MORGAN STANLEY
Form 424B2
April 22, 2019

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Offered	*Maximum Aggregate Offering Price*	*Amount of Registration Fee*
Jump Securities with Auto-Callable Feature due 2023	$1,000,000	$121.20

April 2019

Pricing Supplement No. 1,847

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

Dated April 18, 2019

Filed pursuant to Rule 424(b)(2)

Morgan Stanley Finance LLC

Structured Investments

Opportunities in U.S. and International Equities

Jump Securities with Auto-Callable Feature due April 25, 2023

All Payments on the Securities Based on the Worst Performing of the EURO STOXX 50® Index and the SPDR® S&P® Oil & Gas Exploration & Production ETF

Fully and Unconditionally Guaranteed by Morgan Stanley

Principal at Risk Securities

The securities are unsecured obligations of Morgan Stanley Finance LLC ("MSFL"), fully and unconditionally guaranteed by Morgan Stanley, and 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. The securities will be automatically redeemed if the closing level of **each** of the EURO STOXX 50® Index and the SPDR® S&P® Oil & Gas Exploration & Production ETF, which we refer to as the underlyings, on any of the annual determination dates is greater than or equal to 90% of its respective initial level, which we refer to as the respective call threshold level, for an early redemption payment that will increase over the term of the securities, as described below. 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** its respective call threshold level, investors will receive a payment at maturity of $1,674 per $1,000 security. If the securities have not previously been redeemed and the final level of **either underlying is less than** its respective call threshold level but the final level of **each underlying is greater than or equal to** 70% of its respective initial level which we refer to as the respective downside threshold level, investors will receive the stated principal amount of their investment. However, if the securities are not redeemed prior to maturity and the final level of **either underlying is** less than its respective downside threshold level, investors will be 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 70% 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.** The securities are for investors who are willing to forego current income and participation in the appreciation of either underlying in exchange for the possibility of receiving an early redemption payment or payment at maturity greater than the stated principal amount if each underlying closes at or above the respective call threshold level on an annual determination date or the final determination date, respectively. Because all payments on the securities are based on the worst performing of the underlyings, a decline beyond the respective downside threshold level of either underlying will result in a significant loss of your investment, even if the other underlying has appreciated or has not declined as much. Investors will not participate in any appreciation of either 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:	EURO STOXX 50® Index (the "SX5E Index") and SPDR® S&P® Oil & Gas Exploration & Production ETF (the "XOP Shares")
Aggregate principal amount:	$1,000,000
Stated principal amount:	$1,000 per security
Issue price:	$1,000 per security
Pricing date:	April 18, 2019
Original issue date:	April 26, 2019 (6 business days after the pricing date)
Maturity date:	April 25, 2023
Early redemption:	If, on any annual determination date, beginning on April 20, 2020, the closing level of each underlying is greater than or equal to its respective call threshold level, the securities will be automatically redeemed for the applicable early redemption payment on the related early redemption date. **The securities will not be redeemed early on any early redemption date if the closing level of either underlying is below its respective call threshold level on the related determination date.**
Early redemption payment:	The early redemption payment will be an amount in cash per stated principal amount (corresponding to a return of

	approximately 16.85% per annum) for each annual determination date, as set forth under "Determination Dates, Early Redemption Dates and Early Redemption Payments" below. No further payments will be made on the securities once they have been redeemed.
Determination dates:	Annually. See "Determination Dates, Early Redemption Dates and Early Redemption Payments" below. The determination dates are subject to postponement for non-index business days and certain market disruption events.
Early redemption dates:	See "Determination Dates, Early Redemption Dates and Early Redemption Payments" below. If any such day is not a business day, the early redemption payment, if payable, will be paid on the next business day, and no adjustment will be made to the early redemption payment.
Downside threshold level:	With respect to the SX5E Index, 2,449.461, which is 70% of its initial level With respect to the XOP Shares, $22.267, which is 70% of its initial level
Call threshold level:	With respect to the SX5E Index, 3,149.307, which is 90% of its initial level With respect to the XOP Shares, $28.629, which is 90% of its initial level
Payment at maturity:	If the securities have not previously been redeemed, you will receive at maturity a cash payment per security as follows: · If the final level of **each underlying** is **greater than or equal to** its respective call threshold level: $1,674 · If the final level of **either underlying is less than** its respective call threshold level but the final level of **each underlying is greater than or equal to** its respective downside threshold level: $1,000 · If the final level of **either underlying** is **less than** its respective downside threshold level: $1,000 × performance factor of the worst performing underlying

