

MORGAN STANLEY  
 Form 424B2  
 August 28, 2018

***CALCULATION OF REGISTRATION FEE***

<i>Title of Each Class of Securities Offered</i>	<i>Maximum Aggregate Offering Price</i>	<i>Amount of Registration Fee</i>
Callable Contingent Income Securities due 2023	\$1,000,000	\$124.50

**August 2018**

Pricing Supplement No. 883  
 Registration Statement Nos. 333-221595; 333-221595-01  
 Dated August 24, 2018  
 Filed pursuant to Rule 424(b)(2)

Morgan Stanley Finance LLC

Structured Investments

Opportunities in U.S. Equities

Callable Contingent Income Securities due August 29, 2023

**Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>**

**Fully and Unconditionally Guaranteed by Morgan Stanley**

**Principal at Risk Securities**

The securities are unsecured obligations of Morgan Stanley Finance LLC (“MSFL”) and are fully and unconditionally guaranteed by Morgan Stanley. The securities have the terms described in the accompanying prospectus supplement, index supplement and prospectus, as supplemented or modified by this document. The securities do not guarantee the repayment of principal and do not provide for the regular payment of interest. Instead, the securities will pay a contingent quarterly coupon **but only if** the index closing value of **each of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>** on the related observation date is **at or above 60% of its respective initial index value**, which we refer to as the respective coupon barrier level. If the index closing value **of either underlying index** is less than the coupon barrier level for such index on any observation date, we will pay no interest for the related quarterly period. In addition, beginning on August 29, 2019, **we will have the right to redeem the securities at our discretion on any quarterly redemption date** for a redemption payment equal to the sum of the stated principal amount plus

any contingent quarterly coupon otherwise due with respect to the related observation date. An early redemption of the securities will be at our discretion and will not automatically occur based on the performance of the underlying index. At maturity, if the securities have not previously been redeemed and the final index value of **each** underlying index is greater than or equal to 60% of the respective initial index value, which we refer to as the downside threshold level, the payment at maturity will be the stated principal amount and the related contingent quarterly coupon. If, however, the final index value of **either** underlying index is less than its downside threshold level, investors will be exposed to the decline in the worst performing underlying index on a 1-to-1 basis and will receive a payment at maturity that is less than 60% 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 based on the performance of either underlying index and also the risk of not receiving any quarterly coupons during the entire five-year term of the securities.** Because payments on the securities are based on the worst performing of the underlying indices, a decline beyond the respective coupon barrier level and/or respective downside threshold level, as applicable, of **either** underlying index will result in few or no contingent quarterly coupons and/or a significant loss of your investment, as applicable, even if the other underlying index has appreciated or has not declined as much. Investors will not participate in any appreciation in either underlying index. These long-dated securities are for investors who are willing to risk their principal and seek an opportunity to earn interest at a potentially above-market rate in exchange for the risk of receiving no quarterly interest if **either underlying index** closes below the coupon barrier level for such index on the observation dates, and the risk of an early redemption of the securities at our discretion. 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

<b>Issuer:</b>	Morgan Stanley Finance LLC
<b>Guarantor:</b>	Morgan Stanley
<b>Underlying indices:</b>	Russell 2000 <sup>®</sup> Index (the "RTY Index") and Dow Jones Industrial Average <sup>SM</sup> (the "INDU Index")
<b>Aggregate principal amount:</b>	\$1,000,000
<b>Stated principal amount:</b>	\$1,000 per security
<b>Issue price:</b>	\$1,000 per security (see "Commissions and issue price" below)
<b>Pricing date:</b>	August 24, 2018
<b>Original issue date:</b>	August 29, 2018 (3 business days after the pricing date)
<b>Maturity date:</b>	August 29, 2023
<b>Optional early redemption:</b>	Beginning on August 29, 2019, we will have the right to redeem the securities, <b>at our discretion</b> , in whole but not in part, on any quarterly redemption date for the redemption payment. If we decide to redeem the securities, we will give you notice at least 3 business days before the redemption date specified in the notice. No further payments will be made on the securities once they have been redeemed.
<b>Contingent quarterly coupon:</b>	If, on any observation date, the index closing value of <b>each underlying index</b> is <b>greater than or equal to</b> its respective coupon barrier level, we will pay a contingent quarterly coupon at an annual rate of 5.30% (corresponding to approximately \$13.25 per quarter per security) on the related

contingent coupon payment date.

