

PRICING SUPPLEMENT NO. NY-20
(To Offering Circular Dated 17 August 2015)

MORGAN STANLEY
NOTES, SERIES L-5

Brazilian Real Zero-Coupon Notes Due 2035

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 17 August 2015 and the supplemental Offering Circular dated 30 November 2015 (together, the “**Offering Circular**”). This Pricing Supplement must be read in conjunction with such Offering Circular as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular and the supplemental Offering Circular are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The Offering Circular has also been published on the website of the Irish Stock Exchange (www.ise.ie) and on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Warning: Neither this Pricing Supplement nor the Offering Circular constitutes a “prospectus” for the purposes of Article 5.4 of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU, the “**Prospectus Directive**”), and the Pricing Supplement and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Directive in relation to any Notes (as described below) offered and sold hereby.

We, Morgan Stanley, may not redeem these Notes, Series L-5 BRL Zero-Coupon Discount Notes Due 2035 (the “**Notes**”) prior to the maturity date.

We will issue the Notes in registered form, which form is further described under “*Form of Notes*” in the accompanying Offering Circular. We will apply to the Irish Stock Exchange for admission of the Notes to the Official List of the Irish Stock Exchange and trading on its Global Exchange Market, subject to meeting the applicable admission requirements. The Irish Stock Exchange assumes no responsibility for the correctness of any of the statements or opinions made or reports contained in this document. Admission to the Official List of the Irish Stock Exchange and trading on its Global Exchange Market is not to be taken as an indication of the merits of the Issuer or the Notes.

We have described the basic feature of this type of Note in the section called “*Description of New York Law Notes - Fixed Rate Notes*” in the accompanying Offering Circular, subject to and as modified by the provisions described below.

Principal Amount:	BRL 380,000,000	Annual Redemption Percentage Reduction:	Not applicable
Original Issue Date:	December 22, 2015	Calculation Agent:	Morgan Stanley Capital Services LLC
Maturity Date:	November 6, 2035; subject to adjustment as described under “Description of the New York Law Notes—Transfers and Exchanges—If a Payment Date Is Not a Business Day” in the accompanying Offering Circular.	Denomination / Calculation Amount:	BRL 1,000,000
Settlement Date (Original Issue Date):	December 22, 2015	Interest Payment Dates:	Not applicable

Interest Accrual Date:	Not applicable	Optional Repayment Date(s):	Not applicable
Issue Price:	10.71% of the Principal Amount	Distribution Agent:	Morgan Stanley & Co. LLC
Specified Currency:	The lawful currency of the Federative Republic of Brazil ("Brazilian Real" or "BRL") provided that all payments in respect of this Note shall be made in U.S. Dollars ("USD"). Payment on the Original Issue Date will be made in USD for an amount equal to USD 10,531,246.	Payment at Maturity:	100% (BRL 1,000,000 per Calculation Amount), payable in USD. The Payment at Maturity will be made in USD based on the Final BRL/USD Exchange Rate, subject to the Inconvertibility Event / Non-Transferability Event Provisions below.
Interest Payment Period:	Not applicable	Common Code:	133167153
Interest Rate:	Not applicable	ISIN:	XS1331671534
Redemption Percentage at Maturity:	100% of the outstanding Principal Amount, payable in USD	Governing Law:	New York
Initial Redemption Percentage:	Not applicable	Reference Price:	9.63%
Accrual Yield:	12.50% per annum	Valuation Date:	The day falling two (2) Business Days prior to the Maturity Date; <i>provided</i> that if the scheduled Valuation Date is not a Business Day, the Valuation Date shall be the immediately preceding Business Day.
Paying Agent:	The Bank of New York Mellon		

Other Provisions:

Business Day:	For the purposes of: (a) the definition of Valuation Date a day on which commercial banks are (or but for the occurrence of a Disruption Event, would have been) open for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in New York, and a Brazilian Business Day; and (b) for any other purpose, a day on which commercial banks are open for general business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in London and New York, and a Brazilian Business Day.
Brazilian Business Day:	A day on which commercial banks are open for general business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in any of São Paulo, Rio de Janeiro or Brasília,

disregarding any Unscheduled Holiday.

