

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II CSE

BROKER OR DEALER
MORGAN STANLEY & CO. LLC

as of 08/31/21

AGGREGATE SECURITIES AND OTC DERIVATIVE POSITIONS

Aggregate Securities and Commodities Positions	LONG	SHORT
1. U.S. Treasury securities	\$ 30,546,858,688 8200	\$ 11,152,559,350 8201
2. U.S. Government agency and government sponsored entities	\$ 28,188,448,541 8210	\$ 246,690,351 8211
3. Securities issued by states and political subdivisions in the U.S	\$ 1,371,273,521 8220	\$ 534,347 8221
4. Foreign securities:		
a. Debt securities	\$ 6,531,569,944 8230	\$ 2,412,984,949 8231
b. Equity securities.	\$ 888,395,898 8235	\$ 10,298,908,883 8236
5. Money Market Instruments	\$ 77,289,071 8240	\$ 142,981 8241
6. Private Label Mortgage Backed Securities	\$ 1,166,008,621 8250	\$ 0 8251
7. Other Asset Back Securities	\$ 134,624,164 8260	\$ 0 8261
8. Corporate obligations.	\$ 5,088,211,948 8270	\$ 4,383,141,495 8271
9. Stocks and warrants (other than arbitrage positions)	\$ 10,232,472,027 8280	\$ 59,093,980,653 8281
10. Arbitrage	\$ 764,757,993 8290	\$ 38,577,078 8291
11. Derivatives including Options:	\$ 1,412,861,170 8295	\$ 5,026,797,426 8296
12. Spot Commodities	\$ 0 8330	\$ 0 8331
13. Investments with no ready market :		
a. Equity	\$ 77,126 8340	\$ 0 8341
b. Debt	\$ 0 8345	\$ 0 8346
c. Other (include limited partnership interests)	\$ 0 8350	\$ 0 8351
14. Other securities or commodities	\$ 0 8360	\$ 0 8361
15. Total	\$ 86,402,848,712 8370	\$ 92,654,317,513 8371

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE**

BROKER OR DEALER

MORGAN STANLEY & CO. LLC

as of 08/31/21

**FORMULA FOR DETERMINATION OF CUSTOMER ACCOUNT RESERVE REQUIREMENTS
OF BROKERS AND DEALERS UNDER RULE 15c3-3
(See Rule 15c3-3, Exhibit A and Related Notes)**

CREDIT BALANCES

1. Free credit balances and other credit balances in customers' security accounts (See Note A)	\$ 76,653,996,340	4340
2. Monies borrowed collateralized by securities carried for the accounts of customers (See Note B)	3,300,586,413	4350
3. Monies payable against customers' securities loaned (See Note C)	17,281,774,926	4360
4. Customers' securities failed to receive (See Note D)	334,137,291	4370
5. Credit balances in firm accounts which are attributable to principal sales to customers	38,126,036,904	4380
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days	22,424,112	4390
7. ** Market value of short security count differences over 30 calendar days old	19,525,929	4400
8. ** Market value of short securities and credits (not to be offset by longs or by debits) in all suspense accounts over 30 calendar days	186,485,847	4410
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days	0	4420
10. Other (List)	0	4425
11. TOTAL CREDITS	\$ 135,924,967,762	4430

DEBIT BALANCES

12. ** Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection (See Note E)	\$ 32,966,108,748	4440
13. Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery on customers' securities failed to deliver	92,326,265,725	4450
14. Failed to deliver of customers' securities not older than 30 calendar days	274,873,995	4460
15. Margin required and on deposit with the Options Clearing Corporation for all option contracts written or purchased in customer accounts (See Note F)	6,185,121,009	4465
16. Margin required and on deposit with a clearing agency registered with the Commission under section 17A of the Act (15 U.S.C. 78q-1) or a derivatives clearing organization registered with the Commodity Futures Trading Commission under section 5b of the Commodity Exchange Act (7 U.S.C. 7a-1) related to the following types of positions written, purchased or sold in customer accounts: (1) security futures products and (2) futures contracts (and options thereon) carried in a securities account pursuant to an SRO portfolio margining rule (See Note G)	0	4467
17. Other (List)	0	4469
18. ** Aggregate debit items	\$ 131,752,369,477	4470
19. ** Less 3% (for alternative method only - see Rule 15c3-1(a)(1)(ii))	(3,952,571,084)	4471
20. ** TOTAL 15c3-3 DEBITS	127,799,798,393	4472

