

MORGAN STANLEY INSURED MUNICIPAL INCOME TRUST  
Form N-Q  
March 31, 2009

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM N-Q  
QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY  
Investment Company Act file number: 811-06590  
Morgan Stanley Insured Municipal Income Trust  
(Exact name of registrant as specified in charter)**

522 Fifth Avenue, New York, New York  
(Address of principal executive offices)

10036  
(Zip code)

Randy Takian  
522 Fifth Avenue, New York, New York 10036  
(Name and address of agent for service)

Registrant's telephone number, including area code: 212-296-6963

Date of fiscal year end: October 31, 2009

Date of reporting period: January 31, 2009

**Item 1. Schedule of Investments.**

The Trust's schedule of investments as of the close of the reporting period prepared pursuant to Rule 12-12 of Regulation S-X is as follows:

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**Morgan Stanley Insured Municipal Income Trust**  
**Portfolio of Investments § January 31, 2009 (unaudited)**

PRINCIPAL AMOUNT IN THOUSANDS		COUPON RATE	MATURITY DATE	VALUE
<b>Tax-Exempt Municipal Bonds (155.3%)</b>				
<b>Alaska (0.5%)</b>				
\$ 1,250	Matanuska-Susitna Borough, Goose Creek Correctional Center Ser 2008	6.00%	09/01/28	\$ 1,328,463
<b>Arizona (1.5%)</b>				
1,595	Arizona Certificates of Participation, Ser 2008 A (FSA Insd)	5.00	09/01/26	1,615,033
2,500	University of Arizona, 2003 Ser B (COPs) (AMBAC Insd)	5.00	06/01/23	2,555,300
				4,170,333
<b>California (35.4%)</b>				
1,475	Alameda County Joint Powers Authority, Ser 2008 (FSA Insd)	5.00	12/01/24	1,519,722
1,160	Alvord Unified School District, 2007 Election Ser 2007 A (FSA Insd)	5.00	08/01/27	1,169,605
20,000	Anaheim Public Financing Authority, California, Anaheim Electric Ser 2007-A (MBIA Insd)(a)	4.50	10/01/37	16,444,200
1,170	Beverly Hills Unified School District Ser 2009 WI	0.00	08/01/26	436,749
2,275	Beverly Hills Unified School District Ser 2009 WI	0.00	08/01/31	592,365
8,000	California, Ser 2007 (MBIA Insd)	4.25	08/01/33	6,300,880
3,050	California Department of Water Resources Power Supply, Ser 2008 H (FSA Insd)	5.00	05/01/22	3,195,699
10,000	California Infrastructure & Economic Development Bank, Bay Area Toll Bridges Seismic Retrofit 1st Lien Ser 2003 A (AMBAC Insd) (ETM) (a)	5.00	01/01/28	11,526,974
5,000	California Infrastructure & Economic Development Bank, Bay Area Toll Bridges Seismic Retrofit 1st Lien Ser 2003 A (FGIC Insd) (ETM)	5.00	01/01/28	5,763,800
585	Clovis, Unified School District 2004 Ser A	0.00	08/01/29	174,500
3,065	EL Segundo California School District 2008 Ser A WI	0.00	08/01/31	736,182
6,000	Golden State Tobacco Securitization Corporation, California, Enhanced Asset Backed Ser 2005 A (FGIC Insd)	5.00	06/01/38	4,780,920
9,000	Long Beach, Harbor Refg Ser 1998 A (AMT) (FGIC Insd)	6.00	05/15/18	9,557,100
3,000	Los Angeles, California, Ser 2004 A (MBIA Insd)	5.00	09/01/24	3,083,700
5,000	Los Angeles Department of Water & Power, California, Water 2004 Ser C (MBIA Insd) (a)	5.00	07/01/24	5,125,477
4,000	Oxnard Financing Authority, Water & Power, Water 2004 Ser C (XLCA Insd)	5.00	06/01/28	3,841,600
4,245	Poway Unifield School District, San Diego, 2008 Ser A	0.00	08/01/31	1,105,313
3,925	Poway Unifield School District, San Diego, 2008 Ser A	0.00	08/01/28	1,265,224
3,000	Sacramento County Sanitation District Financing Authority, California, Sacramento Regional Ser 2006 (FGIC Insd)	5.00	12/01/36	2,853,240
5,000	San Diego County Water Authority, California, Ser 2002 A (COPs) (MBIA Insd)	5.00	05/01/27	5,014,800
5,000	San Diego County Water Authority, California, ser 2004A (COPs)(FSA Insd) (a)	5.00	05/01/29	4,955,700
3,000	San Francisco City & County, City Buildings Ser 2007 A (COPs) (FGIC Insd)	4.50	09/01/37	2,502,330
2,000	University of California, Ser 2003 B (AMBAC Insd)	5.00	05/15/22	2,062,280
3,310	University of California, Ser 2007 J (FSA Insd) (a)	4.50	05/15/31	2,916,272

