

MORGAN STANLEY MUNICIPAL INCOME OPPORTUNITIES TRUST  
 Form N-Q  
 October 27, 2005

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: 811-05597

Morgan Stanley Municipal Income Opportunities Trust  
 (Exact name of registrant as specified in charter)

1221 Avenue of the Americas, New York, New York 10020  
 (Address of principal executive offices) (Zip code)

Ronald E. Robison  
 1221 Avenue of the Americas, New York, New York 10020  
 (Name and address of agent for service)

Registrant's telephone number, including area code: 212-762-4000

Date of fiscal year end: May 31, 2006

Date of reporting period: August 31, 2005

ITEM 1. SCHEDULE OF INVESTMENTS.

The Fund'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:

MORGAN STANLEY MUNICIPAL INCOME OPPORTUNITIES TRUST  
 PORTFOLIO OF INVESTMENTS August 31, 2005 (unaudited)

| PRINCIPAL<br>AMOUNT IN<br>THOUSANDS<br>----- |  | COUPON<br>RATE<br>----- | MATUR<br>DAT<br>----- |
|--|--|-------------------------|-----------------------|
|  | TAX-EXEMPT MUNICIPAL BONDS (96.2%)   |                         |                       |
|  | Educational Facilities Revenue (4.3%)  |                         |                       |
| 1,100  | ABAG Finance Authority for Nonprofit Corporations, California,<br>National Center for International Schools COPs | 7.50%                   | 05/01                 |
| 500  | San Diego County, California, The Burnham Institute COPs   | 6.25                    | 09/01                 |
| 1,000  | Bellalago Educational Facilities Benefits District, Florida,<br>Bellalago Charter School Ser 2004 B              | 5.80                    | 05/01                 |
| 500  | Illinois Finance Authority, Fullerton Village Student Housing<br>Ser 2004 A                                      | 5.125                   | 06/01                 |
| 500  | Maryland Industrial Development Financing Authority, Our Lady of<br>Good Counsel High School Ser 2005 A          | 6.00                    | 05/01                 |
| 1,000  | Westchester County Industrial Development Agency, New York,<br>Guiding Eyes for The Blind Inc Ser 2004           | 5.375                   | 08/01                 |
| 2,000  | Chattanooga Health Educational & Housing, Tennessee, CDFI<br>Ser 2005 A  | 5.125                   | 10/01                 |

