MORGAN STANLEY
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Morgan Stanley Finance LLC

Structured Investments

Opportunities in U.S. Equities

Contingent Income Auto-Callable Securities due February 2, 2022, with 6-month Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the Financial Select Sector SPDR® Fund, the Health Care Select Sector SPDR® Fund and the Technology Select Sector SPDR® Fund

Fully and Unconditionally Guaranteed by Morgan Stanley

Principal at Risk Securities

The securities offered are unsecured obligations of Morgan Stanley Finance LLC ("MSFL") and are fully and unconditionally guaranteed by Morgan Stanley. The securities have the terms described in the accompanying product supplement, index supplement and prospectus, as supplemented or modified by this document. The securities do not guarantee the repayment of principal and do not provide for the regular payment of interest. Instead, the securities will pay a contingent quarterly coupon **but only if** the determination closing price of **each of the Financial Select Sector SPDR® Fund, the Health Care Select Sector SPDR® Fund and the Technology Select Sector SPDR® Fund**, which we refer to as the underlying shares, is **at or above** 65% of its respective initial share price, which we refer to as the downside threshold level, on the related observation date. If, however, the determination closing price of **any of the underlying shares** is less than its respective downside threshold level on any observation date, we will pay no interest for the related quarterly period. In addition, the securities will be automatically redeemed if the determination closing price of each of the underlying shares is **greater than or equal to 95%** of its respective initial share price, which we refer to as the respective call threshold level, on any quarterly redemption determination date (beginning approximately six months after the original issue date) for the early redemption payment equal to the sum of the stated principal amount plus the related contingent quarterly coupon. No further payments will be made on the securities once they have been redeemed. At maturity, if the securities have not previously been redeemed and the final share price of **each of the underlying shares is greater than or equal to** its respective downside threshold level, the payment at maturity will be the sum of the stated principal amount and the related contingent quarterly coupon. However, if the final share price of **any of the underlying shares** is less than its respective downside threshold level, investors will be exposed to the decline in the worst performing underlying shares on a 1-to-1 basis, and will receive a payment at maturity that is less than 65% of the stated principal amount of the securities and could be zero.

Accordingly, investors in the securities must be willing to accept the risk of losing their entire initial investment and also the risk of not receiving any contingent quarterly coupons throughout the 3-year term of the securities. The securities are for investors who are willing to risk their principal and seek an opportunity to earn interest at a potentially above-market rate in exchange for the risk of receiving no quarterly interest over the entire 3-year term and in exchange for the possibility of an automatic early redemption prior to maturity. Because the payment of contingent quarterly coupons is based on the worst performing of the underlying shares, the fact that the securities are linked to three underlying shares does not provide any asset diversification benefits and instead means that a decline in the price of any of the underlying shares below the relevant downside threshold level will result in no contingent quarterly coupons, even if the other underlying shares close at or above their respective downside threshold levels. Because all payments on the securities are based on the worst performing of the underlying shares, a decline beyond the respective downside threshold level of any of the underlying shares will result in no contingent quarterly coupon payments and a significant loss of your investment, even if the other underlying shares have appreciated or have not declined as much. Investors will not participate in any appreciation of any of the underlying shares. The securities are notes issued as part of MSFL's Series A Global Medium-Term Notes program.

All payments are subject to our credit risk. If we default on our obligations, you could lose some or all of your investment. These securities are not secured obligations and you will not have any security interest in, or otherwise have any access to, any underlying reference asset or assets.

SUMMARY TERMS

Issuer:	Morgan Stanley Finance LLC
Guarantor:	Morgan Stanley
Underlying shares:	Financial Select Sector SPDR® Fund (the "XLF Shares"), Health Care Select Sector SPDR® Fund (the "XLV Shares") and Technology Select Sector SPDR® Fund (the "XLK Shares")
Aggregate principal amount:	$
Stated principal amount:	$1,000 per security
Issue price:	$1,000 per security
Pricing date:	January 28, 2019
Original issue date:	January 31, 2019 (3 business days after the pricing date)
Maturity date:	February 2, 2022
Early redemption:	**The securities are not subject to early redemption until six months after the original issue date.** Following this six-month non-call period if, on any redemption determination date, beginning on July 29, 2019, the determination closing price of each of the underlying shares is greater than or equal to its respective call threshold level, the securities will be automatically redeemed for an early redemption payment on the related early redemption date. No further payments will be made on the securities once they have been redeemed. **The securities will not be redeemed early on any early redemption date if the determination closing price of any of the underlying shares is below respective call threshold level on the related redemption determination date.**
Early redemption payment:	The early redemption payment will be an amount equal to (i) the stated principal amount for each security you hold *plus* (ii) the contingent quarterly coupon with respect to the related