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2,690	University of California, Ser 2007 J (FSA Insd) (a)	4.50	05/15/35	2,320,013
				99,244,645
	<b>Colorado (2.0%)</b>			
4,000	Arkansas River Power Authority, Colorado, Power Ser 2006 (XLCA Insd)	5.25	10/01/40	3,216,680
3,000	Denver Convention Center Hotel Authority, Refg Ser 2006 (XLCA Insd)	5.00	12/01/30	2,294,880
				5,511,560
	<b>Connecticut (0.6%)</b>			
1,525	Connecticut Health & Educational Facilities Authority, Quinnipiac University Issue Ser 2007 K-2 (MBIA Insd)	5.00	07/01/25	1,540,921
	<b>District of Columbia (3.5%)</b>			
1,000	District of Columbia, Ser 2008 E (BHAC Insd) (a)	5.00	06/01/26	1,011,970
1,000	District of Columbia, Ser 2008 E (BHAC Insd) (a)	5.00	06/01/27	1,011,970
2,000	District of Columbia, Ser 2008 E (BHAC Insd) (a)	5.00	06/01/28	2,023,940
2,000	District of Columbia Ballpark, Ser 2006 B-1 (FGIC Insd)	5.00	02/01/31	1,637,320
3,000	District of Columbia, American Association for the Advancement of Science Ser 1997 (AMBAC Insd)	5.125	01/01/27	2,839,980
1,350	District of Columbia, Water & Sewer Authority, Refg Sub-Lien Ser 2008 A (AGC Insd)	5.00	10/01/28	1,343,223
				9,868,403
	<b>Florida (8.2%)</b>			
1,550	Florida Mid-Bay Bridge Authority, Refg Ser 2008 (AGC Insd)	5.00	10/01/27	1,531,369
15,000	Miami-Dade County School Board, 2003 Ser A (FGIC Insd)	5.00	08/01/29	13,422,900
3,000	Orange County School Board, Ser 2001 A (COPs) (AMBAC Insd)	5.25	08/01/14	3,230,460
5,000	Tampa Bay Water Authority, Ser 2001 A (FGIC Insd)	5.00	10/01/28	4,877,400
				23,062,129

PRINCIPAL AMOUNT IN THOUSANDS		COUPON RATE	MATURITY DATE	VALUE
	<b>Georgia (4.3%)</b>			
5,000	Atlanta, Airport Passenger Facilities Sub-Lien Ser 2004 C (FSA Insd) (a)	5.00	01/01/33	4,819,412
5,000	Atlanta, Water & Wastewater, Ser 2004 (FSA Insd)	5.00	11/01/23	5,090,900
2,000	Augusta, Water & Sewer Ser 2004 (FSA Insd)	5.25	10/01/39	2,011,520
				11,921,832
	<b>Hawaii (1.5%)</b>			
5,000	Hawaii Department of Budget & Finance, Hawaiian Electric Co Ser 1999 C (AMT) (AMBAC Insd)	6.20	11/01/29	4,132,200
	<b>Idaho (1.0%)</b>			
2,500	Idaho Housing & Finance Association, Federal Highway Trust, Ser 2008 A (AGC Insd)	5.25	07/15/24	2,674,700
	<b>Illinois (7.0%)</b>			
5,000	Chicago, O Hare Int 1 Airport, Third Lien Ser 2005 A (MBIA Insd)	5.25	01/01/25	4,868,300
480	Chicago Transit Authority, Capital Grant Receipts Federal Transit Administration Section 5309 Ser 2008 (AGC Insd)	5.25	06/01/25	498,485
1,210	Chicago Transit Authority, Capital Grant Receipts Federal Transit Administration Section 5309 Ser 2008 (AGC Insd)	5.25	06/01/26	1,247,377
1,175	DeKalb County Community Unit School District #428, Ser 2008 (FSA Insd)	5.00	01/01/27	1,180,828
2,000	Illinois Finance Authority, Swedish American Hospital Ser A (FSA Insd)	5.00	11/15/31	1,539,980
6,575	Kendall, Kane & Will Counties, Community Unit School District #308 Capital Appreciation Ser 2008 (FSA Insd) (b)	0.00	02/01/27	2,519,409
3,000	Metropolitan Pier & Exposition Authority McCormick Place Refinancing Ser 2002 B (MBIA Insd)	0.00 (c)	06/15/18	2,924,040
5,000	Metropolitan Pier & Exposition Authority, McCormick Place Ser 2002 A (MBIA Insd)	5.25	06/15/42	4,922,250
				19,700,669
	<b>Indiana (1.4%)</b>			
2,000	Indiana Health Facilities Financing Authority, Community Health Ser 2005 A (AMBAC Insd)	5.00	05/01/35	1,489,720