	Under these circumstances, you will lose more than 30%, and possibly all, of your investment.
	Terms continued on the following page
Agent:	Morgan Stanley & Co. LLC ("MS & Co."), an affiliate of MSFL and a wholly owned subsidiary of Morgan Stanley. See "Supplemental information regarding plan of distribution; conflicts of interest."
Estimated value on the pricing date:	$974.80 per security. See "Investment Summary" beginning on page 3.

Commissions and issue price:	**Price to public**	**Agent's commissions(1)**	**Proceeds to us(2)**
Per security	$1,000	$0	$1,000
Total	$1,000,000	$0	$1,000,000

(1) *Selected dealers and their financial advisors will receive a structuring fee of $4 per security from the agent or its affiliates. MS & Co. will not receive a sales commission with respect to the securities. 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 for auto-callable securities.*

(2) *See "Use of proceeds and hedging" on page 21.*

The securities involve risks not associated with an investment in ordinary debt securities. See "Risk Factors" beginning on page 9.

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

Jump Securities with Auto-Callable Feature due April 25, 2023

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Principal at Risk Securities

Terms continued from previous page:

Initial level:	With respect to the SX5E Index, 3,499.23, which is its closing level on the pricing date With respect to the XOP Shares, $31.81, which is its closing level on the pricing date
Closing level:	With respect to the SX5E Index, the index closing value for such underlying on any index business day With respect to the XOP Shares, the closing price for such underlying on any trading day times the adjustment factor on such day
Final level:	With respect to the SX5E Index, the closing level on the final determination date With respect to the XOP Shares, the closing level on the final determination date
Adjustment factor:	With respect to the XOP Shares, 1.0, subject to adjustment in the event of certain events affecting the XOP Shares
Worst performing underlying:	The underlying with the larger percentage decrease from the respective initial level to the respective final level
Performance factor:	With respect to each underlying, the final level divided by the initial level
CUSIP / ISIN:	61768D6M2 / US61768D6M27
Listing:	The securities will not be listed on any securities exchange.

Determination Dates, Early Redemption Dates and Early Redemption Payments

Determination Dates		Early Redemption Dates		Early Redemption Payments (per $1,000 Security)
1st determination date:	4/20/2020	1st early redemption date:	4/27/2020	$1,168.50
2nd determination date:	4/19/2021	2nd early redemption date:	4/26/2021	$1,337.00
3rd determination date:	4/19/2022		4/26/2022	$1,505.50

		3rd early redemption date:	
Final determination date:	4/18/2023	See “Maturity date” above.	See “Payment at maturity” above.

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Principal at Risk Securities

Investment Summary

Jump Securities with Auto-Callable Feature

Principal at Risk Securities

The Jump Securities with Auto-Callable Feature due April 25, 2023 All Payments on the Securities Based on the Worst Performing of the EURO STOXX 50® Index and the SPDR® S&P® Oil & Gas Exploration & Production ETF (the "securities") do not provide for the regular payment of interest. Instead the securities will be automatically redeemed if the closing level of **each of** the EURO STOXX 50® Index and the SPDR® S&P® Oil & Gas Exploration & Production ETF on any annual determination date is greater than or equal to its respective call threshold level, for an early redemption payment that will increase over the term of the securities, as described below. 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** its respective call threshold level, investors will receive a payment at maturity of $1,674 per $1,000 security. If the securities have not previously been redeemed and the final level of **either** underlying is **less than** its respective call threshold level but the final level of **each** underlying is **greater than or equal to** its respective downside threshold level, investors will receive the stated principal amount of their investment. However, if the securities are not redeemed prior to maturity and the final level of **either underlying is** less than its respective downside threshold level, investors will be 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 70% 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.** Investors will not participate in any appreciation in either underlying.

