

MORGAN STANLEY QUALITY MUNICIPAL SECURITIES  
Form N-Q  
September 29, 2008

**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: 811-07560  
Morgan Stanley Quality Municipal Securities  
(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: 212-296-6990

Date of fiscal year end: October 31, 2008

Date of reporting period: July 31, 2008

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**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 Quality Municipal Securities**  
**Portfolio of Investments July 31, 2008 (unaudited)**

| PRINCIPAL<br>AMOUNT<br>IN<br>THOUSANDS     |  | COUPON<br>RATE | MATURITY<br>DATE | VALUE        |
|--|--|----------------|------------------|--------------|
| <b>Tax-Exempt Municipal Bonds (148.9%)</b> |  |                |                  |              |
| <b>Alabama (1.0%)</b>                      |  |                |                  |              |
| \$ 2,000                                   | Jefferson County, Alabama, School Ser 2004 A   | 5.50%          | 01/01/22         | \$ 1,903,320 |
| <b>Alaska (1.1%)</b>                       |  |                |                  |              |
| 3,000                                      | Northern Tobacco Securitization Corporation,<br>Alaska, Asset Backed Ser 2006 A              | 5.00           | 06/01/46         | 2,125,830    |
| <b>Arizona (3.1%)</b>                      |  |                |                  |              |
| 1,010                                      | Arizona, Ser 2008 A (FSA Insd)   | 5.00           | 09/01/24         | 1,022,231    |
| 3,890                                      | Salt River Project Agricultural Improvement &<br>Power District, Arizona, 2002 Ser B (a)     | 5.00           | 01/01/22         | 3,948,049    |
| 1,000                                      | Surprise Municipal Property Corporation,<br>Arizona, Ser 2007                                | 4.90           | 04/01/32         | 867,170      |
|  |  |                |                  | 5,837,450    |
| <b>Arkansas (1.0%)</b>                     |  |                |                  |              |
| 1,000                                      | Baxter County Regional Hospital Inc, Arkansas<br>Ser 2007                                    | 5.00           | 09/01/22         | 942,030      |
| 1,000                                      | Baxter County Regional Hospital Inc, Arkansas<br>Ser 2007                                    | 5.00           | 09/01/26         | 886,470      |
|  |  |                |                  | 1,828,500    |
| <b>California (29.5%)</b>                  |  |                |                  |              |
| 765  | Alvord Unified School District, California, Ser<br>2007 A (FSA Insd)                         | 5.00           | 08/01/24         | 794,284      |
| 900  | California Department of Water Reserve and<br>Power Supply, Ser 2008 H (FSA Insd)            | 5.00           | 05/01/22         | 932,265      |
| 5,000                                      | California Economic Recovery, Ser 2004 A (a)   | 5.00           | 07/01/16         | 5,262,850    |
| 3,000                                      | California Health Facilities Financing<br>Authority, Cedars-Sinai Medical Center Ser<br>2005 | 5.00           | 11/15/34         | 2,836,320    |
| 5,000                                      | California Public Works Board, Mental Health<br>2004 Ser A                                   | 5.00           | 06/01/24         | 5,019,750    |
| 3,000                                      | California, Various Purpose dtd 05/01/03   | 5.00           | 02/01/32         | 2,951,130    |
| 5,000                                      | California, Various Purpose dtd 11/01/06   | 4.50           | 10/01/36         | 4,431,200    |
| 2,000                                      | California, Various Purpose dtd 12/01/05   | 5.00           | 03/01/27         | 2,003,660    |
| 4,000                                      |  | 5.125          | 06/01/47         | 2,952,880    |