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2,400	Marion County Convention & Recreational Facilities Authority, Refg Ser 2003 A (AMBAC Insd)	5.00	06/01/19	2,560,488
				4,050,208
	<b>Kansas (0.5%)</b>			
1,295	Unified Government of Wyandotte County, Ser 2009 A WI	5.25	09/01/34	1,312,146
	<b>Louisiana (1.5%)</b>			
4,000	Lafayette, Utilities Ser 2004 (MBIA Insd)	5.25	11/01/25	4,055,120
	<b>Michigan (1.9%)</b>			
2,390	Detroit, Sewage Refg Ser 2003 A (FSA Insd)	5.00	07/01/28	2,062,570
1,125	Ferris State University of Michigan, Refg Ser 2008 (FSA Insd)	4.50	10/01/23	1,123,504
425	Ferris State University of Michigan, Refg Ser 2008 (FSA Insd)	4.50	10/01/24	416,776
760	Wayne State University of Michigan, Refg Ser 2008 (FSA Insd)	5.00	11/15/25	783,157
960	Wayne State University of Michigan, Refg Ser 2008 (FSA Insd)	5.00	11/15/29	962,880
				5,348,887
	<b>Missouri (0.7%)</b>			
2,500	Missouri Joint Municipal Electric Utility Commission Plum Point Ser 2006 (MBIA Insd)	5.00	01/01/26	2,051,575
	<b>Montana (0.6%)</b>			
2,000	Montana Facility Finance Authority, Bebefits Health Care Ser 2007 (AGC Insd)	5.00	01/01/37	1,754,980
	<b>Nebraska (1.7%)</b>			
5,000	Nebraska Public Power District, 2003 Ser A (AMBAC Insd)	5.00	01/01/35	4,682,800
	<b>Nevada (3.5%)</b>			
5,080	Las Vegas Water District, Impr & Refg Ser 2003 a (FGIC Insd)	5.25	06/01/19	5,404,561
4,000	Nevada Capital Improvement & Cultural Affairs Ser 2009 C (FSA Insd) (a)	5.00	06/01/26	4,067,600
975	Nevada Department of Business & Industry, Las Vegas Monorail 1st Tier Ser 2000 (AMBAC Insd)	5.375	01/01/40	421,522
				9,893,683

<b>New Hampshire (0.4%)</b>				
1,300	New Hampshire Health & Education Facilities Authority, University of New Hampshire Ser 2001 (AMBAC Insd)	5.125	07/01/33	1,219,933