Maturity:	Approximately 4 years
Automatic early redemption:	If, on any annual determination date, the closing level of each underlying is greater than or equal to its respective call threshold level, the securities will be automatically redeemed for the applicable early redemption payment on the related early redemption date.
Early redemption payment:	The early redemption payment will be an amount in cash per stated principal amount (corresponding to a return of approximately 16.85% per annum) for each annual determination date, as follows:

· 1st determination date: $1,168.50

- 2^{nd} determination date: $1,337.00
- 3^{rd} determination date: $1,505.50

No further payments will be made on the securities once they have been redeemed.

Payment at maturity:	If the securities have not previously been redeemed, you will receive at maturity a cash payment per security as follows: · If the final level of **each** underlying is **greater than or equal to** its respective call threshold level: $1,674 · If the final level of **either** underlying is **less than** its respective call threshold level but the final level of **each** underlying is **greater than or equal to** its respective downside threshold level: $1,000 · If the final level of **either** underlying is **less than** its respective downside threshold level: $1,000 × performance factor of the worst performing underlying **Under these circumstances, investors will lose a significant portion or all of their investment. Accordingly, investors in the securities must be willing to accept the risk of losing their entire initial investment.**

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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 $974.80.

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 early redemption payment amounts, the call threshold levels and the downside threshold levels, we use an internal funding rate, which is likely to be lower than our secondary market credit spreads and therefore advantageous to us. If the issuing, selling, structuring and hedging costs borne by you were lower or if the internal funding rate were higher, one or more 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 6 months following the issue date, to the extent that MS & Co. may buy or sell the securities in the secondary market, absent changes in market conditions, including those related to the 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.

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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 be automatically redeemed if the closing level of **each of** the EURO STOXX 50® Index and the SPDR® S&P® Oil & Gas Exploration & Production ETF on any annual determination date is greater than or equal to its respective call threshold level.

The following scenarios are for illustrative purposes only to demonstrate how an automatic early redemption payment or 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 prior to maturity and the payment at maturity may be less than 70% of the stated principal amount of the securities and may be zero.

Scenario 1: The securities are redeemed prior to maturity	When each underlying closes at or above its respective call threshold level on any annual determination date, the securities will be automatically redeemed for the applicable early redemption payment on the related early redemption date. Investors do not participate in any appreciation in either underlying.
Scenario 2: The securities are not redeemed prior to maturity, and investors receive a fixed positive return at maturity	This scenario assumes that at least one underlying closes below its respective call threshold level on each of the annual determination dates. Consequently, the securities are not redeemed prior to maturity. On the final determination date, each underlying closes at or above its respective call threshold level. At maturity, investors will receive a cash payment equal to $1,674 per stated principal amount. Investors do not participate in any appreciation in either underlying.
Scenario 3: The securities are not redeemed prior to maturity, and investors receive the stated principal amount at maturity	This scenario assumes that at least one underlying closes below its respective call threshold level on each of the annual determination dates. Consequently, the securities are not redeemed prior to maturity. On the final determination date, at least one underlying closes below its respective call threshold level, but the final level of each underlying is greater than or equal to its respective downside threshold level. At maturity, investors will receive a cash payment equal to the stated principal amount of $1,000 per security.
Scenario 4: The securities are not redeemed prior to	This scenario assumes that at least one underlying closes below its respective call threshold level on each of the annual determination dates. Consequently, the securities are not redeemed prior to maturity. On the final determination date, at least one underlying closes

maturity, and investors suffer a substantial loss of principal at maturity	below its respective downside threshold level. 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 significantly less than the stated principal amount and could be zero.