RESERVE COMPUTATION

21. Excess of total debits over total credits (line 20 less line 11)	\$ 0	4480
22. Excess of total credits over total debits (line 11 less line 20)	8,125,169,369	4490
23. If computation is made monthly as permitted, enter 105% of excess of total credits over total debits		4500
24. Amount held on deposit in "Reserve Bank Account(s)", including \$ 11,059,001,186 4505 value of qualified securities, at end of reporting period	11,647,001,186	4510
25. Amount of deposit (or withdrawal) including \$ (1,603,999,963) 4515 value of qualified securities	(1,078,999,963)	4520
26. New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal including \$ 9,455,001,223 4525 value of qualified securities	\$ 10,568,001,223	4530
27. Date of deposit (MMDDYY)	09/02/21	4540

FREQUENCY OF COMPUTATION

28. Daily X 4332 Weekly 4333 Monthly 4334

OMIT PENNIES

** In the event the Net Capital Requirement is computed under the alternative method, this "Reserve Formula" shall be prepared in accordance with the requirements of paragraph (a)(1)(ii) of Rule 15c3-1.

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE**

BROKER OR DEALER

MORGAN STANLEY & CO. LLC

as of 08/31/21

**FORMULA FOR DETERMINATION OF PAB ACCOUNT RESERVE REQUIREMENTS
OF BROKERS AND DEALERS UNDER RULE 15c3-3
(See Rule 15c3-3, Exhibit A and Related Notes*)**

CREDIT BALANCES

1. Free credit balances and other credit balances in PAB security accounts (See Note A)	\$ 152,758,745	2110
2. Monies borrowed collateralized by securities carried for the accounts of PAB (See Note B)	0	2120
3. Monies payable against PAB securities loaned (See Note C)	489,496	2130
4. PAB securities failed to receive (See Note D)	103,601	2140
5. Credit balances in firm accounts which are attributable to principal sales to PAB	3,169,004	2150
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days		2152
7. ** Market value of short security count differences over 30 calendar days old		2154
8. ** Market value of short securities and credits (not to be offset by longs or by debits) in all suspense accounts over 30 calendar days		2156
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days		2158
10. Other (List)	0	2160
11. TOTAL PAB CREDITS	\$ 156,520,846	2170

DEBIT BALANCES

12. Debit balances in PAB cash and margin accounts excluding unsecured accounts and accounts doubtful of collection (See Note E)	\$ 0	2180
13. Securities borrowed to effectuate short sales by PAB and securities borrowed to make delivery on PAB securities failed to deliver	10,119,636	2190
14. Failed to deliver of PAB securities not older than 30 calendar days	0	2200
15. Margin required and on deposit with the Options Clearing Corporation for all option contracts written or purchased in PAB accounts (See Note F)	0	2210
16. Margin required and on deposit with a clearing agency registered with the Commission under section 17A of the Act (15 U.S.C. 78q-1) or a derivatives clearing organization registered with the Commodity Futures Trading Commission under section 5b of the Commodity Exchange Act (7 U.S.C. 7a-1) related to the following types of positions written, purchased or sold in PAB accounts: (1) security futures products and (2) futures contracts (and options thereon) carried in a securities account pursuant to an SRO portfolio margining rule (See Note G)	0	2215
17. Other (List)	0	2220
18. TOTAL PAB DEBITS	\$ 10,119,636	2230

RESERVE COMPUTATION

19. Excess of total PAB debits over total PAB credits (line 18 less line 11)	\$ 0	2240
20. Excess of total PAB credits over total PAB debits (line 11 less line 18)	146,401,210	2250
21. Excess debits in customer reserve formula computation	0	2260
22. PAB Reserve Requirement (line 20 less line 21)	146,401,210	2270
23. Amount held on deposit in "Reserve Bank Account(s)", including \$ 361,000,008 2275 value of qualified securities, at end of reporting period	361,000,008	2280
24. Amount of deposit (or withdrawal) including \$ (13,999,966) 2285 value of qualified securities	(13,999,966)	2290
25. New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal including \$ 347,000,042 2295 value of qualified securities	\$ 347,000,042	2300
26. Date of deposit (MMDDYY)	09/02/21	2310

FREQUENCY OF COMPUTATION

27. Daily 2315 Weekly 2320 Monthly 2330

OMIT PENNIES

* See Notes regarding the PAB Reserve Bank Account Computation (Notes 1 through 10).