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|       |  |      |          |            |
|-------|--|------|----------|------------|
|       | Golden State Tobacco Securitization Corporation, California, Asset Backed Ser 2007 A                                       |      |          |            |
| 4,000 | Golden State Tobacco Securitization Corporation, California, Asset Backed Ser 2007 A                                       | 5.75 | 06/01/47 | 3,285,200  |
| 2,000 | Golden State Tobacco Securitization Corporation, California, Asset Backed Ser 2005 A (AMBAC Insd)                          | 5.00 | 06/01/29 | 1,888,580  |
| 310   | Indio Redevelopment Agency, California, Ser A  | 5.00 | 08/15/23 | 306,444    |
| 310   | Indio Redevelopment Agency, California, Ser A  | 5.00 | 08/15/24 | 304,296    |
| 5,000 | Los Angeles Department of Water & Power, California, Water 2004 Ser C (MBIA Insd) (a)                                      | 5.00 | 07/01/23 | 5,137,538  |
| 4,000 | Los Angeles, Community College District, California, 2003 Ser B (FSA Insd)   | 5.00 | 08/01/27 | 4,067,160  |
| 3,040 | Milpitas Redevelopment Agency, Area #1 Ser 2003 (MBIA Insd)  | 5.00 | 09/01/22 | 3,115,210  |
| 4,240 | San Diego County Water Authority, California, Ser 2004 A COPs (FSA Insd) (a)   | 5.00 | 05/01/29 | 4,271,079  |
| 1,000 | San Diego County, Burnham Institute for Medical Research Ser 2006 COPs   | 5.00 | 09/01/34 | 874,280    |
| 4,000 | San Francisco City & County, California, Laguna Honda Hospital Ser 2005 I (FSA Insd) (a)                                   | 5.00 | 06/15/30 | 4,052,540  |
| 540   | San Francisco City & County, California, Laguna Honda Hospital Ser 2008 R3 (AGC Insd)                                      | 5.00 | 06/15/28 | 545,600    |
| 2,000 | Tobacco Securitization Authority of Northern California, Sacramento County Tobacco Securitization Corporation Ser 2006 A-1 | 5.00 | 06/01/37 | 1,485,440  |
|       |  |      |          | 56,517,706 |
|       | <b>Colorado (2.2%)</b>   |      |          |            |
| 2,590 | Arkansas River Power Authority, Colorado, Power Ser 2006 (XLCA Insd)   | 5.25 | 10/01/40 | 2,231,958  |
| 2,000 | Colorado Health Facilities Authority, Adventist/Sunbelt Ser 2006 D   | 5.25 | 11/15/35 | 1,902,520  |
| 165   | Public Authority For Colorado Energy Ser 2008  | 6.25 | 11/15/28 | 161,274    |
|       |  |      |          | 4,295,752  |
|       | <b>Connecticut (0.7%)</b>  |      |          |            |
| 1,500 | Mashantucket (Western) Pequot Tribe, Connecticut, 2006 Ser A   | 5.50 | 09/01/36 | 1,264,365  |
|       | <b>District of Columbia (1.4%)</b>   |      |          |            |
| 2,000 | District of Columbia Ballpark, Ser 2006 B-1 (FGIC Insd)  | 5.00 | 02/01/31 | 1,837,980  |
| 855   |  | 5.00 | 10/01/25 | 873,408    |

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District of Columbia Water & Sewer Authority,  
Ser 2008 A (AGC Insd)

2,711,388

**Florida (8.1%)**

|       |   |       |          |           |
|-------|---|-------|----------|-----------|
| 1,000 | Highlands County Health Facilities Authority,<br>Florida, Adventist Health/Sunbelt Ser 2006 C   | 5.25  | 11/15/36 | 954,600   |
| 1,000 | Lee County Industrial Development Authority,<br>Florida, Shell Point Village/The Alliance<br>Community for Retirement Living Inc, Ser<br>2006 | 5.125 | 11/15/36 | 812,020   |
| 5,000 | Miami-Dade County, Florida, Miami Int 1<br>Airport Ser 2000 A (AMT) (FGIC Insd)   | 6.00  | 10/01/24 | 5,041,600 |