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Principal at Risk Securities

Hypothetical Examples

The following hypothetical examples are for illustrative purposes only. Whether the securities are redeemed prior to maturity will be determined by reference to the closing level of each underlying on each of the annual determination dates, and the payment at maturity, if any, will be determined by reference to the closing level of each underlying on the final determination date. The actual initial levels, call threshold levels and downside threshold levels are set forth on the cover of this document. Some numbers appearing in the examples below have been rounded for ease of analysis. All payments on the securities are subject to our credit risk. The below examples are based on the following terms:

Early Redemption Payment:	The early redemption payment will be an amount in cash per stated principal amount (corresponding to a return of approximately 16.85% per annum) for each annual determination date, as follows: · 1st determination date: $1,168.50 · 2nd determination date: $1,337.00 · 3rd determination date: $1,505.50 No further payments will be made on the securities once they have been redeemed.
Payment at Maturity	If the securities have not previously been redeemed, you will receive at maturity a cash payment per security as follows: · If the final level of **each** underlying is **greater than or equal to** its respective call threshold level: $1,674 · If the final level of **either** underlying is **less than** its respective call threshold level but the final level of **each** underlying is **greater than or equal to** its respective downside threshold level: $1,000

	· If the final level of **either** underlying is **less than** its respective downside threshold level: $1,000 × performance factor of the worst performing underlying. **Under these circumstances, you will lose a significant portion or all of your investment.**
Stated Principal Amount:	$1,000
Hypothetical Initial Level:	With respect to the SX5E Index: 3,500 With respect to the XOP Shares: $30.00
Hypothetical Downside Threshold Level:	With respect to the SX5E Index: 2,450, which is 70% of its hypothetical initial level With respect to the XOP Shares: $21.00, which is 70% of its hypothetical initial level
Hypothetical Call Threshold Level:	With respect to the SX5E Index: 3,150, which is 90% of its hypothetical initial level With respect to the XOP Shares: $27.00, which is 90% of its hypothetical initial level

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Automatic Call:

Example 1 — the securities are redeemed following the second determination date

Date	SX5E Closing Level	XOP Shares Closing Value	Payment (per Security)
1st Determination Date	3,600 (**at or above** the call threshold level)	$20.00 (**below** the call threshold level)	--
2nd Determination Date	3,300 (**at or above** the call threshold level)	$28.00 (**at or above** the call threshold level)	$1,337.00

In this example, on the first determination date, the closing level of one of the underlyings is at or above its respective call threshold level, but the closing level of the other underlying is below its respective call threshold level. Therefore, the securities are not redeemed. On the second determination date, the closing level of each underlying is at or above the respective call threshold level. Therefore, the securities are automatically redeemed on the second early redemption date. Investors will receive a payment of $1,337.00 per security on the related early redemption date. No further payments will be made on the securities once they have been redeemed, and investors do not participate in the appreciation in either underlying.

How to calculate the payment at maturity:

In the following examples, one or both of the underlyings close below the respective call threshold level(s) on each of the annual determination dates, and, consequently, the securities are not automatically redeemed prior to, and remain outstanding until, maturity.

