

MORGAN STANLEY MUNICIPAL INCOME OPPORTUNITIES TRUST
 Form N-Q
 October 24, 2007

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)

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

10036
 (Zip code)

Ronald E. Robison
 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: May 31, 2008

Date of reporting period: August 31, 2007

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, 2007 (UNAUDITED)

PRINCIPAL AMOUNT IN THOUSANDS		COUPON RATE	MATURITY DATE	
	TAX-EXEMPT MUNICIPAL BONDS (104.5%)			
	ALABAMA (0.6%)			
\$ 1,000	Colbert County - Northwest Health Care Authority, Alabama, Helen Keller Hospital, Ser 2003	5.75%	06/01/27	\$
	ALASKA (0.6%)			
1,000	Northern Tobacco Securitization Corporation, Alaska, Asset Backed, Ser 2006 A	5.00	06/01/46	
	CALIFORNIA (7.7%)			

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

1,955	California County Tobacco Securitization Agency, Gold County Settlement Funding Corp, Ser 2006	0.00	06/01/33
500	California Housing Finance Agency, RITES PA 1417 Ser 2006 (AMT)	4.117##	08/01/31
500	California Housing Finance Agency, RITES PA 1417 Ser 2006 (AMT)	4.317##	08/01/36
2,000	California Statewide Community, Baptist University, Ser 2007 A	5.50	11/01/38
4,000	Golden State Tobacco Securitization Corporation, California, Enhanced Asset Backed, Ser 2007 A-1 @@	5.125	06/01/47
2,000	Sacramento Financing Authority, California, Convention Center Hotel, Ser 1999 A	6.25	01/01/30
1,000	San Diego County, California, San Diego Natural History Museum COPS	5.70	02/01/28
1,000	San Marcos Community Facilities District # 2002-01, California, University Commons, Ser 2004	5.95	09/01/35
1,000	Santa Ana, Unified School District Community Facilities, District # 2004-1, California, Central Park, Ser 2005	5.10	09/01/35
13,000	Silicon Valley Tobacco Securitization Authority, California, Santa Clara Tobacco Securitization Corp, Ser 2007	0.00	06/01/56

1			

COLORADO (4.1%)			
1,000	Colorado Health Facilities Authority, Christian Living Communities, Ser 2006	5.75	01/01/37
45	Colorado Housing & Finance Authority, Ser 1996 Ser B-1 (AMT)	7.65	11/01/26
395	Colorado Housing & Finance Authority, Ser 1998 Ser D-2 (AMT)	6.35	11/01/29
1,000	Copperleaf Metropolitan District # 2, Colorado, Ser 2006	5.95	12/01/36
2,000	Elk Valley Public Improvement Corporation, Colorado, Ser 2001 A	7.35	09/01/31
2,000	Northwest Metropolitan District #3, Colorado, Ser 2005	6.25	12/01/35

CONNECTICUT (1.8%)			
2,000	Georgetown Special Taxing District, Connecticut, Ser 2006 A	5.125	10/01/36
1,000	Mashantucket (Western) Pequot Tribe, Connecticut, Special Ser 1997 B **	5.75	09/01/27

DISTRICT OF COLUMBIA (0.2%)			
260	Metropolitan Washington Airports Authority, District of Columbia & Virginia, CaterAir International Corp, Ser 1991 (AMT) ++	10.125	09/01/11

FLORIDA (13.7%)			
500	Alachua County Florida Industrial Development Revenue, North Florida, Retirement Village, Ser 2007	5.25	11/15/17
800	Alachua County Florida Industrial Development Revenue, North Florida, Retirement Village, Ser 2007	5.875	11/15/36
2,000	Beacon Lakes, Community Development District, Florida, Ser 2003 A	6.90	05/01/35
960	Bellalago Educational Facilities Benefits District, Florida, Bellalago Charter School, Ser 2004 B	5.80	05/01/34
3,550	Escambia County, Florida, Pensacola Care Development Centers, Ser 1989	10.25	07/01/11