	observation date.
Determination closing price:	With respect to each of the underlying shares, the closing price of such underlying shares on any redemption determination date or observation date (other than the final observation date), *times* the adjustment factor on such redemption determination date or observation date, as applicable
Redemption determination dates:	Beginning after six months, quarterly, on July 29, 2019, October 28, 2019, January 28, 2020, April 28, 2020, July 28, 2020, October 28, 2020, January 28, 2021, April 28, 2021, July 28, 2021 and October 28, 2021, subject to postponement for non-trading days and certain market disruption events.
Early redemption dates:	Beginning after six months, quarterly, on August 1, 2019, October 31, 2019, January 31, 2020, May 1, 2020, July 31, 2020, November 2, 2020, February 2, 2021, May 3, 2021, August 2, 2021 and November 2, 2021; provided that if any such day is not a business day, that early redemption payment, if payable, will be made on the next succeeding business day and no adjustment will be made to any early redemption payment made on that succeeding business day.
Contingent quarterly coupon:	A *contingent* quarterly coupon at an annual rate of at least 7.25% (corresponding to at least approximately $18.125 per quarter per security, to be determined on the pricing date) will be paid on the securities on each coupon payment date ***but only if*** the determination closing price of **each of the underlying shares** is at or above its respective downside threshold level on the related observation date. **If, on any observation date, the determination closing price of any of the underlying shares is less than its respective downside threshold level, no contingent quarterly coupon will be paid with respect to that observation date. It is possible that one or more of the underlying shares will remain below their respective downside threshold levels for extended periods of time or even throughout the entire 3-year term of the securities so that you will receive few or no contingent quarterly coupons.**
Downside threshold level:	With respect to the XLF Shares, $, which is equal to 65% of its initial share price With respect to the XLV Shares, $, which is equal to 65% of its initial share price With respect to the XLK Shares, $, which is equal to 65% of its initial share price
Call threshold level	With respect to the XLF Shares, $, which is equal to 95% of its initial share price

	With respect to the XLV Shares, $, which is equal to 95% of its initial share price With respect to the XLK Shares, $, which is equal to 95% of its initial share price
Payment at maturity:	If the securities are not redeemed prior to maturity, investors will receive a payment at maturity determined as follows: · If the final share price of **each of the underlying shares is greater than or equal to** its respective downside threshold level: (i) the stated principal amount *plus* (ii) the contingent quarterly coupon with respect to the final observation date · If the final share price of **any of the underlying shares is less than** its respective downside threshold level: (i) the stated principal amount *multiplied by* (ii) the share performance factor of the worst performing underlying shares *Under these circumstances, the payment at maturity will be significantly less than the stated principal amount of $1,000, and will represent a loss of more than 35%, and possibly all, of your investment.* ***Terms continued on the following page***
Agent:	Morgan Stanley & Co. LLC ("MS & Co."), an affiliate of MSFL and a wholly owned subsidiary of Morgan Stanley. See "Supplemental information regarding plan of distribution; conflicts of interest."
Estimated value on the pricing date:	Approximately $950.10 per security, or within $22.50 of that estimate. See "Investment Summary" beginning on page 3.

Commissions and issue price:	**Price to public**	**Agent's commissions**[1]	**Proceeds to us**[2]
Per security	$1,000	$	$
Total	$	$	$

(1) Selected dealers and their financial advisors will collectively receive from the agent, MS & Co., a fixed sales commission of $ for each security they sell. See "Supplemental information regarding plan of distribution; conflicts of interest." For additional information, see "Plan of Distribution (Conflicts of Interest)" in the accompanying product supplement.

(2) See "Use of proceeds and hedging" on page 33.

The securities involve risks not associated with an investment in ordinary debt securities. See "Risk Factors" beginning on page 12.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved these securities, or determined if this document or the accompanying product supplement, index supplement and prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The securities are not deposits or savings accounts and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality, nor are they obligations of, or guaranteed by, a bank.

You should read this document together with the related product supplement, index supplement and prospectus, each of which can be accessed via the hyperlinks below. Please also see "Additional Terms of the Securities" and "Additional Information About the Securities" at the end of this document.

As used in this document, "we," "us" and "our" refer to Morgan Stanley or MSFL, or Morgan Stanley and MSFL collectively, as the context requires.

Product Supplement for Auto-Callable Securities dated November 16, 2017 **Index Supplement dated November 16, 2017**

Prospectus dated November 16, 2017

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due February 2, 2022, with 6-month Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the Financial Select Sector SPDR® Fund, the Health Care Select Sector SPDR® Fund and the Technology Select Sector SPDR® Fund

Principal at Risk Securities

Terms continued from previous page:

