MORGAN STANLEY
Form 424B2
March 04, 2019

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Offered	*Maximum Aggregate Offering Price*	*Amount of Registration Fee*
Contingent Income Auto-Callable Securities due 2021	$6,548,000	$793.62

February 2019

Pricing Supplement No. 1,657

Registration Statement Nos. 333-221595; 333-221595-01

Dated February 28, 2019

Filed pursuant to Rule 424(b)(2)

Morgan Stanley Finance LLC

Structured Investments

Opportunities in U.S. Equities

Contingent Income Auto-Callable Securities due March 4, 2021

All Payments on the Securities Based on the Worst Performing of the Russell 2000® Index, the NASDAQ-100 Index® and the SPDR® Dow Jones® Industrial Average℠ ETF Trust

Fully and Unconditionally Guaranteed by Morgan Stanley

Principal at Risk Securities

The securities 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 closing level of **each** of the Russell 2000® Index, the NASDAQ-100 Index® **and** the SPDR® Dow Jones® Industrial Average℠ ETF Trust is **at or above** 80% of its respective initial level, which we refer to as the respective **coupon threshold level**, on the related observation date. However, if the closing level of **any** underlying is **less than** its **coupon 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 closing level of **each** underlying is **greater than or equal to** its respective **initial level** on any quarterly redemption determination 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 level of **each** underlying is **greater than or equal to** 80%

of its respective initial level, which we refer to as the respective downside threshold level, the payment at maturity will be the stated principal amount and the related contingent quarterly coupon. If, however, the final level of **any** underlying is **less than** its respective downside threshold level, investors will be fully exposed to the decline in the worst performing underlying on a 1-to-1 basis and will receive a payment at maturity that is **less than** 80% 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 2-year term of the securities.** Because all payments on the securities are based on the worst performing of the underlyings, a decline beyond the respective coupon threshold level or respective downside threshold level, as applicable, of any underlying will result in few or no contingent coupon payments or a significant loss of your investment, even if one or both of the other underlyings have appreciated or have not declined as much. The securities are for investors who are willing to risk their principal based on the worst performing of three underlyings and who seek an opportunity to earn interest at a potentially above-market rate in exchange for the risk of receiving no quarterly coupons over the entire 2-year term. Investors will not participate in any appreciation of any underlying. 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.

FINAL TERMS

Issuer:	Morgan Stanley Finance LLC
Guarantor:	Morgan Stanley
Underlyings:	Russell 2000® Index (the "RTY Index"), NASDAQ-100 Index® (the "NDX Index") and SPDR® Dow Jones® Industrial Average℠ ETF Trust (the "DIA Shares")
Aggregate principal amount:	$6,548,000
Stated principal amount:	$1,000 per security
Issue price:	$1,000 per security (see "Commissions and issue price" below)
Pricing date:	February 28, 2019
Original issue date:	March 7, 2019 (5 business days after the pricing date)
Maturity date:	March 4, 2021
Contingent quarterly coupon:	A *contingent* coupon will be paid on the securities on each coupon payment date ***but only if*** the closing level of **each** underlying is at or above its respective **coupon threshold level** on the related observation date. If payable, the contingent quarterly coupon will be an amount in cash per stated principal amount corresponding to a return of 9.75% *per annum* for each interest payment period for each applicable observation date. **If, on any observation date, the closing level of any underlying is less than its respective coupon threshold level, we will pay no coupon for the applicable quarterly period. It is possible that any underlying will remain below its respective coupon threshold level for extended periods of time or even throughout the entire 2-year term of the securities so that you will receive few or no contingent quarterly coupons.**

Payment at maturity:	If the securities have not been automatically redeemed prior to maturity, the payment at maturity will be determined as follows: If the final level of **each** underlying is **greater than or equal to** its respective downside threshold level, investors will receive the stated principal amount and the contingent quarterly coupon with respect to the final observation date. If the final level of **any** underlying is **less than** its respective downside threshold level, investors will receive (i) the stated principal amount *multiplied by* (ii) the performance factor of the worst performing underlying. Under these circumstances, the payment at maturity will be less than 80% of the stated principal amount of the securities and could be zero. ***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:	$973.40 per security. See "Investment Summary" beginning on page 3.

Commissions and issue price:	Price to public[(1)]	Agent's commissions[(2)]	Proceeds to us[(3)]
Per security	$1,000	$17.50	$982.50
Total	$6,548,000	$114,590	$6,433,410

(1) Selected dealers and their financial advisors will collectively receive from the agent, MS & Co., a fixed sales commission of $17.50 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 32.

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 March 4, 2021

All Payments on the Securities Based on the Worst Performing of the Russell 2000® Index, the NASDAQ-100 Index® and the SPDR® Dow Jones® Industrial Average℠ ETF Trust

Principal at Risk Securities

Terms continued from previous page:

Early redemption:	If, on any redemption determination date, beginning on May 28, 2019, the closing level of **each** underlying is **greater than or equal to** its respective initial 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 closing level of any underlying is below the respective initial level for such underlying on the related redemption determination date.**
Early redemption payment:	The early redemption payment will be an amount equal to the stated principal amount for each security you hold *plus* the contingent quarterly coupon with respect to the related observation date.
Redemption determination dates:	Quarterly, as set forth under “Observation Dates, Redemption Determination Dates, Coupon Payment Dates and Early Redemption Dates” below, subject to postponement for non-index business days and non-trading days, as applicable, and certain market disruption events.
Early redemption dates:	Beginning on May 31, 2019, quarterly. See “Observation Dates, Redemption Determination Dates, Coupon Payment Dates and Early Redemption Dates” below. If any such day is not a business day, that early redemption payment 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
Downside threshold level:	With respect to the RTY Index: 1,260.439, which is approximately 80% of its initial level With respect to the NDX Index: 5,678.020, which is 80% of its initial level With respect to the DIA Shares: $207.424, which is 80% of its initial level
Coupon threshold level:	With respect to the RTY Index: 1,260.439, which is approximately 80% of its initial level With respect to the NDX Index: 5,678.020, which is 80% of its initial level With respect to the DIA Shares: $207.424, which is 80% of its initial level
Initial level:	With respect to the RTY Index: 1,575.549, which is its closing level on the pricing date With respect to the NDX Index: 7,097.525, which is its closing level on the pricing date With respect to the DIA Shares: $259.28, which is its closing level on the pricing date
Final level:	With respect to each underlying, the respective closing level on the final observation date
Closing level:	With respect to each of the RTY Index and the NDX Index, on any index business day, the respective index closing value on such day With respect to the DIA Shares, on any trading day, the closing price of one DIA Share on such day times the adjustment factor on such day
Worst performing underlying:	The underlying with the largest percentage decrease from the respective initial level to the respective final level