Edgar Filing: MORGAN STANLEY MUNICIPAL INCOME OPPORTUNITIES TRUST - Form N-Q

|        |   |        |  |       |
|--------|---|--------|--|-------|
| 6,600  |   |        |  |       |
|        | Hospital Revenue (15.6%)  |        |  |       |
| 1,000  | Colbert County - Northwest Health Care Authority, Alabama, Helen Keller Hospital Ser 2003                                 | 5.75   |  | 06/01 |
| 2,000  | Baxter County, Arkansas, Baxter County Regional Hospital Impr & Refg Ser 1999 B   | 5.625  |  | 09/01 |
| 2,000  | Hawaii Department of Budget & Finance, Kuakini Health 2002 Ser A  | 6.375  |  | 07/01 |
| 1,000  | Indiana Health Facility Financing Authority, Riverview Hospital Ser 2002  | 6.125  |  | 08/01 |
| 2,000  | Maryland Health & Higher Educational Facilities Authority, University of Maryland Medical Center Ser 2000                 | 6.75   |  | 07/01 |
| 600    | Gaylord Hospital Financing Authority, Michigan, Otsego Memorial Hospital Ser 2004   | 6.50   |  | 01/01 |
| 1,500  | St. Paul, Minnesota, Housing and Redevelopment Authority, HealthEast Project Ser 2005 (WI)                                | 6.00   |  | 11/15 |
| 3,000  | Henderson, Nevada, Catholic Health West 1998 Ser A  | 5.375  |  | 07/01 |
| 1,500  | New Hampshire Higher Educational & Health Facilities Authority, Littleton Hospital Assn Ser 1998 A                        | 6.00   |  | 05/01 |
| 2,000  | New Jersey Health Care Facilities Financing Authority, Raritan Bay Medical Center Ser 1994                                | 7.25   |  | 07/01 |
| 1,105  | Nassau County Industrial Development Agency, New York, North Shore Health Ser B **  | 5.875  |  | 11/01 |
| 1,000  | Monroe County Hospital Authority, Pennsylvania, Pocono Medical Center Ser 2003  | 6.00   |  | 01/01 |
| 2,000  | South Carolina Jobs - Economic Development Authority, Palmetto Health Refg Ser 2003 C                                     | 6.875  |  | 08/01 |
| 1,000  | Knox County Health, Educational & Housing Facility Board, Tennessee, Baptist Health of East Tennessee Ser 2002            | 6.50   |  | 04/15 |
| 1,000  | Decatur Hospital Authority, Texas, Wise Regional Health Ser 2004 A  | 7.125  |  | 09/01 |
| 350    | Hidalgo County Health Services Corporation, Texas, Mission Hospital Ser 2005  | 5.00   |  | 08/15 |
| -----  |   |        |  |       |
| 23,055 |   |        |  |       |
| -----  |   |        |  |       |
|        | Industrial Development/Pollution Control Revenue (14.4%)  |        |  |       |
| 2,000  | Los Angeles, California, American Airlines Inc Terminal 4 Ser 2002 C (AMT)  | 7.50   |  | 12/01 |
| 360    | Metropolitan Washington Airports Authority, District of Columbia & Virginia, CaterAir International Corp Ser 1991 (AMT)++ | 10.125 |  | 09/01 |
| 2,000  | Chicago, Illinois, Chicago O'Hare Int'l Airport/United Airlines Inc Refg Ser 2001 C (a)                                   | 6.30   |  | 05/01 |
| 1,500  | Iowa Finance Authority, IPSCO Inc Ser 1997 (AMT)  | 6.00   |  | 06/01 |
| 2,000  | New York City Industrial Development Agency, New York, 7 World Trade Center LLC Ser 2005 A                                | 6.50   |  | 03/01 |
| 1,500  | Dayton, Ohio, Emery Air Freight Corp Refg Ser 1998 A  | 5.625  |  | 02/01 |
| 455    | Zanesville-Muskingum County Port Authority, Ohio, Anchor Glass Container Corp Ser 1989 B (AMT)                            | 10.25  |  | 12/01 |
| 2,000  | Beaver County Industrial Development Authority, Pennsylvania, Toledo Edison Co Collateralized Ser 1995 B                  | 7.75   |  | 05/01 |
| 2,920  | Carbon County Industrial Development Authority, Pennsylvania, Panther Creek Partners Refg 2000 Ser (AMT)                  | 6.65   |  | 05/01 |
| 750    | Pennsylvania Economic Development Financing Agency, Colver Project Refg Ser G   | 5.125  |  | 12/01 |
| 1,000  | Reliant Energy Inc Ser 2001 A (AMT)   | 6.75   |  | 12/01 |
| 1,225  | Lexington County, South Carolina, Ellett Brothers Inc Refg Ser 1988   | 7.50   |  | 09/01 |
| 1,000  | Brazos River Authority, Texas, TXU Electric Refg Ser 1999 A (AMT)   | 7.70   |  | 04/01 |