If, on any observation date, the closing value of **either underlying index** is **less than** the coupon barrier level for such index, no contingent quarterly coupon will be paid with respect to that observation date. **It is possible that one or both underlying indices will remain below the respective coupon barrier level(s) for extended periods of time or even throughout the entire term of the securities so that you will receive few or no contingent quarterly coupons.**

If the securities have not previously been redeemed, investors will receive on the maturity date a payment at maturity determined as follows:

If the final index value of **each** underlying index is **greater than or equal to** its respective downside threshold level: the stated principal amount and the contingent quarterly coupon with respect to the final observation date.

**Payment at maturity:**

If the final index value of **either** underlying index is **less than** its respective downside threshold level: (i) the stated principal amount *multiplied by* (ii) the index performance factor of the worst performing underlying index. Under these circumstances, the payment at maturity will be less than 60% of the stated principal amount of the securities and could be zero.

***Terms continued on the following page***

**Agent:**

Morgan Stanley & Co. LLC (“MS & Co.”), an affiliate of MSFL and a wholly owned subsidiary of Morgan Stanley. See “Supplemental information regarding plan of distribution; conflicts of interest.”

**Estimated value on the pricing date:**

\$938.40 per security. See “Investment Overview” beginning on page 3.

<b>Commissions and issue price:</b>	<b>Price to public<sup>(1)</sup></b>	<b>Agent’s commissions<sup>(2)</sup></b>	<b>Proceeds to us<sup>(3)</sup></b>
<b>Per security</b>	\$1,000	\$41.25	\$958.75
<b>Total</b>	\$1,000,000	\$41,250	\$958,750

(1) *The price to public for investors purchasing the securities in fee-based advisory accounts will be \$970 per security.*

(2) *Selected dealers and their financial advisors will collectively receive from the agent, MS & Co., a fixed sales commission of \$41.25 for each security they sell; provided that dealers selling to investors purchasing the securities in fee-based advisory accounts will receive a sales commission of \$11.25 per security. See “Supplemental information regarding plan of distribution; conflicts of interest.” For additional information, see “Plan of*

*Distribution (Conflicts of Interest)” in the accompanying prospectus supplement.*

(3) *See “Use of proceeds and hedging” on page 28.*

The securities involve risks not associated with an investment in ordinary debt securities. See “Risk Factors” beginning on page 11.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved these securities, or determined if this document or the accompanying prospectus 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 prospectus supplement, index supplement and prospectus, each of which can be accessed via the hyperlinks below. Please also see “Additional Information About the Securities” at the end of this document.

References to “we,” “us” and “our” refer to Morgan Stanley or MSFL, or Morgan Stanley and MSFL collectively, as the context requires.

[Prospectus Supplement dated November 16, 2017](#)

[Index Supplement dated November 16, 2017](#)

[Prospectus](#)

[dated November 16, 2017](#)

Morgan Stanley Finance LLC

**Callable Contingent Income Securities due August 29, 2023****Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>****Principal at Risk Securities***Terms continued from previous page:*

<b>Redemption payment:</b>	The redemption payment will be an amount equal to (i) the stated principal amount <i>plus</i> (ii) any contingent quarterly coupon otherwise due with respect to the related observation date.
<b>Redemption dates:</b>	Beginning on August 29, 2019, quarterly. See “Observation Dates, Coupon Payment Dates and Redemption Dates” below. If any such day is not a business day, the redemption payment will be made on the next succeeding business day and no adjustment will be made to any redemption payment made on that succeeding business day.
<b>Initial index value:</b>	With respect to the RTY Index: 1,725.671, which is the index closing value of such index on the pricing date
<b>Final index value:</b>	With respect to the INDU Index: 25,790.35, which is the index closing value of such index on the pricing date
<b>Worst performing underlying index:</b>	With respect to each underlying index, the respective index closing value on the final observation date
<b>Index performance factor:</b>	The underlying index with the larger percentage decrease from the respective initial index value to the respective final index value
<b>Coupon barrier level:</b>	Final index value <i>divided by</i> the initial index value
<b>Downside threshold level:</b>	With respect to the RTY Index: 1,035.403, which is approximately 60% of the initial index value for such index
<b>Coupon payment dates:</b>	With respect to the INDU Index: 15,474.21, which is 60% of the initial index value for such index
	With respect to the RTY Index: 1,035.403, which is approximately 60% of the initial index value for such index
	With respect to the INDU Index: 15,474.21, which is 60% of the initial index value for such index
	Quarterly, as set forth under “Observation Dates, Coupon Payment Dates and Redemption Dates ” below. If any such day is not a business day, that contingent quarterly coupon, if any, will be paid on the next succeeding business day and no adjustment will be made to any coupon payment made on that succeeding business day; <i>provided further</i> that the contingent quarterly coupon, if any, with respect to the final observation date shall be paid on the maturity date.