	SX5E Index Final Level	XOP Shares Final Level

			Payment at Maturity (per Security)
Example 1:	3,300 (**at or above** its call threshold level)	$28.00 (**at or above** its call threshold level)	$1,674
Example 2:	2,800 (**below** its call threshold level but **at or above** its downside threshold level)	$36.00 (**at or above** its call threshold level and downside threshold level)	$1,000
Example 3:	4,375 (**at or above** its call threshold level and downside threshold level)	$15.00 (**below** its downside threshold level)	$1,000 x ($15.00 / $30.00) = $500
Example 4:	700 (**below** its downside threshold level)	$22.50 (**below** its call threshold level but **at or above** its downside threshold level)	$1,000 x (700 / 3,500) = $200
Example 5:	700 (**below** its downside threshold level)	$12.00 (**below** its downside threshold level)	$1,000 x (700 / 3,500) = $200

In example 1, the final level of each underlying is at or above its respective call threshold level. Therefore, investors receive $1,674 per security at maturity. Investors do not participate in any appreciation in either underlying.

In example 2, the final level of one of the underlyings is at or above its call threshold level and downside threshold level, but the final level of the other underlying is below its call threshold level and at or above its downside threshold level. The XOP Shares have increased 20% from the initial level to the final level and the SX5E Index has declined 20% from its initial level to its final level. Therefore, investors receive a payment at maturity equal to the stated principal amount of $1,000 per security. Investors do not participate in any appreciation in either underlying.

In example 3, the final level of one of the underlyings is at or above its call threshold level and downside threshold level, but the final level of the other underlying is below its respective downside threshold level. Therefore, investors are exposed to the downside performance of the worst performing underlying at maturity. The SX5E Index has increased 25% from its initial level to its final level and the XOP Shares have declined 50% from the initial level to the final level. Therefore, investors receive at maturity an amount equal to the stated principal amount times the performance factor of the XOP Shares, which represent the worst performing underlying in this example.

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In example 4, the final level of one of the underlyings is below its call threshold level but at or above its downside threshold level, while the final level of the other underlying is below its respective downside threshold level. Therefore, investors are exposed to the downside performance of the worst performing underlying at maturity. The XOP Shares have declined 25% from the initial level to the final level and the SX5E Index has declined 80% from its initial level to its final level. Therefore, investors receive at maturity an amount equal to the stated principal amount times the performance factor of the SX5E Index, which is the worst performing underlying in this example.

In example 5, 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. The SX5E Index has declined 80% from its initial level to its final level and the XOP Shares have declined 60% from the initial level to the final level. Therefore, the payment at maturity equals the stated principal amount *times* the performance factor of the SX5E Index, which is the worst performing underlying in this example.

If the securities are not redeemed prior to maturity and the final level of either 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 70% of the stated principal amount per security and could be zero.

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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 pay interest or guarantee the return of any principal.** The terms of the securities differ from those of ordinary debt securities in that they do not pay interest or guarantee the return of any of the principal amount at maturity. If the securities have not been automatically redeemed prior to maturity and the final level of **either underlying** is less than its respective downside threshold level of 70% of its initial level, you will be exposed to the decline in the value 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 *times* the performance factor of the worst performing underlying. In this case, the payment at maturity will be less than 70% of the stated principal amount and could be zero.

§ **The appreciation potential of the securities is limited by the fixed early redemption payment or payment at maturity specified for each determination date.** The appreciation potential of the securities is limited to the fixed early redemption payment specified for each determination date if each underlying closes at or above its respective call threshold level on any annual determination date, or to the fixed upside payment at maturity if the securities have not been redeemed and the final level of each underlying is at or above its call threshold level. In all cases, you will not participate in any appreciation of either underlying, which could be significant.

§ **You are exposed to the price risk of each underlying.** Your return on the securities is not linked to a basket consisting of each underlying. 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 **either underlying** over the term of the securities may negatively affect your return and will not be offset or mitigated by any positive performance by the other underlying. To receive an early redemption payment, **each underlying** must close at or above its respective call threshold level on the applicable determination date. In addition, if the securities have not been redeemed and **at least one underlying** has declined to below its respective downside threshold level as of the final determination 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 the other underlying has appreciated or has not declined as much. Under this scenario, the value of any such payment at maturity will be less than 70% of the stated principal amount and could be zero. Accordingly, your investment is subject to the price risk of each underlying.