Initial share price:	With respect to the XLF Shares, $, which is its closing price on the pricing date With respect to the XLV Shares, $, which is its closing price on the pricing date With respect to the XLK Shares, $, which is its closing price on the pricing date
Coupon payment dates:	Quarterly, on May 2, 2019, August 1, 2019, October 31, 2019, January 31, 2020, May 1, 2020, July 31, 2020, November 2, 2020, February 2, 2021, May 3, 2021, August 2, 2021, November 2, 2021 and the maturity date; *provided* that if any such day is not a business day, that coupon payment will be made on the next succeeding business day and no adjustment will be made to any coupon payment made on that succeeding business day.
Observation dates:	Quarterly, on April 29, 2019, July 29, 2019, October 28, 2019, January 28, 2020, April 28, 2020, July 28, 2020, October 28, 2020, January 28, 2021, April 28, 2021, July 28, 2021, October 28, 2021 and January 28, 2022, subject, independently in the case of each of the underlying shares, to postponement for non-trading days and certain market disruption events. We also refer to January 28, 2022 as the final observation date.
Final share price:	With respect to each of the underlying shares, the closing price of such underlying shares on the final observation date *times* the adjustment factor on such date
Adjustment factor:	With respect to each of the underlying shares, 1.0, subject to adjustment in the event of certain events affecting such underlying shares
Worst performing underlying shares:	The underlying shares with the largest percentage decrease from the respective initial share price to the respective final share price
Share performance factor:	Final share price *divided by* the initial share price
CUSIP / ISIN:	61768DYL3 / US61768DYL36
Listing:	The securities will not be listed on any securities exchange.

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All Payments on the Securities Based on the Worst Performing of the Financial Select Sector SPDR® Fund, the Health Care Select Sector SPDR® Fund and the Technology Select Sector SPDR® Fund

Principal at Risk Securities

Investment Summary

Contingent Income Auto-Callable Securities

Principal at Risk Securities

Contingent Income Auto-Callable Securities due February 2, 2022, with 6-month Initial Non-Call Period All Payments on the Securities Based on the Worst Performing of the Financial Select Sector SPDR® Fund, the Health Care Select Sector SPDR® Fund and the Technology Select Sector SPDR® Fund (the "securities") do not provide for the regular payment of interest. Instead, the securities will pay a contingent quarterly coupon **but only if** the determination closing price of **each of the Financial Select Sector SPDR® Fund, the Health Care Select Sector SPDR® Fund and the Technology Select Sector SPDR® Fund**, which we refer to as the underlying shares, is **at or above** 65% of its respective initial share price, which we refer to as the downside threshold level, on the related observation date. If, however, the determination closing price of **any of the underlying shares** is less than its respective downside threshold level on any observation date, we will pay no interest for the related quarterly period. In addition, the securities will be automatically redeemed if the determination closing price of each of the underlying shares is **greater than or equal to** its respective call threshold level on any quarterly redemption determination date (beginning approximately six months after the original issue date) for the early redemption payment equal to the sum of the stated principal amount plus the related contingent quarterly coupon. No further payments will be made on the securities once they have been redeemed. At maturity, if the securities have not previously been redeemed and the final share price of each of the underlying shares is **greater than or equal to** its respective downside threshold level, the payment at maturity will be the sum of the stated principal amount and the related contingent quarterly coupon. However, if the final share price of **any of the underlying shares** is less than its respective downside threshold level, investors will be exposed to the decline in the worst performing underlying shares on a 1-to-1 basis, and will receive a payment at maturity that is less than 65% of the stated principal amount of the securities and could be zero. **Accordingly, investors in the securities must be willing to accept the risk of losing their entire initial investment and also the risk of not receiving any contingent quarterly coupons throughout the 3-year term of the securities.** Investors will not participate in any appreciation in the price of any of the underlying shares.

Maturity:	Approximately 3 years
Contingent quarterly coupon:	A *contingent* quarterly coupon at an annual rate of at least 7.25% (corresponding to at least approximately $18.125 per quarter per security, to be determined on the pricing date) will be paid on the securities on each coupon payment date **but only if** the determination closing price of **each of the underlying shares** is at or above its respective downside threshold level on the related observation date. **If on any observation date, the determination closing price of any of the underlying shares is less than its respective downside threshold level, we will pay no coupon for the applicable quarterly period.**
Automatic early redemption quarterly starting after six months:	If the determination closing price of **each of the underlying shares** is **greater than or equal to** its respective call threshold level on any quarterly redemption determination date, beginning on July 29, 2019 (approximately six months after the original issue date), the securities will be automatically redeemed for an early redemption payment equal to the stated principal amount *plus* the contingent quarterly coupon with respect to the related observation date. No further payments will be made on the securities once they have been redeemed.
Payment at maturity:	If the securities have not previously been redeemed and the final share price of **each of the underlying shares** is **greater than or equal to its respective downside threshold level**, the payment at maturity will be the sum of the stated principal amount and the related contingent quarterly coupon. If the final share price of **any of the underlying shares is** less than its respective downside threshold level, investors will receive a payment at maturity based on the decline in the worst performing underlying shares over the term of the securities. Under these circumstances, the payment at maturity will be less than 65% of the stated principal amount of the securities and could be zero. **Accordingly, investors in the securities must be willing to accept the risk of losing their entire initial investment.**

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due February 2, 2022, with 6-month Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the Financial Select Sector SPDR® Fund, the Health Care Select Sector SPDR® Fund and the Technology Select Sector SPDR® Fund

Principal at Risk Securities

The original issue price of each security is $1,000. This price includes costs associated with issuing, selling, structuring and hedging the securities, which are borne by you, and, consequently, the estimated value of the securities on the pricing date will be less than $1,000. We estimate that the value of each security on the pricing date will be approximately $950.10, or within $22.50 of that estimate. Our estimate of the value of the securities as determined on the pricing date will be set forth in the final pricing supplement.