Edgar Filing: MORGAN STANLEY MUNICIPAL INCOME OPPORTUNITIES TRUST - Form N-Q

|        |   |       |       |
|--------|---|-------|-------|
| 1,000  | Chesterfield County Industrial Development Authority, Virginia,<br>Virginia Electric & Power Co Ser 1985            | 5.50  | 10/01 |
| 3,700  | Pittsylvania County Industrial Development Authority, Virginia,<br>Multi-Trade Pittsylvania County Ser 1994 A (AMT) | 7.45  | 01/01 |
| -----  |   |       |       |
| 23,410 |   |       |       |
| -----  |   |       |       |
|        | Mortgage Revenue - Multi-Family (7.1%)  |       |       |
|        | Washington County Housing & Redevelopment Authority, Minnesota,   |       |       |
| 3,885  | Courtly Park Ser 1989 A   | 9.75  | 06/15 |
| 1,165  | Courtly Park Ser 1989 A (AMT)   | 10.25 | 06/15 |
| 24,080 | Courtly Park Ser 1989 B   | 0.00  | 06/15 |
| 8,678  | Courtly Park Ser 1989 B (AMT)   | 0.00  | 06/15 |
|        | White Bear Lake, Minnesota,   |       |       |
| 3,715  | White Bear Woods Apts Phase II Refg 1989 Ser A  | 9.75  | 06/15 |
| 19,771 | White Bear Woods Apts Phase II Refg 1989 Ser B  | 0.00  | 06/15 |
| 3,000  | Brookhaven Industrial Development Agency, New York, Woodcrest<br>Estates Ser 1998 A (AMT)                           | 6.375 | 12/01 |
| -----  |   |       |       |
| 64,294 |   |       |       |
| -----  |   |       |       |
|        | Mortgage Revenue - Single Family (6.0%)   |       |       |
|        | Colorado Housing & Finance Authority,   |       |       |
| 155    | 1996 Ser B (AMT)  | 7.65  | 11/01 |
| 625    | Ser 1998 D-2 (AMT)  | 6.35  | 11/01 |
| 22,660 | New Hampshire Housing Finance Authority, Residential 1983 Ser B   | 0.00  | 01/01 |
| -----  |   |       |       |
| 23,440 |   |       |       |
| -----  |   |       |       |
|        | Nursing & Health Related Facilities Revenue (11.0%)   |       |       |
|        | Escambia County, Florida,   |       |       |
| 4,885  | Pensacola Care Development Centers Ser 1989   | 10.25 | 07/01 |
| 1,125  | Pensacola Care Development Centers Ser 1989 A   | 10.25 | 07/01 |
| 1,000  | Orange County Health Facilities Authority, Florida, Westminister<br>Community Care Services Inc Ser 1999            | 6.75  | 04/01 |
| 1,000  | Pinellas County Health Facilities Authority, Florida, Oaks of<br>Clearwater Ser 2004                                | 6.25  | 06/01 |
| 1,925  | Iowa Health Facilities Development Financing Authority, Care<br>Initiatives Ser 1996                                | 9.25  | 07/01 |
| 515    | Kentucky Economic Development Financing Authority,<br>AHF/Kentucky-Iowa Inc Ser 2003                                | 6.50# | 01/01 |
| 1,000  | Westside Habilitation Center, Louisiana, Intermediate Care<br>Facility for the Mentally Retarded Refg Ser 1993      | 8.375 | 10/01 |
| 1,775  | Massachusetts Development Finance Agency, New England Center<br>for Children Ser 1998                               | 5.875 | 11/01 |
| 1,000  | Massachusetts Health & Educational Facilities Authority, The<br>Learning Center for Deaf Children Ser C             | 6.125 | 07/01 |
| 1,000  | St Louis County Industrial Development Authority, Missouri,<br>Pediatric Rehabilitation Center Ser 2003 A           | 6.625 | 11/15 |
| 730    | New Jersey Economic Development Authority, First Mortgage -<br>Lions Gate Project Ser 2005 A                        | 5.875 | 01/01 |
| 780    | Mount Vernon Industrial Development Agency, New York,<br>Meadowview at the Wartburg Ser 1999                        | 6.00  | 06/01 |
| -----  |   |       |       |
| 16,735 |   |       |       |
| -----  |   |       |       |
|        | Recreational Facilities Revenue (4.6%)  |       |       |

