INITIAL
End Date: 1/19/2018
Firm Name: Morgan Stanley & Co. LLC
Form: Daily Seg - FOCUS II
Morgan Stanley & Co. LLC
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FCM’s Customer Segregated Funds Residual Interest Target (choose one):
  a. Minimum dollar amount:  ; or
  b. Minimum percentage of customer segregated funds required:% ; or
  c. Dollar amount range between:and; or
  d. Percentage range of customer segregated funds required between:% and%.

FCM’s Customer Secured Amount Funds Residual Interest Target (choose one):
  a. Minimum dollar amount:  ; or
  b. Minimum percentage of customer secured funds required:% ; or
  c. Dollar amount range between:and; or
  d. Percentage range of customer secured funds required between:% and%.

FCM’s Cleared Swaps Customer Collateral Residual Interest Target (choose one):
  a. Minimum dollar amount:  ; or
  b. Minimum percentage of cleared swaps customer collateral required:% ; or
  c. Dollar amount range between:and; or
  d. Percentage range of cleared swaps customer collateral required between:% and%.
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign Futures and Foreign Options Secured Amounts</td>
<td></td>
</tr>
<tr>
<td>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</td>
<td>0 [7305]</td>
</tr>
<tr>
<td>1. Net ledger balance - Foreign Futures and Foreign Option Trading - All Customers</td>
<td></td>
</tr>
<tr>
<td>A. Cash</td>
<td>2,913,329,302 [7315]</td>
</tr>
<tr>
<td>B. Securities (at market)</td>
<td>1,709,917,368 [7317]</td>
</tr>
<tr>
<td>2. Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade</td>
<td>905,198,371 [7325]</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 trade</td>
<td>12,163,494 [7335]</td>
</tr>
<tr>
<td>b. Market value of open contracts granted (sold) on a foreign board of trade</td>
<td>-18,102,938 [7337]</td>
</tr>
<tr>
<td>4. Net equity (deficit) (add lines 1. 2. and 3.)</td>
<td>5,522,505,597 [7345]</td>
</tr>
<tr>
<td>5. Account liquidating to a deficit and account with a debit balances - gross amount</td>
<td>13,060,768 [7351]</td>
</tr>
<tr>
<td>Less: amount offset by customer owned securities</td>
<td>-12,747,030 [7352]</td>
</tr>
<tr>
<td>6. Amount required to be set aside as the secured amount - Net Liquidating Equity Method</td>
<td>5,522,819,335 [7355]</td>
</tr>
<tr>
<td>7. Greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6</td>
<td>5,522,819,335 [7360]</td>
</tr>
</tbody>
</table>

Funds Deposited in Separate Regulation 30.7 Accounts

1. Cash in banks
   A. Banks located in the United States                                                        | 322,625,431 [7500]      |
   B. Other banks qualified under Regulation 30.7                                              | 790,103,707 [7520] 1,112,729,138 [7530] |

2. Securities
   A. In safekeeping with banks located in the United States                                    | 392,691,635 [7540]      |
   B. In safekeeping with other banks qualified under Regulation 30.7                          | 0 [7560] 392,691,635 [7570] |

3. Equities with registered futures commission merchants
   A. Cash                                                                                       | 8,639,432 [7580]        |
   B. Securities                                                                                 | 0 [7590]                |
   C. Unrealized gain (loss) on open futures contracts                                          | -225,618 [7600]         |
   D. Value of long option contracts                                                             | 0 [7610]                |
   E. Value of short option contracts                                                           | 0 [7615] 8,413,814 [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 organization - 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                                                                                       | 1,984,010,107 [7700]    |
   B. Securities                                                                                 | 1,317,225,733 [7710]    |
   C. Unrealized gain (loss) on open futures contracts                                          | 905,423,989 [7720]      |
   D. Value of long option contracts                                                           | 12,163,494 [7730]       |
   E. Value of short option contracts                                                          | -18,102,938 [7735] 4,200,720,385 [7740]       |

6. Amounts with other depositories designated by a foreign board of trade                       |                         |
   0 [7760]                                                                                     |

7. Segregated funds on hand                                                                      | 0 [7765]                |

8. Total funds in separate section 30.7 accounts                                                | 5,714,554,972 [7770]    |

9. Excess (deficiency) Set Aside for Secured Amount (subtract line 7 Secured Statement Page 1 from Line 8) | 191,735,637 [7380]      |

10. Management Target Amount for Excess funds in separate section 30.7 accounts                 | 140,000,000 [7780]      |