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PRINCIPAL AMOUNT IN THOUSANDS		COUPON RATE	MATURITY DATE	VALUE
	<b>New Jersey (1.8%)</b>			
4,000	New Jersey Transportation Trust Fund Authority, Ser 2005 C (FGIC Insd)	5.25	06/15/20	4,304,120
1,000	University of Medicine & Dentistry, Ser 2004 (COPs) (MBIA Insd)	5.00	06/15/29	835,800
				5,139,920
	<b>New York (16.9%)</b>			
16,000	Hudson Yards Infrastructure Corporation, 2007 Ser A (MBIA Insd)	4.50	02/15/47	11,850,880
3,000	Long Island Power Authority, Refg Ser 2003 C (FSA Insd)	5.00	09/01/28	2,912,340
4,000	Long Island Power Authority, Ser 2006 A (XLCA Insd)	5.00	12/01/26	3,831,200
3,000	Metropolitan Transportation Authority, Dedicated Tax Fund Refg Ser 2002 A (FSA Insd)	5.25	11/15/24	3,041,910
10,000	Metropolitan Transportation Authority, Transportation Refg Ser 2002 A (FGIC Insd)	5.00	11/15/25	10,006,100
2,000	New York City Industrial Development Agency, Queens Baseball Stadium Ser 2006 (AMBAC Insd)	5.00	01/01/31	1,637,840
2,500	New York City Industrial Development Agency, Yankee Stadium Ser 2006 (FGIC Insd)	5.00	03/01/46	1,815,775
1,735	New York City Transitional Finance Authority, 2000 Ser C (AMBAC Insd)	5.25	08/01/21	1,849,892
10,000	Triborough Bridge & Tunnel Authority, Refg 2002 E (MBIA Insd) (a)	5.25	11/15/22	10,471,202
				47,417,139
	<b>North Carolina (1.0%)</b>			
3,000	University of North Carolina at Wilmington, Student Housing Ser 2005 (COPs) (FGIC Insd)	5.00	06/01/36	2,687,760
	<b>Ohio (0.5%)</b>			
2,545	Cleveland Ohio Public Power System, Ser 2008 B-2 (MBIA Insd)	0.00	11/15/26	957,608
1,720	Cleveland Ohio Public Power System, Ser 2008 B-2 (MBIA Insd)	0.00	11/15/28	554,304
				1,511,912
	<b>Oregon (1.1%)</b>			
3,000		5.00	11/01/24	3,027,150

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Oregon Department of Administrative Services, (COPs)  
Ser 2005 B (FGIC Insd)

**Pennsylvania (5.9%)**

5,000	Allegheny County Hospital Development Authority, Pittsburgh Mercy Health Ser 1996 (AMBAC Insd) (ETM)	5.625	08/15/18	5,353,200
2,000	Delaware County Industrial Development Authority, Aqua Inc Ser A 2005 (AMT) (FGIC Insd)	5.00	11/01/37	1,533,460
1,450	Pennsylvania Turnpike Commission, Ser 2008 Subser A-1 (AGC Insd)	5.00	06/01/25	1,476,550
875	Philadelphia School District, Ser 2008 E (BHAC Insd)	0.056	07/15/38	931,298
1,500	The School District of Philadelphia, Ser 2008 E (BHAC Insd)	5.125	09/01/23	1,577,055
5,000	Philadelphia, Water & Wastewater Ser 1998 (AMBAC Insd)	5.00	12/15/14	5,640,150
				16,511,713

**Rhode Island (4.2%)**

10,000	Rhode Island Depositors Economic Protection Corporation, Refg 1992 Ser B (MBIA Insd) (ETM)	6.00	08/01/17	11,750,000
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**South Carolina (5.4%)**

1,500	Medical University Hospital Authority, FHA Insured Mtge Ser 2004 A (MBIA Insd)	5.25	02/15/25	1,432,485
10,000	South Carolina Public Service Authority, Santee Cooper Ser 2003 A (AMBAC Insd)(a)	5.00	01/01/27	9,882,406
4,000	South Carolina Public Service Authority, Santee Cooper 2006 Ser A (MBIA Insd)	5.00	01/01/36	3,907,279
				15,222,170

**Texas (24.4%)**

3,020	Amarillo Health Facilities Corporation, Baptist St Anthony s Hospital Ser 1998 (FSA Insd)	5.50	01/01/16	3,293,250
5,075	Amarillo Health Facilities Corporation, Baptist St Anthony s Hospital Ser 1998 (FSA Insd)	5.50	01/01/17	5,518,960
9,000	Dallas-Fort Worth International Airport, Ser 2003 A (AMT) (FSA Insd)(a)	5.375	11/01/22	8,616,201
1,000	Friendswood Independent School District, Ser 2008 (PSF Insd)	5.00	02/15/27	1,025,570
2,160	Harris County Health Facilities Development Corp, Thermal Utility Ser 2008 (AGC Insd)	5.25	11/15/24	2,254,457
15,000	Houston, Combined Utility First Lien Refg 2004 Ser A (FGIC Insd)	5.25	05/15/23	15,240,899
4,000	Houston, Public Impr & Refg Ser 2001 B (FSA Insd)	5.50	03/01/17	4,284,760
1,175	Houston Community College System, Sr Lien Student Fee Ser 2008 (FSA Insd)	5.00	04/15/25	1,198,112



