## STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION

FOR CUSTOMERS TRADING ON U.S. COMMODITY EXCHANGES

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

1. **Net ledger balance**
   - A. Cash: $10,186,675,546
   - B. Securities (at market): $4,529,683,351

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

3. **Exchange traded options**
   - A. Add market value of open option contracts purchased on a contract market: $309,384,652
   - B. Deduct market value of open option contracts granted (sold) on a contract market: $(351,737,409)

4. **Net equity (deficit) (add lines 1, 2, and 3)**
   - $14,551,516,304

5. **Accounts liquidating to a deficit and accounts with debit balances**
   - **- gross amount:** $216,072,963
   - Less: amount offset by customer owned securities: $(215,328,055)

6. **Amount required to be segregated (add lines 4 and 5)**
   - $14,552,261,212

### FUNDS IN SEGREGATED ACCOUNTS

7. **Deposited in segregated funds bank accounts**
   - A. Cash: $4,364,646,819
   - B. Securities representing investments of customers' funds (at market): 0
   - C. Securities held for particular customers or option customers in lieu of cash (at market): $726,018,184

8. **Margins on deposit with derivatives clearing organizations of contract markets**
   - A. Cash: $5,942,486,938
   - B. Securities representing investments of customers' funds (at market): 0
   - C. Securities held for particular customers or option customers in lieu of cash (at market): $3,803,665,167

9. **Net settlement from (to) derivatives clearing organizations of contract markets**
   - $15,204,031

10. **Exchange traded options**
    - A. Value of open long option contracts: $309,384,652
    - B. Value of open short option contracts: $(351,737,409)

11. **Net equities with other FCMs**
    - A. Net liquidating equity: $13,237,569
    - B. Securities representing investments of customers' funds (at market): 0
    - C. Securities held for particular customers or option customers in lieu of cash (at market): 0

12. **Segregated funds on hand (describe:)**
    - 0

13. **Total amount in segregation (add lines 7 through 12)**
    - $14,822,905,951

14. **Excess (deficiency) funds in segregation (subtract line 6 from line 13)**
    - $(270,644,739)

15. **Management Target Amount for Excess funds in segregation**
    - $210,000,000

16. **Excess (deficiency) funds in segregation over (under) Management Target Amount Excess**
    - $(60,644,739)
### Statement of Segregation Requirements and Funds in Segregation

**For Customers' Dealer Options Accounts**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Amount required to be segregated in accordance with Commission regulation 32.6</td>
<td>$0 7200</td>
</tr>
<tr>
<td>2. Funds in segregated accounts</td>
<td></td>
</tr>
<tr>
<td>A. Cash</td>
<td>$0 7210</td>
</tr>
<tr>
<td>B. Securities (at market)</td>
<td>$0 7220</td>
</tr>
<tr>
<td>C. Total</td>
<td>$0 7230</td>
</tr>
<tr>
<td>3. Excess (deficiency) funds in segregation (subtract line 2.C from line 1)</td>
<td>$0 7240</td>
</tr>
</tbody>
</table>
### Supplement to Financial and Operational Combined Uniform Single Report

**Part II CSE**

**Broker or Dealer**

**Morgan Stanley & Co. LLC**

**As of** 06/30/17

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**Statement of Secured Amounts and Funds Held in Separate Accounts**

**Pursuant to Commission Regulation 30.7**

**Foreign Futures and Foreign Options Secured Amounts**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount required to be set aside pursuant to law, rule or regulation of a</td>
<td>$ 0</td>
</tr>
<tr>
<td>foreign government or a rule of a self-regulatory organization authorized</td>
<td>7305</td>
</tr>
<tr>
<td>thereunder</td>
<td></td>
</tr>
<tr>
<td>1. Net ledger balance - Foreign Futures and Foreign Option Trading - All</td>
<td></td>
</tr>
<tr>
<td>Customers</td>
<td></td>
</tr>
<tr>
<td>A. Cash</td>
<td>$ 3,075,418,465</td>
</tr>
<tr>
<td>B. Securities (at market)</td>
<td>1,506,538,462</td>
</tr>
<tr>
<td>2. Net unrealized profit (loss) in open futures contracts traded on a</td>
<td></td>
</tr>
<tr>
<td>foreign board of trade</td>
<td>(250,531,407)</td>
</tr>
<tr>
<td>3. Exchange traded options</td>
<td></td>
</tr>
<tr>
<td>A. Market value of open option contracts purchased on a foreign board of</td>
<td>26,506,902</td>
</tr>
<tr>
<td>trade</td>
<td></td>
</tr>
<tr>
<td>B. Market value of open contracts granted (sold) on a foreign board of trade</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(21,306,486)</td>
</tr>
<tr>
<td>4. Net equity (deficit) (add lines 1. 2. and 3.)</td>
<td>$ 4,336,625,936</td>
</tr>
<tr>
<td>5. Accounts liquidating to a deficit and accounts with debit balances -</td>
<td></td>
</tr>
<tr>
<td>gross amount</td>
<td>$ 96,709,421</td>
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<tr>
<td>Less: amount offset by customer owned securities</td>
<td>95,886,028</td>
</tr>
<tr>
<td></td>
<td>823,393</td>
</tr>
<tr>
<td>6. Amount required to be set aside as the secured amount - Net Liquidating</td>
<td>$ 4,337,449,329</td>
</tr>
<tr>
<td>Equity Method (add lines 4 and 5)</td>
<td>7355</td>
</tr>
<tr>
<td>7. Greater of amount required to be set aside pursuant to foreign jurisdiction</td>
<td>$ 4,337,449,329</td>
</tr>
<tr>
<td>(above) or line 6.</td>
<td>7360</td>
</tr>
</tbody>
</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  
     $ 405,731,835  
   - B. Other banks qualified under Regulation 30.7
     - Name(s):  
       $ 399,928,198  