Performance factor:	Final level *divided by* the initial level
Coupon payment dates:	Quarterly, beginning May 31, 2019, as set forth under "Observation Dates, Redemption Determination Dates, Coupon Payment Dates and Early Redemption Dates" below; *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. The contingent quarterly coupon, if any, with respect to the final observation date will be paid on the maturity date
Observation dates:	Quarterly, as set forth under "Observation Dates, Redemption Determination Dates, Coupon Payment Dates and Early Redemption Dates" below, subject to postponement for non-index business days and non-trading days, as applicable, and certain market disruption events. We also refer to the observation date immediately prior to the scheduled maturity date as the final observation date.
Adjustment factor:	With respect to the DIA Shares, 1.0, subject to adjustment in the event of certain events affecting the DIA Shares
CUSIP / ISIN:	61768DV44 / US61768DV446
Listing:	The securities will not be listed on any securities exchange.

Observation Dates, Redemption Determination Dates, Coupon Payment Dates and Early Redemption Dates

Observation Dates / Redemption Determination Dates	Coupon Payment Dates / Early Redemption Dates
May 28, 2019	May 31, 2019
August 28, 2019	September 3, 2019
November 29, 2019	December 4, 2019
February 28, 2020	March 4, 2020
May 28, 2020	June 2, 2020
August 28, 2020	September 2, 2020
November 30, 2020	December 3, 2020
March 1, 2021 (final observation date)	March 4, 2021 (maturity date)

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Principal at Risk Securities

Investment Summary

Contingent Income Auto-Callable Securities

Principal at Risk Securities

Contingent Income Auto-Callable Securities due March 4, 2021 All Payments on the Securities Based on the Worst Performing of the Russell 2000® Index, the NASDAQ-100 Index® and the SPDR® Dow Jones® Industrial Average℠ ETF Trust (the "securities") do not provide for the regular payment of interest. Instead, the securities will pay a contingent quarterly coupon **but only if** the closing level of **each** underlying is **at or above** its respective **coupon threshold level** on the related observation date. However, if the closing level of **any** underlying is **less than** its respective **coupon threshold level** on any observation date, we will pay no interest for the related quarterly period. If the closing level of **any** underlying is **less than** its respective **coupon threshold level** on each observation date, you will not receive any contingent quarterly coupon for the entire 2-year term of the securities. We refer to these coupons as contingent, because there is no guarantee that you will receive a coupon payment on any coupon payment date. Even if each underlying were to be at or above its respective coupon threshold level on some quarterly observation dates, they may not all close at or above their respective coupon threshold levels on other observation dates, in which case you will not receive some contingent quarterly coupon payments. In addition, if the securities have not been automatically called prior to maturity and the final level of **any underlying** is **less than** its respective downside threshold level, investors will be fully exposed to the decline in the worst performing underlying on a 1-to-1 basis, and will receive a payment at maturity that is less than 80% 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 entire 2-year term of the securities.**

Maturity:	Approximately 2 years
Contingent quarterly coupon:	A *contingent* quarterly coupon will be paid on the securities on each coupon payment date ***but only if*** the closing level of **each** underlying is at or above its respective **coupon threshold level** on the related observation date. If payable, the contingent quarterly coupon will be an amount in cash per stated principal amount corresponding to a return of 9.75% *per annum* for each interest payment period for each applicable observation date. **If, on any observation date, the closing level of any underlying is less than the respective coupon threshold level, we will pay no coupon for the applicable quarterly period.**

Automatic early redemption:	If the closing level of **each** underlying is **greater than or equal to** its **initial level** on any quarterly redemption determination date, beginning on May 28, 2019, 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 been automatically redeemed prior to maturity, the payment at maturity will be determined as follows: If the final level of **each** underlying is **greater than or equal to** its respective downside threshold level, investors will receive the stated principal amount and the contingent quarterly coupon with respect to the final observation date. If the final level of **any** underlying is **less than** its threshold level, investors will receive a payment at maturity equal to the stated principal amount *times* the performance factor of the worst performing underlying. Under these circumstances, the payment at maturity will be less than 80% of the stated principal amount of the securities and could be zero. No quarterly coupon will be payable at maturity. **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 March 4, 2021

All Payments on the Securities Based on the Worst Performing of the Russell 2000® Index, the NASDAQ-100 Index® and the SPDR® Dow Jones® Industrial Average℠ ETF Trust

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 is less than $1,000. We estimate that the value of each security on the pricing date is $973.40.

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 underlyings. The estimated value of the securities is determined using our own pricing and valuation models, market inputs and assumptions relating to the underlyings, instruments based on the underlyings, 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 coupon 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 of the economic 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 underlyings, 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 5 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 underlyings, 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.

Morgan Stanley Finance LLC

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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 closing level of **each** underlying is **at or above** its respective **coupon threshold level** on the related observation date. However, if the closing level of **any** underlying is **less than** its respective **coupon threshold level** on any observation date, we will pay no interest for the related quarterly period. The securities have been designed for investors who are willing to forgo market floating interest rates and accept the risk of receiving no coupon payments for the entire 2-year term of the securities in exchange for an opportunity to earn interest at a potentially above-market rate if each underlying closes at or above its respective coupon threshold level on the quarterly observation dates until the securities are redeemed early or reach maturity.

The following scenarios are for illustrative 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 2-year term of the securities and the payment at maturity may be less than 80% 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 underlying closes at or above its **coupon threshold level** on some quarterly observation dates, but one or more underlyings close below the respective coupon threshold level(s) on the others. Investors receive the contingent quarterly coupon, corresponding to a return of 9.75% *per annum*, for the quarterly periods for which each closing level is at or above the respective coupon threshold level on the related observation date, but not for the quarterly periods for which any closing level is below the respective coupon threshold level on the related observation date. When **each** underlying closes at or above its respective **initial 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	This scenario assumes that each underlying closes at or above the respective coupon threshold level on some quarterly observation dates, but one or more underlyings close below the respective coupon threshold level(s) on the others, and each underlying closes below its respective initial level on every quarterly redemption determination date. Consequently, the

investors receive principal back at maturity	securities are not automatically redeemed, and investors receive the contingent quarterly coupon, corresponding to a return of 9.75% *per annum*, for the quarterly periods for which each closing level is at or above the respective coupon threshold level on the related observation date, but not for the quarterly periods for which any closing level is below the respective coupon threshold level on the related observation date.
	On the final observation date, each underlying closes at or above its downside threshold level. At maturity, investors will receive the stated principal amount and the contingent quarterly coupon with respect to the final observation date.