Edgar Filing: MORGAN STANLEY MUNICIPAL INCOME OPPORTUNITIES TRUST - Form N-Q

|        |   |       |       |
|--------|---|-------|-------|
| 2,000  | Sacramento Financing Authority, California, Convention Center Hotel 1999 Ser A                            | 6.25  | 01/01 |
| 1,000  | San Diego County, San Diego Natural History Museum COPs Mashantucket (Western) Pequot Tribe, Connecticut, | 5.70  | 02/01 |
| 1,010  | Special 1996 Ser A (b)  | 6.40  | 09/01 |
| 1,000  | Special 1997 Ser B (b)  | 5.75  | 09/01 |
| 2,000  | Austin Convention Enterprises Inc, Texas, Convention Center Hotel Ser 2000 A                              | 6.70  | 01/01 |
| -----  |   |       |       |
| 7,010  |   |       |       |
| -----  |   |       |       |
|        | Retirement & Life Care Facilities Revenue (16.5%)   |       |       |
| 500    | Orange County Health Facilities Authority, Florida, Orlando Lutheran Towers Inc. Ser 2005                 | 5.70  | 07/01 |
| 1,000  | St Johns County Industrial Development Authority, Florida, Glenmoor Ser 1999 A                            | 8.00  | 01/01 |
| 1,000  | Hawaii Department of Budget & Finance, Kahala Nui 2003 Ser A  | 8.00  | 11/15 |
| 1,500  | Lenexa, Kansas, Lakeview Village - Southridge Ser 2002 C  | 6.875 | 05/15 |
| 1,500  | Maryland Health & Higher Educational Facilities Authority, Mercy Ridge 2003 Ser A                         | 6.00  | 04/01 |
| 1,500  | Massachusetts Development Finance Agency, Loomis Communities Ser 1999 A                                   | 5.75  | 07/01 |
| 1,500  | Kansas City Industrial Development Agency, Missouri, Bishop Spencer 2004 Ser A                            | 6.50  | 01/01 |
| 1,000  | New Jersey Economic Development Authority, Cedar Crest Village Inc Ser 2001 A                             | 7.25  | 11/15 |
| 1,000  | Franciscan Oaks Ser 1997  | 5.70  | 10/01 |
| 1,000  | The Presbyterian Home at Montgomery Ser 2001 A  | 6.375 | 11/01 |
| 2,000  | United Methodist Homes of New Jersey Ser 1998   | 5.125 | 07/01 |
| 3,250  | Suffolk County Industrial Development Agency, New York, Jefferson's Ferry Ser 1999                        | 7.25  | 11/01 |
| 1,000  | North Carolina Medical Care Commission, The Given Estate, Ser 2003 A                                      | 6.50  | 07/01 |
| 1,000  | Chester County Health & Education Facilities Authority, Pennsylvania, Jenner's Pond Inc Ser 2002          | 7.625 | 07/01 |
| 1,000  | Montgomery County Industry Development Authorty, Pennsylvania, Whitemarsh Community Ser 2005              | 6.25  | 02/01 |
| 750    | Shelby County Health, Educational & Housing Facilities Board, Tennessee, Village at Germantown Ser 2003 A | 7.25  | 12/01 |
| 1,000  | Houston Health Facilities Development Coproration, Texas, Buckingham Senior Living Community Ser 2004 A   | 7.125 | 02/15 |
| 2,100  | Vermont Economic Development Authority, Wake Robin Corp Ser 1999 A  | 6.75  | 03/01 |
| 1,000  | Peninsula Ports Authority of Virginia, Virginia Baptist Homes Ser 2003 A                                  | 7.375 | 12/01 |
| -----  |   |       |       |
| 24,600 |   |       |       |
| -----  |   |       |       |
|        | Tax Allocation Revenue (13.5%)  |       |       |
| 500    | Carlsbad, California, Assessment District No 2002-2001 Poinsettia Lane East Ser 2005 A                    | 5.20  | 09/02 |
| 1,000  | San Marcos Community Facilities District No 2002-01, California, University Commons Ser 2004              | 5.95  | 09/01 |
| 2,000  | Elk Valley Public Improvement Corporation, Colorado, Ser 2001 A   | 7.35  | 09/01 |
| 1,000  | Southlands Metropolitan District No 1, Colorado, Ser 2004   | 7.125 | 12/01 |
| 2,000  | Beacon Lakes, Community Development District, Florida,  | 6.90  | 05/01 |

