

## INTEREST RATE STRUCTURED INVESTMENTS

### Senior Fixed Rate Step-Up Callable Notes due June 24, 2024

#### Global Medium Term Notes, Series F

We, Morgan Stanley, have the right to redeem the notes on any monthly redemption date, beginning June 24, 2011. The amount of interest payable on the notes will increase in increments after the first five years and every five years thereafter. We describe the basic features of these notes in the sections of the accompanying prospectus called "Description of Debt Securities – Description of Fixed Rate Debt Securities" and prospectus supplement called "Description of Notes," subject to and as modified by the provisions described below. All payments on the notes, including the repayment of principal, are subject to the credit risk of Morgan Stanley.

PRELIMINARY TERMS	
<b>Issuer:</b>	Morgan Stanley
<b>Issuer Ratings:</b>	Moody's: A2 (negative outlook) / S&P: A (negative outlook)*
<b>Aggregate principal amount:</b>	\$ . We may increase the aggregate principle amount prior to the original issue date but are not required to do so.
<b>Stated principal amount:</b>	\$1,000
<b>Issue price:</b>	\$1,000 (100%)
<b>Pricing date:</b>	June , 2009
<b>Original issue date:</b>	June 24, 2009 ( business days after the pricing date)
<b>Interest accrual date:</b>	June 24, 2009
<b>Maturity date:</b>	June 24, 2024
<b>Interest rate:</b>	5.25%, from and including the original issue date to but excluding June 24, 2014 7.00%, from and including June 24, 2014 to but excluding June 24, 2019 10.00%, from and including June 24, 2019 to but excluding June 24, 2024
<b>Interest payment period:</b>	Monthly
<b>Interest payment dates:</b>	The 24 <sup>th</sup> day of each calendar month, beginning July 24, 2009; provided that if any such day is not a business day, that interest payment will be made on the next succeeding business day and no adjustment will be made to any interest payment made on that succeeding business day.
<b>Day-count convention:</b>	30/360
<b>Redemption:</b>	Beginning June 24, 2011, we have the right to redeem all of these notes on any redemption date and pay to you 100% of the stated principal amount per note plus accrued and unpaid interest to but excluding the date of such redemption. If we decide to redeem the notes, we will give you notice at least 10 calendar days before the redemption date specified in the notice.
<b>Redemption percentage at redemption date:</b>	100%
<b>Redemption dates:</b>	The 24 <sup>th</sup> day of each calendar month, beginning June 24, 2011.
<b>Specified currency:</b>	U.S. dollars
<b>Trustee:</b>	The Bank of New York Mellon
<b>Calculation agent:</b>	The Bank of New York Mellon
<b>Listing:</b>	The notes will not be listed on any securities exchange.
<b>Denominations:</b>	\$1,000 / \$1,000
<b>CUSIP:</b>	61745E2N0
<b>Book-entry or certificated note:</b>	Book-entry
<b>Business day:</b>	New York
<b>Agent:</b>	Morgan Stanley & Co. Incorporated

Commissions and Issue Price:	Price to Public	Agent's Commissions <sup>(1)</sup>	Proceeds to Company
<b>Per Note:</b>	100%	2%	98%
<b>Total:</b>	\$	\$	\$

(1) For additional information, see "Plan of Distribution" in the accompanying prospectus supplement.

\* Both ratings listed above have been assigned to the issuer and reflect each rating agency's views of the likelihood that we will honor our obligation to pay the principal amount at maturity and the interest, if any, payable under the terms of the notes and do not address the price at which the notes may be resold prior to maturity, which may be substantially less than the issue price of the notes. The ratings assigned by the rating agencies reflect only the views of the respective rating agencies, are not recommendations to buy, sell or hold the notes and are subject to revision or withdrawal at any time by such rating agencies in their sole discretion. Each rating should be evaluated independently of any other rating.

**YOU SHOULD READ THIS DOCUMENT TOGETHER WITH THE RELATED PROSPECTUS SUPPLEMENT AND PROSPECTUS, EACH OF WHICH CAN BE ACCESSED VIA THE HYPERLINKS BELOW, BEFORE YOU DECIDE TO INVEST.**

[Prospectus Supplement dated December 23, 2008](#)

[Prospectus dated December 23, 2008](#)

**THE NOTES ARE NOT BANK DEPOSITS AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK. FURTHERMORE, THE NOTES WILL NOT BE GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION UNDER THE FDIC'S TEMPORARY LIQUIDITY GUARANTEE PROGRAM.**

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in this offering will arrange to send you the prospectus if you request it by calling toll-free 1-800-584-6837.