Edgar Filing: MORGAN STANLEY - Form 424B2

**Observation dates:** Quarterly, as set forth under “Observation Dates, Coupon Payment Dates and Redemption Dates” below, subject to postponement for non-index business days and certain market disruption events. We also refer to August 24, 2023 as the final observation date.

**CUSIP / ISIN:** 61768DCE3 / US61768DCE31

**Listing:** The securities will not be listed on any securities exchange.

Observation Dates, Coupon Payment Dates and Redemption Dates

<b>Observation Dates</b>	<b>Coupon Payment Dates / Redemption Dates</b>
November 26, 2018	November 29, 2018*
February 25, 2019	February 28, 2019*
May 24, 2019	May 30, 2019*
August 26, 2019	August 29, 2019
November 25, 2019	November 29, 2019
February 24, 2020	February 27, 2020
May 26, 2020	May 29, 2020
August 24, 2020	August 27, 2020
November 24, 2020	November 30, 2020
February 24, 2021	March 1, 2021
May 24, 2021	May 27, 2021
August 24, 2021	August 27, 2021
November 24, 2021	November 30, 2021
February 24, 2022	March 1, 2022
May 24, 2022	May 27, 2022
August 24, 2022	August 29, 2022
November 25, 2022	November 30, 2022
February 24, 2023	March 1, 2023
May 24, 2023	May 30, 2023
August 24, 2023 (final observation date)	August 29, 2023 (maturity date)

\*The securities are not subject to early redemption at the issuer’s option until the fourth coupon payment date, which is August 29, 2019

Morgan Stanley Finance LLC

**Callable Contingent Income Securities due August 29, 2023**

**Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>**

**Principal at Risk Securities**

Investment Overview

Callable Contingent Income Securities

Principal at Risk Securities

Callable Contingent Income Securities due August 29, 2023 Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup> (the “securities”) do not guarantee the repayment of principal and do not provide for the regular payment of interest. Instead, the securities will pay a contingent quarterly coupon **but only if** the index closing value of **each of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>** (which we refer to together as the “underlying indices”) is **at or above** 60% of its respective initial index value, which we refer to as the respective coupon barrier level, on the related observation date. If the index closing value **of either underlying index** is less than the coupon barrier level for such index on any observation date, we will pay no coupon for the related quarterly period. It is possible that the index closing value of one or both underlying indices will remain below the respective coupon barrier level(s) for extended periods of time or even throughout the entire term of the securities so that you will receive few or no contingent quarterly coupons during the entire five-year term of the securities. Even if an underlying index were to be at or above the coupon barrier level for such index on some quarterly observation dates, it may fluctuate below the coupon barrier level on others. In addition, even if one underlying index were to be at or above the coupon barrier level for such index on all quarterly observation dates, you will receive a contingent quarterly coupon only with respect to the observation dates on which the other underlying index is also at or above the coupon barrier level for such index, if any. In addition, beginning on August 29, 2019, **we will have the right to redeem the securities at our discretion** on any quarterly redemption date for the redemption payment equal to the sum of the stated principal amount plus any contingent quarterly coupon otherwise due with respect to the related observation date. At maturity, if the securities have not been previously redeemed and if the final index value of **each** underlying index is greater than or equal to 60% of the respective initial index value, which we refer to as the downside threshold level, the payment at maturity will be the stated principal amount and the related contingent quarterly coupon. If, however, the final index value of **either** underlying index is less than its downside threshold level, investors will be exposed to the decline in the worst performing underlying index on a 1-to-1 basis and will receive a payment at maturity that is less than 60% 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 based on the performance of either index and also the risk of not receiving any quarterly coupons throughout the entire term of the securities.**

Maturity: 5 years, unless redeemed earlier at our discretion

If, on any observation date, the index closing value of **each underlying index is greater than or equal to** its respective coupon barrier level, we will pay a contingent quarterly coupon at an annual rate of 5.30% (corresponding to approximately \$13.25 per quarter per security) on the related contingent coupon payment date.