Unscheduled Holiday:	Unscheduled Holiday means a day that is not a Brazilian Business Day and the market was not made aware of such fact (by means of public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in any of São Paulo, Rio de Janeiro or Brasília two Brazilian Business Days prior to such day.
Final BRL/USD Exchange Rate:	<p>In respect of a Valuation Date and subject to the Inconvertibility Event / Non-Transferability Event provisions below, BRL PTAX (BRL09) for such Valuation Date;</p> <p><i>provided</i> that if a Disruption Event occurs or has occurred and is continuing on such Valuation Date, the relevant exchange rate will be the EMTA BRL Industry Survey Rate (BRL12) for such Valuation Date;</p> <p><i>provided further</i> that if such EMTA BRL Industry Survey Rate (BRL12) is unavailable, the relevant exchange rate will be the EMTA BRL Indicative Survey Rate (BRL13) for such Valuation Date;</p> <p><i>provided further</i> that if the EMTA BRL Indicative Survey Rate (BRL13) is unavailable, or if there is an Unscheduled Holiday on the Valuation Date, the relevant exchange rate will be as determined by the Calculation Agent in its sole and absolute discretion on or about such Valuation Date, taking into account any information deemed relevant by the Calculation Agent.</p>
BRL PTAX (BRL09):	BRL PTAX (BRL09) on any date means the Brazilian real/U.S. dollar offered rate for U.S. dollars, expressed as the amount of Brazilian reais per one U.S. dollar, for settlement in two Business Days reported by Banco Central do Brasil (www.bcb.gov.br ; see “Cotações e boletins (the “ Reference Source ”)), by approximately 1:15 p.m., São Paulo time, on the date. Such definition may be amended from time to time to reflect the then current BRL09 rate source definition in Annex A of the 1998 FX and Currency Option Definitions.
EMTA BRL Industry Survey Rate (BRL12):	EMTA BRL Industry Survey Rate (BRL12) on any date means the average of the Brazilian real/U.S. dollar bid and offered rates for U.S. dollars, expressed as the amount of Brazilian reais per one U.S. dollar, for settlement in two Business Days, as published on EMTA’s website at www.emta.org at approximately 3:45 p.m. (São Paulo time), or as soon thereafter as practicable, on the date. The rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA BRL Industry Survey Methodology (which means a methodology, dated as of March 1, 2004, as amended from time to time, for a centralized industry-wide survey of financial institutions in Brazil that are active participants in the Brazilian real/U.S. dollar spot markets for the purpose of determining the EMTA BRL Industry Survey Rate). Such definition may be amended from time to time to reflect the then current BRL12 rate source definition in Annex A of the 1998 FX and Currency Option Definitions.
EMTA BRL Indicative Survey Rate (BRL13):	EMTA BRL Indicative Survey Rate (BRL13) means the rate for a particular date which will be the average of the Brazilian real/U.S. dollar bid and offered rates for U.S. dollars, expressed as the amount of Brazilian reais per one U.S. dollar, for settlement in two Business Days, as published on EMTA’s website at www.emta.org at approximately 12:00 p.m. (São Paulo time), or as soon thereafter as practicable, on the date. The rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA BRL Indicative Survey Methodology (which means a methodology, dated as of March 1, 2004, as amended from time to time, for a centralized industry-wide survey of financial institutions in

Brazil that are active participants in the Brazilian real/U.S. dollar spot markets for the purpose of determining the EMTA BRL Indicative Survey Rate). Such definition may be amended from time to time to reflect the then current BRL13 rate source definition in Annex A of the 1998 FX and Currency Option Definitions.