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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 underlying closes at or above its respective coupon threshold level on some quarterly observation dates, but one or more underlyings close below the respective coupon threshold level(s) on the others, and each underlying closes below its respective initial level on every quarterly redemption determination date. Consequently, the securities are not automatically redeemed, and investors receive the contingent quarterly coupon, corresponding to a return of 9.75% *per annum*, for the quarterly periods for which each closing level is at or above the respective coupon threshold level on the related observation date, but not for the quarterly periods for which any closing level is below the respective coupon threshold level on the related observation date. On the final observation date, one or more underlyings close below the respective downside threshold level(s). At maturity, investors will receive an amount equal to the stated principal amount multiplied by the performance factor of the worst performing underlying. Under these circumstances, the payment at maturity will be less than 80% of the stated principal amount and could be zero. No coupon will be paid at maturity in this scenario.

Morgan Stanley Finance LLC

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Principal at Risk Securities

How the Securities Work

The following diagrams illustrate the potential outcomes for the securities depending on (1) the closing levels on each quarterly observation date, (2) the closing levels on each quarterly redemption determination date and (3) the final levels. Please see “Hypothetical Examples” beginning on page 9 for 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

Morgan Stanley Finance LLC

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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” starting on page 9.

Morgan Stanley Finance LLC

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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, if the securities have not been automatically redeemed early. The following examples are for illustrative purposes only. Whether you receive a contingent quarterly coupon will be determined by reference to the closing level of each underlying on each quarterly observation date, and the amount you will receive at maturity, if any, will be determined by reference to the final level of each underlying on the final observation date. The actual initial level, coupon threshold level and downside threshold level for each underlying are set forth on the cover of this document. All payments on the securities, if any, are subject to our credit risk. The numbers in the hypothetical examples below may have been rounded for the ease of analysis. The below examples are based on the following terms:

Contingent Quarterly Coupon:	A *contingent* quarterly coupon will be paid on the securities on each coupon payment date ***but only if*** the closing level of **each** underlying is at or above its respective **coupon threshold level** on the related observation date. If payable, the contingent quarterly coupon will be an amount in cash per stated principal amount corresponding to a return of 9.75% *per annum* for each interest payment period for each applicable observation date. These hypothetical examples reflect the contingent quarterly coupon rate of 9.75% *per annum* (corresponding to approximately $24.375 per quarter per security*).
Automatic Early Redemption:	If the closing level of **each** underlying is greater than or equal to its respective **initial level** on any quarterly redemption determination 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.
Payment at Maturity (if the securities have not been automatically redeemed early):	If the final level of **each** underlying is **greater than or equal to** its respective downside threshold level, investors will receive the stated principal amount and the contingent quarterly coupon with respect to the final observation date. If the final level of **any** underlying is **less than** its respective downside threshold level, investors will receive a payment at maturity equal to the stated principal amount *multiplied by* the performance factor of the worst performing underlying. Under these circumstances, the payment at maturity will be less than 80% of the stated principal amount of the securities and could be zero.
Stated Principal Amount:	$1,000
	With respect to the RTY Index: 1,200

Hypothetical Initial Level:	With respect to the NDX Index: 6,500 With respect to the DIA Shares: $250 With respect to the RTY Index: 960, which is 80% of the hypothetical initial level for such underlying
Hypothetical Coupon Threshold Level:	With respect to the NDX Index: 5,200, which is 80% of the hypothetical initial level for such underlying With respect to the DIA Shares: $200, which is 80% of the hypothetical initial level for such underlying With respect to the RTY Index: 960, which is 80% of the hypothetical initial level for such underlying
Hypothetical Downside Threshold level:	With respect to the NDX Index: 5,200, which is 80% of the hypothetical initial level for such underlying With respect to the DIA Shares: $200, which is 80% of the hypothetical initial level for such underlying

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Principal at Risk Securities

* The actual contingent quarterly coupon will be an amount determined by the calculation agent based on the number of days in the applicable payment period, calculated on a 30/360 basis. The hypothetical contingent quarterly coupon of $24.375 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:

	Closing Level RTY Index	NDX Index	DIA Shares	Contingent Quarterly Coupon
Hypothetical Observation Date 1	1,750 (**at or above** the coupon threshold level)	7,280 (**at or above** the coupon threshold level)	$265 (**at or above** the coupon threshold level)	$24.375
Hypothetical Observation Date 2	800 (**below** the coupon threshold level)	5,525 (**at or above** the coupon threshold level)	$265 (**at or above** the coupon threshold level)	$0
Hypothetical Observation Date 3	1,400 (**at or above** the coupon threshold level)	1,950 (**below** the coupon threshold level)	$180 (**below** the coupon threshold level)	$0
Hypothetical Observation Date 4	700 (**below** the coupon threshold level)	2,080 (**below** the coupon threshold level)	$150 (**below** the coupon threshold level)	$0

On hypothetical observation date 1, each underlying closes at or above its respective coupon threshold level. Therefore, a contingent quarterly coupon of $24.375 is paid on the relevant coupon payment date.

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

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

If the closing level of any underlying is less than its respective coupon threshold level on each observation date, you will not receive any contingent quarterly coupons for the entire 2-year term of the securities.

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due March 4, 2021

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Principal at Risk Securities

How to calculate the payment at maturity (if the securities have not been automatically redeemed):

If the closing level of each underlying is greater than or equal to its initial level on any quarterly redemption determination date, the securities will be automatically redeemed for an early redemption payment equal to the stated principal amount for each security you hold *plus* the contingent quarterly coupon with respect to the related observation date.

The examples below illustrate how to calculate the payment at maturity if the securities have not been automatically redeemed prior to maturity.

	Final Level RTY Index	NDX Index	DIA Shares	Payment at Maturity
Example 1:	540 (**below** the downside threshold level)	3,900 (**below** the downside threshold level)	$210 (**at or above** the downside threshold level)	$1,000 x performance factor of the worst performing underlying = $1,000 x (540 / 1,200) = $450
Example 2:	1,200 (**at or above** the downside threshold level)	5,500 (**at or above** the downside threshold level)	$100 (**below** the downside threshold level)	$1,000 x ($100 / $250) = $400
Example 3:	540 (**below** the downside threshold level)	3,900 (**below** the downside threshold level)	$75 (**below** the downside threshold level)	$1,000 x ($75 / $250) = $300
Example 4:	360 (**below** the threshold level)	2,600 (**below** the threshold level)	$100 (**below** the downside threshold level)	$1,000 x (360 / 1,200) = $300
Example 5:	1,300 (**at or above** the downside threshold level)	7,500 (**at or above** the downside threshold level)	$275 (**at or above** the downside threshold level)	The stated principal amount + the contingent quarterly coupon with respect to the final observation date. For more information, please see above under “How to determine whether a contingent quarterly coupon is payable with respect to an observation date.”

