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Morgan Stanley

March 10, 2016

The Honorable Mary Jo White  
Chair  
Securities and Exchange Commission  
100 F. Street, NE  
Washington D.C. 20549

**Re: File Number 265-29**

Dear Chair White:

We fully support the letter (the “Letter”), dated March 10, 2016, submitted to your office by various market participants concerning the Commission’s continued efforts to analyze ways to improve equity markets structure rules in response to the events of August 24, 2015. We believe that the recommendations contained in the Letter are sensible, practical steps that would be beneficial to the equity markets and could be implemented quickly and without disruption to the equity markets.

In addition to the recommendations made in the Letter, we believe that it is important to understand in more detail the nature of the influx of sell market orders seen in the opening minutes of August 24<sup>th</sup>. We recommend that the Commission conduct an analysis of non-public data (e.g., OATS) to determine the source of this order flow. In particular, we believe that the analysis should be focused on the extent to which this order flow was the result of stop orders being triggered and whether it is appropriate for the Commission to require that all stop orders be entered with a limit price.

Morgan Stanley appreciates the continued focus of the Commission on this matter.

Sincerely,

Andrew Silverman, Managing Director, Co-Head of Morgan Stanley Electronic Trading

cc: The Honorable Kara M. Stein, Commissioner, SEC  
The Honorable Michael S. Piwowar, Commissioner, SEC  
Stephen Luparello, Director, Division of Trading and Markets, SEC