

Notes issued pursuant to these Final Terms are securities to be listed under Listing Rule 19

Final Terms dated 24 March 2011

Morgan Stanley B.V.

As Issuer

Morgan Stanley

As Guarantor

Issue of up to SEK 25,000,000 Notes linked to OMX Stockholm 30 Index due 2016

under the Program for the Issuance of Notes, Series A and B, Warrants and Certificates

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer, Dealer or any Distributor to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 48 of Part A below, provided such person is one of the persons mentioned in Paragraph 48 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

None of the Issuer, the Dealer and the Distributor has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

THE NOTES ARE NOT BANK DEPOSITS AND ARE NOT INSURED OR GUARANTEED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES, AND ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. THE NOTES DESCRIBED HEREIN MAY NOT BE OFFERED, SOLD OR DELIVERED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN EITHER REGULATION S UNDER THE SECURITIES ACT OR THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED). SEE "*SUBSCRIPTION AND SALE*" AND "*NO OWNERSHIP BY U.S. PERSONS*" IN THE BASE PROSPECTUS DATED 15 JUNE 2010. IN PURCHASING THE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT THAT THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY SUCH PERSON. THE NOTES ARE NOT RATED.

This document constitutes Final Terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the English Law Notes set forth in the Base Prospectus dated 15 June 2010 (the "**Base Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms relating to the issue of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. Copies of the

Base Prospectus are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA.

Information Concerning Investment Risk

Noteholders and prospective purchasers of Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. The amount payable on redemption of the Notes is linked to the performance of the Underlying Index. Given the highly specialised nature of these Notes, the Issuer, the Guarantor and the Dealer consider that they are only suitable for highly sophisticated investors who are able to determine for themselves the risk of an investment linked to the Underlying Index, are willing to take risks and can absorb the partial or complete loss of their initial investment.

Consequently, if you are not an investor who falls within the description above you should not consider purchasing these Notes without taking detailed advice from a specialised professional adviser.

Potential investors are urged to consult with their legal, regulatory, investment, accounting, tax and other advisors with regard to any proposed or actual investment in these Notes.

Please see the Base Prospectus for a full detailed description of the Notes and in particular, please review the Risk Factors associated with these Notes. Investing in the Notes entails certain risks including, but not limited to, the following:

Adjustment and Discontinuation Risk: The sponsor of the Underlying Index (as defined herein) can add, delete or substitute stocks constituting the Underlying Index or make other methodological changes that could change the value of the Underlying Index without regard to the interests of holders of the Notes. Any of these decisions/determinations may adversely affect the value of the Notes and may result in the investor receiving a return that is materially different from that he/she would have received if the event had not occurred.

Adjustments by the Determination Agent: The terms and conditions of the Notes will allow the Determination Agent to make adjustments or take any other appropriate action if circumstances occur where the Notes or any exchanges are affected by market disruption, adjustment events or circumstances affecting normal activities.

Credit Risk: The holder of the Notes will be exposed to the credit risk of the Issuer and the Guarantor.

Exit Risk: The secondary market price of the Notes will depend on many factors, including the value and volatility of the Underlying Index, the level of the Underlying Index at any time on any day and the time left until the maturity of the Notes, interest rates, the dividend rate, time remaining to maturity and the creditworthiness of the Issuer. Therefore the holder may receive an amount which may be less than the then intrinsic market value of the Notes and which may also be less than the amount the holder would have received had the holder held the Notes through to maturity.

Hedging Risk: On or prior to and after the Trade Date, the Issuer, through its affiliates or others, will likely hedge its anticipated exposure under the Notes by taking positions in the stocks that comprise the Underlying Index, in option contracts on the Underlying Index or positions in any other available securities or instruments. In addition, the Issuer and its affiliates trade the Underlying Index as part of their general businesses. Any of these activities could potentially affect the value of the Underlying Index including on the Determination Date, and accordingly, could significantly affect the payout to holders on the Notes.