What goes into the estimated value on the pricing date?

In valuing the securities on the pricing date, we take into account that the securities comprise both a debt component and a performance-based component linked to the underlying shares. The estimated value of the securities is determined using our own pricing and valuation models, market inputs and assumptions relating to the underlying shares, instruments based on the underlying shares, volatility and other factors including current and expected interest rates, as well as an interest rate related to our secondary market credit spread, which is the implied interest rate at which our conventional fixed rate debt trades in the secondary market.

What determines the economic terms of the securities?

In determining the economic terms of the securities, including the contingent quarterly coupon rate, the call threshold levels and the downside threshold levels, we use an internal funding rate, which is likely to be lower than our secondary market credit spreads and therefore advantageous to us. If the issuing, selling, structuring and hedging costs borne by you were lower or if the internal funding rate were higher, one or more terms of the securities would be more favorable to you.

What is the relationship between the estimated value on the pricing date and the secondary market price of the securities?

The price at which MS & Co. purchases the securities in the secondary market, absent changes in market conditions, including those related to the underlying shares, may vary from, and be lower than, the estimated value on the pricing date, because the secondary market price takes into account our secondary market credit spread as well as the bid-offer spread that MS & Co. would charge in a secondary market transaction of this type and other factors. However, because the costs associated with issuing, selling, structuring and hedging the securities are not fully deducted upon issuance, for a period of up to 6 months following the issue date, to the extent that MS & Co. may buy or sell the securities in the secondary market, absent changes in market conditions, including those related to the underlying shares, and to our secondary market credit spreads, it would do so based on values higher than the estimated value. We expect that those higher values will also be reflected in your brokerage account statements.

MS & Co. may, but is not obligated to, make a market in the securities and, if it once chooses to make a market, may cease doing so at any time.

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Principal at Risk Securities

Key Investment Rationale

The securities do not provide for the regular payment of interest. Instead, the securities will pay a contingent quarterly coupon **but only if** the determination closing price of **each of the underlying shares** is **at or above its respective downside threshold level** on the related observation date. The securities have been designed for investors who are willing to forgo market floating interest rates and risk the loss of principal and accept the risk of receiving few or no coupon payments for the entire 3-year term of the securities in exchange for an opportunity to earn interest at a potentially above-market rate if all of the underlying shares close at or above their respective downside threshold levels on each quarterly observation date, unless the securities are redeemed early. The following scenarios are for illustration purposes only to demonstrate how the coupon and the payment at maturity (if the securities have not previously been redeemed) are calculated, and do not attempt to demonstrate every situation that may occur. Accordingly, the securities may or may not be redeemed, the contingent quarterly coupon may be payable in none of, or some but not all of, the quarterly periods during the 3-year term of the securities, and the payment at maturity may be less than 65% of the stated principal amount of the securities and may be zero.

Scenario 1: The securities are redeemed prior to maturity	This scenario assumes that, prior to early redemption, each of the underlying shares closes at or above its respective downside threshold level on some quarterly observation dates, but one or more of the underlying shares close below the respective downside threshold level(s) on the others. Investors receive the contingent quarterly coupon for the quarterly periods for which the determination closing price of each of the underlying shares is at or above its respective downside threshold level on the related observation date, but not for the quarterly periods for which the determination closing price of any of the underlying shares is below the respective downside threshold level(s) on the related observation date.
	When each of the underlying shares closes at or above its respective call threshold level on a quarterly redemption determination date, the securities will be automatically redeemed for the stated principal amount *plus* the contingent quarterly coupon with respect to the related observation date.

Scenario 2: The securities are not redeemed prior to maturity, and investors receive principal back at maturity	This scenario assumes that each of the underlying shares closes at or above its respective downside threshold level on some quarterly observation dates, but one or more of the underlying shares close below the respective downside threshold level(s) on the others, and at least one of the underlying shares closes below its call threshold level on every quarterly redemption determination date. Consequently, the securities are not redeemed early, and investors receive the contingent quarterly coupon for the quarterly periods for which the determination closing price of each of the underlying shares is at or above its respective downside threshold level on the related observation date, but not for the quarterly periods for which the determination closing price of one or more of the underlying shares is below the respective downside threshold level(s) on the related observation date. On the final observation date, each of the underlying shares closes at or above its respective downside threshold level. At maturity, in addition to the contingent quarterly coupon with respect to the final observation date, investors will receive the stated principal amount.

