td>Margins on deposit with derivatives clearing organizations of contract markets</td>
<td>$2,136,432,160</td>
<td>7100</td>
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<tr>
<td>Securities representing investments of customers' funds (at market)</td>
<td>$1,953,097,980</td>
<td>7110</td>
</tr>
<tr>
<td>Securities held for particular customers or option customers in lieu of cash (at market)</td>
<td>$925,415,666</td>
<td>7120</td>
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<tr>
<td>Net settlement from (to) derivatives clearing organizations of contract markets</td>
<td>$32,596,802</td>
<td>7130</td>
</tr>
<tr>
<td>Exchange traded options</td>
<td>$183,156,057</td>
<td>7132</td>
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<tr>
<td>Value of open long option contracts</td>
<td>$156,519,816</td>
<td>7133</td>
</tr>
<tr>
<td>Excess (deficiency) funds in segregation</td>
<td>$1,403,730</td>
<td>7140</td>
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<tr>
<td>Excess (deficiency) funds in segregation over (under) Management Target Amount Excess</td>
<td>$10,438,026,050</td>
<td>7150</td>
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<tr>
<td>$209,784,792</td>
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<tr>
<td>$106,000,000</td>
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</tr>
<tr>
<td>$104,784,792</td>
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</table>
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

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Line No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Net ledger balance - Foreign Futures and Foreign Option Trading - All Customers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Cash</td>
<td>$2,410,981,255</td>
<td>7305</td>
</tr>
<tr>
<td>B. Securities (at market)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade</td>
<td>$1,647,665,355</td>
<td>7315</td>
</tr>
<tr>
<td></td>
<td>539,917,425</td>
<td>7317</td>
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<tr>
<td></td>
<td>16,972,280</td>
<td>7326</td>
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<tr>
<td>3. Exchange traded options</td>
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<td></td>
</tr>
<tr>
<td>A. Market value of open option contracts purchased on a foreign board of trade</td>
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<td></td>
</tr>
<tr>
<td>B. Market value of open contracts granted (sold) on a foreign board of trade</td>
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<td></td>
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<tr>
<td>4. Net equity (deficit) (add lines 1, 2, and 3.)</td>
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<td></td>
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<tr>
<td>5. Accounts liquidating to a deficit and accounts with debit balances - gross amount</td>
<td>$11,033,209</td>
<td>7351</td>
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<tr>
<td>Less: amount offset by customer owned securities</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>10,352,671</td>
<td>7352</td>
</tr>
<tr>
<td></td>
<td>660,538</td>
<td>7354</td>
</tr>
<tr>
<td>6. Amount required to be set aside as the secured amount - Net Liquidating Equity Method (add lines 4 and 5)</td>
<td>$2,419,981,254</td>
<td>7355</td>
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<tr>
<td>7. Greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6.</td>
<td>$2,419,981,255</td>
<td>7360</td>
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</table>
**STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS**

**PURSUANT TO COMMISSION REGULATION 30.7**

**Funds Deposited in Separate Regulation 30.7 Accounts**

1. **Cash in banks**
   - A. Banks located in the United States
     - Name(s): 0
     - $327,119,515 7500
   - B. Other banks qualified under Regulation 30.7
     - Name(s): 0 7510
     - $202,366,621 7520
     - $529,488,136 7530

2. **Securities**
   - A. In safekeeping with banks located in the United States
     - Name(s): 0
     - $615,575,512 7540
   - B. In safekeeping with other banks qualified under Regulation 30.7
     - Name(s): 0
     - $0 7560
     - $615,575,512 7570

3. **Equities with registered futures commission merchants**
   - A. Cash
     - $0 7580
   - B. Securities
     - $0 7590
   - C. Unrealized gain (loss) on open futures contracts
     - $0 7600
   - D. Value of long option contracts
     - $0 7610
   - E. Value of short option contracts
     - $0 7615
     - $0 7620