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

820	Escambia County, Florida, Pensacola Care Development Centers, Ser 1989 A	10.25	07/01/11
1,000	Fiddlers Creek Community Development District # 1, Florida, Ser 2005	6.00	05/01/38
500	Fountainbleau Lakes Florida Community Development District, Ser 2007 B	6.00	05/01/15
750	Grand Bay at Doral Community Development District, Florida, Ser 2007 A	6.00	05/01/39
1,000	Lee County Florida Industrial Development Authority, Florida, Lee Charter Foundation, Ser 2007 A	5.375	06/15/37
1,415	Mid-Bay Bridge Authority, Florida, Sr Lien Crossover Refg, Ser 1993 A (Ambac)	5.85	10/01/13
1,000	Midtown Miami Community Development District, Florida, Parking Garage, Ser 2004 A	6.25	05/01/37
500	Orange County Health Facilities Authority, Florida, Orlando Lutheran Towers Inc, Ser 2005 *	5.70	07/01/26
2,000	Orange County Health Facilities Authority, Florida, Orlando Lutheran Towers Inc, Ser 2007	5.50	07/01/32
1,000	Orange County Health Facilities Authority, Florida, Westminster Community Care Services Inc, Ser 1999	6.75	04/01/34
1,000	Pinellas County Health Facilities Authority, Florida, Oaks of Clearwater, Ser 2004	6.25	06/01/34
980	Renaissance Commons Community Development District, Florida, Ser 2005 A	5.60	05/01/36
500	Split Pine Community Development District, Florida, Ser 2007 A	5.25	05/01/39
1,000	St Johns County Industrial Development Authority, Florida, Glenmoor Ser 1999 A	8.00	01/01/10+
	GEORGIA (1.2%)		
2,000	Atlanta, Georgia, Eastside Ser 2005 B	5.60	01/01/30
	HAWAII (2.1%)		
1,000	Hawaii Department of Budget & Finance, Kahala Nui, Ser 2003 A	8.00	11/15/33
2,000	Hawaii Department of Budget & Finance, Kuakini Health, Ser 2002 A	6.375	07/01/32
	IDAHO (0.7%)		
1,000	Idaho Health Facilities Authority Revenue, Idaho, Valley Vista Care Corporation, Ser 2007 (WI)	6.125	11/15/27
	ILLINOIS (5.7%)		
1,000	Bolingbrook, Illinois, Sales Tax, Ser 2005	0.000	01/01/24
2,000	Chicago, Illinois, Lake Shore East, Ser 2002	6.75	12/01/32
500	Hampshire, Illinois, Special Service Area #18, Ser 2007 A	6.00	03/01/44
1,000	Illinois Finance Authority, Landing at Plymouth, Ser 2005 A	6.00	05/15/37
1,000	Illinois Finance Authority, Luther Oaks, Ser 2006 A	6.00	08/15/39
1,650	Illinois Finance Authority, Montgomery Place, Ser 2006 A	5.75	05/15/38
725	Lincolnshire, Illinois, Service Area #1-Sedgebrook, Ser 2004	6.25	03/01/34

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

1,000	Yorkville, Illinois, Cannonball/Beecher Road, Ser 2007	5.75	03/01/28
INDIANA (0.7%)			
1,000	Indiana Health Facility Financing Authority, Riverview Hospital, Ser 2002	6.125	08/01/31
IOWA (0.9%)			
1,000	Iowa Finance Authority, Bethany Life Communities Refg, Ser 2006 A	5.55	11/01/41
525	Washington County Hospital, Iowa, Ser 2006	5.375	07/01/26
KANSAS (1.1%)			
1,500	Lenexa, Kansas, Lakeview Village - Southridge, Ser 2002 C	6.875	05/15/32
MARYLAND (2.2%)			
500	Maryland Health & Higher Educational Facilities Authority, Edenwald, Ser 2006 A	5.40	01/01/31
750	Maryland Health & Higher Educational Facilities Authority, King Farm Presbyterian Community, Ser 2007 A	5.30	01/01/37
800	Maryland Health & Higher Educational Facilities Authority, Washington Christian Academy, Ser 2006	5.50	07/01/38
500	Maryland Industrial Development Financing Authority, Our Lady of Good Counsel High School, Ser 2005 A	6.00	05/01/35
1,000	Maryland State Economic Development Corporation, Chesapeake Bay Conference Center, Ser 2006 A	5.00	12/01/31
MASSACHUSETTS (2.7%)			
1,500	Massachusetts Development Finance Agency, Loomis Communities, Ser 1999 A	5.75	07/01/23
1,675	Massachusetts Development Finance Agency, New England Center for Children, Ser 1998	5.875	11/01/18
1,000	Massachusetts Health & Educational Facilities Authority, The Learning Center for Deaf Children, Ser 1999 C	6.125	07/01/29
MICHIGAN (1.7%)			
600	Gaylord Hospital Financing Authority, Michigan, Otsego Memorial Hospital, Ser 2004	6.50	01/01/37
2,000	Michigan Tob Settlement Financial Authority, Ser 2007 A	6.00	06/01/48
MINNESOTA (1.5%)			
750	North Oaks Minnesota SR Housing Revenue, Presbyterian Homes, North Oaks, Ser 2007 (WI)	6.125	10/01/39
1,500	St Paul Housing & Redevelopment Authority, Minnesota, HealthEast, Ser 2005	6.00	11/15/35