Contingent  
quarterly  
coupon:

If, on any observation date, the closing value **of either underlying index is less than** the coupon barrier level for such index, no contingent quarterly coupon will be paid with respect to that observation date. **It is possible that one or both underlying indices will remain below the respective coupon barrier level(s) for extended periods of time or even throughout the entire term of the securities so that you will receive few or no contingent quarterly coupons.**

Early  
redemption at  
the option of  
the issuer:

Beginning on August 29, 2019, we have the right to redeem the securities on any quarterly redemption date for an early redemption payment equal to the stated principal amount plus any contingent quarterly coupon otherwise due with respect to the related observation date. Any early redemption of the securities will be at our discretion and will not automatically occur based on the performance of the underlying indices. It is more likely that we will redeem the securities when it would otherwise be advantageous for you to continue to hold the securities. As such, we will be more likely to redeem the securities when the index closing value of each underlying index on the observation dates is at or above its respective coupon barrier level, which would otherwise result in an amount of interest payable on the securities that is greater than instruments of a comparable maturity and credit rating trading in the market. In other words, we will be more likely to redeem the securities at a time when the securities are paying an above-market coupon. If the securities are redeemed prior to maturity, you will receive no more contingent quarterly coupon payments, may be forced to invest in a lower interest rate environment and may not be able to reinvest at comparable terms or returns.



Morgan Stanley Finance LLC

**Callable Contingent Income Securities due August 29, 2023**

**Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>**

**Principal at Risk Securities**

On the other hand, we will be less likely to exercise our redemption right when the index closing value of either underlying index is below its respective coupon barrier level and/or when the final index value of either underlying index is expected to be below the downside threshold level, such that you will receive no contingent quarterly coupons and/or that you will suffer a significant loss on your initial investment in the securities at maturity. Therefore, if we do not exercise our redemption right, it is more likely that you will receive few or no contingent quarterly coupons and suffer a significant loss at maturity.

If the securities have not previously been redeemed, investors will receive on the maturity date a payment at maturity determined as follows:

Payment at maturity:

If the final index value of **each** underlying index is **greater than or equal to** its respective downside threshold level: the stated principal amount and the contingent quarterly coupon with respect to the final observation date.

If the final index value of **either** underlying index is **less than** its respective downside threshold level: (i) the stated principal amount *multiplied by* (ii) the index performance factor of the worst performing underlying index. Under these circumstances, the payment at maturity will be less than 60% of the stated principal amount of the securities and could be zero.

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.

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 \$938.40.

*What goes into the estimated value on the pricing date?*

In valuing the securities on the pricing date, we take into account that the securities comprise both a debt component and a performance-based component linked to the underlying indices. The estimated value of the securities is determined using our own pricing and valuation models, market inputs and assumptions relating to the underlying indices, instruments based on the underlying indices, volatility and other factors including current and expected interest rates, as well as an interest rate related to our secondary market credit spread, which is the implied interest rate at which our conventional fixed rate debt trades in the secondary market.

*What determines the economic terms of the securities?*

In determining the economic terms of the securities, including the contingent quarterly coupon rate, the coupon barrier 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 underlying indices, 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

Morgan Stanley Finance LLC

**Callable Contingent Income Securities due August 29, 2023**

**Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>**

**Principal at Risk Securities**

market conditions, including those related to the underlying indices, 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.

August 2018 Page 5

Morgan Stanley Finance LLC

**Callable Contingent Income Securities due August 29, 2023****Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>****Principal at Risk Securities**

## Key Investment Rationale

The securities do not provide for the regular payment of interest and instead will pay a contingent quarterly coupon **but only if** the index closing value of **each underlying index** is **at or above 60%** of its initial index value, which we refer to as the respective coupon barrier level, on the related observation date. These securities are for investors who are willing to risk their principal and seek an opportunity to earn interest at a potentially above-market rate in exchange for the risk of receiving no quarterly interest if either underlying index closes below the coupon barrier level for such index on the observation dates, and the risk of an early redemption of the securities at our discretion. The following scenarios are for illustration purposes only to demonstrate how the payment at maturity and contingent quarterly coupon (if the securities have not previously been redeemed) are determined, and do not attempt to demonstrate every situation that may occur. Accordingly, the securities may or may not be redeemed by us at our discretion, the contingent quarterly coupon may be payable with respect to none of, or some but not all of, the quarterly periods, and the payment at maturity may be less than 60% of the stated principal amount and could be zero. Investors will not participate in any appreciation in either underlying index.

**Scenario 1:** The securities are redeemed prior to maturity.

This scenario assumes that we redeem the securities at our discretion prior to the maturity date on one of the quarterly redemption dates, starting on August 29, 2019, one year after the original issue date, for the redemption payment equal to the stated principal amount *plus* any contingent quarterly coupon with respect to the relevant observation date, as applicable. Prior to the optional early redemption, each underlying index closes at or above its respective coupon barrier level on some or all of the quarterly observation dates. In this scenario, investors receive the contingent quarterly coupon with respect to each such observation date, but not for the quarterly periods for which one of both underlying indices close below the respective coupon barrier level on the related observation date. No further payments will be made on the securities once they have been redeemed.