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| PRINCIPAL<br>AMOUNT<br>IN<br>THOUSANDS |   | COUPON MATURITY |          | VALUE      |
|--|---|-----------------|----------|------------|
|  |   | RATE            | DATE     |            |
| 1,995                                  | Miami-Dade County, Florida, Ser 2005 A (MBIA Insd)  | 0.00(d)         | 10/01/30 | 1,440,669  |
| 4,000                                  | South Miami Health Facilities Authority, Florida, Baptist Health South Florida Ser 2007 (a) | 5.00            | 08/15/42 | 3,806,060  |
| 1,000                                  | St Johns County Industrial Development Authority, Florida, Glenmoor Ser 2006 A              | 5.25            | 01/01/26 | 843,120    |
| 3,250                                  | St Johns, Florida, Industrial Development Authority, Glenmoor Refg 2006 Ser A               | 5.375           | 01/01/40 | 2,535,065  |
|  |   |                 |          | 15,433,134 |
|  | <b>Georgia (8.9%)</b>   |                 |          |            |
| 5,000                                  | Atlanta, Georgia, Airport Ser 2004 C (FSA Insd) (a)   | 5.00            | 01/01/33 | 5,002,278  |
| 1,200                                  | De Kalb County, Georgia, Water & Sewer Ser 2003 A   | 5.00            | 10/01/23 | 1,237,752  |
| 3,000                                  | Fulton County, Georgia, Water & Sewerage Ser 2004 (FGIC Insd)                               | 5.25            | 01/01/35 | 3,036,480  |
| 2,000                                  | Georgia Road & Tollway Authority, Ser 2001  | 5.375           | 03/01/17 | 2,144,980  |
| 2,000                                  | Georgia Road & Tollway Authority, Ser 2004  | 5.00            | 10/01/22 | 2,066,280  |
| 3,000                                  | Georgia Road & Tollway Authority, Ser 2004  | 5.00            | 10/01/23 | 3,084,419  |
| 425                                    | Main Street Natural Gas Inc., Georgia, Gas Project Ser A                                    | 6.25            | 07/15/28 | 396,589    |
|  |   |                 |          | 16,968,778 |
|  | <b>Hawaii (11.2%)</b>   |                 |          |            |
| 10,000                                 | Hawaii Department of Budget & Finance, Hawaiian Electric Co Inc Ser 1993 (AMT) (MBIA Insd)  | 5.45            | 11/01/23 | 10,088,200 |
| 3,000                                  | Hawaii, Airports Refg Ser 2000 B (AMT) (FGIC Insd)  | 6.625           | 07/01/18 | 3,093,240  |
| 8,000                                  | Honolulu City & County, Hawaii, Ser 2003A (MBIA Insd) (a)                                   | 5.25            | 03/01/24 | 8,287,640  |
|  |   |                 |          | 21,469,080 |
|  | <b>Illinois (9.7%)</b>  |                 |          |            |
| 3,600                                  | Chicago Park District, Illinois, Harbor Ser A (AMBAC Insd)                                  | 5.00            | 01/01/27 | 3,632,868  |
| 3,000                                  | Chicago, Illinois, O Hare Int 1 Airport 3rd Lien Ser 2005 A (MBIA Insd)                     | 5.25            | 01/01/26 | 2,996,460  |
| 3,000                                  | Chicago, Illinois, O Hare Int 1 Airport Passenger Fee Ser 2001 A (AMT) (AMBAC Insd)         | 5.375           | 01/01/32 | 2,846,820  |
| 1,070                                  | Chicago, Illinois, Transit Authority Ser 2008 (AGC Insd)                                    | 5.25            | 06/01/23 | 1,121,863  |
| 725                                    | De Kalb County, Illinois, Community Unit School District No. 428 (FSA Insd)                 | 5.00            | 01/01/23 | 749,737    |
| 2,780                                  | Kendall Kane & Will County, Illinois, Community Unit School District No. 308 (FSA Insd)     | 0.00            | 02/01/20 | 1,594,441  |
| 8,480                                  | Metropolitan Pier & Exposition Authority, Illinois, McCormick Place Ser 2002 A (MBIA Insd)  | 0.00(e)         | 06/15/26 | 5,658,110  |
|  |   |                 |          | 18,600,299 |