Disruption Event:	<p>In relation to the calculation of the Final BRL/USD Exchange Rate on the Valuation Date, if:</p> <p>(a) it becomes impossible, as determined by the Calculation Agent, acting in a commercially reasonable manner, to determine the Final BRL/USD Exchange Rate on the Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced by the relevant price source);</p> <p>(b) the relevant exchange rate is not displayed on a Reference Source or any successor page for such Valuation Date;</p> <p>(c) the Calculation Agent determines in good faith that the exchange rate so displayed on either Reference Source is manifestly incorrect; or</p> <p>(d) the Primary Rate differs from the Secondary Rate by at least the Price Materiality Percentage.</p>
Primary Rate:	BRL PTAX (BRL09)
Secondary Rate:	EMTA BRL Industry Survey Rate (BRL12) or the EMTA BRL Indicative Survey Rate (BRL13).
Price Materiality Percentage:	The Price Materiality Percentage is 3%; provided, however, that if there are insufficient responses on the Valuation Date as determined by the Calculation Agent to either the EMTA BRL Industry Survey or the EMTA BRL Indicative Survey, as the case may be, the Price Materiality Percentage will also be deemed to have been met.
Inconvertibility Event / Non-Transferability Event Provisions:	<p>If an Inconvertibility Event or a Non-Transferability Event exists on the Valuation Date as determined by the Calculation Agent in its sole discretion, you will receive an amount in Brazilian reais per BRL 1,000,000 Calculation Amount of each Note equal to the Calculation Amount, provided that if you cannot demonstrate and represent to us, to our sole satisfaction, that conditions (a), (b) and (c) of the Conditions to BRL Settlement (as described below) are satisfied, or we determine that condition (d) of the Conditions to BRL Settlement is not satisfied, the Payment at Maturity will be an amount in U.S. dollars per BRL 1,000,000 Calculation Amount of each Note, calculated as the Calculation Amount divided by the Event Fall Back Rate for the Maturity Date.</p> <p>There may be situations where there is insufficient time for you to receive notice of such event or to respond with the necessary account details and for all of the Conditions to BRL Settlement to be satisfied. If this occurs, the Conditions to BRL Settlement will not be met, and you will receive the relevant payment in U.S. dollars based on the Event Fall Back Rate.</p> <p>At the time an Inconvertibility Event or a Non-Transferability Event occurs, it is likely that the Brazilian real will depreciate significantly against the U.S. dollar. Accordingly, once we send you a notice of such event, if the Conditions to BRL Settlement are not met, for any reason, you will receive U.S. dollars at the Event Fall Back Rate determined by the Calculation Agent at a time when the Brazilian real has significantly depreciated against the U.S.</p>

dollar.

Inconvertibility Event:	An Inconvertibility Event will occur when the Calculation Agent determines, in its sole discretion, that an event has occurred that generally makes it impossible to convert Brazilian reais into U.S. dollars in Brazil through customary legal channels.
Non-Transferability Event:	<p>A Non-Transferability Event will occur when the Calculation Agent determines, in its sole discretion, that an event has occurred that generally makes it impossible to deliver through customary legal channels:</p> <p>(a) U.S. dollars between an account held by a Brazilian financial institution outside of Brazil and an account held by any other party outside of Brazil; or</p> <p>(b) Brazilian reais between accounts inside of Brazil.</p>
Conditions to BRL Settlement:	<p>If an Inconvertibility Event or a Non-Transferability Event exists on the Valuation Date, and we have sent you an Event Notice, the Conditions to BRL Settlement for the Maturity Date will be met if:</p> <p>(a) through a Holder Details Notice (as defined below) or in response to an Event Notice, you inform us (in the case of an Event Notice, within the timeframe specified in the Event Notice) that you wish to receive the Payment at Maturity in Brazilian reais;</p> <p>(b) you provide us with the details of the nominated on-shore Brazilian account to which you would like the Brazilian reais to be delivered;</p> <p>(c) you represent, and provide evidence demonstrating to our satisfaction (determined in our sole discretion), which evidence may include any required governmental licenses, permits, authorizations or approvals, that it is legal under the laws of Brazil for you to receive the payment through your nominated account; and</p> <p>(d) we determine, in our sole discretion, that we can make such payment legally in the manner in which we customarily make such payments on instruments similar to the Notes and without limiting our ability to make payments in Brazilian reais to the nominated on-shore Brazilian accounts of the other holders of the Notes.</p>
Event Notice:	A notice sent by the Calculation Agent to you informing you that an Inconvertibility Event or Non-Transferability Event has occurred. For the avoidance of doubt, the Calculation Agent has no obligation to send such a notice.
Holder Details Notice:	<p>At any time, you may send us a notice providing the account details and other information required to meet the Conditions to BRL Settlement in advance (a “Holder Details Notice”). You are under no obligation to do this, but if you wish to receive Brazilian reais at the time of an Inconvertibility Event or Non-Transferability Event and therefore wish the Conditions to BRL Settlement to be met for the Maturity Date, sending a Holder Details Notice in advance may reduce the risk that there is insufficient time between the occurrence of the Inconvertibility Event or the Non-Transferability Event and the Valuation Date to allow us to send you an Event Notice and for you to respond.</p> <p>However, even if you send us a Holder Details Notice, this will not guarantee that the Conditions to BRL Settlement will be met at the time of the Valuation Date. We may require you to provide additional information required to meet the Conditions to BRL Settlement at the time of the occurrence of a particular</p>