Liquidity Risk: The Dealer will make a secondary market in the Notes on a reasonable efforts basis only and subject to market conditions, law, regulation and internal policy. The liquidity of the Notes reflects the liquidity of the Underlying Index and even whilst there may be a secondary market in the Notes it may not be liquid enough to facilitate a sale by the holder.

No Shareholder Rights: A holder of Notes will have no beneficial interest in or any voting rights and will not have the right to receive dividends or other distributions with respect to the stocks composing the Underlying Index.

Potential Conflict of Interest: The Determination Agent (MSI plc) is an affiliate of the Issuer and the economic interests of the Determination Agent may be adverse to the interests of holders of the Notes. Determinations made by the Determination Agent, including in the event of a market disruption may affect the amount payable to holders pursuant to the terms of the Notes.

Underlying Sponsor Risk: The sponsor of the Underlying Index is not an affiliate of the Issuer or its affiliates and is not involved with this offering in any way. Consequently, the Issuer and the Determination Agent have no ability to control the actions of the sponsors of the Underlying Index, including any rebalancing that could trigger an adjustment to the terms of the Notes by the Determination Agent.

This Note is not in any way sponsored, endorsed, sold or promoted by OMX AB (publ) ("OMX") and OMX makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the OMXS30 index and/or the figure at which the said OMXS30 index stands at any particular time on any particular day or otherwise. The OMXS30 index is compiled and calculated solely by Stockholm Stock Exchange Ltd. However, Stockholm Stock Exchange Ltd. shall not be liable (whether in negligence or otherwise) to any person for any error in the OMXS30 index and the Exchange shall not be under any obligation to advise any person of any error therein.

All rights to the trademarks OMX, OMXS30 and OMXS30 INDEX are vested in OMX and are used under license from OMX or a subsidiary of OMX.

Morgan Stanley is not qualified to give legal, tax or accounting advice to its clients and does not purport to do so in this document. Clients are urged to seek the advice of their own professional advisers about the consequences of the proposals contained herein.

US Treasury Circular 230 Notice - Morgan Stanley does not render advice on tax and tax accounting matters to clients. This material was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws.

1.	(i)	Issuer:	Morgan Stanley B.V.
	(ii)	Guarantor:	Morgan Stanley
2.	(i)	Series Number:	4421
	(ii)	Tranche Number:	1
3.		Specified Currency or Currencies:	Swedish krona ("SEK")
4.		Aggregate Nominal Amount of the Notes:	
	(i)	Series:	SEK 25,000,000, indicatively, which will be confirmed by the end of the Subscription Period
	(ii)	Tranche:	SEK 25,000,000 indicatively, which will be confirmed by the end of the Subscription Period
5.		Issue Price	110 per cent. of par per Note
6.	(i)	Specified Denominations (Par):	SEK 10,000
	(ii)	Calculation Amount:	Par

7.	(i)	Issue Date:	24 March 2011
	(ii)	Strike Date:	11 March 2011
	(iii)	Interest Commencement Date:	Not Applicable
8.		Maturity Date:	24 March 2016, subject to Following Business Day Convention
9.		Interest Basis:	Not Applicable
10.		Redemption/Payment Basis:	Equity-Linked Redemption
11.		Change of Interest or Redemption/Payment Basis:	Not Applicable
12.		Put/Call Options:	
	(i)	Redemption at the option of the Issuer:	Not Applicable
		(Condition 15.7)	
	(ii)	Redemption at the option of the Noteholders:	Not Applicable
		(Condition 15.9)	
	(iii)	Other Put/Call Options:	Not Applicable
13.	(i)	Status of the Notes:	Unsecured and unsubordinated, which rank <i>pari passu</i> among themselves and all other outstanding unsecured and unsubordinated obligations
		(Condition 4)	
	(ii)	Status of the Guarantee:	As set out in the Condition
14.		Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions	Not Applicable
	(Condition 5)	
16.	Floating Rate Note Provisions	Not Applicable
	(Condition 6)	
17.	Zero Coupon Note Provisions	Not Applicable
	(Condition 7)	
18.	Dual Currency-Linked Note Interest Provisions	Not Applicable
	(Condition 8)	
19.	Equity Linked Note Interest Provisions	Not Applicable
20.	Commodity Linked Note Interest	Not Applicable