§ **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 initial level, call threshold level and downside threshold 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 the underlyings and the stocks constituting the SX5E Index and the share underlying index,

o geopolitical conditions and economic, financial, political, regulatory or judicial events that affect the underlyings or equity markets generally and which may affect the levels of the underlyings,

o dividend rates on the stocks constituting the SX5E Index and the S&P® Oil & Gas Exploration & Production Select Industry Index®,

o the time remaining until the securities mature,

o interest and yield rates in the market,

o the availability of comparable instruments,

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Principal at Risk Securities

- o the occurrence of certain events affecting the underlyings that may or may not require an adjustment to the adjustment factor,

- o the exchange rates of the U.S. dollar relative to the currencies in which the stocks constituting the share underlying index trade, 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. For example, you may have to sell your securities at a substantial discount from the stated principal amount of $1,000 per security if the price of either underlying at the time of sale is near or below its downside threshold level or if market interest rates rise.

You cannot predict the future performance of either underlying based on its historical performance. The value(s) of one or both of the underlyings may decrease so that you will receive no return on your investment and receive a payment at maturity that is less than 70% of the stated principal amount. See "EURO STOXX 50® Index Overview" and "SPDR® S&P® Oil & Gas Exploration & Production ETF Overview" below**.**

§ **The securities are subject to our credit risk, and any actual or anticipated changes to our credit ratings or credit spreads may adversely affect the market value of the securities.** You are dependent on our ability to pay all amounts due on the securities upon an early redemption or at maturity and therefore you are subject to our credit risk. 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 EURO STOXX 50® Index and are subject to risks associated with investments in securities linked to the value of foreign equity securities.** As the EURO STOXX 50® Index is one of the underlyings, the securities are linked to the value of foreign equity securities. Investments in securities linked to the value of foreign equity securities involve risks associated with the securities markets in those countries, including risks of volatility in those markets, governmental intervention in those markets and cross-shareholdings in companies in certain countries. Also, there is generally less publicly available information about foreign companies than about U.S. companies that are subject to the reporting requirements of the United States Securities and Exchange Commission, and foreign companies are subject to accounting, auditing and financial reporting standards and requirements different from those applicable to U.S. reporting companies. The prices of securities issued in foreign markets may be affected by political, economic, financial and social factors in those countries, or global regions, including changes in government, economic and fiscal policies and currency exchange laws. Local securities markets may trade a small number of securities and may be unable to respond effectively to increases in trading volume, potentially making prompt liquidation of holdings difficult or impossible at times. Moreover, the economies in such countries may differ favorably or unfavorably from the economy in the United States in such respects as growth of gross national product, rate of inflation, capital reinvestment, resources, self-sufficiency and balance of payment positions between countries.

§ **Investing in the securities exposes investors to risks associated with investments in securities with a concentration in the oil and gas exploration and production industry**. The stocks included in the S&P® Oil & Gas Exploration & Production Select Industry Index® (the “share underlying index”) and that are generally tracked by the XOP Shares are stocks of companies whose primary business is associated with the exploration and production of oil

Morgan Stanley Finance LLC

Jump Securities with Auto-Callable Feature due April 25, 2023

All Payments on the Securities Based on the Worst Performing of the EURO STOXX 50® Index and the SPDR® S&P® Oil & Gas Exploration & Production ETF

Principal at Risk Securities

and gas. As a result, the value of the securities may be subject to greater volatility and may be more adversely affected by a single economic, political or regulatory occurrence affecting this industry than a different investment linked to securities of a more broadly diversified group of issuers or issuers in a less volatile industry. The oil and gas industry is significantly affected by a number of factors that influence worldwide economic conditions and oil and gas prices, such as natural disasters, supply disruptions, geopolitical events and other factors that may offset or magnify each other, including:

- worldwide and domestic supplies of, and demand for, crude oil and natural gas;
- the cost of exploring for, developing, producing, refining and marketing crude oil and natural gas;
- consumer confidence;
- changes in weather patterns and climatic changes;
- the ability of the members of Organization of Petroleum Exporting Countries (OPEC) and other producing nations to agree to and maintain production levels;
- the worldwide military and political environment, uncertainty or instability resulting from an escalation or additional outbreak of armed hostilities or further acts of terrorism in the United States, or elsewhere;
- the price and availability of alternative and competing fuels;
- domestic and foreign governmental regulations and taxes;
- employment levels and job growth; and
- general economic conditions worldwide.