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330	Houston Community College System, Sr Lien Student Fee Ser 2008 (FSA Insd)	5.00	04/15/26	334,033
3,975	Houston Hotel Occupancy, Capital Appreciation Ser 2001 B (FSA Insd)	0.00	09/01/26	1,504,935
1,550	Humble Independent School District, Unlimited Tax School Building Ser 2008A (AGC Insd)	5.00	02/15/25	1,590,672
8,575	Lower Colorado River Authority, Refg Ser 1999 A (MBIA Insd)	5.00	05/15/31	7,832,147
8,200	North Texas Tollway Authority, First Tier Capital Appreciation Refg Ser 2008D (AGC Insd)	0.00	01/01/28	2,554,710
5,000	North Texas Tollway Authority, First Tier Capital Appreciation Refg Ser 2008D (AGC Insd)	5.00	05/15/26	5,009,900
3,000	San Antonio, Water & Refg Ser 2002 A (FSA Insd)	5.00	05/15/32	2,955,120
4,000	Texas Turnpike Authority, Central Texas Ser 2002 A (AMBAC Insd)	5.50	08/15/39	3,545,720
1,510	Victoria Independent School District, Unlimited Tax School Building Ser 2008 (PSF Insd)	5.00	02/15/24	1,591,706
				68,351,152

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PRINCIPAL AMOUNT IN THOUSANDS		COUPON RATE	MATURITY DATE	VALUE
	<b>Utah (1.9%)</b>			
5,000	Intermountain Power Agency, Utah, 2003 Ser A (FSA Insd)	5.00	07/01/21	5,237,050
	<b>Virginia (1.1%)</b>			
3,000	Richmond Metropolitan Authority, Refg Ser 2002 (FGIC Insd)	5.25	07/15/22	3,160,680
	<b>Washington (12.3%)</b>			
6,000	Cowlitz County, Public Utility District # 1, Production Ser 2006 (MBIA Insd)	5.00	09/01/31	5,519,880
5,000	King County, Sewer Refg 2001 (FGIC Insd)	5.00	01/01/31	4,732,300
8,025	Port of Seattle, Passenger Facility Ser 1998 A (MBIA Insd)	5.00	12/01/23	7,739,309
5,000	Port of Seattle, Ser 2001 B (AMT) (MBIA Insd)	5.625	02/01/24	4,792,400
2,890	Seattle, Water Refg 2003 (MBIA Insd)	5.00	09/01/20	3,028,287
2,870	Seattle, Water Refg 2003 (MBIA Insd)	5.00	09/01/23	2,952,713
2,500	Spokane School District #81, Ser 2005 (MBIA Insd)	5.13 (e)	12/01/23	2,603,625
4,300	Washington State Motor Vehicle Fuel Tax, Ser 2004F (AMBAC Insd)	0.00	12/01/29	1,359,359
2,000	Washington State Health Care Facilities Authority, Kadlec Medical Center Ser 2006 A (AGC Insd)	5.00	12/01/30	1,727,640
				34,455,513
	<b>West Virginia (1.1%)</b>			
2,900	West Virginia Water Development Authority, Loan Program II Refg Ser 2003 B (AMBAC Insd)	5.25	11/01/23	2,997,092
	<b>Total Tax-Exempt Municipal Bonds (Cost \$453,659,261)</b>			434,994,438
NUMBER OF SHARES (000)				
	<b>Short-Term Investment (f) (2.2%)</b>			
	<b>Investment Company</b>			
6,225	Morgan Stanley Institutional Liquidity Funds Tax-Exempt Portfolio Institutional Class (Cost			6,225,322

\$6,225,322)

**Total Investments** (*Cost \$459,884,583*) 441,219,760

PRINCIPAL  
AMOUNT  
IN  
THOUSANDS

**Floating Rate Note Obligations Related to Securities Held (-19.5%)**

(54,645) Notes with interest rates ranging from 0.48% to 2.28% at January 31, 2009 and contractual maturities of collateral ranging from 11/01/22 to 10/01/37 (g) (*Cost \$(54,645,000)*) (54,645,000)