In examples 1 and 2, the final level(s) of one or two of the underlyings are at or above the respective downside threshold level(s), but the final level(s) of one or both of the other underlyings are below the respective downside threshold level(s). Therefore, investors are exposed to the downside performance of the worst performing underlying at maturity and receive at maturity an amount equal to the stated principal amount *multiplied by* the performance factor of the worst performing underlying. Moreover, investors do not receive any contingent quarterly coupon for the final quarterly period.

Similarly, in examples 3 and 4, the final level of each underlying is below its respective downside threshold level, and investors receive at maturity an amount equal to the stated principal amount *times* the performance factor of the worst performing underlying. In example 3, the RTY Index has declined 55% from its initial level to its final level, the NDX Index has declined 40% from its initial level to its final level and the DIA Shares have declined 70% from their initial level to their final level. Therefore, the payment at maturity equals the stated principal amount *multiplied by* the performance factor of the DIA Shares, which represent the worst performing underlying in this example. In example 4, the RTY Index has declined 70% from its initial level to its final level, the NDX Index has declined 60% from its initial level to its final level and the DIA Shares have declined 60% from their initial level to their final level. Therefore, the payment at maturity equals the stated principal amount *times* the performance factor of the RTY Index, which is the worst performing underlying in this example. Moreover, investors do not receive the contingent quarterly coupon for the final quarterly period.

In example 5, the final level of each underlying is at or above its respective downside threshold level. Therefore, investors receive at maturity the stated principal amount of the securities *plus* the contingent quarterly coupon with respect to the final observation date. However, investors do not participate in any appreciation of the underlyings.

If the final level of ANY underlying is below its respective downside threshold level, you will be exposed to the downside performance of the worst performing underlying at maturity, and your payment at maturity will be less than $800 per security and could be zero.

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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 repayment of any principal. If the securities have not been automatically redeemed prior to maturity, and if the final level of **any** underlying is less than its threshold level of 80% of its initial level, you will be exposed to the decline in the final level of the worst performing underlying, as compared to its initial level, 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 *multiplied by* the performance factor of the worst performing underlying. **In this case, the payment at maturity will be less than 80% of the stated principal amount and could be zero.**

§ **The securities do not provide for the regular payment of interest.** 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 closing level of **each** underlying is **at or above** its respective **coupon threshold level** on the related observation date. If the closing level of **any** underlying is lower than its **coupon 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 closing level of any underlying will be less than its respective **coupon threshold level** for extended periods of time or even throughout the entire 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 underlying, 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 the underlyings. Rather, it will be contingent upon the independent performance of each underlying. 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 underlying. Poor performance by **any** underlying over the term of the securities will negatively affect your return and will not be offset or mitigated by any positive performance by the other underlyings. To receive **any** contingent quarterly coupons, **each** underlying must close at or above its respective coupon threshold level on the applicable observation date. In addition, if the securities have not been automatically redeemed early and **any** underlying 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 over the term of the securities on a 1-to-1 basis, even if one or both of the other underlyings have appreciated or have not declined as much. Under this scenario, the value of any such payment will be less than 80% of the stated principal amount and could be zero. Accordingly, your investment is subject to the price risk of each underlying.

§ **Because the securities are linked to the performance of the worst performing underlying, you are exposed to greater risks of receiving no contingent quarterly coupons and sustaining a significant loss on your investment than if the securities were linked to just one underlying.** The risk that you will not receive any contingent quarterly coupons, or that you will suffer a significant loss on your investment, is greater if you invest in the securities as opposed to substantially similar securities that are linked to the performance of just one underlying. With three underlyings, it is more likely that any underlying will close below its coupon threshold level on any observation date, and below its downside threshold level on the final observation date, than if the securities were linked to only one underlying. Therefore, it is more likely that you will not receive any contingent quarterly coupons and that you will suffer a significant loss on your investment. In addition, because each underlying must close above its initial level on a quarterly redemption determination date in order for the securities to be called prior to maturity, the securities are less likely to be called on any early redemption date than if the securities were linked to just one underlying.

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§ **The contingent quarterly coupon, if any, is based on the value of each underlying on only 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 closing level of each underlying 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 value of each underlying on quarterly observation dates, if the closing level of any underlying on any observation date is below the coupon threshold level for such underlying, you will not receive the contingent quarterly coupon for the related interest period, even if the level of such underlying was at or above its respective coupon threshold level on other days during that interest period, and even if the closing level(s) of one or both of the other underlyings are at or above their respective coupon threshold level(s).

§ **Investors will not participate in any appreciation in any underlying.** Investors will not participate in any appreciation in any underlying from the initial level for such underlying, and the return on the securities will be limited to the contingent quarterly coupons, if any, that are paid with respect to each observation date on which the closing level of each underlying is greater than or equal to its respective coupon 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 value of each underlying on any day, including in relation to its respective coupon threshold level, downside threshold level and initial level, 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 volatility (frequency and magnitude of changes in value) of each underlying and of the stocks composing the RTY Index, the NDX Index and the share underlying index,

o whether the closing level of any underlying has been below its respective coupon threshold level on any observation date,

o geopolitical conditions and economic, financial, political, regulatory or judicial events that affect the component stocks of the RTY Index, the NDX Index and the share underlying index or securities markets generally and which may affect the value of each underlying,

o dividend rates on the securities underlying the RTY Index, the NDX Index and the share underlying index,

- o the time remaining until the securities mature,
- o interest and yield rates in the market,
- o the availability of comparable instruments,
- o the composition of the underlyings and changes in the constituent stocks of the RTY Index, the NDX Index and the share underlying index,
- o the occurrence of certain events affecting the DIA Shares that may or may not require an adjustment to the adjustment factor, and
- o 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. In particular, if any underlying has closed near or below its coupon threshold level and downside threshold level, the market value of the securities is expected to decrease substantially, and you may have to sell your securities at a substantial discount from the stated principal amount of $1,000 per security.