## Risk Factors

*The notes involve risks not associated with an investment in ordinary fixed rate notes. This section describes the most significant risks relating to the notes. For a complete list of risk factors, please see the accompanying prospectus supplement and the accompanying prospectus. You should carefully consider whether the notes are suited to your particular circumstances before you decide to purchase them. Accordingly, prospective investors should consult their financial and legal advisors as to the risks entailed by an investment in the notes and the suitability of the notes in light of their particular circumstances.*

- **Early Redemption Risk.** The issuer retains the option to redeem the notes on any redemption date beginning on June 24, 2011. It is more likely that the issuer will redeem the notes prior to their stated maturity date to the extent that the interest payable on the notes is greater than the interest that would be payable on other instruments of the issuer of a comparable maturity, terms and credit rating trading in the market. If the notes are redeemed prior to their stated maturity date, you may have to re-invest the proceeds in a lower rate environment.
- **Investors Are Subject to Our Credit Risk, and Our Credit Ratings and Credit Spreads May Adversely Affect the Market Value of the Notes.** Investors are dependent on our ability to pay all amounts due on the notes on interest payment dates, redemption dates and at maturity, and, therefore, investors are subject to our credit risk and to changes in the market's view of our creditworthiness. Any 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 notes.
- **The Price At Which The Notes May Be Resold Prior To Maturity Will Depend On A Number Of Factors and May Be Substantially Less Than The Amount For Which They Were Originally Purchased.** Some of these factors include, but are not limited to: (i) changes in U.S. interest rates, (ii) any actual or anticipated changes in our credit ratings or credit spreads, and (iii) time remaining to maturity.
- **The Inclusion Of Commissions and Projected Profit From Hedging In The Original Issue Price Is Likely To Adversely Affect Secondary Market Prices.** Assuming no change in market conditions or any other relevant factors, the price, if any, at which Morgan Stanley & Co. Incorporated ("MS & Co.") is willing to purchase notes in secondary market transactions will likely be lower than the original issue price, since the original issue price will include, and secondary market prices are likely to exclude, commissions paid with respect to the notes, as well as the cost of hedging our obligations under the notes. The cost of hedging includes the projected profit that our subsidiaries may realize in consideration for assuming the risks inherent in managing the hedging transactions. In addition, any secondary market prices may differ from values determined by pricing models used by MS & Co., as a result of dealer discounts, mark-ups or other transaction costs.
- **The Notes Will Not Be Listed on Any Securities Exchange and Secondary Trading May be Limited.** The notes will not be listed on any securities exchange. Therefore, there may be little or no secondary market for the notes. MS & Co. may, but is not obligated to, make a market in the notes. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the notes easily. Because we do not expect that other broker-dealers will participate significantly in the secondary market for the notes, the price at which you may be able to trade your notes is likely to depend on the price, if any, at which MS & Co. is willing to transact. If at any time MS & Co. were not to make a market in the notes, it is likely that there would be no secondary market for the notes. Accordingly, you should be willing to hold your notes to maturity.
- **Issuer or Its Affiliates are Market Participants.** The issuer or one or more of its affiliates may, at present or in the future, publish research reports with respect to movements in interests rates generally. This research is modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the notes. Any of these activities may affect the market value of the notes.

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### Supplemental Information Concerning Plan of Distribution

We expect to deliver the notes against payment therefor in New York, New York on June 24, 2009, which will be the scheduled business day following the date of the pricing of the notes. Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes on the date of pricing or on or prior to the third business day prior to the original issue date will be required to specify alternative settlement arrangements to prevent a failed settlement.

### Contact Information

Morgan Stanley clients may contact their local Morgan Stanley branch office or our principal executive offices at 1585 Broadway, New York, New York 10036 (telephone number (866) 477-4776). All other clients may contact their local brokerage representative. Third-party distributors may contact Morgan Stanley Structured Investment Sales at (800) 233-1087.