**Scenario 2:** The securities are not redeemed prior to maturity, and investors receive principal back at maturity.

This scenario assumes that we do not exercise our redemption right on any of the quarterly redemption dates, and, as a result, investors hold the securities to maturity. During the term of the securities, each underlying index closes at or above its respective coupon barrier level on some quarterly observation dates, but one or both underlying indices close below the respective coupon barrier level(s) for such index on the others. Investors will receive the contingent quarterly coupon for the quarterly periods for which the index closing value of each underlying index is at or above its respective coupon barrier level on the related observation date, but not for the quarterly periods for which one or both underlying indices close below the respective coupon barrier level(s) on the related observation date. On the final observation date, each underlying index closes at or above its downside threshold level. At maturity, investors receive

the stated principal amount and the contingent quarterly coupon with respect to the final observation date.

**Scenario 3:** The securities are not redeemed prior to maturity, and investors suffer a substantial loss of principal at maturity.

This scenario assumes that we do not exercise our redemption right on any of the quarterly redemption dates, and, as a result, investors hold the securities to maturity. During the term of the securities, one or both underlying indices close below the respective coupon barrier level(s) on every quarterly observation date. Since one or both underlying indices close below the respective coupon barrier level(s) on every quarterly observation date, investors do not receive any contingent quarterly coupon. On the final observation date, one or both underlying indices close below the respective downside threshold level(s). At maturity, investors will receive an amount equal to the stated principal amount multiplied by the index performance factor of the worst performing underlying index. Under these circumstances, the payment at maturity will be less than 60% of the stated principal amount and could be zero.

August 2018 Page 6

Morgan Stanley Finance LLC

**Callable Contingent Income Securities due August 29, 2023**

**Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>**

**Principal at Risk Securities**

Underlying Indices Summary

**Russell 2000® Index**

The Russell 2000® Index is an index calculated, published and disseminated by FTSE Russell, and measures the composite price performance of stocks of 2,000 companies (the “Russell 2000 Component Stocks”) incorporated in the U.S. and its territories. All 2,000 stocks are traded on a major U.S. exchange and are the 2,000 smallest securities that form the Russell 3000® Index. The Russell 3000® Index is composed of the 3,000 largest U.S. companies as determined by market capitalization and represents approximately 98% of the U.S. equity market. The Russell 2000® Index consists of the smallest 2,000 companies included in the Russell 3000® Index and represents a small portion of the total market capitalization of the Russell 3000® Index. The Russell 2000® Index is designed to track the performance of the small capitalization segment of the U.S. equity market.

Information as of market close on August 24, 2018:

<b>Bloomberg Ticker Symbol:</b>	RTY
<b>Current Index Value:</b>	1,725.671
<b>52 Weeks Ago:</b>	1,373.875
<b>52 Week High (on 8/24/2018):</b>	1,725.671
<b>52 Week Low (on 8/24/2017):</b>	1,373.875

For additional information about the Russell 2000® Index, see the information set forth under “Russell 2000® Index” in the accompanying index supplement. Furthermore, for additional historical information, see “Russell 2000® Index Historical Performance” below.

**Dow Jones Industrial Average<sup>SM</sup>**

The Dow Jones Industrial Average<sup>SM</sup> is a price-weighted index composed of 30 common stocks that is published by S&P Dow Jones Indices LLC, the marketing name and a licensed trademark of CME Group Index Services LLC, as representative of the broad market of U.S. industry.

Information as of market close on August 24, 2018:

<b>Bloomberg Ticker Symbol:</b>	INDU
<b>Current Index Value:</b>	25,790.35
<b>52 Weeks Ago:</b>	21,783.40
<b>52 Week High (on 1/26/2018):</b>	26,616.71
<b>52 Week Low (on 9/5/2017):</b>	21,753.31

For additional information about the Dow Jones Industrial Average<sup>SM</sup>, see the information set forth under “Dow Jones Industrial Average<sup>SM</sup>” in the accompanying index supplement. Furthermore, for additional historical information, see “Dow Jones Industrial Average<sup>SM</sup> Historical Performance” below.

