

MORGAN STANLEY  
Form 4  
March 27, 2007

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
MACK JOHN J

(Last) (First) (Middle)  
MORGAN STANLEY, 1585  
BROADWAY  
(Street)

NEW YORK, NY 10036

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
MORGAN STANLEY [MS]

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/23/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Chairman of the Board and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership: Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D) Price			
Common Stock	03/23/2007		F		150,901	D	\$ 80.75 2,600,821.971	D	
Common Stock	03/23/2007		M		100,898	A	\$ 26.92 2,701,719.971	D	
Common Stock	03/23/2007		M		61,816	A	\$ 42.78 2,763,535.971	D	
Common Stock	03/23/2007		M		44,617	A	\$ 75.25 2,808,152.971	D	
Common Stock	03/26/2007		S		2,500	D	\$ 81.28 2,805,652.971	D	
	03/26/2007		S		2,700	D	2,802,952.971	D	

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Common Stock					\$ 81.25			
Common Stock	03/26/2007	S	1,300	D	\$ 81.24	2,801,652.971	D	
Common Stock	03/26/2007	S	13,500	D	\$ 81.22	2,788,152.971	D	
Common Stock	03/26/2007	S	2,500	D	\$ 80.43	2,785,652.971	D	
Common Stock	03/26/2007	S	7,930	D	\$ 80.4	2,777,722.971	D	
Common Stock	03/26/2007	S	600	D	\$ 80.3	2,777,122.971	D	
Common Stock	03/26/2007	S	300	D	\$ 80.27	2,776,822.971	D	
Common Stock	03/26/2007	S	600	D	\$ 80.26	2,776,222.971	D	
Common Stock	03/26/2007	S	4,100	D	\$ 80.25	2,772,122.971	D	
Common Stock	03/26/2007	S	5,000	D	\$ 80.2	2,767,122.971	D	
Common Stock	03/26/2007	S	900	D	\$ 80.17	2,766,222.971	D	
Common Stock	03/26/2007	S	900	D	\$ 80.16	2,765,322.971	D	
Common Stock	03/26/2007	S	1,500	D	\$ 80.15	2,763,822.971	D	
Common Stock	03/26/2007	S	500	D	\$ 80.12	2,763,322.971	D	
Common Stock	03/26/2007	S	700	D	\$ 80.11	2,762,622.971	D	
Common Stock	03/26/2007	S	500	D	\$ 80.1	2,762,122.971	D	
Common Stock	03/26/2007	S	2,500	D	\$ 80.08	2,759,622.971	D	
Common Stock	03/26/2007	S	7,900	D	\$ 80.05	2,751,722.971	D	
Common Stock						180.931	I	By 401(k) Plan/ESOP Trust

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
Employee Stock Option (Right to Buy)	\$ 26.92	03/23/2007		M	100,898	01/02/1999 <sup>(1)</sup> 01/02/2008	Common Stock 100
Employee Stock Option (Right to Buy)	\$ 42.78	03/23/2007		M	61,816	01/15/1999 01/02/2008	Common Stock 61
Employee Stock Option (Right to Buy)	\$ 75.25	03/23/2007		M	44,617	05/16/2000 01/02/2008	Common Stock 44

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MACK JOHN J MORGAN STANLEY 1585 BROADWAY NEW YORK, NY 10036	X		Chairman of the Board and CEO	

## Signatures

/s/ Charlene R. Herzer,  
Attorney-in-Fact

03/27/2007

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Initial vesting date of ratably vested stock options, all of which are presently exercisable.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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