**Total Net Investments** (*Cost \$405,239,583*) (*h*) (*i*) 138.0% 386,574,760

**Other Assets in Excess of Liabilities** 0.9 2,429,749

**Preferred Shares of Beneficial Interest** (38.9) (108,863,672)

**Net Assets Applicable to Common Shareholders** 100.0% 280,140,837

*Note: The categories of investments are shown as a percentage of net assets applicable to common shareholders.*

*AMT Alternative Minimum Tax.*

*COPs Certificates of Participation.*

*ETM Escrow to Maturity.*

*WI Securities purchased on a when-issued basis.*

*(a) Underlying securities related to inverse floaters entered into by the Trust.*

*(b) Capital appreciation bond.*

*(c) Currently a zero coupon security; will convert to 5.30% on June 15, 2012.*

*(d) A portion of this security has been physically segregated in connection with open futures contracts in the amount of \$735,877.*

*(e) Prerefunded to call date shown.*

*(f) The Fund invests in Morgan Stanley Institutional Liquidity Funds Tax-Exempt Portfolio Institutional Class, an open-end management investment company managed by the Investment Adviser. Investment Advisory fees paid by the Fund are reduced by an amount equal to the advisory and administrative service fees paid by Morgan Stanley Institutional Liquidity Funds Tax-Exempt Portfolio Institutional Class with respect to assets invested by the Fund in Morgan Stanley Institutional Liquidity Funds Tax-Exempt Portfolio Institutional Class.*

*(g) Floating Rate Note Obligations Related to Securities Held The Fund enters into transactions in which it transfers to Dealer Trusts ( Dealer Trusts ), fixed rate bonds in exchange for cash and residual interests in the Dealer Trusts assets and cash flows, which are in the form of inverse floating rate investments. The Dealer Trusts fund the purchases of the fixed rate bonds by issuing floating rate notes to third parties and allowing the Fund to retain residual interest in the bonds. The Fund enters into shortfall agreements with the Dealer Trusts which commit the Fund to pay the Dealer Trusts, in certain circumstances, the difference between the liquidation value of the fixed rate bonds held by the Dealer Trusts and the liquidation value of the floating rate notes held by third parties, as well as any shortfalls in interest cash flows. The residual interests held by the Fund (inverse floating rate investments) include the right of the Fund (1) to cause the holders of the floating rate notes to tender their notes at par at the next interest rate reset date, and (2) to transfer the municipal bond from the Dealer Trusts to the Fund, thereby collapsing the Dealer Trusts. The Fund accounts for the transfer of bonds to the Dealer Trusts as secured borrowings, with the securities transferred remaining in the Fund s investment assets, and the related floating rate notes reflected as Fund liabilities. The notes issued by the Dealer Trusts have interest rates that reset weekly and the floating rate note holders have the option to tender their notes to the Dealer Trusts for redemption at par at each reset date. At January 31, 2009, Fund investments with a value of \$85,193,337 are held by the Dealer Trusts and serve as collateral for the \$54,645,000 in floating rate note obligations outstanding at that date.*

*(h) Securities have been designated as collateral in an amount equal to \$154,371,251, in connection with open futures contracts, security purchased on a when-issued basis and inverse floating rate municipal obligations.*

(i) *The aggregate cost for federal income tax purposes approximates the aggregate cost for book purposes.*

*Bond Insurance:*

*AGC Assured Guaranty Corporation*

*AMBAC AMBAC Assurance Corporation.*

*BHAC Berkshire Hathaway Assurance Corporation.*

*FGIC Financial Guaranty Insurance Company.*

*FSA Financial Security Assurance Inc.*

*MBIA Municipal Bond Investors Assurance Corporation.*

*PSF Texas Permanent School Fund Guarantee Program.*

*XLCA XL Capital Assurance Inc.*

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**FUTURES CONTRACTS OPEN AT JANUARY 31, 2009**