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

MISSOURI (6.1%)			
750	Branson Hills Community Improvement District, Missouri, Ser 2007 A	5.50	04/01/27
2,000	Des Peres, Missouri, West County Center, Ser 2002	5.75	04/15/20
3,850	Fenton, Missouri, Gravois Bluffs Redevelopment, Ser 2001 A	7.00	10/01/11+
1,500	Kansas City Industrial Development Agency, Missouri, Bishop Spencer, Ser 2004 A	6.50	01/01/35
750	St Louis County Industrial Development Authority, Missouri, Pediatric Rehabilitation Center, Ser 2007 A (WI)	6.375	12/01/41
NEVADA (2.0%)			
1,965	Las Vegas District # 808, Nevada, Summerlin Ser 2001	6.75	06/01/21
1,000	Nevada Department of Business & Industry, Las Vegas Monorail 2nd Tier Ser 2000	7.375	01/01/40
NEW HAMPSHIRE (4.8%)			
1,500	New Hampshire Higher Educational & Health Facilities Authority, Littleton Hospital Assn Ser 1998 A	6.00	05/01/28
12,800	New Hampshire Housing Finance Authority, Residential Ser 1983 B	0.00	01/01/15
NEW JERSEY (5.7%)			
1,000	New Jersey Economic Development Authority, Cedar Crest Village Inc, Ser 2001 A	7.25	11/15/11+
1,000	New Jersey Economic Development Authority, Franciscan Oaks, Ser 1997	5.70	10/01/17
730	New Jersey Economic Development Authority, Lions Gate, Ser 2005 A	5.875	01/01/37
700	New Jersey Economic Development Authority, Seashore Gardens Living Center, Ser 2006	5.375	11/01/36
1,000	New Jersey Economic Development Authority, The Presbyterian Home at Montgomery, Ser 2001 A	6.375	11/01/31
2,000	New Jersey Economic Development Authority, United Methodist Homes of New Jersey, Ser 1998	5.125	07/01/25
2,000	New Jersey Health Care Facilities Financing Authority, Raritan Bay Medical Center, Ser 1994	7.25	07/01/27
4,000	Tobacco Settlement Financing Corporation, New Jersey, Ser 2007-1B	0.00	06/01/41
NEW YORK (7.4%)			
3,000	Brookhaven Industrial Development Agency, New York, Woodcrest Estates, Ser 1998 A (AMT)	6.375	12/01/37
415	Mount Vernon Industrial Development Agency, New York, Meadowview at the Wartburg, Ser 1999	6.00	06/01/09
2,000	New York City Industrial Development Agency, New York, 7 World Trade Center LLC, Ser 2005 A	6.50	03/01/35
2,000	New York City Industrial Development Agency, New York, American Airlines Inc, Ser 2005 (AMT)	7.75	08/01/31
1,000	New York Liberty Development Corporation, National Sports Museum, Ser 2006 A	6.125	02/15/19
1,500	Suffolk County Industrial Development Agency, New York, Medford Hamlet, Ser 2006	6.375	01/01/39

