INITIAL
End Date: 12/19/2018
Firm Name: Morgan Stanley & Co. LLC
Form: Daily Seg - FOCUS II
Submit Date: 12/20/2018
<table>
<thead>
<tr>
<th>FCM's Customer Segregated Funds Residual Interest Target (choose one):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Minimum dollar amount: ; or</td>
<td><strong>280,000,000</strong></td>
</tr>
<tr>
<td>b. Minimum percentage of customer segregated funds required:% ; or</td>
<td><strong>0</strong></td>
</tr>
<tr>
<td>c. Dollar amount range between:and; or</td>
<td><strong>0 0</strong></td>
</tr>
<tr>
<td>d. Percentage range of customer segregated funds required between:% and%.</td>
<td><strong>0 0</strong></td>
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</tbody>
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<th>FCM’s Customer Secured Amount Funds Residual Interest Target (choose one):</th>
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</thead>
<tbody>
<tr>
<td>a. Minimum dollar amount: ; or</td>
<td><strong>140,000,000</strong></td>
</tr>
<tr>
<td>b. Minimum percentage of customer secured funds required:% ; or</td>
<td><strong>0</strong></td>
</tr>
<tr>
<td>c. Dollar amount range between:and; or</td>
<td><strong>0 0</strong></td>
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<th>FCM's Cleared Swaps Customer Collateral Residual Interest Target (choose one):</th>
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<tr>
<td>a. Minimum dollar amount: ; or</td>
<td><strong>92,000,000</strong></td>
</tr>
<tr>
<td>b. Minimum percentage of cleared swaps customer collateral required:% ; or</td>
<td><strong>0</strong></td>
</tr>
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<td>c. Dollar amount range between:and; or</td>
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Attach supporting documents
initial
end date: 12/19/2018
firm name: morgan stanley & co. llc
form: daily seg - focus ii
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daily segregation - secured amounts

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 0 [7305]

1. net ledger balance - foreign futures and foreign option trading - all customers
   a. cash 3,684,455,034 [7315]
   b. securities (at market) 2,066,665,869 [7317]

2. net unrealized profit (loss) in open futures contracts traded on a foreign board of trade -709,450,179 [7325]

3. exchange traded options
   a. market value of open option contracts purchased on a foreign board of trade 6,637,286 [7335]
   b. market value of open contracts granted (sold) on a foreign board of trade -7,400,908 [7337]

4. net equity (deficit) (add lines 1. 2. and 3.) 5,040,907,102 [7345]

5. account liquidating to a deficit and account with a debit balances - gross amount -167,609,170 [7352] 6,413,885 [7354]

6. amount required to be set aside as the secured amount - net liquidating equity
   method (add lines 4 and 5) 5,047,320,987 [7355]

7. greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6.
   5,047,320,987 [7360]

funds deposited in separate regulation 30.7 accounts

1. cash in banks
   a. banks located in the united states 435,466,827 [7500]
   b. other banks qualified under regulation 30.7 773,887,060 [7520] 1,209,353,887 [7530]

2. securities
   a. in safekeeping with banks located in the united states 93,031,128 [7540]
   b. in safekeeping with other banks qualified under regulation 30.7 0 [7560] 93,031,128 [7570]

3. equities with registered futures commission merchants
   a. cash 6,820,674 [7580]
   b. securities 0 [7590]
   c. unrealized gain (loss) on open futures contracts -29,222 [7600]
   d. value of long option contracts 0 [7610]
   e. value of short option contracts 0 [7615] 6,791,452 [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 2,667,023,596 [7700]
   b. securities 1,973,634,740 [7710]
   c. unrealized gain (loss) on open futures contracts -709,420,957 [7720]
   d. value of long option contracts 6,637,286 [7730]
   e. value of short option contracts -7,400,908 [7735] 3,930,473,757 [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 5,239,650,224 [7770]

9. excess (deficiency) set aside for secured amount (subtract line 7 secured statement
   page 1 from line 8) 192,329,237 [7780]

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 52,329,237 [7785]
**Daily Segregation - Segregation Statement**

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

1. **Net ledger balance**  
   A. Cash: 10,462,181,578 [7010]  
   B. Securities (at market): 6,435,471,761 [7020]

2. **Net unrealized profit (loss) in open futures contracts traded on a contract market**: 114,009,003 [7030]

3. **Exchange traded options**  
   A. Add market value of open option contracts purchased on a contract market: 316,669,497 [7032]  
   B. Deduct market value of open option contracts granted (sold) on a contract market: -460,979,073 [7033]

4. **Net equity (deficit) (add lines 1, 2 and 3)**: 16,867,352,766 [7040]

5. **Accounts liquidating to a deficit and accounts with debit balances - gross amount**: 539,985,215 [7045]  
   Less: amount offset by customer securities: -533,384,556 [7047]  
   **6,600,659** [7050]

6. **Amount required to be segregated (add lines 4 and 5)**: 16,873,953,425 [7060]

**FUNDS IN SEGREGATED ACCOUNTS**

7. **Deposited in segregated funds bank accounts**  
   A. Cash: 4,616,552,393 [7070]  
   B. Securities representing investments of customers’ funds (at market): 0 [7080]  
   C. Securities held for particular customers or option customers in lieu of cash (at market): 667,951,070 [7090]

8. **Margins on deposit with derivatives clearing organizations of contract markets**  
   A. Cash: 6,586,657,633 [7100]  
   B. Securities representing investments of customers’ funds (at market): 0 [7110]  
   C. Securities held for particular customers or option customers in lieu of cash (at market): 5,767,520,691 [7120]

9. **Net settlement from (to) derivatives clearing organizations of contract markets**: -299,803,593 [7130]

10. **Exchange traded options**  
    A. Value of open long option contracts: 316,669,497 [7132]  
    B. Value of open short option contracts: -460,979,073 [7133]

11. **Net equities with other FCMs**  
    A. Net liquidating equity: 9,827,905 [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**: 0 [7150]

13. **Total amount in segregation (add lines 7 through 12)**: 17,204,396,523 [7180]

14. **Excess (deficiency) funds in segregation (subtract line 6 from line 13)**: 330,443,098 [7190]

15. **Management Target Amount for Excess funds in segregation**: 280,000,000 [7194]

16. **Excess (deficiency) funds in segregation over (under) Management Target Amount**: 50,443,098 [7198]
**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 \[8,745,073,120\] [8500]
   - B. Securities (at market) \[5,586,445,680\] [8510]

2. **Net unrealized profit (loss) in open cleared swaps** \[802,447,620\] [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)** \[15,133,966,420\] [8550]

5. **Accounts liquidating to a deficit and accounts with debit balances - gross amount** \[187,670,537\] [8560]
   - Less: amount offset by customer owned securities \[-185,580,116\] [8570] \[2,090,421\] [8580]

6. **Amount required to be segregated for cleared swaps customers (add lines 4 and 5)** \[15,136,056,841\] [8590]

7. **Deposited in cleared swaps customer segregated accounts at banks**
   - A. Cash 2,877,090,452 [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) 377,444,832 [8620]

8. **Margins on deposit with derivatives clearing organizations in cleared swaps customer segregated accounts**
   - A. Cash 7,391,204,416 [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) 5,209,000,848 [8650]

9. **Net settlement from (to) derivatives clearing organizations** \[-428,292,095\] [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)** \[15,426,448,453\] [8720]

14. **Excess (deficiency) funds in cleared swaps customer segregation (subtract line 6 from line 13)** \[290,391,612\] [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** 198,391,612 [8770]