NUMBER OF CONTRACTS LONG/SHORT		DESCRIPTION, DELIVERY MONTH AND YEAR	UNDERLYING FACE AMOUNT AT VALUE	UNREALIZED APPRECIATION (DEPRECIATION)
352	Long	U.S. Treasury Notes 2 Year March 2009	\$ 43,175,000	\$ (730,201)
119	Long	Swap Future 5 Year March 2009	13,813,297	(43,944)
7	Short	U.S. Treasury Notes 10 Year March 2009	(1,523,375)	1,519
38	Short	U.S. Treasury Notes 5 Year March 2009	(4,490,531)	21,533
200	Short	U.S. Treasury Bonds 30 Year March 2009	(25,340,626)	870,415
252	Short	Swap Future 10 Year March 2009	(31,448,814)	387,853
Net Unrealized Appreciation				\$ 507,175

**MS Insured Municipal Income Trust**  
**Notes to the Portfolio of Investments**

**FAS 157**

**1/31/2009**

The Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* ( SFAS 157 ), effective November 1, 2008. In accordance with SFAS 157, fair value is defined as the price that the Fund would receive to sell an investment or pay to transfer a liability in a timely transaction with an independent buyer in the principal market, or in the absence of a principal market the most advantageous market for the investment or liability. SFAS 157 establishes a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish classification of fair value measurements for disclosure purposes. Various inputs are used in determining the value of the Fund's investments. The inputs are summarized in the three broad levels listed below.

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities and the determination of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to each security.

The following is a summary of the inputs used as of January 31, 2009 in valuing the Fund's investments carried at value:

		Fair Value Measurements at January 31, 2009 Using		
		Quoted Prices	Significant	Significant
		In	Other	Unobservable
		Active Market	Observable	
		for	Inputs	Inputs
		Identical	(Level 2)	(Level
		Assets	(Level 2)	3)
	Total	(Level 1)		
Investments in Securities	\$ 441,219,760	\$ 6,225,322	\$ 434,994,438	
Other Financial Instruments*	507,175	507,175		
Total	\$ 441,726,935	\$ 6,732,497	\$ 434,994,438	

\* Other financial instruments include futures contracts.

Valuation of Investments (1) portfolio securities are valued by an outside independent pricing service approved by the Trustees. The pricing service uses both a computerized grid matrix of tax-exempt securities and and evaluations by its

staff, in each case based on information concerning market transactions and quotations from dealers which reflect the mean between the last reported bid and asked price. The portfolio securities are thus valued by reference to a combination of transactions and quotations for the same or other securities believed to be comparable in quality, coupon, maturity, type of issue, call provisions, trading characteristics and other features deemed to be relevant. The Trustees believe that timely and reliable market quotations are generally not readily available for purposes of valuing tax-exempt securities and that the valuations supplied by the pricing service are more likely to approximate the fair value of such securities; (2) futures are valued at the latest sale price on the commodities exchange on which they trade unless it is determined that such price does not reflect their market value, in which case they will be valued at their fair value as determined in good faith under procedures established by and under the supervision of the Trustees; (3) interest rate swaps are marked- to-market daily based upon quotations from market makers; (4) investments in open-end mutual funds, including the Morgan Stanley Institutional Liquidity Funds, are valued at the net asset value as of the close of each business day; and (5) short-term debt securities having a maturity date of more than sixty days at time of purchase are valued on a mark-to-market basis until sixty days prior to maturity and thereafter at amortized cost based on their value on the 61st day. Short-term debt securities having a maturity date of sixty days or less at the time of purchase are valued at amortized cost.

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**Item 2. Controls and Procedures.**

(a) The Trust's principal executive officer and principal financial officer have concluded that the Trust's disclosure controls and procedures are sufficient to ensure that information required to be disclosed by the Trust in this Form N-Q was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, based upon such officers' evaluation of these controls and procedures as of a date within 90 days of the filing date of the report.

(b) There were no changes in the Trust's internal control over financial reporting that occurred during the registrant's fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Trust's internal control over financial reporting.

**Item 3. Exhibits.**

(a) A separate certification for each principal executive officer and principal financial officer of the registrant are attached hereto.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Morgan Stanley Insured Municipal Income Trust

/s/ Randy Takian

Randy Takian

Principal Executive Officer

March 19, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Randy Takian

Randy Takian

Principal Executive Officer

March 19, 2009

/s/ Francis Smith

Francis Smith

Principal Financial Officer

March 19, 2009