Inconvertibility Event or Non-Transferability Event.

Event Fall Back Rate: The rate that the Calculation Agent, in its sole discretion, determines to be the rate of exchange of Brazilian Reais for U.S. dollars that are deliverable to an account that is located outside of Brazil of a non-Brazilian financial institution on the Maturity Date.

Acceleration upon Event of Default: In case an Event of Default with respect to the Notes shall have occurred and be continuing, the amount due and payable upon the acceleration of the principal thereof shall be an amount in USD determined by the Calculation Agent based on an amount in BRL and shall be calculated based on the product of:

- (a) the Calculation Amount of such Note and
- (b) the percentage produced by the following formula:

$$\text{Reference Price} \\ \times (1 + \text{Accrual Yield})^n$$

where “n” means the number of years from (and including) the Original Issue Date to (but excluding) the date upon which the Notes become due and payable and the calculation will be made by the Calculation Agent on the basis of the Day Count Fraction of 30/360 (ISDA)

An amount in BRL determined pursuant to the formula above shall be converted into USD based on the Final BRL/USD Exchange Rate determined as though the Valuation Date was the day two Business Days prior to the date of acceleration, as determined by the Calculation Agent.

“30/360 (ISDA)” means the number of days in the calculation period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the calculation period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the calculation period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the calculation period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the calculation period falls;

“D1” is the first calendar day, expressed as a number, of the calculation period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the calculation period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30.

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

Terms not defined above have the meanings given to those terms in the accompanying Offering Circular.

THE NOTES DESCRIBED HEREIN, AND THE SECURITIES TO BE DELIVERED UPON SETTLEMENT OF THE NOTES (IF ANY) 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 OR OTHER JURISDICTION OF THE UNITED STATES. THE ISSUER IS NOT REGISTERED, NOR WILL

IT REGISTER, UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. TRADING IN THE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED.

THE NOTES DESCRIBED HEREIN, ANY INTEREST THEREIN AND THE SECURITIES TO BE DELIVERED UPON SETTLEMENT OF THE NOTES (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED, EXERCISED OR REDEEMED 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 REGULATION S UNDER THE SECURITIES ACT). HEDGING TRANSACTIONS INVOLVING ANY "EQUITY SECURITIES" OF "DOMESTIC ISSUERS" (AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND REGULATIONS THEREUNDER) MAY ONLY BE CONDUCTED IN ACCORDANCE WITH THE SECURITIES ACT. SEE "*SUBSCRIPTION AND SALE*" AND "*NO OWNERSHIP BY U.S. PERSONS*" IN THE ACCOMPANYING OFFERING CIRCULAR.