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|                             |  |      |                    |
|-----------------------------|--|------|--------------------|
| <b>Indiana (1.5%)</b>       |  |      |                    |
| 3,000                       | Indiana Health & Educational Facility Financing Authority, Clarian Health Ser 2006 A                   | 5.25 | 02/15/40 2,778,600 |
| <b>Kansas (1.3%)</b>        |  |      |                    |
| 2,500                       | Wyandotte County/Kansas City, Kansas, Ser 2004 B (FSA Insd)  | 5.00 | 09/01/28 2,524,700 |
| <b>Louisiana (0.5%)</b>     |  |      |                    |
| 1,000                       | Louisiana Public Facilities Authority, Pennington Medical Foundation Ser 2006                          | 5.00 | 07/01/31 900,400   |
| <b>Maine (0.0%)</b>         |  |      |                    |
| 60                          | Maine Health & Higher Educational Facilities Authority, Ser 1993 D (FSA Insd)                          | 5.50 | 07/01/18 60,128    |
| <b>Maryland (2.8%)</b>      |  |      |                    |
| 1,000                       | Baltimore County, Maryland, Oak Crest Village Ser 2007 A   | 5.00 | 01/01/37 893,010   |
| 1,500                       | Maryland Health & Higher Educational Facilities Authority, King Farm Presbyterian Community 2006 Ser B | 5.00 | 01/01/17 1,409,010 |
| 3,000                       | Northeast Maryland Waste Disposal Authority, Montgomery County Ser 2003 (AMT) (AMBAC Insd)             | 5.50 | 04/01/16 3,076,320 |
|                             |  |      | 5,378,340          |
| <b>Michigan (1.4%)</b>      |  |      |                    |
| 3,000                       | Michigan Hospital Finance Authority, Henry Ford Health Refg Ser 2006 A                                 | 5.25 | 11/15/46 2,708,220 |
| <b>Missouri (2.3%)</b>      |  |      |                    |
| 4,000                       | Missouri Health & Educational Facilities Authority, Barnes-Jewish/Christian Health Ser 1993 A          | 5.25 | 05/15/14 4,313,920 |
| <b>Nebraska (2.5%)</b>      |  |      |                    |
| 5,000                       | Nebraska Public Power District, 2003 Ser A (AMBAC Insd)  | 5.00 | 01/01/35 4,857,000 |
| <b>Nevada (2.0%)</b>        |  |      |                    |
| 3,000                       | Clark County, Nevada, Airport SubLien Ser 2004 (AMT) (FGIC Insd)                                       | 5.50 | 07/01/20 2,886,990 |
| 1,000                       | Reno, Nevada, Renown Regional Medical Center Ser 2007 A  | 5.25 | 06/01/37 918,100   |
|                             |  |      | 3,805,090          |
| <b>New Hampshire (1.5%)</b> |  |      |                    |
| 3,000                       | Manchester, New Hampshire, Water Works Ser 2003 (FGIC Insd)  | 5.00 | 12/01/34 2,952,300 |

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**New Jersey (3.5%)**

|       |   |      |          |           |
|-------|---|------|----------|-----------|
| 3,000 | New Jersey Economic Development Authority, Cigarette Tax Ser 2004 (b)       | 5.75 | 06/15/29 | 2,819,520 |
| 1,500 | New Jersey Economic Development Authority, Seabrook Village Inc Ser<br>2006 | 5.25 | 11/15/36 | 1,215,075 |

