MORGAN STANLEY
Form 4
July 10, 2007

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
TYSON LAURA D

(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)
07/06/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 (Instr. 8)		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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	07/06/2007		M		9,399	A	$ 32.64	32,950.867 (1)	D	
Common Stock	07/06/2007		M		3,153	A	$ 33.27	36,103.867	D	
Common Stock	07/06/2007		S		100	D	$ 72.42	36,003.867	D	
Common Stock	07/06/2007		S		200	D	$ 72.47	35,803.867	D	
Common Stock	07/06/2007		S		100	D	$ 72.5	35,703.867	D	

Common Stock	07/06/2007	S	100	D	$ 72.52	35,603.867	D
Common Stock	07/06/2007	S	100	D	$ 72.54	35,503.867	D
Common Stock	07/06/2007	S	100	D	$ 72.62	35,403.867	D
Common Stock	07/06/2007	S	100	D	$ 72.64	35,303.867	D
Common Stock	07/06/2007	S	100	D	$ 72.65	35,203.867	D
Common Stock	07/06/2007	S	200	D	$ 72.66	35,003.867	D
Common Stock	07/06/2007	S	500	D	$ 72.67	34,503.867	D
Common Stock	07/06/2007	S	100	D	$ 72.68	34,403.867	D
Common Stock	07/06/2007	S	400	D	$ 72.69	34,003.867	D
Common Stock	07/06/2007	S	200	D	$ 72.7	33,803.867	D
Common Stock	07/06/2007	S	100	D	$ 72.71	33,703.867	D
Common Stock	07/06/2007	S	100	D	$ 72.72	33,603.867	D
Common Stock	07/06/2007	S	200	D	$ 72.73	33,403.867	D
Common Stock	07/06/2007	S	300	D	$ 72.75	33,103.867	D
Common Stock	07/06/2007	S	100	D	$ 72.76	33,003.867	D
Common Stock	07/06/2007	S	500	D	$ 72.77	32,503.867	D
Common Stock	07/06/2007	S	100	D	$ 72.78	32,403.867	D
Common Stock	07/06/2007	S	100	D	$ 72.79	32,303.867	D
Common Stock	07/06/2007	S	400	D	$ 72.81	31,903.867	D
Common Stock	07/06/2007	S	100	D	$ 72.82	31,803.867	D
	07/06/2007	S	200	D		31,603.867	D

Common Stock						$ 72.84		
Common Stock	07/06/2007		S	200	D	$ 72.86	31,403.867	D
Common Stock	07/06/2007		S	200	D	$ 72.87	31,203.867	D
Common Stock	07/06/2007		S	100	D	$ 72.88	31,103.867	D
Common Stock	07/06/2007		S	200	D	$ 72.89	30,903.867 (2)	D

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 Amoun Underlying Securit (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo or Num of Shar
Non-Qualified Stock Option (Right to Buy)	$ 32.64 (1)	07/06/2007		M			9,399 (1)	09/25/1998	03/23/2008	Common Stock	9,3
Non-Qualified Stock Option (Right to Buy)	$ 33.27 (1)	07/06/2007		M			3,153 (1)	10/25/1998	04/23/2008	Common Stock	3,1

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TYSON LAURA D MORGAN STANLEY	X			

1585 BROADWAY
NEW YORK, NY 10036

Signatures

/s/ Charlene R. Herzer,
Attorney-in-Fact 07/10/2007

**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) Reflects the application of mandatory anti-dilution adjustments to the Reporting Person's Stock Units and Stock Options as a result of the issuer's spin-off of Discover Financial Services on June 30, 2007.

(2) 1 of 3 Forms 4 filed to report the sale of a total of 15,000 shares of Common Stock on July 6, 2007 at stock prices ranging from $72.42 to $73.54 per share.

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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