Prescription

Under the law of the state of New York, claims for payment under the Notes are time-barred after six years from the time of breach.

Taxation

See "United States Federal Taxation" and the other sections relating to taxation in the accompanying Offering Circular.

Additional Selling Restrictions

No public offering of the Notes, or possession or distribution of any offering material in relation thereto, is permitted in any jurisdiction where action for that purpose is required unless the relevant action has been taken. This term sheet may not be used for the purpose of any offer or solicitation by anyone in any jurisdiction in which that offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

The Notes must not be offered or sold in any jurisdiction except to persons whose investment activities involve them in acquiring, holding, managing or disposing (as principal or agent) of investments of a nature similar to the Notes and who are particularly knowledgeable in investment matters.

In each member state of the European Economic Area which has implemented the Prospectus Directive (Directive 2003/71/EC), as amended by Directive 2010/73/EC, no offer of the Notes to the public (as defined for the purposes of such Directive and any implementing measures in any such member state) may be made, except in circumstances which do not result in any breach of such Directive and any such implementing measures by the offeror or the Issuer, the Dealer and their respective affiliates and for this purpose an offer shall not be treated as not requiring the publication of a prospectus pursuant to Article 3 of the Prospectus Directive, or any corresponding provision of any such implementing measures solely by virtue of the application of Article 3(2)(b) (offer to fewer than 150 persons) or any corresponding provision of any such implementing measures.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any State or other jurisdiction of the United States, and are subject to U.S. tax requirements. The Notes may not be offered, sold or delivered at any time, directly or indirectly, within the United States (which term includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America) or to or for the account or benefit of a U.S. Person (as defined in Regulation S under the Securities Act or the United States Internal Revenue Code of 1986, as amended). In purchasing the Notes, you hereby represent and warrant that you are neither

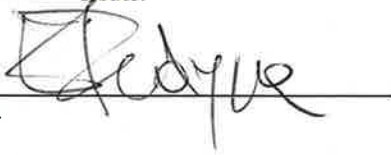
located in the United States nor a U.S. person and that you are not purchasing for, or for the account or benefit of, any such person.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: _____
Duly authorised

A handwritten signature in black ink, appearing to be "Zedye", is written over a horizontal line.

PART B – OTHER INFORMATION

1. LISTING

Listing and admission to trading:

Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the Irish Stock Exchange and trading on its Global Exchange Market with effect from December 23, 2015.

No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by December 23, 2015). The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.

Estimate of total expenses related to admission to trading: EUR 5,000

2. RATINGS

Ratings:

The Notes have not received a rating. However, the Issuer may, but is under no obligation to, apply to have the Notes rated by one or more of Standard & Poor's Ratings Services LLC, a part of McGraw Hill Financial, Moody's Investors Service Limited and/or Fitch Ratings Ltd.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE AND OFFER

Save as discussed in "*Subscription and Sale*", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4. PERFORMANCE OF RATES OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Information about the BRL/USD exchange rate, including information about the past and further performance and volatility of the Settlement Rate, can be obtained from the website of the Banco Central do Brasil (www.bcb.gov.br; see "Cotações e boletins") and other public information sources and providers, such as Bloomberg.

The Issuer does not intend to provide post-issuance information with regard to the BRL/USD exchange rate.

5. OPERATIONAL INFORMATION

ISIN:

XS1331671534

Common Code:

133167153

Form of Notes:

Registered Notes:

Global Registered Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg, and/or any other Relevant Clearing System exchangeable for Individual Note Certificates on 30 days' notice in the limited circumstances described in the Global Registered Note

Any clearing system(s) other than Euroclear Not Applicable
Bank S.A./N.V., Clearstream Banking
société anonyme, and the relevant
identification number(s):

Delivery: Delivery free of payment

Name(s) and address(es) of initial The Bank of New York Mellon
Paying Agent(s):

Name(s) and address(es) of additional Not Applicable
Paying Agent(s) (if any):