Provisions

- | | | |
|-----|--|----------------|
| 21. | Currency Linked Interest Note Provisions | Not Applicable |
| 22. | Inflation-Linked Note Interest Provisions | Not Applicable |
| 23. | Credit-Linked Interest Note Provisions | Not Applicable |
| 24. | Property-Linked Interest Note Provisions | Not Applicable |

REDEMPTION

- | | | |
|-----|---|--|
| 25. | Call Option
(Condition 15.7) | Not Applicable |
| 26. | Put Option
(Condition 15.9) | Not Applicable |
| 27. | Final Redemption Amount of each Note
(Condition 16.1) | Linked to the Underlying Index as specified below in item 29 |
| 28. | Dual Currency Redemption Provisions
(Condition 8) | Not Applicable |
| 29. | Equity-Linked Redemption Provisions
(Condition 10) | Applicable |

(B) Index/Index Basket Notes:

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|-------|--|--|
| (i) | Types of Notes: | Single Index Notes
OMX Stockholm 30 Index (Bloomberg code: OMX Index) (“ Underlying Index ”).

Index Sponsor: OMX AB (publ) |
| (ii) | Exchange: | Stockholm Stock Exchange |
| (iii) | Related Exchange: | All Exchanges |
| (iv) | Observation Dates: | Monthly on the 11 th calendary day of each month from and including the Strike Date to and including the Determination Date. In total 61 observations, subject to adjustment if such date is not a Scheduled Trading Day or is a Disrupted Day. Modified Postponement applies |
| (v) | Determination Date: | 11 March 2016 |
| (vi) | Determination Time: | Official closing time of the Exchange |
| (vii) | Determination Agent responsible for calculating the Final Redemption Amount: | Morgan Stanley & Co. International plc. The Determination Agent shall act as an expert and not as an agent for the Issuer or the Noteholders. All determinations, considerations and decisions made |

by the Determination Agent shall, in the absence of manifest error, wilful default or bad faith, be final and conclusive and the Determination Agent shall have no liability in relation to such determinations except in the case of its wilful default or bad faith.

(viii) Provisions for determining Final Redemption Amount: Unless previously redeemed, or purchased and cancelled in accordance with the Conditions, the Issuer shall redeem the Notes on the Maturity Date at the Final Redemption Amount per Note as determined by the Determination Agent as follows:

(i) If on the Determination Date, the Final Reference Price is greater than or equal to the Initial Reference Price, an amount equal to: **PAR x [100% + Participation x Max (0%, MaxMin Index Performance)]**,

(ii) Else, if on the Determination Date, the Final Reference Price is lower than the Initial Reference Price, an amount equal to: **PAR x [Final Reference Price/Initial Reference Price]**,

Where:

“**MaxMin Index Performance**” means (Highest Index Level-Lowest Index Level) /**Initial Reference Price**

“**Participation**” means 100% indicatively; subject to a minimum Participation of 75%;

“**Final Reference Price**” means the official closing level of the Underlying Index on the Determination Date;

“**Initial Reference Price**” means the official closing level of the Underlying Index on the Strike Date.

“**Highest Index Level**” means the numerically highest closing level of the Underlying Index on the Observation Dates; and

“**Lowest Index Level**” means the numerically lowest closing level of the Underlying Index observed on the Observation Dates.

(ix) Provisions for determining Final Redemption Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted: Determination Agent determination

(x) Weighting for each Index: Not Applicable

(xi) Potential Adjustment Events: Not Applicable

(xii) Additional Disruption Events: Change in Law and Hedging Disruption shall apply