August 2018 Page 7

Morgan Stanley Finance LLC

**Callable Contingent Income Securities due August 29, 2023**

**Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>**

**Principal at Risk Securities**

Hypothetical Examples

The following hypothetical examples illustrate how to determine whether a contingent quarterly coupon is paid with respect to an observation date and how to calculate the payment at maturity. The following examples are for illustrative purposes only. Whether you receive a contingent quarterly coupon will be determined by reference to the index closing value of each underlying index on each quarterly observation date, and the amount you will receive at maturity, if any, will be determined by reference to the final index value of each underlying index on the final observation date. Any early redemption of the securities will be at our discretion. The actual initial index value, coupon barrier level and downside threshold level for each underlying index are set forth on the cover of this document. All payments on the securities, if any, are subject to our credit risk. The below examples are based on the following terms:

If, on any observation date, the index closing value of **each underlying index** is **greater than or equal to** its respective coupon barrier level, we will pay a contingent quarterly coupon at an annual rate of 5.30% (corresponding to approximately \$13.25 per quarter per security) on the related contingent coupon payment date.

Contingent Quarterly  
Coupon:

If, on any observation date, the closing value **of either underlying index** is **less than** the coupon barrier level for such index, no contingent quarterly coupon will be paid with respect to that observation date. **It is possible that one or both underlying indices will remain below the respective coupon barrier level(s) for extended periods of time or even throughout the entire term of the securities so that you will receive few or no contingent quarterly coupons.**

Optional Early  
Redemption:

Beginning on August 29, 2019, we will have the right to redeem the securities at our discretion on any quarterly redemption date for a redemption payment equal to the stated principal amount plus any contingent quarterly coupon otherwise due with respect to the related observation date. **If the securities are redeemed prior to maturity, you will receive no more contingent quarterly coupon payments, may be forced to invest in a lower interest rate environment and may not be able to reinvest at comparable terms or returns.**



Payment at Maturity (if the securities have not been redeemed early at our option): If the final index value of **each** underlying index is **greater than or equal to** its respective downside threshold level: the stated principal amount and the contingent quarterly coupon with respect to the final observation date.

If the final index value of **either** underlying index is **less than** its respective downside threshold level: (i) the stated principal amount *multiplied by* (ii) the index performance factor of the worst performing underlying index. Under these circumstances, the payment at maturity will be less than 60% of the stated principal amount of the securities and could be zero.

Stated Principal Amount: \$1,000

With respect to the RTY Index: 1,200

Hypothetical Initial Index Value:

With respect to the INDU Index: 25,000

With respect to the RTY Index: 720, which is 60% of the hypothetical initial index value for such index

Hypothetical Coupon Barrier Level:

With respect to the INDU Index: 15,000, which is 60% of the hypothetical initial index value for such index

With respect to the RTY Index: 720, which is 60% of the hypothetical initial index value for such index

Hypothetical Downside Threshold Level:

With respect to the INDU Index: 15,000, which is 60% of the hypothetical initial index value for such index

\* The actual quarterly coupon will be an amount determined by the calculation agent based on the number of days in the applicable payment period, calculated on a 30/360 basis. The hypothetical quarterly coupon of \$13.25 is used in these examples for ease of analysis.

Morgan Stanley Finance LLC

**Callable Contingent Income Securities due August 29, 2023****Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>****Principal at Risk Securities**

How to determine whether a contingent quarterly coupon is payable with respect to an observation date (if the securities have not been previously redeemed):

	Index Closing Value		Contingent Quarterly Coupon
	RTY Index	INDU Index	
Hypothetical Observation Date 1	950 ( <b>at or above</b> coupon barrier level)	17,000 ( <b>at or above</b> coupon barrier level)	\$13.25
Hypothetical Observation Date 2	1,200 ( <b>at or above</b> coupon barrier level)	13,500 ( <b>below</b> coupon barrier level)	\$0
Hypothetical Observation Date 3	600 ( <b>below</b> coupon barrier level)	18,500 ( <b>at or above</b> coupon barrier level)	\$0
Hypothetical Observation Date 4	500 ( <b>below</b> coupon barrier level)	12,750 ( <b>below</b> coupon barrier level)	\$0

On hypothetical observation date 1, both the RTY Index and INDU Index close at or above their respective coupon barrier levels. Therefore a contingent quarterly coupon of \$13.25 is paid on the relevant coupon payment date.

On each of the hypothetical observation dates 2 and 3, one underlying index closes at or above its coupon barrier level but the other underlying index closes below its coupon barrier level. Therefore, no contingent quarterly coupon is paid on the relevant coupon payment date.