11. Excess (deficiency) funds in separate 30.7 accounts over (under) Management Target          | 51,735,637 [7785]       |
<table>
<thead>
<tr>
<th>Step</th>
<th>Calculation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Net ledger balance</td>
<td></td>
</tr>
<tr>
<td>A.</td>
<td>Cash</td>
<td>8,016,518,342</td>
</tr>
<tr>
<td>B.</td>
<td>Securities (at market)</td>
<td>4,874,987,282</td>
</tr>
<tr>
<td>2</td>
<td>Net unrealized profit (loss) in open futures contracts traded on a contract market</td>
<td>1,815,196,942</td>
</tr>
<tr>
<td>3</td>
<td>Exchange traded options</td>
<td></td>
</tr>
<tr>
<td>A.</td>
<td>Add market value of open option contracts purchased on a contract market</td>
<td>376,636,882</td>
</tr>
<tr>
<td>B.</td>
<td>Deduct market value of open option contracts granted (sold) on a contract market</td>
<td>-558,035,365</td>
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<tr>
<td>4</td>
<td>Net equity (deficit) (add lines 1, 2 and 3)</td>
<td>14,525,304,883</td>
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<tr>
<td>5</td>
<td>Accounts liquidating to a deficit and accounts with debit balances - gross amount</td>
<td>391,494,386</td>
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<tr>
<td></td>
<td>Less: amount offset by customer securities</td>
<td>-308,351,941</td>
</tr>
<tr>
<td></td>
<td></td>
<td>83,142,445</td>
</tr>
<tr>
<td>6</td>
<td>Amount required to be segregated (add lines 4 and 5)</td>
<td>14,608,446,528</td>
</tr>
<tr>
<td>7</td>
<td>Deposited in segregated funds bank accounts</td>
<td></td>
</tr>
<tr>
<td>A.</td>
<td>Cash</td>
<td>4,659,264,759</td>
</tr>
<tr>
<td>B.</td>
<td>Securities representing investments of customers' funds (at market)</td>
<td>0</td>
</tr>
<tr>
<td>C.</td>
<td>Securities held for particular customers or option customers in lieu of cash (at market)</td>
<td>966,504,585</td>
</tr>
<tr>
<td>8</td>
<td>Margins on deposit with derivatives clearing organizations of contract markets</td>
<td></td>
</tr>
<tr>
<td>A.</td>
<td>Cash</td>
<td>5,477,991,602</td>
</tr>
<tr>
<td>B.</td>
<td>Securities representing investments of customers' funds (at market)</td>
<td>0</td>
</tr>
<tr>
<td>C.</td>
<td>Securities held for particular customers or option customers in lieu of cash (at market)</td>
<td>3,908,482,697</td>
</tr>
<tr>
<td>9</td>
<td>Net settlement from (to) derivatives clearing organizations of contract markets</td>
<td>98,878,340</td>
</tr>
<tr>
<td>10</td>
<td>Exchange traded options</td>
<td></td>
</tr>
<tr>
<td>A.</td>
<td>Value of open long option contracts</td>
<td>376,636,882</td>
</tr>
<tr>
<td>B.</td>
<td>Value of open short option contracts</td>
<td>-558,035,365</td>
</tr>
<tr>
<td>11</td>
<td>Net equities with other FCMs</td>
<td></td>
</tr>
<tr>
<td>A.</td>
<td>Net liquidating equity</td>
<td>4,755,490</td>
</tr>
<tr>
<td>B.</td>
<td>Securities representing investments of customers' funds (at market)</td>
<td>0</td>
</tr>
<tr>
<td>C.</td>
<td>Securities held for particular customers or option customers in lieu of cash (at market)</td>
<td>0</td>
</tr>
<tr>
<td>12</td>
<td>Segregated funds on hand</td>
<td>0</td>
</tr>
<tr>
<td>13</td>
<td>Total amount in segregation (add lines 7 through 12)</td>
<td>14,934,478,990</td>
</tr>
<tr>
<td>14</td>
<td>Excess (deficiency) funds in segregation (subtract line 6 from line 13)</td>
<td>326,032,462</td>
</tr>
<tr>
<td>15</td>
<td>Management Target Amount for Excess funds in segregation</td>
<td>285,000,000</td>
</tr>
<tr>
<td>16</td>
<td>Excess (deficiency) funds in segregation over (under) Management Target Amount</td>
<td>41,032,462</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**
   8,204,403,838 [8500]
   
   B. **Securities (at market)**
   5,313,016,548 [8510]

2. **Net unrealized profit (loss) in open cleared swaps**
   2,251,116,855 [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)**
   15,768,537,241 [8550]

5. **Accounts liquidating to a deficit and accounts with debit balances - gross amount**
   96,464,904 [8560]

   Less: amount offset by customer owned securities
   -95,769,822 [8570] 695,082 [8580]

6. **Amount required to be segregated for cleared swaps customers (add lines 4 and 5)**
   15,769,232,323 [8590]

Funds in Cleared Swaps Customer Segregated Accounts

7. **Deposited in cleared swaps customer segregated accounts at banks**
   
   A. **Cash**
   2,748,682,232 [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)
   257,774,001 [8620]

8. **Margins on deposit with derivatives clearing organizations in cleared swaps customer segregated accounts**
   
   A. **Cash**
   7,460,580,909 [8630]
   
   B. Securities representing investments of cleared swaps customers' funds (at market)
   0 [8640]
   
   C. Securities held for particular cleared swaps customers in lieu of cash (at market)
   5,055,242,547 [8650]

9. **Net settlement from (to) derivatives clearing organizations**
   387,560,670 [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**
    
    A. Cash
    0
    
    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)
    0 [8715]

13. **Total amount in cleared swaps customer segregation (add lines 7 through 12)**
    15,909,840,359 [8720]

14. **Excess (deficiency) funds in cleared swaps customer segregation (subtract line 6 from line 13)**
    140,608,036 [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**
    48,608,036 [8770]