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| PRINCIPAL<br>AMOUNT<br>IN<br>THOUSANDS |   | COUPON<br>RATE | MATURITY<br>DATE | VALUE      |
|--|---|----------------|------------------|------------|
| 3,000                                  | Tobacco Settlement Financing Corporation,<br>New Jersey, Ser 2007-1A                                    | 4.625          | 06/01/26         | 2,462,940  |
| 3,000                                  | Tobacco Settlement Financing Corporation,<br>New Jersey, Ser 2007-1B                                    | 0.00           | 06/01/41         | 222,660    |
|  |   |                |                  | 6,720,195  |
|  | <b>New Mexico (0.5%)</b>  |                |                  |            |
| 940                                    | New Mexico Finance Authority, Ser A   | 5.00           | 06/01/27         | 963,434    |
|  | <b>New York (10.2%)</b>   |                |                  |            |
| 5,000                                  | Metropolitan Transportation Authority, New<br>York, Transportation Ser 2003 B (MBIA Insd)               | 5.25           | 11/15/22         | 5,179,900  |
| 3,000                                  | Nassau County Tobacco Settlement<br>Corporation, New York, Ser 2006 A-3                                 | 5.125          | 06/01/46         | 2,469,900  |
| 465                                    | New York City, New York, Subser L-1   | 5.00           | 04/01/26         | 474,984    |
| 1,950                                  | New York City Trust for Cultural Resources,<br>Museum of Modern Art Refg Ser 2008 1A (a)                | 5.00           | 04/01/27         | 2,026,145  |
| 6,000                                  | Tobacco Settlement Financing Corporation,<br>New York, State Contingency Ser 2003 B-1C                  | 5.50           | 06/01/21         | 6,225,960  |
| 3,000                                  | Triborough Bridge & Tunnel Authority, New<br>York, Refg Ser 2002 B                                      | 5.25           | 11/15/19         | 3,171,090  |
|  |   |                |                  | 19,547,979 |
|  | <b>North Carolina (1.1%)</b>  |                |                  |            |
| 2,000                                  | North Carolina Municipal Power Agency #1,<br>Catawba Ser 1993 (MBIA Insd)                               | 5.25           | 01/01/20         | 2,044,940  |
|  | <b>Ohio (2.7%)</b>  |                |                  |            |
| 1,000                                  | American Municipal Power Ohio, Inc. Ser<br>2008 A (AGC Insd) (a)  | 5.25           | 02/15/33         | 1,008,190  |
| 5,000                                  | Cuyahoga County, Ohio, Cleveland Clinic Ser<br>2003 A   | 6.00           | 01/01/32         | 5,210,900  |
|  |   |                |                  | 6,219,090  |
|  | <b>Pennsylvania (2.0%)</b>  |                |                  |            |
| 665                                    | Allegheny County Redevelopment Authority,<br>Pennsylvania, West Penn Allegheny Health<br>Ser 2007 A (a) | 5.375          | 11/15/40         | 1,596,451  |
| 2,000                                  | Pennsylvania, First Ser 2003 (MBIA Insd) (a)  | 5.00           | 01/01/13(c)      | 2,159,530  |