Edgar Filing: MORGAN STANLEY MUNICIPAL INCOME OPPORTUNITIES TRUST - Form N-Q

|           |   |        |       |  |
|-----------|---|--------|-------|--|
|           | Ser 2003 A  |        |       |  |
| 1,000     | Midtown Miami Florida Community Development District, Florida,<br>Ser 2004 A                                | 6.25   | 05/01 |  |
| 2,000     | Atlanta, Georgia, Tax Allocation Bonds, Eastside Project Ser 2005 B   | 5.60   | 01/01 |  |
| 2,000     | Chicago, Illinois, Lake Shore East Ser 2002   | 6.75   | 12/01 |  |
| 725       | Lincolnshire, Illinois, Special Service Area No 1 Ser 2004  | 6.25   | 03/01 |  |
| 2,000     | Des Peres, Missouri, West County Center Ser 2002  | 5.75   | 04/15 |  |
| 4,000     | Fenton, Missouri, Gravois Bluffs Redevelopment Ser 2001 A Refg  | 7.00   | 10/01 |  |
| 1,980     | Las Vegas District No 808, Nevada, Summerlin Ser 2001   | 6.75   | 06/01 |  |
| -----     |   |        |       |  |
| 20,205    |   |        |       |  |
| -----     |   |        |       |  |
|           | Transportation Facilities Revenue (2.3%)  |        |       |  |
| 1,650     | Mid-Bay Bridge Authority, Florida, Sr Lien Crossover Refg<br>Ser 1993 A (Ambac)                             | 5.85   | 10/01 |  |
| 750       | Augusta, Georgia, Airport Passenger Facility Charge Ser 2005 A  | 5.15   | 01/01 |  |
| 1,000     | Nevada Department of Business & Industry, Las Vegas Monorail<br>2nd Tier Ser 2000                           | 7.375  | 01/01 |  |
| -----     |   |        |       |  |
| 3,400     |   |        |       |  |
| -----     |   |        |       |  |
|           | Other Revenue (0.9%)  |        |       |  |
| 1,500     | New York Counties Tobacco Trust IV Ser 2005A  | 5.00   | 06/01 |  |
| -----     |   |        |       |  |
| 214,249   | TOTAL TAX-EXEMPT MUNICIPAL BONDS (Cost \$159,107,742)   |        |       |  |
| -----     |   |        |       |  |
|           | SHORT-TERM TAX-EXEMPT MUNICIPAL OBLIGATIONS (1.6%)  |        |       |  |
| 1,030     | Idaho Health Facilities Authority, St Luke's Regional Medical Center<br>Ser 2000 (FSA) (Demand 09/01/05)    | 2.27*  | 07/01 |  |
| 370       | Indiana Health Facility Financing Authority, Clarian Health<br>Obligated Group Ser 2000 B (Demand 09/01/05) | 2.32*  | 03/01 |  |
| 1,100     | Roanoke Industrial Development Authority, Virginia, Carilion Health<br>System Ser 1997 A (Demand 09/01/05)  | 2.34*  | 07/01 |  |
| -----     |   |        |       |  |
| 2,500     | TOTAL SHORT-TERM TAX-EXEMPT MUNICIPAL OBLIGATIONS (Cost \$2,500,000)  |        |       |  |
| -----     |   |        |       |  |
| \$216,749 | TOTAL INVESTMENTS (Cost \$161,607,742) (c) (d)  | 97.8%  |       |  |
| =====     |   |        |       |  |
|           | OTHER ASSETS IN EXCESS OF LIABILITIES   | 2.2    |       |  |
|           |   | -----  |       |  |
|           | NET ASSETS  | 100.0% |       |  |
|           |   | =====  |       |  |

-----  
AMT Alternative Minimum Tax.

COPs Certificates of Participation.

WI Security purchased on a when-issued basis.

\* Current coupon of variable rate demand obligation.

\*\* A portion of this security has been physically segregated in connection with open futures contracts in the amount equal to \$16,250 .