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All Payments on the Securities Based on the Worst Performing of the Financial Select Sector SPDR® Fund, the Health Care Select Sector SPDR® Fund and the Technology Select Sector SPDR® Fund

Principal at Risk Securities

Scenario 3: The securities are not redeemed prior to maturity, and investors suffer a substantial loss of principal at maturity	This scenario assumes that each of the underlying shares closes at or above its respective downside threshold level on some quarterly observation dates, but one or more of the underlying shares close below the respective downside threshold level(s) on the others, and at least one of the underlying shares closes below its call threshold level on every quarterly redemption determination date. Consequently, the securities are not redeemed early, and investors receive the contingent quarterly coupon for the quarterly periods for which the determination closing price of each of the underlying shares is greater than or equal to its respective downside threshold level on the related observation date, but not for the quarterly periods for which the determination closing price of one or more of the underlying shares are below the respective downside threshold level(s) on the related observation date. On the final observation date, one or more of the underlying shares close below the respective downside threshold level(s). At maturity, investors will receive an amount equal to the stated principal amount multiplied by the share performance factor of the worst performing underlying shares. Under these circumstances, the payment at maturity will be less than 65% of the stated principal amount and could be zero. No coupon will be paid at maturity in this scenario.

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All Payments on the Securities Based on the Worst Performing of the Financial Select Sector SPDR® Fund, the Health Care Select Sector SPDR® Fund and the Technology Select Sector SPDR® Fund

Principal at Risk Securities

How the Securities Work

The following diagrams illustrate the potential outcomes for the securities depending on (1) the determination closing prices on each quarterly observation date, (2) the determination closing prices on each quarterly redemption determination date and (3) the final share prices. Please see "Hypothetical Examples" below for an illustration of hypothetical payouts on the securities.

Diagram #1: Contingent Quarterly Coupons (Beginning on the First Coupon Payment Date until Early Redemption or Maturity)

Diagram #2: Automatic Early Redemption (Starting After Six Months)

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Principal at Risk Securities

Diagram #3: Payment at Maturity if No Automatic Early Redemption Occurs

For more information about the payout upon an early redemption or at maturity in different hypothetical scenarios, see "Hypothetical Examples" below.

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Principal at Risk Securities

Hypothetical Examples

The following hypothetical examples illustrate how to determine whether a contingent quarterly coupon is paid with respect to an observation date and how to calculate the payment at maturity, if any, assuming the securities are not redeemed prior to maturity. The following examples are for illustrative purposes only. Whether you receive a contingent quarterly coupon will be determined by reference to the determination closing price of each of the underlying shares on each quarterly redemption determination date, and the amount you will receive at maturity, if any, will be determined by reference to the final share price of each of the underlying shares on the final observation date. The actual initial share price, call threshold level and downside threshold level for each of the underlying shares will be determined on the pricing date. All payments on the securities, if any, are subject to our credit risk. The below examples are based on the following terms:

Hypothetical Contingent Quarterly Coupon:	7.25% per annum (corresponding to approximately $18.125 per quarter per security)[1] **With respect to each coupon payment date, a contingent quarterly coupon is paid but only if the determination closing price of each of the underlying shares is at or above its respective downside threshold level on the related observation date.**
Automatic Early Redemption:	If the determination closing price of **each of the underlying shares** is greater than or equal to its respective call threshold level on any quarterly redemption determination date, beginning on July 29, 2019 (approximately six months after the original issue date), the securities will be automatically redeemed for an early redemption payment equal to the stated principal amount plus the contingent quarterly coupon with respect to the related observation date. No further payments will be made on the securities once they have been redeemed.
Payment at Maturity (if the securities are not redeemed prior to maturity):	If the final share price of each of the underlying shares is **greater than or equal to its respective downside threshold level**: the stated principal amount and the contingent quarterly coupon with respect to the final observation date

	If the final share price of **any of the underlying shares is less than** its respective downside threshold level: (i) the stated principal amount *multiplied by* (ii) the share performance factor of the worst performing underlying shares
Stated Principal Amount:	$1,000
Hypothetical Initial Share Price:	With respect to the XLF Shares: $25.00 With respect to the XLV Shares: $85.00 With respect to the XLK Shares: $65.00
Hypothetical Downside Threshold Level:	With respect to the XLF Shares: $16.25, which is 65% of its hypothetical initial share price With respect to the XLV Shares: $55.25, which is 65% of its hypothetical initial share price With respect to the XLK Shares: $42.25, which is 65% of its hypothetical initial share price
Hypothetical Call Threshold Level:	With respect to the XLF Shares: $23.75, which is 95% of its hypothetical initial share price With respect to the XLV Shares: $80.75, which is 95% of its hypothetical initial share price With respect to the XLK Shares: $61.75, which is 95% of its hypothetical initial share price

[1] The actual contingent quarterly coupon will be an amount determined by the calculation agent based on the actual contingent quarterly coupon rate and the number of days in the applicable payment period, calculated on a 30/360 day count basis. The hypothetical contingent quarterly coupon of $18.125 is used in these examples for ease of analysis.