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

1,000	Westchester County Industrial Development Agency, New York, Guiding Eyes for The Blind Inc, Ser 2004	5.375	08/01/24
NORTH CAROLINA (0.6%)			
1,000	North Carolina Medical Care Commission, Presbyterian Homes, Ser 2006	5.50	10/01/31
NORTH DAKOTA (0.9%)			
1,500	Grand Forks, North Dakota, 4000 Valley Square, Ser 2006	5.30	12/01/34
OHIO (0.1%)			
200	Zanesville-Muskingum County Port Authority, Ohio, Anchor Glass Container Corp, Ser 1989 B (AMT)	10.25	12/01/08
PENNSYLVANIA (13.3%)			
4,000	Allegheny County Hospital Development Authority, Pennsylvania, West Penn Allegheny Health, Ser 2007 A @@	5.375	11/15/40
1,500	Bucks County Industrial Development Authority, Pennsylvania, Ann's Choice, Ser 2005 A	6.125	01/01/25
2,120	Carbon County Industrial Development Authority, Pennsylvania, Panther Creek Partners Refg, Ser 2000 (AMT)	6.65	05/01/10
1,000	Chester County Health & Education Facilities Authority, Pennsylvania, Jenner's Pond Inc, Ser 2002	7.625	07/01/12+
500	Fulton County Industrial Development Authority, Pennsylvania, Fulton County Medical Center, Ser 2006	5.875	07/01/31
1,000	Harrisburg Authority, Pennsylvania, Harrisburg University of Science & Technology, Ser 2007 B	6.00	09/01/36
1,000	Montgomery County Industry Development Authority, Pennsylvania, Whitemarsh Community, Ser 2005	6.25	02/01/35
1,000	Pennsylvania Economic Development Financing Authority, Reliant Energy Inc, Ser 2001 A (AMT)	6.75	12/01/36
3,520	Pennsylvania Housing Finance Agency, Ser 2006-96 A (AMT) @@	4.65	10/01/31
4,480	Pennsylvania Housing Finance Agency, Ser 2006-96 A (AMT) @@	4.70	10/01/37
1,000	Washington County, Pennsylvania, Victory Centre/Tanger Outlet, Redevelopment Authority, Ser 2006 A	5.45	07/01/35
SOUTH CAROLINA (1.0%)			
1,000	Myrtle Beach, South Carolina, Air Force Base Redevelopment, Ser 2006 A	5.30	11/01/35
750	South Carolina Jobs-Economic Development Authority, Wesley Commons, Ser 2006	5.30	10/01/36
TENNESSEE (2.3%)			
2,000	Chattanooga Health Educational & Housing Facilities Board, Tennessee, Student Housing Refg, Ser 2005 A	5.00	10/01/25
500	Shelby County Health, Educational & Housing Facilities Board, Tennessee, Trezevant Manor, Ser 2006 A	5.75	09/01/37

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

750	Shelby County Health, Educational & Housing Facilities Board, Tennessee, Village at Germantown, Ser 2003 A	7.25	12/01/34
500	Shelby County Health, Educational & Housing Facilities Board, Tennessee, Village at Germantown, Ser 2006	6.25	12/01/34
	TEXAS (6.2%)		
2,000	Austin Convention Enterprises Inc, Texas, Convention Center Hotel, Ser 2000 A	6.70	01/01/11+
2,000	Austin Convention Enterprises Inc, Texas, Convention Center Hotel, Ser 2006 B	5.75	01/01/34
1,000	Brazos River Authority, Texas, Texas Utilities Electric Co Refg, Ser 1999 A (AMT)	7.70	04/01/33
1,000	Decatur Hospital Authority, Texas, Wise Regional Health, Ser 2004 A	7.125	09/01/34
1,250	HFDC Central Texas Inc, Legacy at Willow Bend, Ser 2006 A	5.75	11/01/36
1,000	Houston Health Facilities Authority, Texas, Buckingham Senior Living Community, Ser 2004 A	7.125	02/15/34
1,000	Lubbock, Health Facilities Development Corporation, Texas, Carillon Senior Lifecare, Ser 2005 A	6.50	07/01/26
	VERMONT (1.4%)		
2,100	Vermont Economic Development Authority, Wake Robin Corp, Ser 1999 A	6.75	03/01/09+
	VIRGINIA (2.9%)		
1,000	Chesterfield County Industrial Development Authority, Virginia, Virginia Electric & Power Co Ser 1985	5.50	10/01/09
2,000	Peninsula Ports Authority of Virginia, Virginia Baptist Homes Ser 2006 C	5.40	12/01/33
700	Peninsula Town Center Community Development Authority, Ser 2007 (WI)	6.45	09/01/37
1,000	Virginia Beach Development Authority, Virginia, Westminster-Canterbury Refg, Ser 2005 A	5.25	11/01/26
	WASHINGTON (0.6%)		
1,000	Washington Housing Finance Commission, Skyline at First Hill Ser 2007 A	5.625	01/01/38
	TOTAL TAX-EXEMPT MUNICIPAL BONDS (Cost \$162,106,371)		16