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

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

Edgar Filing: MORGAN STANLEY - Form 424B2

	Final Index Value		Payment at Maturity
	RTY Index	INDU Index	
Example 1:	1,500 ( <b>at or above</b> the downside threshold level)	27,000 ( <b>at or above</b> the downside threshold level)	\$1,013.25 (the stated principal amount <i>plus</i> the contingent quarterly coupon with respect to the final observation date)
Example 2:	900 ( <b>at or above</b> the downside threshold level)	10,000 ( <b>below</b> the downside threshold level)	\$1,000 x index performance factor of the worst performing underlying = \$1,000 x (10,000 / 25,000) = \$400
Example 3:	480 ( <b>below</b> the downside threshold level)	20,000 ( <b>at or above</b> the downside threshold level)	\$1,000 x (480 / 1,200) = \$400
Example 4:	360 ( <b>below</b> the downside threshold level)	10,000 ( <b>below</b> the downside threshold level)	\$1,000 x (360 / 1,200) = \$300
Example 5:	480 ( <b>below</b> the downside threshold level)	7,500 ( <b>below</b> the downside threshold level)	\$1,000 x (7,500 / 25,000) = \$300

In example 1, the final index values of both the RTY Index and INDU Index are at or above their downside threshold levels. Therefore, investors receive at maturity the stated principal amount of the securities and the contingent quarterly coupon with respect to the final observation date. However, investors do not participate in the appreciation of either underlying index.

In examples 2 and 3, the final index value of one underlying index is at or above its downside threshold level but the final index value of the other underlying index is below its downside threshold level. Therefore, investors are exposed to the downside performance of the worst performing underlying index at maturity and receive at maturity an amount equal to the stated principal amount *times* the index performance factor of the worst performing underlying index.

Morgan Stanley Finance LLC

**Callable Contingent Income Securities due August 29, 2023**

**Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>**

**Principal at Risk Securities**

Similarly, in examples 4 and 5, the final index value of each underlying index is below its respective downside threshold level, and investors receive at maturity an amount equal to the stated principal amount *times* the index performance factor of the worst performing underlying index. In example 4, the RTY Index has declined 70% from its initial index value to its final index value, while the INDU Index has declined 60% from its initial index value to its final index value. Therefore, the payment at maturity equals the stated principal amount *times* the index performance factor of the RTY Index, which is the worst performing underlying index in this example. In example 5, the RTY Index has declined 60% from its initial index value, while the INDU Index has declined 70% from its initial index value to its final index value. Therefore the payment at maturity equals the stated principal amount *times* the index performance factor of the INDU Index, which is the worst performing underlying index in this example.

**If the securities have not been redeemed prior to maturity and the final index value of EITHER underlying index is below its respective downside threshold level, you will be exposed to the downside performance of the worst performing underlying index at maturity, and your payment at maturity will be less than \$700 per security and could be zero.**

August 2018 Page 10

Morgan Stanley Finance LLC

**Callable Contingent Income Securities due August 29, 2023**

**Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>**

**Principal at Risk Securities**

Risk Factors

*The following is a non-exhaustive 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 prospectus supplement, index supplement and prospectus. We also urge you to consult with your investment, legal, tax, accounting and other advisers in connection with your investment in the securities.*

**The securities do not guarantee the return of any principal.** The terms of the securities differ from those of ordinary debt securities in that they do not guarantee the repayment of principal. If the securities have not been redeemed prior to maturity and the final index value of **either** underlying index is less than its downside threshold level of 60% of its initial index value, you will be exposed to the decline in the closing value of the worst performing underlying index, as compared to its initial index value, 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 index performance factor of the worst performing underlying index. **In this case, the payment at maturity will be less than 60% of the stated principal amount and could be zero.**

**The securities do not provide for regular interest payments.** The terms of the securities differ from those of ordinary debt securities in that they do not provide for the regular payment of interest. The securities will pay a contingent quarterly coupon only if the index closing value of each underlying index is at or above 60% of its respective initial index value, which we refer to as the respective coupon barrier level, on the related observation date. If, on the other hand, the index closing value of either underlying index is lower than the coupon barrier level for such index on the relevant observation date for any interest period, we will pay no coupon on the applicable coupon payment date. It is possible that the index closing value of one or both underlying indices will remain below the respective coupon barrier level(s) for extended periods of time or even throughout the entire term of the securities. If you do not earn sufficient contingent quarterly coupons over the term of the securities, the overall return on the securities may be less than the amount that would be paid on a conventional debt security of ours of comparable maturity.