You cannot predict the future performance of any underlying based on its historical performance. The value of any underlying may decrease and be below the respective coupon threshold level for such underlying on each observation date so that you will receive no return on your investment, and any or all of the underlyings may close below the respective downside threshold level(s) on the final observation date so that you will lose more than 20% or all of your

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initial investment in the securities. There can be no assurance that the closing level of each underlying will be at or above the respective coupon threshold level on any observation date so that you will receive a coupon payment on the securities for the applicable interest period, or that it will be at or above its respective downside threshold level on the final observation date so that you do not suffer a significant loss on your initial investment in the securities. See "Russell 2000® Index Overview," "NASDAQ-100 Index® Overview" and "SPDR® Dow Jones® Industrial Average℠ ETF Trust Overview" below.

§ **The antidilution adjustments the calculation agent is required to make do not cover every event that could affect the DIA Shares.** MS & Co., as calculation agent, will adjust the adjustment factor for certain events affecting the DIA Shares. However, the calculation agent will not make an adjustment for every event that could affect the DIA Shares. If an event occurs that does not require the calculation agent to adjust the adjustment factor, the market price of the securites may be materially and adversely affected.

§ **Adjustments to the DIA Shares or the share underlying index could adversely affect the value of the securities.** The investment adviser to the DIA Shares (the "Investment Adviser") seeks investment results that correspond generally to the total return performance, before fees and expenses, of the Dow Jones Industrial Average℠ (the "share underlying index"). Pursuant to its investment strategy or otherwise, the Investment Adviser may add, delete or substitute the stocks composing the DIA Shares. Any of these actions could adversely affect the price of the DIA Shares and, consequently, the value of the securities. S&P Dow Jones Indices LLC ("S&P") is responsible for calculating and maintaining the Dow Jones Industrial Average℠. S&P may add, delete or substitute the stocks constituting the Dow Jones Industrial Average℠ or make other methodological changes that could change the value of the Dow Jones Industrial Average℠. S&P may discontinue or suspend calculation or publication of the Dow Jones Industrial Average℠ at any time. Any of these actions could adversely affect the value of the Dow Jones Industrial Average℠, and, consequently, the price of the DIA Shares and the value of the securities.

§ **The performance and market price of the DIA Shares, particularly during periods of market volatility, may not correlate with the performance of the share underlying index, the performance of the component securities of the share underlying index or the net asset value per share of the DIA Shares.** The DIA Shares do not fully replicate the share underlying index and may hold securities that are different than those included in the share underlying index. In addition, the performance of the DIA Shares will reflect additional transaction costs and fees that are not included in the calculation of the share underlying index. All of these factors may lead to a lack of correlation between the performance of DIA Shares and the share underlying index. In addition, corporate actions (such as mergers and spin-offs) with respect to the equity securities underlying the DIA Shares may impact the variance between the performances of DIA Shares and the share underlying index. Finally, because the shares of the DIA Shares are traded on an exchange and are subject to market supply and investor demand, the market price of one share of the DIA Shares may differ from the net asset value per share of the DIA Shares.

In particular, during periods of market volatility, or unusual trading activity, trading in the securities underlying the DIA Shares may be disrupted or limited, or such securities may be unavailable in the secondary market. Under these circumstances, the liquidity of the DIA Shares may be adversely affected, market participants may be unable to calculate accurately the net asset value per share of the DIA Shares, and their ability to create and redeem shares of the DIA Shares may be disrupted. Under these circumstances, the market price of shares of the DIA Shares may vary substantially from the net asset value per share of the DIA Shares or the level of the share underlying index.

For all of the foregoing reasons, the performance of the DIA Shares may not correlate with the performance of the share underlying index, the performance of the component securities of the share underlying index or the net asset value per share of the DIA Shares. Any of these events could materially and adversely affect the price of the shares of the DIA Shares and, therefore, the value of the securities. Additionally, if market volatility or these events were to occur on the final observation date, the calculation agent would maintain discretion to determine whether such market volatility or events have caused a market disruption event to occur, and such determination may affect the payment at maturity of the securities. If the calculation agent determines that no market disruption event has taken place, the payment at maturity would be based on the published closing price per share of the DIA Shares on the final observation date, even if the DIA Shares' shares are underperforming the share underlying index or the component securities of the share underlying index and/or trading below the net asset value per share of the DIA Shares.

§ **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 at maturity, upon early redemption or on any coupon payment date, 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.

§ **The securities are linked to the Russell 2000® Index and are subject to risks associated with small-capitalization companies.** As the Russell 2000® Index is one of the underlyings, and the Russell 2000® Index consists of stocks issued by companies with relatively small market capitalization, the securities are linked to the value of small-capitalization companies. These companies often have greater stock price volatility, lower trading volume and less liquidity than large-capitalization companies and therefore the Russell 2000® Index may be more volatile than indices that consist of stocks issued by large-capitalization companies. Stock prices of small-capitalization companies are also more vulnerable than those of large-capitalization companies to adverse business and economic developments, and the stocks of small-capitalization companies may be thinly traded. In addition, small capitalization companies are typically less well-established and less stable financially than large-capitalization companies and may depend on a small number of key personnel, making them more vulnerable to loss of personnel. Such companies tend to have smaller revenues, less diverse product lines, smaller shares of their product or service markets, fewer financial resources and less competitive strengths than large-capitalization companies and are more susceptible to adverse developments related to their products.

- **Investing in the securities is not equivalent to investing in the underlyings or the stocks composing the RTY Index, the NDX Index or the share underlying index.** Investing in the securities is not equivalent to investing in any of the underlyings or the component stocks of the RTY Index, the NDX Index or the share underlying index. Investors in the securities will not participate in any positive performance of any underlying, and will not have voting rights or rights to receive dividends or other distributions or any other rights with respect to stocks that constitute the RTY Index, the NDX Index or the share underlying index.

- **Reinvestment risk.** The term of your investment in the securities may be shortened due to the automatic early redemption feature of the securities. If the securities are redeemed prior to maturity, you will receive no more contingent quarterly coupons and may be forced to invest in a lower interest rate environment and may not be able to reinvest at comparable terms or returns.

- **The securities will not be listed on any securities exchange and secondary trading may be limited. Accordingly, you should be willing to hold your securities for the entire 2-year term of the securities.** The securities will not be listed on any securities exchange. Therefore, there may be little or no secondary market for the securities. 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. When it does make a market, it will generally do so for transactions of routine

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secondary market size at prices based on its estimate of the current value of the securities, taking into account its bid/offer spread, our credit spreads, market volatility, the notional size of the proposed sale, the cost of unwinding any related hedging positions, the time remaining to maturity and the likelihood that it will be able to resell the securities. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the securities easily. Since other broker-dealers may not participate significantly in the secondary market for the securities, the price at which you may be able to trade your securities is likely to depend on the price, if any, at which MS & Co. is willing to transact. If, at any time, MS & Co. were to cease making a market in the securities, it is likely that there would be no secondary market for the securities. Accordingly, you should be willing to hold your securities to maturity.