How to determine whether a contingent quarterly coupon is payable with respect to an observation date:

Determination Closing Price			Hypothetical Contingent Quarterly Coupon
XLF Shares	XLV Shares	XLK Shares	

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Hypothetical Observation Date 1	$20.00 (**at or above** its downside threshold level)	$78.50 (**at or above** its downside threshold level)	$50.00 (**at or above** its downside threshold level)	$18.125
Hypothetical Observation Date 2	$14.75 (**below** its downside threshold level)	$65.25 (**at or above** its downside threshold level)	$50.00 (**at or above** its downside threshold level)	$0
Hypothetical Observation Date 3	$18.75 (**at or above** its downside threshold level)	$68.00 (**at or above** its downside threshold level)	$25.00 (**below** its downside threshold level)	$0
Hypothetical Observation Date 4	$13.00 (**below** its downside threshold level)	$50.00 (**below** its downside threshold level)	$25.00 (**below** its downside threshold level)	$0

On hypothetical observation date 1, each of the underlying shares closes at or above its respective downside threshold level. Therefore, a hypothetical contingent quarterly coupon of $18.125 is paid on the relevant coupon payment date.

On each of hypothetical observation dates 2 and 3, two of the underlying shares close at or above their respective downside threshold levels but the other underlying shares closes below its respective downside threshold level. Therefore, no contingent quarterly coupon is paid on the relevant coupon payment date.

On hypothetical observation date 4, each of the underlying shares closes below its respective downside threshold level and accordingly no contingent quarterly coupon is paid on the relevant coupon payment date.

You will not receive a contingent quarterly coupon on any coupon payment date if the determination closing price of any of the underlying shares is below its respective downside threshold level on the related observation date.

How to calculate the payment at maturity:

In the following examples, one or more of the underlying shares close below the respective call threshold level(s) on each redemption determination date, and, consequently, the securities are not automatically redeemed prior to, and remain outstanding until, maturity.

	Final Share Price			Payment at Maturity
	XLF Shares	XLV Shares	XLK Shares	
Example 1:	$30.00 (**at or above** its downside threshold level)	$100.00 (**at or above** its downside threshold level)	$100.00 (**at or above** its downside threshold level)	$1,018.125 (the stated principal amount *plus* the contingent quarterly coupon with respect to the final observation date)
Example 2:	$20.00 (**at or above** its downside threshold level)	$42.50 (**below** its downside threshold level)	$70.00 (**at or above** its initial share price)	$1,000 x share performance factor of the worst performing underlying shares = $1,000 x ($42.50 / $85.00) = $500.00
Example 3:	$20.50 (**at or above** its downside threshold level)	$42.50 (**below** its downside threshold level)	$35.75 (**below** its downside threshold level)	$1,000 x ($42.50 / $85.00) = $500.00
Example 4:	$12.50 (**below** its downside threshold level)	$42.50 (**below** its downside threshold level)	$26.00 (**below** its downside threshold level)	$1,000 x ($26.00 / $65.00) = $400.00
Example 5:	$7.50 (**below** its downside threshold level)	$34.00 (**below** its downside threshold level)	$32.50 (**below** its downside threshold level)	$1,000 x ($7.50 / $25.00) = $300.00

In example 1, the final share price of each of the underlying shares is at or above its respective downside threshold level. Therefore, investors receive at maturity the stated principal amount of the securities and the hypothetical contingent quarterly coupon with respect to the final observation date. However, investors do not participate in the appreciation of any of the underlying shares.

In example 2, the final share prices of two of the underlying shares are above their respective initial share prices, but the final share price of the other underlying shares is below its downside threshold level. Therefore, investors are exposed to the downside performance of the worst performing underlying shares at maturity and receive an amount equal to the stated principal amount *times* the share performance factor of the worst performing underlying shares.

In example 3, the final share price of one of the underlying shares is at or above its downside threshold level, but the final share price of each of the other underlying shares is below its respective downside threshold level. Therefore, investors are exposed to the downside performance of the worst performing underlying shares at maturity. The XLV Shares have declined 50% from their initial share price to their final share price, while the XLK Shares have declined 45% from their initial share price to their final share price. Therefore, investors receive at maturity an amount equal to the stated principal amount times the share performance factor of the XLV Shares, which are the worst performing underlying shares in this example.