(xiii) Other special terms and conditions: Not Applicable

30.	Commodity-Linked Provisions (Condition 11)	Redemption	Not Applicable
31.	Currency-Linked Provisions (Condition 12)	Redemption	Not Applicable
32.	Inflation-Linked Provisions (Condition 13)	Redemption	Not Applicable
33.	Credit Linked Redemption Provisions (Condition 19)		Not Applicable
34.	Property-Linked Provisions (Condition 14)	Redemption	Not Applicable
35.	Early Redemption Amount upon early redemption Early Redemption Amount(s) payable upon redemption following an event of default (Condition 21) Amount payable upon redemption following the events described in Condition 10 (Condition 10) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons (Conditions 15.2, 15.3, 15.4 and 15.5)		As defined in Condition 2 As provided in Condition 10 An amount which the Determination Agent, in its sole and absolute discretion, determines is equal to the fair value of a Note, on such day as is selected by the Determination Agent in its sole and absolute discretion (provided that such day is not more than 15 days before the date fixed for redemption of the Notes), less the proportion attributable to that Note of the reasonable cost to the Issuer and/or any Affiliate of, or the loss realized by the Issuer and/or any Affiliate on, unwinding any related underlying hedging arrangements, the amount of such cost or loss being as determined by the Determination Agent in its sole and absolute discretion.
36.	Governing Law:		English law
GENERAL PROVISIONS APPLICABLE TO THE NOTES			
37.	Form of Notes: (Condition 3)		Swedish Notes
38.	Additional Business Centre(s) or other special provisions relating to Payment		London and Stockholm

	Dates:	Business Day Convention for payment purpose: Modified Following
39.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
40.	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
41.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
42.	Redenomination, renominatisation and reconventioning provisions:	Not Applicable
43.	Restrictions on free transferability of the Notes:	None
44.	Other final terms:	Not Applicable

DISTRIBUTION

45.	If syndicated, names of Managers:	Non-syndicated
46.	If non-syndicated, name and address of Dealer:	Morgan Stanley & Co. International plc 25 Cabot Square London E14 4QA
47.	U.S. Selling Restrictions:	Reg. S Compliant
48.	Non-exempt offer:	An offer of the Notes may be made by the Distributor other than pursuant to Article 3(2) of the Prospective Directive in Sweden (Public Offer Jurisdiction) during the period from 10 January 2011 to 25 February 2011 (Subscription Period), the Issuer has the right to adjustment the Subscription Period.
49.	Total commission and concession:	Not Applicable
50.	Additional selling restrictions:	Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange's Regulated Market of the Notes described herein pursuant to the Program for the Issuance of Notes, Series A and B of Morgan Stanley.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING

Listing and admission to Trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market and to be listed on the Official List of the FSA with effect from the Issue Date

2. RATINGS

Ratings: The Notes to be issued have not been rated.

3. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

Past and future performance including the volatility of the Underlying Index can be obtained from Bloomberg: OMX Index.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) Reasons for the offer: The net proceeds from the sale of Notes will be used by the Issuer for general corporate purposes, in connection with hedging the Issuer's obligations under the Notes, or both

(ii) Estimated net proceeds: SEK 25,000,000 – the final amount will be communicated after the Subscription Period

5. OPERATIONAL INFORMATION

ISIN Code: SE0003690197

New Global Note: No

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking *société anonyme* and the relevant identification number(s): Euroclear Sweden AB
Corporate Registration Number: 556112-8074
Box 7822
103 97 Stockholm
Sweden

Delivery: Delivery free of payment

Names and addresses of initial Paying Agent(s): Skandinaviska Enskilda Banken AB
Kungstradgardsgatan 8
SE-106 40 Stockholm
Sweden

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility: No

6. TERMS AND CONDITIONS OF THE OFFER

Offer Price: The Issue Price + a subscription surcharge at the discretion of the Distributor of up to 2% of Par

Conditions to which the offer is subject:	Offers of the Securities are conditional upon their issue
Description of the application process:	Not Applicable
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	The Issuer has the right to terminate the subscription period at any time and not proceed with the issuance.
Details of the minimum and/or maximum amount of application:	The minimum subscription amount is 10 Notes.
Details of the method and time limited for paying up and delivering the Notes:	The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys
Manner in and date on which results of the offer are to be made public:	The results of the offer will be communicated to the applicants by the Distributor
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:	Not Applicable
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	Not Applicable
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	Not Applicable
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	Distributor: Strukturinvest Fondkommission (FK) AB (Org nr: 556759-1721) Box 53286 40016 Göteborg, Sweden