§ **The rate we are willing to pay for securities of this type, maturity and issuance size is likely to be lower than the rate implied by our secondary market credit spreads and advantageous to us. Both the lower rate and the inclusion of costs associated with issuing, selling, structuring and hedging the securities in the original issue price reduce the economic terms of the securities, cause the estimated value of the securities to be less than the original issue price and will adversely affect secondary market prices.** Assuming no change in market conditions or any other relevant factors, the prices, if any, at which dealers, including MS & Co., may be willing to purchase the securities in secondary market transactions will likely be significantly lower than the original issue price, because secondary market prices will exclude the issuing, selling, structuring and hedging-related costs that are included in the original issue price and borne by you and because the secondary market prices will reflect our secondary market credit spreads and the bid-offer spread that any dealer would charge in a secondary market transaction of this type as well as other factors.

The inclusion of the costs of issuing, selling, structuring and hedging the securities in the original issue price and the lower rate we are willing to pay as issuer make the economic terms of the securities less favorable to you than they otherwise would be.

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 5 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 underlyings, and to our secondary market credit spreads, it would do so based on values higher than the estimated value, and we expect that those higher values will also be reflected in your brokerage account statements.

§ **The estimated value of the securities is determined by reference to our pricing and valuation models, which may differ from those of other dealers and is not a maximum or minimum secondary market price.** These pricing and valuation models are proprietary and rely in part on subjective views of certain market inputs and certain assumptions about future events, which may prove to be incorrect. As a result, because there is no market-standard way to value these types of securities, our models may yield a higher estimated value of the securities than those generated by others, including other dealers in the market, if they attempted to value the securities. In addition, the estimated value on the pricing date does not represent a minimum or maximum price at which dealers, including MS & Co., would be willing to purchase your notes in the secondary market (if any exists) at any time. The value of your securities at any time after the date of this document will vary based on many factors that cannot be predicted with accuracy, including our creditworthiness and changes in market conditions. See also "The market price will be influenced by many unpredictable factors" above.

§ **Hedging and trading activity by our affiliates could potentially affect the value of the securities.** One or more of our affiliates and/or third-party dealers have carried out, and will continue to carry out, hedging activities related to the securities (and to other instruments linked to the underlyings and the share underlying index), including trading in the DIA Shares, the stocks that constitute the RTY Index, the NDX Index or the share underlying index as well as in other instruments related to the underlyings. As a result, these entities may be unwinding or adjusting hedge positions during the term of the securities, and the hedging strategy may involve greater and more frequent dynamic adjustments to the hedge as the final observation date approaches. Some of our affiliates also trade the underlyings and other financial instruments related to the underlyings and the share underlying index on a regular basis as part of their general broker-dealer and other businesses. Any of these hedging or trading activities on or prior to the pricing date could have increased the initial level of an underlying, and, therefore, could have increased (i) the level at or above which such

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underlying must close on any redemption determination date so that the securities are redeemed prior to maturity for the early redemption payment (depending also on the performance of the other underlyings), (ii) the level at or above which such underlying must close on each observation date in order for you to earn a contingent quarterly coupon (depending also on the performance of the other underlyings) and (iii) the level at or above which such underlying must close on the final observation date so that you are not exposed to the negative performance of the worst performing underlying at maturity (depending also on the performance of the other underlyings). Additionally, such hedging or trading activities during the term of the securities could affect the value of an underlying on the redemption determination dates and the observation dates, and, accordingly, whether we redeem the securities prior to maturity, whether we pay a contingent quarterly coupon on the securities and the amount of cash you receive at maturity, if any (depending also on the performance of the other underlyings).

§ **The calculation agent, which is a subsidiary of Morgan Stanley and an affiliate of MSFL, will make determinations with respect to the securities.** As calculation agent, MS & Co. has determined the initial level, coupon threshold level and downside threshold level for each underlying and will determine whether you receive a contingent quarterly coupon on each coupon payment date and/or at maturity, whether the securities will be redeemed on any early redemption date and the payment at maturity, if any. Moreover, certain determinations made by MS & Co., in its capacity as calculation agent, may require it to exercise discretion and make subjective judgments, such as with respect to the occurrence or non-occurrence of market disruption events, any adjustments to the adjustment factor and the selection of a successor index or calculation of the closing level of any underlying in the event of a market disruption event or discontinuance of the RTY Index, the NDX Index or the share underlying index. These potentially subjective determinations may adversely affect the payout to you at maturity, if any. For further information regarding these types of determinations, see "Description of Auto-Callable Securities—Postponement of Determination Dates," "—Alternate Exchange Calculation in Case of an Event of Default," "—Discontinuance of Any Underlying Index; Alternation of Method of Calculation," "Discontinuance of the Underlying Shares of an Exchange-Traded Fund and/or Share Underlying Index; Alteration of Method of Calculation," "—Antidilution Adjustments" and "—Calculation Agent and Calculations" in the accompanying product supplement. In addition, MS & Co. has determined the estimated value of the securities on the pricing date.

§ **Adjustments to the RTY Index or the NDX Index could adversely affect the value of the securities.** The publisher of each of the RTY Index or the NDX Index may add, delete or substitute the component stocks of such underlying or make other methodological changes that could change the value of such underlying. Any of these actions could adversely affect the value of the securities. The publisher of each of the RTY Index or the NDX Index may also discontinue or suspend calculation or publication of such underlying at any time. In these circumstances, MS & Co., as the calculation agent, will have the sole discretion to substitute a successor index that is comparable to the discontinued index. MS & Co. could have an economic interest that is different than that of investors in the securities insofar as, for example, MS & Co. is permitted to consider indices that are calculated and published by MS & Co. or any of its affiliates. If MS & Co. determines that there is no appropriate successor index on any observation date, the determination of whether a contingent quarterly coupon will be payable on the securities on the applicable coupon payment date, whether the securities will be redeemed and/or the amount payable at maturity, if any, will be based on the value of such underlying, based on the closing prices of the stocks constituting such underlying at the time of such discontinuance, without rebalancing or substitution, computed by MS & Co. as calculation agent in accordance with the formula for calculating such underlying last in effect prior to such discontinuance, as compared to the relevant initial level, coupon threshold level or downside threshold level, as applicable (depending also on the performance of the other underlyings).