|       |   |         |          |            |
|-------|---|---------|----------|------------|
|       |   |         |          | 3,755,981  |
|       | <b>Rhode Island (0.8%)</b>  |         |          |            |
| 1,500 | Rhode Island Economic Development Corporation, Airport Refg Ser 2004 A (AMT) (FSA Insd)                             | 5.00    | 07/01/21 | 1,440,600  |
|       | <b>South Carolina (5.8%)</b>  |         |          |            |
| 2,000 | Charleston Educational Excellence Financing Corporation, South Carolina, Charleston County School District Ser 2005 | 5.25    | 12/01/29 | 2,019,240  |
| 4,565 | Grand Strand Water & Sewer Authority, South Carolina, Refg Ser 2002 (FSA Insd)                                      | 5.375   | 06/01/19 | 4,833,194  |
| 40    | Lexington County, South Carolina, Health Services District, Lexmed Inc, Ser 2007 A                                  | 5.00    | 11/01/16 | 40,618     |
| 210   | Richland County Environmental Improvement Revenue, South Carolina, International Paper Company Ser 2007 A           | 4.60    | 09/01/12 | 203,946    |
| 4,000 | South Carolina Public Service Authority, Santee Cooper Ser 2003 A (AMBAC Insd) (a)                                  | 5.00    | 01/01/27 | 4,056,930  |
|       |   |         |          | 11,153,928 |
|       | <b>Tennessee (2.0%)</b>   |         |          |            |
| 4,000 | Tennessee Energy Acquisition Corporation, Ser 2006 A (a)  | 5.25    | 09/01/19 | 3,897,240  |
|       | <b>Texas (12.3%)</b>  |         |          |            |
| 2,000 | Alliance Airport Authority, Texas, Federal Express Corp Refg Ser 2006 (AMT)   | 4.85    | 04/01/21 | 1,739,520  |
| 1,000 | Austin, Texas, Water & Wastewater ROLS RR II R - 574 (FSA Insd)   | 9.00(f) | 05/15/27 | 1,035,340  |
| 1,000 | Board of Regents of the University of Houston System Ser 2008 (a)   | 5.00    | 02/15/33 | 1,012,468  |
| 575   | Friendswood, Texas, Independent School District (PSF Insd)  | 5.00    | 02/15/25 | 590,353    |
| 1,360 | Harris County, Texas, Health Facilities Development Corp.   | 5.25    | 11/15/23 | 1,419,242  |
| 2,350 | Houston, Texas, Hotel Occupancy Ser B   | 0.00    | 09/01/25 | 939,413    |
| 1,460 | Houston, Texas, Independent School District   | 5.00    | 02/15/28 | 1,478,191  |
| 5,000 | Houston, Texas, Combined Utility First Lien Refg 2004 Ser A (MBIA Insd)   | 5.25    | 05/15/25 | 5,102,051  |
| 5,200 | North Texas Tollway Authority, Ser D  | 0.00    | 01/01/28 | 1,668,784  |
| 1,000 | Tarrant County Cultural Educational Facilities Finance Corp,  | 5.125   | 05/15/37 | 875,730    |
| 4,000 | Tarrant County Regional Water District, Texas, Refg & Impr Ser 2002 (FSA Insd)                                      | 5.25    | 03/01/17 | 4,283,439  |
| 325   |   | 6.25    | 12/15/26 | 308,331    |

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|        |   |       |          |            |
|--------|---|-------|----------|------------|
|        | Texas Municipal Gas Acquisition and Supply Corp. Ser 2008 D                             |       |          |            |
| 3,000  | West Harris County Regional Water Authority, Texas, Water Ser 2005 (FSA Insd)           | 5.00  | 12/15/24 | 3,065,460  |
|        |   |       |          | 23,518,322 |
|        | <b>Utah (1.3%)</b>  |       |          |            |
| 2,500  | Intermountain Power Agency, Utah, 2003 Ser A (FSA Insd)                                 | 5.00  | 07/01/21 | 2,571,700  |
|        | <b>Virginia (9.4%)</b>  |       |          |            |
| 1,250  | Fairfax County Economic Development Authority, Virginia, Goodwin House Inc Ser 2007     | 5.125 | 10/01/42 | 1,075,738  |
| 10,000 | Fairfax County Industrial Development Authority, Virginia, Inova Health Refg Ser 1993 A | 5.25  | 08/15/19 | 10,786,701 |
| 4,000  | Norfolk, Virginia, Water Ser 1993 (AMBAC Insd)  | 5.375 | 11/01/23 | 4,006,160  |
| 2,000  | Prince William County Service Authority, Virginia, Water & Sewer Refg Ser 2003          | 5.00  | 07/01/21 | 2,099,400  |
|        |   |       |          | 17,967,999 |