4. **Amounts held by clearing organizations of foreign boards of trade**
   - A. Cash
     - $0 7640
   - B. Securities
     - $0 7650
   - C. Amount due to (from) clearing organizations - daily variation
     - $0 7660
   - D. Value of long option contracts
     - $0 7670
   - E. Value of short option contracts
     - $0 7675
     - $0 7680

5. **Amounts held by members of foreign boards of trade**
   - A. Cash
     - $981,465,293 7700
   - B. Securities
     - $474,281,913 7710
   - C. Unrealized gain (loss) on open futures contracts
     - $16,979,556 7720
   - D. Value of long option contracts
     - $13,457,291 7730
   - E. Value of short option contracts
     - (7,711,936) 7735
     - $1,473,472,118 7740

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**
   - $2,623,535,766 7770

9. **Excess (deficiency) set Aside Funds for Secured Amount (subtract Line 7 Secured Statement page 15 from Line 8)**
   - $212,554,511 7380

10. **Management Target Amount for Excess funds in separate section 30.7 accounts**
    - $105,000,000 7780

11. **Excess (deficiency) funds in separate 30.7 accounts over (under) Management Target**
    - $107,554,511 7785
## Statement of Cleared Swaps Customer Segregation Requirements and Funds in Cleared Swaps Customer Accounts Under 4D(F) of the CEA

### Cleared Swaps Customer Requirements

1. **Net ledger balance**
   - A. Cash: $1,320,559,925 [8500]  
   - B. Securities (at market): 761,963,533 [8510]

2. **Net unrealized profit (loss) in open cleared swaps**
   - 399,816,746 [8520]

3. **Cleared swaps options**
   - A. Market value of open cleared swaps option contracts purchased: 0 [8530]
   - B. Market value of open cleared swaps option contracts granted (sold): (0) [8540]

4. **Net equity (deficit) (add lines 1, 2, and 3)**
   - $3,062,340,204 [8550]

5. **Accounts liquidating to a deficit and accounts with debit balances - gross amount**
   - $9,457,523 [8560]
   - Less: amount offset by customer owned securities: 8,187,908 [8570]
     - 1,269,617 [8580]

6. **Amount required to be segregated for cleared swaps customers (add lines 4 and 5)**
   - $3,083,609,821 [8590]

### Funds in Cleared Swaps Customer Segregated Accounts

7. **Deposited in cleared swaps customer segregated accounts at banks**
   - A. Cash: $378,673,885 [8600]
   - B. Securities representing investments of cleared swaps customers’ funds (at market): 0 [8610]
   - C. Securities held for particular cleared swaps customers in lieu of cash (at market): 12,885,072 [8620]

8. **Margins on deposit with derivatives clearing organizations in cleared swaps customer segregated accounts**
   - A. Cash: 1,249,504,146 [8630]
   - B. Securities representing investments of cleared swaps customers’ funds (at market): 945,000,000 [8640]
   - C. Securities held for particular cleared swaps customers in lieu of cash (at market): 749,078,461 [8650]

9. **Net settlement from (to) derivatives clearing organizations**
   - (134,224,424) [8660]

10. **Cleared swaps options**
    - A. Value of open cleared swaps long option contracts: 0 [8670]
    - B. Value of open cleared swaps short option contracts: (0) [8680]

11. **Net equities with other FCMs**
    - A. Net liquidating equity: 0 [8690]
    - B. Securities representing investments of cleared swaps customers’ funds (at market): 0 [8700]
    - C. Securities held for particular cleared swaps customers in lieu of cash (at market): 0 [8710]

12. **Cleared swaps customer funds on hand (describe: )**
    - 0 [8715]

13. **Total amount in cleared swaps customer segregation (add lines 7 through 12)**
    - $3,200,817,140 [8720]

14. **Excess (deficiency) funds in cleared swaps customer segregation (subtract line 8 from line 13)**
    - $117,207,319 [8730]

15. **Management Target Amount for Excess funds in cleared swaps segregated accounts**
    - $92,000,000 [8760]

16. **Excess (deficiency) funds in cleared swaps customer segregated accounts over (under) Management Target Excess**
    - $25,207,319 [8770]