§ **The U.S. federal income tax consequences of an investment in the securities are uncertain.** There is no direct legal authority as to the proper treatment of the securities for U.S. federal income tax purposes, and, therefore, significant aspects of the tax treatment of the securities are uncertain.

Please read the discussion under "Additional Information—Tax considerations" in this document concerning the U.S. federal income tax consequences of an investment in the securities. We intend to treat a security for U.S. federal income tax purposes as a single financial contract that provides for a coupon that will be treated as gross income to you at the time received or accrued, in accordance with your regular method of tax accounting. Under this treatment, the ordinary income treatment of the coupon payments, in conjunction with the capital loss treatment of any loss recognized upon the sale, exchange or settlement of the securities, could result in adverse tax consequences to holders of the securities because the deductibility of capital losses is subject to limitations. We do not plan to request a ruling from the Internal Revenue Service (the "IRS") regarding the tax treatment of the securities, and the IRS or a court may not agree with the tax treatment described herein. If the IRS were successful in asserting an alternative treatment for the securities, the timing and character of income or loss on the securities might differ significantly from the tax treatment described herein. For example, under one possible treatment, the IRS could seek to recharacterize the securities as debt instruments. In that event, U.S. Holders (as defined below) would be required to accrue into income original issue discount on the securities every year at a "comparable yield" determined at the time of issuance (as adjusted based on the difference, if any, between the actual and the projected amount of any contingent payments on the securities) and recognize all income and gain in respect of the securities as ordinary income. The risk that financial instruments providing for buffers, triggers or similar downside protection features, such as the securities, would be recharacterized as debt is greater than the risk of recharacterization for comparable financial instruments that do not have such features.

Non-U.S. Holders (as defined below) should note that we currently intend to withhold on any coupon paid to Non-U.S. Holders generally at a rate of 30%, or at a reduced rate specified by an applicable income tax treaty under an "other income" or similar provision, and will not be required to pay any additional amounts with respect to amounts withheld.

In 2007, the U.S. Treasury Department and the IRS released a notice requesting comments on the U.S. federal income tax treatment of "prepaid forward contracts" and similar instruments. While it is not clear whether the securities would be viewed as similar to the prepaid forward contracts described in the notice, it is possible that any Treasury regulations or other guidance promulgated after consideration of these issues could materially and adversely affect the tax consequences of an investment in the securities, possibly with retroactive effect. The notice focuses on a number of issues, the most relevant of which for holders of the securities are the character and timing of income or loss and the degree, if any, to which income realized by non-U.S. investors should be subject to withholding tax. Both U.S. and Non-U.S. Holders should consult their tax advisers regarding the U.S. federal income tax consequences of an investment in the securities, including possible alternative treatments, the issues presented by this notice and any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

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Russell 2000® Index Overview

The Russell 2000® Index is an index calculated, published and disseminated by FTSE Russell, and measures the composite price performance of stocks of 2,000 companies incorporated in the U.S. and its territories. All 2,000 stocks are traded on a major U.S. exchange and are the 2,000 smallest securities that form the Russell 3000® Index. The Russell 3000® Index is composed of the 3,000 largest U.S. companies as determined by market capitalization and represents approximately 98% of the U.S. equity market. The Russell 2000® Index consists of the smallest 2,000 companies included in the Russell 3000® Index and represents a small portion of the total market capitalization of the Russell 3000® Index. The Russell 2000® Index is designed to track the performance of the small capitalization segment of the U.S. equity market. For additional information about the Russell 2000® Index, see the information set forth under "Russell 2000® Index" in the accompanying index supplement.

Information as of market close on February 28, 2019:

Bloomberg Ticker Symbol:	RTY	52 Week High (on 8/31/2018):	1,740.753
Current Index Value:	1,575.549	52 Week Low (on 12/24/2018):	1,266.925
52 Weeks Ago:	1,512.45		

The following graph sets forth the daily index closing values of the RTY Index for the period from January 1, 2014 through February 28, 2019. The related table sets forth the published high and low index closing values, as well as end-of-quarter index closing values, of the RTY Index for each quarter for the period from January 1, 2014 through February 28, 2019. The index closing value of the RTY Index on February 28, 2019 was 1,575.549. We obtained the information in the table below from Bloomberg Financial Markets, without independent verification. The RTY Index has experienced periods of high volatility, and you should not take the historical values of the RTY Index as an indication of its future performance.

RTY Index Daily Index Closing Values

January 1, 2014 to February 28, 2019

** The red line in the graph indicates both the downside threshold level and the coupon threshold level of 1,260.439, which is approximately 80% of the initial level.*

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Russell 2000® Index	**High**	**Low**	**Period End**
2014			
First Quarter	1,208.651	1,093.594	1,173.038
Second Quarter	1,192.964	1,095.986	1,192.964
Third Quarter	1,208.150	1,101.676	1,101.676
Fourth Quarter	1,219.109	1,049.303	1,204.696
2015			
First Quarter	1,266.373	1,154.709	1,252.772
Second Quarter	1,295.799	1,215.417	1,253.947
Third Quarter	1,273.328	1,083.907	1,100.688
Fourth Quarter	1,204.159	1,097.552	1,135.889
2016			
First Quarter	1,114.028	953.715	1,114.028
Second Quarter	1,188.954	1,089.646	1,151.923
Third Quarter	1,263.438	1,139.453	1,251.646
Fourth Quarter	1,388.073	1,156.885	1,357.130
2017			
First Quarter	1,413.635	1,345.598	1,385.920
Second Quarter	1,425.985	1,345.244	1,415.359
Third Quarter	1,490.861	1,356.905	1,490.861
Fourth Quarter	1,548.926	1,464.095	1,535.511
2018			
First Quarter	1,610.706	1,463.793	1,529.427
Second Quarter	1,706.985	1,492.531	1,643.069
Third Quarter	1,740.753	1,653.132	1,696.571
Fourth Quarter	1,672.992	1,266.925	1,348.559
2019			
First Quarter (through February 28, 2019)	1,590.062	1,330.831	1,575.549

The “Russell 2000® Index” is a trademark of FTSE Russell. For more information, see “Russell 2000® Index” in the accompanying index supplement.

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due March 4, 2021

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Principal at Risk Securities

The NASDAQ-100 Index® Overview

The NASDAQ-100 Index®, which is calculated, maintained and published by Nasdaq, Inc., is a modified capitalization-weighted index of 100 of the largest and most actively traded equity securities of non-financial companies listed on The NASDAQ Stock Market LLC. The NASDAQ-100 Index includes companies across a variety of major industry groups. At any moment in time, the value of the NASDAQ-100 Index equals the aggregate value of the then-current NASDAQ-100 Index share weights of each of the NASDAQ-100 Index component securities, which are based on the total shares outstanding of each such NASDAQ-100 Index component security, multiplied by each such security's respective last sale price on NASDAQ (which may be the official closing price published by NASDAQ), and divided by a scaling factor, which becomes the basis for the reported NASDAQ-100 Index value. For additional information about the NASDAQ-100 Index® , see the information set forth under "NASDAQ-100 Index®" in the accompanying index supplement.