In examples 4 and 5, the final share price of each of the underlying shares is below its respective downside threshold level, and investors receive at maturity an amount equal to the stated principal amount *times* the share performance factor of the worst performing underlying shares. In example 4, the XLF Shares have declined 50% from their initial share price to their final share price, the XLV Shares have declined 50% from their initial share price to their final share price, and the XLK Shares have declined 60% from their initial share price to their final share price. Therefore, the payment at maturity equals the stated principal amount *times* the share performance factor of the XLK Shares, which are the worst performing underlying shares in this example.

In example 5, the XLF Shares have declined 70% from their initial share price to their final share price, the XLV Shares have declined 60% from their initial share price to their final share price and the XLK Shares have declined 50% from their initial share price to their final share price. Therefore the payment at maturity equals the stated principal amount *times* the share performance factor of the XLF Shares, which are the worst performing underlying shares in this example.

If the final share price of ANY of the underlying shares is below its respective downside threshold level, you will be exposed to the downside performance of the worst performing underlying shares at maturity, and your payment at maturity will be less than 65% of the stated principal amount per security and could be zero.

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due February 2, 2022, with 6-month Initial Non-Call Period

All Payments on the Securities Based on the Worst Performing of the Financial Select Sector SPDR® Fund, the Health Care Select Sector SPDR® Fund and the Technology Select Sector SPDR® Fund

Principal at Risk Securities

Risk Factors

The following is a list of certain key risk factors for investors in the securities. For further discussion of these and other risks, you should read the section entitled "Risk Factors" in the accompanying product supplement, index supplement and prospectus. We also urge you to consult with your investment, legal, tax, accounting and other advisers in connection with your investment in the securities.

§ **The securities do not guarantee the return of any principal.** The terms of the securities differ from those of ordinary debt securities in that they do not guarantee the return of any of the principal amount at maturity. If the securities have not been automatically redeemed prior to maturity and if the final share price of **any of the underlying shares** is less than its downside threshold level of 65% of its initial share price, you will be exposed to the decline in the closing price of the worst performing underlying shares, as compared to the initial share price, on a 1-to-1 basis, and you will receive for each security that you hold at maturity an amount equal to the stated principal amount *times* the share performance factor of the worst performing underlying shares. In this case, the payment at maturity will be less than 65% of the stated principal amount and could be zero. **You could lose up to your entire investment in the securities.**

§ **The securities do not provide for the regular payment of interest and may pay no interest over the entire term of the securities.** The terms of the securities differ from those of ordinary debt securities in that they do not provide for the regular payment of interest. Instead, the securities will pay a contingent quarterly coupon **but only if** the determination closing price of **each of the underlying shares** is **at or above** 65% of its respective initial share price, which we refer to as the downside threshold level, on the related observation date. If, on the other hand, the determination closing price of **any of the underlying shares** is lower than its respective downside threshold level on the relevant observation date for any interest period, we will pay no coupon on the applicable coupon payment date. It is possible that the determination closing price of one or more of the underlying shares could remain below the respective downside threshold level(s) for extended periods of time or even throughout the entire 3-year term of the securities so that you will receive few or no contingent quarterly coupons. If you do not earn sufficient contingent quarterly coupons over the term of the securities, the overall return on the securities may be less than the amount that would be paid on a conventional debt security of ours of comparable maturity.

§ **You are exposed to the price risk of each of the underlying shares, with respect to both the contingent quarterly coupons, if any, and the payment at maturity, if any.** Your return on the securities is not linked to a basket consisting of each of the underlying shares. Rather, it will be contingent upon the independent performance of each of the underlying shares. Unlike an instrument with a return linked to a basket of underlying assets, in which risk is mitigated and diversified among all the components of the basket, you will be exposed to the risks related to each of the underlying shares. Poor performance by **any** of the underlying shares over the term of the securities may negatively affect your return and will not be offset or mitigated by any positive performance by the other underlying shares. To receive **any** contingent quarterly coupons, **each of the underlying shares** must close at or above its respective downside threshold level on the applicable observation date. In addition, if **any** of the underlying shares has declined to below its respective downside threshold level as of the final observation date, you will be **fully exposed** to the decline in the worst performing underlying shares over the term of the securities on a 1-to-1 basis, even if the other underlying shares have appreciated or have not declined as much. Under this scenario, the value of any such payment will be less than 65% of the stated principal amount and could be zero. Accordingly, your investment is subject to the price risk of each of the underlying shares.

§ **Each of the underlying shares is subject to risks associated with investments concentrated in a particular sector.** All or substantially all of the equity securities held by the XLF Shares, XLV Shares and XLK Shares are issued by companies whose primary business is directly associated with the financial sector, the health care sector and the technology sector, respectively. Each of the underlying shares may therefore be subject to increased price volatility, as each is concentrated in a single specific industry and market sector, and each of the underlying shares may be more susceptible to adverse economic, market, political or regulatory events affecting that particular industry or market sector. Therefore, the securities are exposed to concentration risks relating to the industry and market sector reflected in each of the underlying shares.