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| PRINCIPAL<br>AMOUNT<br>IN<br>THOUSANDS |  | COUPON<br>RATE | MATURITY<br>DATE | VALUE       |
|--|--|----------------|------------------|-------------|
|  | <b>Washington (3.0%)</b>   |                |                  |             |
| 1,705                                  | Grant County Public Utility District #2, Washington, Wanapum Hydroelectric<br>2005 Ser A (FGIC Insd) | 5.00           | 01/01/34         | 1,647,797   |
| 4,010                                  | Port of Seattle, Washington, Passenger Facility Ser 1998 A (MBIA Insd) (a)                           | 5.00           | 12/01/23         | 4,020,226   |
|  |  |                |                  | 5,668,023   |
|  | <b>Total Tax-Exempt Municipal Bonds</b><br><i>(Cost \$290,197,666)</i>                               |                |                  | 284,703,731 |

| NUMBER OF<br>SHARES<br>(000) |   |  | VALUE       |
|------------------------------|---|--|-------------|
|                              | <b>Short-Term Investment (h) (9.5%)<br/>Investment Company</b>  |  |             |
| 16,106                       | Morgan Stanley Institutional Liquidity Tax-Exempt Portfolio Institutional<br>Class <i>(Cost \$16,105,566)</i> |  | 16,105,566  |
|                              | <b>Total Investments</b><br><i>(Cost \$306,303,232)</i>   |  | 300,809,297 |

| PRINCIPAL<br>AMOUNT<br>IN<br>THOUSANDS |   |        | VALUE          |
|--|---|--------|----------------|
| (36,705)                               | <b>Floating Rate Note and Dealer Trusts Obligations Related to Securities Held (-19.2%)</b><br>Notes with interest rates ranging from 2.23% to 2.50% at July 31, 2008 and contractual<br>maturities of collateral ranging from 01/01/13 to 08/15/42 (g)<br><i>(Cost (\$36,704,540))</i> |        | (36,704,540)   |
|  | <b>Total Net Investments</b><br><i>(Cost \$269,598,692) (i) (j)</i>   | 138.1% | 264,104,757    |
|  | <b>Other Assets in Excess of Liabilities</b>  | 1.5    | 2,820,099      |
|  | <b>Preferred Shares of Beneficial Interest</b>  | (39.6) | (75,650,000)   |
|  | <b>Net Assets Applicable to Common Shareholders</b>   | 100.0% | \$ 191,274,856 |

*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.*

*ROLS Reset Option Longs.*

*(a) Underlying security related to inverse floater entered into by the Fund.*

*(b) A portion of this security has been physically segregated in connection with open futures contracts in the amount of \$400,042.*

*(c) Prerefunded to call date shown.*

*(d) Currently a zero coupon security, will convert to 5.00% on October 1, 2013.*

*(e) Currently a zero coupon security, will convert to 5.75% on June 15, 2017.*

(f) *Current coupon rate for inverse floating rate municipal obligations.*

*This rate resets periodically as the auction rate on the related security changes.*

*Position in inverse floating rate municipal obligations have a total value of \$1,035,340 which represents 0.6% of net assets applicable to common shareholders.*

(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  
July 31, 2008,  
Fund  
investments with  
a value of  
\$51,627,748 are  
held by the  
Dealer Trusts  
and serve as  
collateral for*

*the \$36,704,540  
in floating rate  
note obligations  
outstanding at  
that date.*

- (h) *The Fund  
invests in  
Morgan Stanley  
Institutional  
Liquidity  
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  
Tax-Exempt  
Portfolio  
Institutional  
Class with  
respect to assets  
invested by the  
Fund in Morgan  
Stanley  
Institutional  
Liquidity  
Tax-Exempt  
Portfolio  
Institutional  
Class .*

- (i)



*Securities have been designated as collateral in an amount equal to \$70,105,724 in connection with open futures and swap contracts.*

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

Bond Insurance:

|              |  |
|--------------|--|
| <i>AGC</i>   | <i>Assured Guaranty Corporation.</i>                   |
| <i>AMBAC</i> | <i>AMBAC Assurance Corporation.</i>                    |
| <i>FGIC</i>  | <i>Financial Guaranty Insurance Company.</i>           |
| <i>FSA</i>   | <i>Financial Security Assurance Inc.</i>               |
| <i>MBIA</i>  | <i>Municipal Bond Investors Assurance Corporation.</i> |
| <i>PSF</i>   | <i>Texas Permanent School Fund Guarantee Program.</i>  |
| <i>XLCA</i>  | <i>XL Capital Assurance Inc.</i>                       |