** In the event the Net Capital Requirement is computed under the alternative method, this "Reserve Formula" shall be prepared in accordance with the requirements of paragraph (a)(1)(ii) of Rule 15c3-1.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER

MORGAN STANLEY & CO. LLC

as of 08/31/21

Information for Possession or Control Requirements Under Rule 15c3-3

State the market valuation and the number of items of:

- | | | | |
|---|----|-------------|-----------------------|
| <p>1. Customers' fully paid securities and excess margin securities not in the respondent's possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date) but for which the required action was not taken by respondent within the time frames specified under Rule 15c3-3. Notes A and B</p> | \$ | 115,473,892 | <u>4586</u> |
| A. Number of items | | | <u>62</u> <u>4587</u> |
| <p>2. Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3. Notes B,C and D</p> | | | <u>4588</u> |
| A. Number of items | | | <u>4589</u> |
| OMIT PENNIES | | | |
| <p>3. The system and procedures utilized in complying with the requirement to maintain physical possession or control of customers' fully paid and excess margin securities have been tested and are functioning in a manner adequate to fulfill the requirements of Rule 15c3-3 . . . Yes <input checked="" type="checkbox"/> <u>4584</u> No <input type="checkbox"/> <u>4585</u></p> | | | |

NOTES

- A--Do not include in item one customers' fully paid and excess margin securities required by Rule 15c 3-3 to be in possession or control but for which no action was required by the respondent as of the report date or required action was taken by respondent within the time frames specified under Rule 15c3-3.
- B--State separately in response to items one and two whether the securities reported in response thereto were subsequently reduced to possession or control by the respondent.
- C--Be sure to include in item two only items not arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3.
- D--Item two must be responded to only with report which is filed as of the date selected for the broker's or dealer's annual audit of financial statements, whether or not such date is the end of a calendar quarter. The response to item two should be filed within 60 calendar days after such date, rather than with the remainder of this report. This information may be required on a more frequent basis by the Commission or the designated examining authority in accordance with Rule 17a-5(a)(2)(iv).

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

BROKER OR DEALER

MORGAN STANLEY & CO. LLC

as of 08/31/21

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	\$	14,747,402,345	7010
B. Securities (at market)		7,461,358,091	7020
2. Net unrealized profit (loss) in open futures contracts traded on a contract market		2,458,003,147	7030
3. Exchange traded options			
A. Add market value of open option contracts purchased on a contract market		1,069,330,380	7032
B. Deduct market value of open option contracts granted (sold) on a contract market	(	696,083,292)	7033
4. Net equity (deficit) (add lines 1, 2, and 3)		25,040,010,671	7040
5. Accounts liquidating to a deficit and accounts with debit balances			
- gross amount		177,873,175	7045
Less: amount offset by customer owned securities	(	175,775,150)	7047
6. Amount required to be segregated (add lines 4 and 5)	\$	2,098,025	7050
		25,042,108,696	7060

FUNDS IN SEGREGATED ACCOUNTS

7. Deposited in segregated funds bank accounts			
A. Cash		2,989,309,654	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)		2,879,895,359	7090
8. Margins on deposit with derivatives clearing organizations of contract markets			
A. Cash	\$	14,717,442,875	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)		4,429,447,839	7120
9. Net settlement from (to) derivatives clearing organizations of contract markets		(125,853,455)	7130
10. Exchange traded options			
A. Value of open long option contracts		1,069,330,380	7132
B. Value of open short option contracts	(	696,083,292)	7133
11. Net equities with other FCMs			
A. Net liquidating equity		9,307,631	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: _____)		152,014,893	7150
13. Total amount in segregation (add lines 7 through 12)		25,424,811,884	7180
14. Excess (deficiency) funds in segregation (subtract line 6 from line 13)	\$	382,703,188	7190
15. Management Target Amount for Excess funds in segregation	\$	235,000,000	7194
16. Excess (deficiency) funds in segregation over (under) Management Target Amount Excess	\$	147,703,188	7198

SUPPLEMENT TO
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BROKER OR DEALER

MORGAN STANLEY & CO. LLC

as of 08/31/21

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

SUPPLEMENT TO
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MORGAN STANLEY & CO. LLC

as of 08/31/21

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	\$ <u>0</u>	<u>7305</u>
1. Net ledger balance - Foreign Futures and Foreign Option Trading - All Customers		
A. Cash	\$ <u>4,551,243,446</u>	<u>7315</u>
B. Securities (at market)	<u>2,042,338,198</u>	<u>7317</u>
2. Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade	<u>1,065,422,430</u>	<u>7325</u>
3. Exchange traded options		
A. Market value of open option contracts purchased on a foreign board of trade	<u>42,971,245</u>	<u>7335</u>
B. Market value of open contracts granted (sold) on a foreign board of trade	<u>(22,915,728)</u>	<u>7337</u>
4. Net equity (deficit) (add lines 1. 2. and 3.)	\$ <u>7,679,059,591</u>	<u>7345</u>
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$ <u>37,045,051</u>	<u>7351</u>
Less: amount offset by customer owned securities	<u>(36,413,168)</u>	<u>7352</u>
	<u>631,883</u>	<u>7354</u>
6. Amount required to be set aside as the secured amount - Net Liquidating Equity Method (add lines 4 and 5)	\$ <u>7,679,691,474</u>	<u>7355</u>
7. Greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6.	\$ <u>7,679,691,474</u>	<u>7360</u>