Information as of market close on February 28, 2019:

Bloomberg Ticker Symbol:	NDX	52 Week High (on 8/29/2018):	7,660.180
Current Index Value:	7,097.525	52 Week Low (on 12/24/2018):	5,899.354
52 Weeks Ago:	6,854.417		

The following graph sets forth the daily index closing values of the NDX Index for in the period from January 1, 2014 through February 28, 2019. The related table sets forth the published high and low index closing values, as well as end-of-quarter index closing values, of the NDX Index for each quarter for the period from January 1, 2014 to February 28, 2019. The index closing value of the NDX Index on February 28, 2019 was 7,097.525. We obtained the information in the table and graph below from Bloomberg Financial Markets, without independent verification. The NDX Index has at times experienced periods of high volatility, and you should not take the historical values of the NDX Index as an indication of its future performance.

NDX Index Daily Index Closing Values

January 1, 2014 to February 28, 2019

** The red line in the graph indicates both the downside threshold level and the coupon threshold level of 5,678.020, which is 80% of the initial level.*

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Principal at Risk Securities

NASDAQ-100 Index®	**High**	**Low**	**Period End**
2014			
First Quarter	3,727.185	3,440.502	3,595.736
Second Quarter	3,849.479	3,446.845	3,849.479
Third Quarter	4,103.083	3,857.938	4,049.445
Fourth Quarter	4,337.785	3,765.281	4,236.279
2015			
First Quarter	4,483.049	4,089.648	4,333.688
Second Quarter	4,548.740	4,311.257	4,396.761
Third Quarter	4,679.675	4,016.324	4,181.060
Fourth Quarter	4,719.053	4,192.963	4,593.271
2016			
First Quarter	4,497.857	3,947.804	4,483.655
Second Quarter	4,565.421	4,201.055	4,417.699
Third Quarter	4,891.363	4,410.747	4,875.697
Fourth Quarter	4,965.808	4,660.457	4,863.620
2017			
First Quarter	5,439.742	4,911.333	5,436.232
Second Quarter	5,885.296	5,353.586	5,646.917
Third Quarter	6,004.380	5,596.956	5,979.298
Fourth Quarter	6,513.269	5,981.918	6,396.422
2018			
First Quarter	7,131.121	6,306.100	6,581.126
Second Quarter	7,280.705	6,390.837	7,040.802
Third Quarter	7,660.180	7,014.554	7,627.650
Fourth Quarter	7,645.453	5,899.354	6,329.964
2019			
First Quarter (through February 28, 2019)	7,123.216	6,147.128	7,097.525

"Nasdaq®," "NASDAQ-100®" and "NASDAQ-100 Index®" are trademarks of Nasdaq, Inc. For more information, see "NASDAQ-100 Index®" in the accompanying index supplement.

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due March 4, 2021

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Principal at Risk Securities

SPDR® Dow Jones® Industrial Average℠ ETF Trust Overview

The SPDR® Dow Jones® Industrial Average℠ ETF Trust is an exchange-traded fund that seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the Dow Jones Industrial Average℠ (the "share underlying index"). The SPDR® Dow Jones® Industrial Average℠ ETF Trust is managed by State Street Bank and Trust Company ("SSBTC"), a registered investment company that consists of numerous separate investment portfolios, including the SPDR® Dow Jones® Industrial Average℠ ETF Trust. Information provided to or filed with the Securities and Exchange Commission by SPDR® Dow Jones® Industrial Average℠ ETF Trust pursuant to the Securities Act of 1933 and the Investment Company Act of 1940 can be located by reference to Commission file numbers 333-31247 and 811-09170, respectively, through the Commission's website at.www.sec.gov. In addition, information may be obtained from other publicly available sources. **Neither the issuer nor the agent makes any representation that any such publicly available information regarding the SPDR® Dow Jones® Industrial Average℠ ETF Trust is accurate or complete.**

Information as of market close on February 28, 2019:

Bloomberg Ticker Symbol:	DIA	**52 Week High (on 10/3/2018):**	$267.95
Current Share Price:	$259.28	**52 Week Low (on 12/24/2018):**	$218.10
52 Weeks Ago:	$250.20		

The following graph sets forth the daily closing prices of the DIA Shares for the period from January 1, 2014 through February 28, 2019. The related table sets forth the published high and low closing prices, as well as end-of-quarter closing prices, of the DIA Shares for each quarter for the period from January 1, 2014 through February 28, 2019. The closing price of the DIA Shares on February 28, 2019 was $259.28. We obtained the information in the table and graph below from Bloomberg Financial Markets, without independent verification. The DIA Shares have experienced periods of high volatility, and you should not take the historical prices of the DIA Shares as an indication of their future performance.

DIA Shares Daily Index Closing Prices
January 1, 2014 to February 28, 2019

** The red line in the graph indicates both the downside threshold level and the coupon threshold level of $207.424, which is 80% of the initial level.*

Morgan Stanley Finance LLC

Contingent Income Auto-Callable Securities due March 4, 2021

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Principal at Risk Securities

SPDR® Dow Jones® Industrial Average℠ ETF Trust (CUSIP: 78467X109)	**High ($)**	**Low ($)**	**Period End ($)**
2014			
First Quarter	164.96	153.39	164.28
Second Quarter	169.35	160.02	167.89
Third Quarter	172.61	163.55	170.07
Fourth Quarter	180.19	160.98	177.88
2015			
First Quarter	182.68	171.48	177.58
Second Quarter	182.93	175.64	175.82
Third Quarter	181.07	156.49	162.62
Fourth Quarter	179.14	162.49	173.99
2016			
First Quarter	176.95	156.78	176.64
Second Quarter	180.75	171.17	179.08
Third Quarter	186.51	178.21	182.78
Fourth Quarter	199.42	178.71	197.51
2017			
First Quarter	211.02	197.28	206.34
Second Quarter	214.92	203.85	213.24
Third Quarter	223.90	213.14	223.82
Fourth Quarter	248.13	225.24	247.38
2018			
First Quarter	265.91	235.13	241.40
Second Quarter	253.39	236.15	242.73
Third Quarter			