

MORGAN STANLEY  
Form 3  
May 20, 2005

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0104  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

**INITIAL STATEMENT OF 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 *			2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â SHEAR NEAL A			(Month/Day/Year)	MORGAN STANLEY [MWD]	
(Last)	(First)	(Middle)	05/16/2005	4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
MORGAN STANLEY,Â 1585 BROADWAY				(Check all applicable)	
(Street)				<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner	6. Individual or Joint/Group Filing(Check Applicable Line)
NEW YORK,Â NYÂ 10036				<input type="checkbox"/> Officer <input checked="" type="checkbox"/> Other	<input checked="" type="checkbox"/> Form filed by One Reporting Person
(City)	(State)	(Zip)		Business Unit Head	<input type="checkbox"/> Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	486,832	D	Â
Common Stock	10,778.349	I	By 401(k) Plan/ESOP Trust

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of	5. Ownership Form of Derivative	6. Nature of Indirect Beneficial Ownership (Instr. 5)
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	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Derivative Security	Security: Direct (D) or Indirect (I) (Instr. 5)	
Employee Stock Option (Right to Buy)	Â (1)	01/02/2008	Common Stock	7,884	\$ 26.92	D	Â
Employee Stock Option (Right to Buy)	Â (2)	01/02/2008	Common Stock	1,484	\$ 102.88	D	Â
Employee Stock Option (Right to Buy)	Â (3)	01/02/2008	Common Stock	31,828	\$ 39.28	D	Â
Employee Stock Option (Right to Buy)	Â (4)	01/02/2008	Common Stock	1,788	\$ 60.16	D	Â
Employee Stock Option (Right to Buy)	Â (5)	01/02/2009	Common Stock	44,972	\$ 35.65	D	Â
Employee Stock Option (Right to Buy)	Â (6)	01/02/2010	Common Stock	45,364	\$ 60.14	D	Â
Employee Stock Option (Right to Buy)	Â (7)	01/02/2011	Common Stock	64,712	\$ 65.34	D	Â
Employee Stock Option (Right to Buy)	Â (8)	01/02/2012	Common Stock	170,317	\$ 57.03	D	Â
Employee Stock Option (Right to Buy)	Â (9)	01/02/2013	Common Stock	63,443	\$ 42.56	D	Â
Employee Stock Option (Right to Buy)	Â (10)	01/02/2014	Common Stock	177,195	\$ 55.45	D	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SHEAR NEAL A MORGAN STANLEY 1585 BROADWAY NEW YORK, NY 10036	Â	Â	Â	Business Unit Head

## Signatures

/s/ Neal A. Shear                      05/20/2005  
 \*\*Signature of                              Date  
 Reporting Person

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 5(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) Options become exercisable upon vesting. The award is fully exercisable: 75% of the award vested on January 2, 1998 and the remaining 25% vested ratably each year on January 2 over the next five years.

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- (2) Options become exercisable upon vesting. The award is fully exercisable: 100% of the award vested on the grant date (August 22, 2000). Restoration options granted in connection with exercise of previously granted options.
- (3) Options become exercisable upon vesting. The award is fully exercisable: 100% of the award vested on the grant date (June 3, 1998). Restoration options granted in connection with exercise of previously granted options.
- (4) Options become exercisable upon vesting. The award is fully exercisable: 100% of the award vested on the grant date (November 12, 1999). Restoration options granted in connection with exercise of previously granted options.
- (5) Options become exercisable upon vesting. The award is fully exercisable: 75% of the award vested on January 2, 1999 and the remaining 25% vested ratably each year on January 2 over the next five years.
- (6) Options become exercisable upon vesting. The award is fully exercisable: 75% of the award vested on January 2, 2000 and the remaining 25% vested on January 2, 2005.
- (7) Options become exercisable upon vesting. The award is fully exercisable: 100% of the award vested on January 2, 2003.
- (8) Options become exercisable upon vesting. The award is fully exercisable: 100% of the award vested on January 2, 2004.
- (9) Options become exercisable upon vesting. The award is fully exercisable: 100% of the award vested on January 2, 2005.
- (10) Options become exercisable upon vesting. 50% of the award will vest on January 2, 2006 and 50% will vest on January 2, 2007.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.