**§ The securities are subject to our redemption right.** The term of the securities, and thus your opportunity to earn a potentially above-market coupon if the index closing value of each underlying index is greater than or equal to the coupon barrier level for such index on quarterly observation dates, may be limited by our right to redeem the securities at our option on any quarterly redemption date, beginning August 29, 2019. The term of your investment in the securities may be limited to as short as one year. It is more likely that we will redeem the securities when it would be advantageous for you to continue to hold the securities. As such, we will be more likely to redeem the

securities when the index closing value of each underlying index on the observation dates is at or above the coupon barrier level for such index, which would otherwise result in an amount of interest payable on the securities that is greater than instruments of a comparable maturity and credit rating trading in the market. In other words, we will be more likely to redeem the securities at a time when the securities are paying an above-market coupon. If the securities are redeemed prior to maturity, you will receive no more contingent quarterly coupon payments, may be forced to invest in a lower interest rate environment and may not be able to reinvest at comparable terms or returns.

On the other hand, we will be less likely to exercise our redemption right when the index closing value of either underlying index is below the respective coupon barrier level and/or when the final index value for either underlying index is expected to be below the respective downside threshold level, such that you will receive no contingent quarterly coupons and/or that you will suffer a significant loss on your initial investment in the securities at maturity. Therefore, if we do not exercise our redemption right, it is more likely that you will receive few or no contingent quarterly coupons and suffer a significant loss at maturity.

**You are exposed to the price risk of both underlying indices, with respect to both the contingent quarterly coupons, if any, and the payment at maturity, if any.** Your return on the securities is not linked to a basket consisting of both underlying indices. Rather, it will be contingent upon the independent performance of each underlying index. 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 both underlying indices. Poor performance by **either** underlying index 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 index. To receive any contingent quarterly coupons, **each** underlying index must close at or above its respective coupon barrier level on the applicable observation date. In addition, if **either**

Morgan Stanley Finance LLC

**Callable Contingent Income Securities due August 29, 2023**

**Payments on the Securities Based on the Worst Performing of the Russell 2000® Index and the Dow Jones Industrial Average<sup>SM</sup>**

**Principal at Risk Securities**

underlying index has declined to below its respective downside threshold level as of the final observation date, you will be **fully exposed** to the decline in the worst performing underlying index over the term of the securities on a 1-to-1 basis, even if the other underlying index has appreciated or not declined as much. Under this scenario, the value of any such payment will be less than 60% of the stated principal amount and could be zero. Accordingly, your investment is subject to the price risk of both underlying indices.

**Because the securities are linked to the performance of the worst performing underlying index, you are exposed to greater risks of no contingent quarterly coupons and sustaining a significant loss on your investment than if the securities were linked to just one index.** The risk that you will not receive any contingent quarterly coupons, or that you will suffer a significant loss on your investment, is greater if you invest in the § securities as opposed to substantially similar securities that are linked to the performance of just one underlying index. With two underlying indices, it is more likely that either underlying index will close below its coupon barrier level on any observation date, or below its downside threshold level on the final observation date, than if the securities were linked to only one underlying index. Therefore, it is more likely that you will not receive any contingent quarterly coupons and that you will suffer a significant loss on your investment.

**The contingent quarterly coupon, if any, is based only on the value of each underlying index on the related quarterly observation date.** Whether the contingent quarterly coupon will be paid on any coupon payment date will be determined at the end of the relevant interest period, based on the closing value of each underlying index on the relevant quarterly observation date. As a result, you will not know whether you will receive the contingent quarterly § coupon on any coupon payment date until near the end of the relevant quarterly period. Moreover, because the § contingent quarterly coupon is based solely on the value of each underlying index on quarterly observation dates, if the closing value of either underlying index on any observation date is below the coupon barrier level for such index, you will receive no coupon for the related interest period, even if the level of such underlying index was at or above its respective coupon barrier level on other days during that interest period and even if the closing value of the other underlying index is at or above the coupon barrier level for such index.

**Investors will not participate in any appreciation in either underlying index.** Investors will not participate in any appreciation in either underlying index from the initial index value for such index, and § the return on the securities will be limited to the contingent quarterly coupons, if any, that are paid with respect to each observation date on which the index closing value of each underlying index is greater than or equal to its respective coupon barrier level until the securities are redeemed or reach maturity.

**§ The securities are linked to the Russell 2000® Index and are subject to risks associated with small-capitalization companies.** As the Russell 2000® Index is one of the underlying indices, and the Russell 2000® Index consists of stocks issued by companies with relatively small market capitalization, the securities are

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

§