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**Futures Contracts Open at July 31, 2008:**

| NUMBER OF |            | DESCRIPTION, DELIVERY                          | UNDERLYING<br>FACE<br>AMOUNT AT<br>VALUE | UNREALIZED     |
|-----------|------------|--|--|----------------|
| CONTRACTS | LONG/SHORT |  |  | MONTH AND YEAR |
| 49        | Long       | U.S. Treasury Notes 2 Year,<br>September 2008  | \$ 10,388,000                            | \$ 71,093      |
| 59        | Long       | U.S. Treasury Notes 10 Year,<br>September 2008 | 6,774,860                                | 113,930        |
| 305       | Long       | Treasury Swap 5 Year,<br>September 2008        | 32,897,111                               | 113,357        |
| 221       | Short      | U.S. Treasury Notes 5 Year,<br>September 2008  | (24,605,243)                             | (108,714)      |
| 88        | Short      | U.S. Treasury Notes 20 Year,<br>September 2008 | (10,164,000)                             | (69,096)       |
| 161       | Short      | Treasury Swap 10 Year,<br>September 2008       | (17,725,094)                             | (102,579)      |
|           |            | Net Unrealized Appreciation                    |  | \$ 17,990      |

**Interest Rate Swap Contracts Open at July 31, 2008:**

| <b>COUNTERPARTY</b>         | <b>NOTIONAL<br/>AMOUNT<br/>(000)</b> | <b>PAYMENTS<br/>RECEIVED BY FUND</b> | <b>PAYMENTS<br/>MADE BY FUND</b> | <b>TERMINATION<br/>DATE</b> | <b>UNREALIZED<br/>APPRECIATION<br/>(DEPRECIATION)</b> |
|-----------------------------|--------------------------------------|--------------------------------------|----------------------------------|-----------------------------|---|
| Bank of America<br>N.A.     | \$ 3,118                             | Fixed Rate 5.58                      | Floating Rate 0.00 @             | February 28, 2018           | \$ 34,672   |
| Bank of America<br>N.A.     | 3,775                                | Fixed Rate 5.070                     | Floating Rate 0.00 @             | April 14, 2018              | (29,634)  |
| Bank of America<br>N.A.     | 3,600                                | Fixed Rate 4.982                     | Floating Rate 0.00 @             | April 15, 2018              | (39,528)  |
| Bank of America<br>N.A.     | 3,925                                | Floating Rate 0.00 @                 | Fixed Rate 5.99                  | February 28, 2023           | (50,005)  |
| Bank of America<br>N.A.     | 4,835                                | Floating Rate 0.00 @                 | Fixed Rate 5.47                  | April 14, 2023              | 7,446   |
| Bank of America<br>N.A.     | 4,405                                | Floating Rate 0.00 @                 | Fixed Rate 5.38                  | April 15, 2023              | 17,620  |
| JPMorgan Chase<br>Bank N.A. | 13,410                               | Fixed Rate 5.385%                    | Floating Rate 0.00% @            | February 14, 2018           | 57,127  |
| JPMorgan Chase<br>Bank N.A. | 17,090                               | Floating Rate 0.00 @                 | Fixed Rate 5.831                 | February 14, 2023           | (143,043)   |
| Merrill Lynch & Co.         | 4,800                                | Fixed Rate 5.00                      | Floating Rate 0.00 @             | April 15, 2018              | (49,728)  |
| Merrill Lynch & Co.         | 6,185                                | Floating Rate 0.00 @                 | Fixed Rate 5.395                 | April 15, 2023              | 22,204  |
|                             |                                      |                                      |                                  | Net unrealized depreciation | \$ (172,869)  |

@ Floating rate  
represents  
USD-3 months  
LIBOR.

**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 Quality Municipal Securities

/s/ Randy Takian

Randy Takian

Principal Executive Officer

September 18, 2008

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

September 18, 2008

/s/ Francis Smith

Francis Smith

Principal Financial Officer

September 18, 2008