Information Circular: Morgan Stanley ETNs

To:	Head Traders, Technical Contacts, Compliance Officers, Heads of ETF Trading, Structured Products Traders
From:	BX Listing Qualifications Department
DATE:	January 15, 2009

Index-Linked Notes	Symbol	CUSIP Number
Morgan Stanley Market Vectors - Double Short Euro ETNs	DRR	617480280
Morgan Stanley Market Vectors - Double Long Euro ETNs	URR	617480272

Information on the Notes

Morgan Stanley (the "Issuer") has issued Market Vectors Exchange-Traded Notes ("Notes") based on either the Double Short Euro Index or the Double Long Euro Index (each, an "Index"). The Notes were priced at $40 each and mature on April 30, 2020. The Notes are not principal protected and do not pay any interest during their term.

DRR is based on the performance of the Double Short Euro Index (the " Short Index"), which is designed to offer investors two-times-leveraged, short exposure to the value of the euro relative to the U.S. dollar and tracks the value of the spot exchange rate with financing adjustments, as further described herein. On any day, the Short Index level will reflect the value of a hypothetical investment strategy in which euros are borrowed and sold short to purchase U.S. dollars on each New York business day that is also a TARGET business day (a "rebalancing day"). The U.S. dollars are then invested overnight and used to buy back euros on the following rebalancing day. In order to achieve the two-times leverage on the Short Index, the number of euros borrowed on each rebalancing day will be sufficient to purchase a number of U.S. dollars equal to two times the Short Index level on such day, thereby doubling the exposure to any movement in the euro/U.S. dollar exchange rate. The Short Index finances its leveraged currency exposure by notionally using forward contracts and the pricing of these forward contracts reflects the relative overnight interest rates applicable to borrowings in euros and investments in U.S. dollars. When the overnight interest rate on euros differs from the overnight interest rate on U.S. dollars, the forward exchange rate (meaning the rate at which U.S. dollars can be purchased using forward contracts) will be different than the spot euro/U.S. dollar exchange rate to reflect that difference in interest rates. Consequently, the level of the Short Index will be affected by differences between euro interest rates and U.S. dollar interest rates in addition to any changes in the spot euro/U.S. dollar exchange rate. In addition, because the Short Index is a total return index, interest is deemed to accrue on the notional amount of the Short Index on each calendar day at the then-current overnight Federal Funds Open Rate.

At maturity (including upon acceleration) or upon earlier repurchase by the Issuer of at least 50,000 Notes, investors will receive an amount of cash based on the positive or negative performance of the Short Index less an aggregate investor fee. Excluding the interest rate differential and the total return accrual factor discussed above, if the euro weakens by 1% relative to the U.S. dollar, the Short Index level will increase by 2%; while if the euro strengthens by 1% relative to the U.S. dollar, the Short Index level will decrease by 2%. At maturity (including upon acceleration) or upon an earlier repurchase by the Issuer of the Notes, investors will receive less than the purchase price of the Notes if the value of the Short Index on the applicable valuation date has decreased or has not increased sufficiently from the time of purchase to offset the investor fee. Investors must be willing to accept the risk of loss of some or all of their investment and to forgo interest payments.

URR is based on the performance of the Double Long Euro Index (the "Long Index"), which is designed to offer investors two-times-leveraged, long exposure to the value of the euro relative to the U.S. dollar and tracks the value of the spot exchange rate with financing adjustments, as further described herein. On any day, the Long Index level will reflect the value of a hypothetical investment strategy in which euros are purchased with U.S. dollars on each New York business day that is also a TARGET business day (a "rebalancing day") and then sold back for U.S. dollars on the following rebalancing day. In order to achieve the two-times leverage on the Long Index, the number of U.S. dollars used to purchase euros on each rebalancing day will be double the Long Index level on such day, thereby doubling the exposure to any movement in the euro/U.S. dollar exchange rate. The Long Index finances its leveraged currency exposure by notionally using forward contracts and the pricing of these forward contracts reflects the relative overnight interest rates applicable to borrowings in U.S. dollars and investments in euros. When the overnight interest rate on euros differs from the overnight interest rate on U.S. dollars, the forward exchange rate (meaning the rate at which euros can be purchased using forward contracts) will be different than the spot exchange rate to reflect that difference in interest rates. Consequently, the level of the Long Index will be affected by differences between euro interest rates and U.S. dollar interest rates in addition to any changes in the spot euro/U.S. dollar exchange rate. In addition, because the Long Index is a total return index, interest is deemed to accrue on the notional amount of the Long Index on each calendar day at the then-current overnight Federal Funds Open Rate.

At maturity (including upon acceleration) or upon earlier repurchase by the Issuer of at least 50,000 Notes, investors will receive an amount of cash based on the positive or negative performance of the Long Index less an aggregate investor fee. Excluding the interest rate differential and the total return accrual factor discussed above, if the euro strengthens by 1% relative to the U.S. dollar, the Long Index level will increase by 2%; while if the euro weakens by 1% relative to the U.S. dollar, the Long Index level will decrease by 2%. At maturity (including upon acceleration) or upon an earlier repurchase by the Issuer of the Notes, investors will receive less than the purchase price of the Notes if the value of the Long Index on the applicable valuation date has decreased or has not increased sufficiently from the time of purchase to offset the investor fee. Investors must be willing to accept the risk of loss of some or all of their investment and to forgo interest payments.

Please refer to the prospectus for the Notes for additional information on the calculation of returns, fees and details regarding the underlying indices.

Trading in the Notes on BX is on a UTP basis and is subject to BX equity trading rules. The Notes will trade from 8:00 a.m. until 7:00 p.m. Eastern Time. Additional risks may exist with respect to trading the Notes during BX's Pre-Market and Post-Market sessions, when the Index's value may not be disseminated.

Trading of the Notes on BX is subject to the provisions of BX Rule 2310. Members recommending transactions in the Notes to customers should make a determination that the recommendation is suitable for the customer. In addition, members must possess sufficient information to satisfy the “know your customer” obligation that is embedded in the BX Conduct Rules.

Members also should review NASD Notice to Members 03-71 for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

This Information Circular is not a statutory prospectus. BX members should consult the registration statement or prospectus for the Notes for additional information.

Inquiries regarding this Information Circular should be directed to:

- Will Slattery, BX Listing Qualifications, at 301.978.8088
- BX Market Sales at 800.846.0477