2. **Securities**
   - A. In safekeeping with banks located in the United States  
     $ 253,439,525  
   - B. In safekeeping with other banks qualified under Regulation 30.7
     - Name(s):  
       0  

3. **Equities with registered futures commission merchants**
   - A. Cash  
     $ 6,484,832  
   - B. Securities
     - Name(s):  
     - 0  
   - C. Unrealized gain (loss) on open futures contracts  
     (480,356)  
   - D. Value of long option contracts  
     0  
   - E. Value of short option contracts  
     0  

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

5. **Amounts held by members of foreign boards of trade**
   - Name(s):  
     - A. Cash  
       2,470,087,493  
     - B. Securities
       1,253,098,937  
     - C. Unrealized gain (loss) on open futures contracts  
       (250,051,187)  
     - D. Value of long option contracts  
       26,506,902  
     - E. Value of short option contracts  
       (21,306,486)  

6. **Amounts with other depositories designated by a foreign board of trade**
   - Name(s):  
     - (21,306,486)  

7. **Segregated funds on hand (describe:)**
   -  

8. **Total funds in separate section 30.7 accounts**
   - $ 4,543,439,693  

9. **Excess (deficiency) set Aside Funds for Secured Amount (subtract Line 7 Secured Statement page 15 from Line 8)**
   - $ 205,990,364  

10. **Management Target Amount for Excess funds in separate section 30.7 accounts**
    - $ 160,000,000  

11. **Excess (deficiency) funds in separate 30.7 accounts over (under) Management Target**
    - $ 45,990,364  

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**Page 16**
## SUPPLEMENT TO
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

<table>
<thead>
<tr>
<th>BROKER OR DEALER</th>
<th>as of 06/30/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>MORGAN STANLEY &amp; CO. LLC</td>
<td></td>
</tr>
</tbody>
</table>

**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
     - $7,568,618,264
   - B. Securities (at market)
     - 5,813,519,577

2. **Net unrealized profit (loss) in open cleared swaps**
   - 193,136,262

3. **Cleared swaps options**
   - A. Market value of open cleared swaps option contracts purchased
   - B. Market value of open cleared swaps option contracts granted (sold)

4. **Net equity (deficit) (add lines 1, 2, and 3)**
   - $13,575,274,103

5. **Accounts liquidating to a deficit and accounts with debit balances - gross amount**
   - $84,619,612
   - Less: amount offset by customer owned securities
   - 84,215,952
   - 403,660

6. **Amount required to be segregated for cleared swaps customers (add lines 4 and 5)**
   - $13,575,677,763

### Funds in Cleared Swaps Customer Segregated Accounts

7. **Deposited in cleared swaps customer segregated accounts at banks**
   - A. Cash
     - 2,825,866,713
   - B. Securities representing investments of cleared swaps customers’ funds (at market)
   - 0
   - C. Securities held for particular cleared swaps customers in lieu of cash (at market)
   - 263,762,504

8. **Margins on deposit with derivatives clearing organizations in cleared swaps customer segregated accounts**
   - A. Cash
     - 4,897,714,916
   - B. Securities representing investments of cleared swaps customers’ funds (at market)
   - 0
   - C. Securities held for particular cleared swaps customers in lieu of cash (at market)
   - 5,549,757,073

9. **Net settlement from (to) derivatives clearing organizations**
   - 172,390,101

10. **Cleared swaps options**
    - A. Value of open cleared swaps long option contracts
    - B. Value of open cleared swaps short option contracts

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

12. **Cleared swaps customer funds on hand (describe: ________________________________ )**

13. **Total amount in cleared swaps customer segregation (add lines 7 through 12)**

14. **Excess (deficiency) funds in cleared swaps customer segregation (subtract line 6 from line 13)**

15. **Management Target Amount for Excess funds in cleared swaps segregated accounts**

16. **Excess (deficiency) funds in cleared swaps customer segregated accounts over (under) Management Target Excess**

Page 17-1