Morgan Stanley Finance LLC

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All Payments on the Securities Based on the Worst Performing of the Financial Select Sector SPDR® Fund, the Health Care Select Sector SPDR® Fund and the Technology Select Sector SPDR® Fund

Principal at Risk Securities

§ **The contingent quarterly coupon, if any, is based only on the determination closing prices of the underlying shares on the related quarterly observation date at the end of the related interest period.** Whether the contingent quarterly coupon will be paid on any coupon payment date will be determined at the end of the relevant interest period based on the determination closing price of each of the underlying shares on the relevant quarterly observation date. As a result, you will not know whether you will receive the contingent quarterly coupon on any coupon payment date until near the end of the relevant interest period. Moreover, because the contingent quarterly coupon is based solely on the price of each of the underlying shares on quarterly observation dates, if the determination closing price of any of the underlying shares on any observation date is below its respective downside threshold level, you will receive no coupon for the related interest period even if the price(s) of one or more of the other underlying shares were higher on other days during that interest period.

§ **Investors will not participate in any appreciation in the price of any of the underlying shares.** Investors will not participate in any appreciation in the price of the underlying shares from their initial share prices, and the return on the securities will be limited to the contingent quarterly coupon that is paid with respect to each observation date on which each determination closing price is greater than or equal to its respective downside threshold level, if any.

§ **The market price will be influenced by many unpredictable factors.** Several factors, many of which are beyond our control, will influence the value of the securities in the secondary market and the price at which MS & Co. may be willing to purchase or sell the securities in the secondary market. We expect that generally the level of interest rates available in the market and the prices of the underlying shares on any day, including in relation to the respective downside threshold levels, will affect the value of the securities more than any other factors. Other factors that may influence the value of the securities include:

o the trading price and volatility (frequency and magnitude of changes in value) of the underlying shares and the stocks constituting their respective share underlying indices,

o whether the determination closing price of any of the underlying shares has been below its respective downside threshold level on any observation date,

o dividend rates on the stocks constituting the share underlying indices,

- geopolitical conditions and economic, financial, political, regulatory or judicial events that affect the underlying shares or equity markets generally and which may affect the prices of the underlying shares,
- the time remaining until the securities mature,
- interest and yield rates in the market,
- the availability of comparable instruments,
- the occurrence of certain events affecting the underlying shares that may or may not require an adjustment to the adjustment factor,
- the composition of the underlyings and changes in the constituents of the underlying shares, and
- any actual or anticipated changes in our credit ratings or credit spreads.

Some or all of these factors will influence the price that you will receive if you sell your securities prior to maturity. For example, you may have to sell your securities at a substantial discount from the stated principal amount of $1,000 per security if the price of any of the underlying shares at the time of sale is near or below its downside threshold level or if market interest rates rise.

The price of any or all of the underlying shares may be, and have recently been, volatile, and we can give you no assurance that the volatility will lessen. The prices of one or more of the underlying shares may decrease and be below the respective downside threshold level(s) on each observation date so that you will receive no return on your investment or receive a payment at maturity that is less than 65% of the stated principal amount. There can be no assurance that the determination closing prices of all of the underlying shares will be at or above their respective downside threshold levels on any observation date so that you will receive a coupon payment on the securities for the applicable interest period or, with respect to the final observation date, so that you do no suffer a significant loss on your initial investment in the securities. See **"**Financial Select Sector SPDR® Fund Overview,**" "**Health Care Select Sector SPDR® Fund Overview" and **"**Technology Select Sector SPDR® Fund Overview**"** below**.**

§ **The securities are subject to our credit risk, and any actual or anticipated changes to our credit ratings or credit spreads may adversely affect the market value of the securities.** You are dependent on our ability to pay all amounts due on the securities on each coupon payment date, upon automatic redemption and at maturity and therefore you are subject to our credit risk. The securities are not guaranteed by any other entity. If we default on our obligations under the securities, your investment would be at risk and you could lose some or all of your investment. As a result, the market value of the securities prior to maturity will be affected by changes in the market's view of our creditworthiness. Any actual or anticipated decline in our credit ratings or increase in the credit spreads charged by the market for taking our credit risk is likely to adversely affect the market value of the securities.

§ **As a finance subsidiary, MSFL has no independent operations and will have no independent assets.** As a finance subsidiary, MSFL has no independent operations beyond the issuance and administration of its securities and will have no independent assets available for distributions to holders of MSFL securities if they make claims in respect of such securities in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under the related guarantee by Morgan Stanley and that guarantee will rank *pari passu* with all other unsecured, unsubordinated obligations of Morgan Stanley. Holders will have recourse only to a single claim against Morgan Stanley and its assets under the guarantee. Holders of securities issued by MSFL should accordingly assume that in any such proceedings they would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of Morgan Stanley, including holders of Morgan Stanley-issued securities.

§ **Reinvestment risk.** Th