These or other factors or the absence of such factors could cause a downturn in the oil and natural gas industries generally or regionally and could cause the value of some or all of the component stocks included in the share underlying index to decline during the term of the securities.

§ **Adjustments to the SX5E Index could adversely affect the value of the securities.** The publisher of the SX5E Index may add, delete or substitute the stocks constituting the SX5E Index or make other methodological changes that could change the value of the SX5E Index. The publisher of the SX5E Index may discontinue or suspend calculation or publication of the SX5E Index at any time. In these circumstances, the calculation agent will have the sole discretion to substitute a successor index that is comparable to the discontinued underlying index and is not precluded from considering indices that are calculated and published by the calculation agent or any of its affiliates. If the calculation agent determines that there is no appropriate successor index, the payment at maturity on the securities will be an amount based on the closing prices at maturity of the securities composing the SX5E Index at the time of such discontinuance, without rebalancing or substitution, computed by the calculation agent in accordance with the formula for calculating the SX5E Index last in effect prior to discontinuance of the SX5E Index.

§ **Adjustments to the XOP Shares or the index tracked by the XOP Shares could adversely affect the value of the securities.** The investment adviser to the SPDR® S&P® Oil & Gas Exploration & Production ETF, SSgA Funds Management, Inc. (the "Investment Adviser"), seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the share underlying index. Pursuant to its investment strategies or otherwise, the Investment Adviser may add, delete or substitute the stocks composing SPDR® S&P® Oil & Gas Exploration & Production ETF. Any of these actions could adversely affect the price of the XOP Shares and, consequently, the value of the securities. MSCI Inc. ("MSCI") is responsible for calculating and maintaining the share underlying index. MSCI may add, delete or substitute the stocks constituting the share underlying index or make other methodological changes that could change the level of the share underlying index. MSCI may discontinue or suspend calculation or publication of the share underlying index at any time. In these circumstances, the calculation agent will have the sole discretion to substitute a successor index that is comparable to the discontinued share underlying index and is permitted to consider indices that are calculated and published by the calculation agent or any of its affiliates. Any of these actions could adversely affect the price of the XOP Shares and, consequently, the value of the securities.

§ **The performance and market price of the XOP 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 XOP Shares. The XOP 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 XOP 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 XOP Shares and the share underlying index. In addition, corporate actions (such as mergers and spin-offs) with respect to the equity securities underlying the XOP Shares may impact the variance between the performances of XOP Shares and the share underlying index. Finally, because the shares of the XOP Shares are traded on an exchange and are subject to market supply and investor demand, the market price of one share of the XOP Shares may differ from the net asset value per share of the XOP Shares.

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

For all of the foregoing reasons, the performance of the XOP 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 XOP Shares. Any of these events could materially and adversely affect the price of the shares of the XOP Shares and, therefore, the value of the securities. Additionally, if market volatility or these events were to occur on the final determination 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 XOP Shares on the final determination date, even if the XOP 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 XOP Shares.

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

§ **Not equivalent to investing in the underlyings or the stocks composing the SX5E Index or the share underlying index.** Investing in the securities is not equivalent to investing in the underlyings or the stocks that constitute the SX5E Index or the share underlying index. Investors in the securities will not participate in any positive performance of either 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 SX5E Index or the share underlying index.

§ **Reinvestment risk.** The term of your investment in th