

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

BROKER OR DEALER  
MORGAN STANLEY & CO. LLC

as of 06/30/14

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	\$	7,964,226,028	7010
B. Securities (at market)		1,798,790,762	7020
2. Net unrealized profit (loss) in open futures contracts traded on a contract market		331,088,366	7030
3. Exchange traded options			
A. Add market value of open option contracts purchased on a contract market		274,686,292	7032
B. Deduct market value of open option contracts granted (sold) on a contract market	(	204,250,289)	7033
4. Net equity (deficit) (add lines 1, 2, and 3)		10,164,541,159	7040
5. Accounts liquidating to a deficit and accounts with debit balances			
- gross amount		15,705,234	7045
Less: amount offset by customer owned securities	(	15,614,229)	7047
6. Amount required to be segregated (add lines 4 and 5)	\$	91,005	7050
		10,164,632,164	7060

FUNDS IN SEGREGATED ACCOUNTS

7. Deposited in segregated funds bank accounts			
A. Cash		2,581,834,251	7070
B. Securities representing investments of customers' funds (at market)		2,301,114,026	7080
C. Securities held for particular customers or option customers in lieu of cash (at market)		239,994,507	7090
8. Margins on deposit with derivatives clearing organizations of contract markets			
A. Cash	\$	2,683,594,930	7100
B. Securities representing investments of customers' funds (at market)		904,067,691	7110
C. Securities held for particular customers or option customers in lieu of cash (at market)		1,558,796,255	7120
9. Net settlement from (to) derivatives clearing organizations of contract markets		32,557,238	7130
10. Exchange traded options			
A. Value of open long option contracts		274,686,292	7132
B. Value of open short option contracts	(	204,250,289)	7133
11. Net equities with other FCMs			
A. Net liquidating equity		733,031	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: _____)		0	7150
13. Total amount in segregation (add lines 7 through 12)		10,373,127,932	7180
14. Excess (deficiency) funds in segregation (subtract line 6 from line 13)	\$	208,495,768	7190
15. Management Target Amount for Excess funds in segregation	\$	105,000,000	7194
16. Excess (deficiency) funds in segregation over (under) Management Target Amount Excess	\$	103,495,768	7198

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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

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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

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	\$	1,725,488,281	7315
B. Securities (at market)		553,657,055	7317
2. Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade		77,118,361	7325
3. Exchange traded options			
A. Market value of open option contracts purchased on a foreign board of trade		13,467,627	7335
B. Market value of open contracts granted (sold) on a foreign board of trade		(6,323,888)	7337
4. Net equity (deficit) (add lines 1. 2. and 3.)	\$	2,363,407,436	7345
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$	6,345,013	7351
Less: amount offset by customer owned securities	(	6,210,297)	7352
		134,716	7354
6. Amount required to be set aside as the secured amount - Net Liquidating Equity Method (add lines 4 and 5)	\$	2,363,542,152	7355
7. Greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6.	\$	2,363,542,152	7360

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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	\$	324,849,530	7500
B. Other banks qualified under Regulation 30.7			
Name(s): 0		147,695,290	7520
	\$		472,544,820
			7530
2. Securities			
A. In safekeeping with banks located in the United States	\$	514,228,420	7540
B. In safekeeping with other banks qualified under Regulation 30.7			
Name(s): 0		0	7560
			514,228,420
			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			
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
			0
			7680
5. Amounts held by members of foreign boards of trade			
Name(s): 0			7690
A. Cash	\$	1,009,986,110	7700
B. Securities		489,383,636	7710
C. Unrealized gain (loss) on open futures contracts		77,119,088	7720
D. Value of long option contracts		13,467,627	7730
E. Value of short option contracts	(	(6,323,888)	7735
			1,583,632,573
			7740
6. Amounts with other depositories designated by a foreign board of trade			
Name(s): 0			7750
			0
			7760
7. Segregated funds on hand (describe: _____ )			
			0
			7765
8. Total funds in separate section 30.7 accounts		\$	2,570,405,813
			7770
9. Excess (deficiency) set Aside Funds for Secured Amount (subtract Line 7 Secured Statement page 15 from Line 8)		\$	206,863,661
			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		\$	101,863,661
			7785

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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		\$ 3,632,109,375	8500
B. Securities (at market)		1,716,357,767	8510
2. Net unrealized profit (loss) in open cleared swaps		(1,109,798,054)	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)		\$ 4,238,669,088	8550
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$ 55,353,963		8560
Less: amount offset by customer owned securities	(54,174,718)	1,179,245	8570
6. Amount required to be segregated for cleared swaps customers (add lines 4 and 5)		\$ 4,239,848,333	8590

Funds in Cleared Swaps Customer Segregated Accounts

7. Deposited in cleared swaps customer segregated accounts at banks			
A. Cash		\$ 723,651,361	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)		15,535,683	8620
8. Margins on deposit with derivatives clearing organizations in cleared swaps customer segregated accounts			
A. Cash		1,681,257,655	8630
B. Securities representing investments of cleared swaps customers' funds (at market)		320,019,776	8640
C. Securities held for particular cleared swaps customers in lieu of cash (at market)		1,700,822,084	8650
9. Net settlement from (to) derivatives clearing organizations		(82,287,655)	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)		\$ 4,358,998,904	8720
14. Excess (deficiency) funds in cleared swaps customer segregation (subtract line 6 from line 13)		\$ 119,150,571	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		\$ 27,150,571	8770