Edgar Filing: MORGAN STANLEY MUNICIPAL INCOME OPPORTUNITIES TRUST - Form N-Q

- ++ Joint exemption in locations shown.
- # Currently a 6.50% coupon; increases to 8.00% on January 1, 2009.
- (a) Issuer in bankruptcy; non-income producing security
- (b) Resale is restricted to qualified institutional investors.
- (c) Securities have been designated as collateral in an amount equal to \$4,808,194 in connection with open futures contracts and security purchased on a when-issued basis.
- (d) The aggregate cost for federal income tax purposes is \$161,509,074. The aggregate gross unrealized appreciation is \$9,053,319 and the aggregate gross unrealized depreciation is \$15,163,199, resulting in net unrealized depreciation of \$6,109,880.

Bond Insurance:

Ambac Ambac Assurance Corporation.

FSA Financial Security Assurance Inc.

FUTURES CONTRACTS OPEN AT AUGUST 31, 2005:

| NUMBER OF<br>CONTRACTS             | LONG/SHORT | DESCRIPTION,<br>DELIVERY MONTH<br>AND YEAR | UNDERLYING FACE<br>AMOUNT AT VALUE | UNREALIZED<br>DEPRECIATION |
|------------------------------------|------------|--|------------------------------------|----------------------------|
| 25                                 | Short      | U.S. Treasury Notes 5 yr<br>December 2005  | \$ (2,709,375)                     | \$ (21,826)                |
| 5                                  | Short      | U.S. Treasury Notes 10 yr<br>December 2005 | (560,391)                          | (5,373)                    |
| Total unrealized depreciation..... |            |  |                                    | \$ (27,200)                |

GEOGRAPHIC SUMMARY OF INVESTMENTS

Based on Market Value as a Percent of Total Investments  
August 31, 2005 (unaudited)

|                      |      |
|----------------------|------|
| Alabama              | 0.7% |
| Arkansas             | 1.3  |
| California           | 5.4  |
| Colorado             | 2.6  |
| Connecticut          | 1.3  |
| District of Columbia | 0.2  |
| Florida              | 10.2 |
| Georgia              | 1.8  |
| Hawaii               | 2.1  |
| Idaho                | 0.7  |
| Illinois             | 2.5  |
| Indiana              | 0.9  |
| Iowa                 | 2.5  |
| Kansas               | 1.1  |

Edgar Filing: MORGAN STANLEY MUNICIPAL INCOME OPPORTUNITIES TRUST - Form N-Q

|                   |        |
|-------------------|--------|
| Kentucky          | 0.3    |
| Louisiana         | 0.7    |
| Maryland          | 2.8    |
| Massachusetts     | 2.8    |
| Michigan          | 0.4    |
| Minnesota         | 6.3    |
| Missouri          | 5.8    |
| Nevada            | 4.0    |
| New Hampshire     | 6.6    |
| New Jersey        | 5.1    |
| New York          | 8.6    |
| North Carolina    | 0.7    |
| Ohio              | 1.3    |
| Pennsylvania      | 6.7    |
| South Carolina    | 2.3    |
| Tennessee         | 2.5    |
| Texas             | 3.8    |
| Vermont           | 1.4    |
| Virginia          | 4.8    |
| Joint exemptions* | (0.2)  |
|                   | -----  |
| Total+            | 100.0% |
|                   | =====  |

-----

\* Joint exemptions have been included in each geographic location.

+ Does not include open short futures contracts with an underlying face amount of \$3,269,766, with unrealized depreciation of \$27,200.

ITEM 2. CONTROLS AND PROCEDURES.

(a) The Fund's principal executive officer and principal financial officer have concluded that the Fund's disclosure controls and procedures are sufficient to ensure that information required to be disclosed by the Fund 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 Fund'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 Fund'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.

2

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 Municipal Income Opportunities Trust

Edgar Filing: MORGAN STANLEY MUNICIPAL INCOME OPPORTUNITIES TRUST - Form N-Q

/s/ Ronald E. Robison

-----  
Ronald E. Robison  
Principal Executive Officer  
October 20, 2005

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/ Ronald E. Robison

-----  
Ronald E. Robison  
Principal Executive Officer  
October 20, 2005

/s/ Francis Smith

-----  
Francis Smith  
Principal Financial Officer  
October 20, 2005