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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	\$	<u>268,406,369</u>	<u>7500</u>
B. Other banks qualified under Regulation 30.7			
Name(s): _____		<u>389,772,208</u>	<u>7520</u> \$ <u>658,178,577</u> <u>7530</u>
2. Securities			
A. In safekeeping with banks located in the United States	\$	<u>606,022,469</u>	<u>7540</u>
B. In safekeeping with other banks qualified under Regulation 30.7			
Name(s): _____		<u>58,059,159</u>	<u>7560</u> <u>664,081,628</u> <u>7570</u>
3. Equities with registered futures commission merchants			
A. Cash	\$	<u>14,186,462</u>	<u>7580</u>
B. Securities		<u>0</u>	<u>7590</u>
C. Unrealized gain (loss) on open futures contracts		<u>819,007</u>	<u>7600</u>
D. Value of long option contracts		<u>0</u>	<u>7610</u>
E. Value of short option contracts	(	<u>0</u>	<u>7615</u> <u>15,005,469</u> <u>7620</u>
4. Amounts held by clearing organizations of foreign boards of trade			
Name(s): _____			<u>7630</u>
A. Cash	\$	<u>0</u>	<u>7640</u>
B. Securities		<u>0</u>	<u>7650</u>
C. Amount due to (from) clearing organizations - daily variation		<u>0</u>	<u>7660</u>
D. Value of long option contracts		<u>0</u>	<u>7670</u>
E. Value of short option contracts	(	<u>0</u>	<u>7675</u> <u>0</u> <u>7680</u>
5. Amounts held by members of foreign boards of trade			
Name(s): _____			<u>7690</u>
A. Cash	\$	<u>4,096,416,983</u>	<u>7700</u>
B. Securities		<u>1,378,256,571</u>	<u>7710</u>
C. Unrealized gain (loss) on open futures contracts		<u>1,064,603,422</u>	<u>7720</u>
D. Value of long option contracts		<u>42,971,245</u>	<u>7730</u>
E. Value of short option contracts	(	<u>(22,915,728)</u>	<u>7735</u> <u>6,559,332,493</u> <u>7740</u>
6. Amounts with other depositories designated by a foreign board of trade			
Name(s): _____			<u>0</u> <u>7750</u> <u>0</u> <u>7760</u>
7. Segregated funds on hand (describe: _____)			
			<u>0</u> <u>7765</u>
8. Total funds in separate section 30.7 accounts			
	\$	<u>7,896,598,167</u>	<u>7770</u>
9. Excess (deficiency) set Aside Funds for Secured Amount (subtract Line 7 Secured Statement page 15 from Line 8)			
	\$	<u>216,906,693</u>	<u>7380</u>
10. Management Target Amount for Excess funds in separate section 30.7 accounts			
	\$	<u>140,000,000</u>	<u>7780</u>
11. Excess (deficiency) funds in separate 30.7 accounts over (under) Management Target			
	\$	<u>76,906,693</u>	<u>7785</u>

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

BROKER OR DEALER
MORGAN STANLEY & CO. LLC

as of 08/31/21

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	\$	16,579,594,849	8500
B. Securities (at market)		10,469,852,492	8510
2. Net unrealized profit (loss) in open cleared swaps			
		(1,290,695,166)	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)			
	\$	25,758,752,175	8550
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount			
	\$	99,138,125	8560
Less: amount offset by customer owned securities		(98,393,993)	8570
		744,132	8580
6. Amount required to be segregated for cleared swaps customers (add lines 4 and 5)			
	\$	25,759,496,307	8590

Funds in Cleared Swaps Customer Segregated Accounts

7. Deposited in cleared swaps customer segregated accounts at banks			
A. Cash	\$	4,285,328,583	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)		37,747,137	8620
8. Margins on deposit with derivatives clearing organizations in cleared swaps customer segregated accounts			
A. Cash		11,260,315,203	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)		10,432,105,355	8650
9. Net settlement from (to) derivatives clearing organizations			
		83,044,098	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)			
	\$	26,098,540,376	8720
14. Excess (deficiency) funds in cleared swaps customer segregation (subtract line 6 from line 13)			
	\$	339,044,069	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			
	\$	247,044,069	8770