NUMBER
OF SHARES
(000)

	SHORT-TERM INVESTMENT (3.7%)		
	INVESTMENT COMPANY (a)		
5,725	Morgan Stanley Institutional Liquidity Tax-Exempt Portfolio - Institutional Class		

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

(Cost \$5,725,151)

PRINCIPAL
AMOUNT IN
THOUSANDS

(11,665) FLOATING RATE NOTES RELATED TO SECURITIES HELD (- 7.5%)
Notes with interest rates ranging from 3.99% to 4.05% at
August 31, 2007 and contractual maturities of
collateral ranging from 10/01/31 to 06/01/47 +++ (b)
(Cost (\$11,665,000))

TOTAL NET INVESTMENTS
(Cost \$156,166,522) (c) (d)
LIABILITIES IN EXCESS OF OTHER ASSETS

100.7%	15
(0.7)	(
-----	-----
100.0%	\$15
=====	=====

NET ASSETS

COPs Certificate of Participation.

AMT Alternative Minimum Tax.

UTES Residual Interest Tax-Exempt Security (illiquid security).

WI Security purchased on a when - issued basis.

+ Prerefunded to call date shown.

++ Joint exemption in locations shown.

+++ Floating rate note obligations related to securities held. The interest rates shown reflect the rates in effect at August 31, 2007.

@ Security is a "step-up" bond where the coupon increases on a predetermined future date

@@ Underlying security related to inverse floater entered into by the Fund.

Current coupon rate for inverse floating rate municipal obligation. This rate resets periodically as the auction rate on the related security changes. Positions in inverse floating rate municipal obligations have a total value of \$729,480 which represents 0.5% of net assets.

* A portion of this security has been physically segregated in connection with open futures contracts in the amount of \$124,800.

** Resale is restricted to qualified institutional Investors.

(a) 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

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

Portfolio - Institutional Class with respect to assets invested by the Fund in Morgan Stanley Institutional Liquidity Tax-Exempt Portfolio - Institutional Class. Income distributions earned by the Fund totaled \$27,420, for the period ended August 31, 2007.

- (b) 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 August 31, 2007, Fund investments with a value of \$14,639,559 are held by the Dealer Trusts and serve as collateral for the \$11,665,000 in floating rate note obligations outstanding at that date. Contractual maturities of the floating rate note obligations and interest rates in effect at August 31, 2007 are presented in the "Portfolio of Investments".
- (c) Securities have been designated as collateral in an amount equal to \$14,456,260 in connection with open futures and the purchase of when-issued securities.
- (d) The aggregate cost for federal income tax purposes approximates the aggregate cost for book purposes. The aggregate gross unrealized appreciation is \$4,706,970 and the aggregate gross unrealized depreciation is \$5,217,383, resulting in net unrealized depreciation of \$510,413.

Bond Insurance:

Ambac Ambac Assurance Corporation.

FUTURES CONTRACTS OPEN AT AUGUST 31, 2007:

NUMBER OF CONTRACTS	SHORT	DESCRIPTION, DELIVERY MONTH AND YEAR	UNDERLYING FACE AMOUNT AT VALUE	UNREALIZED DEPRECIATION
-----	-----	-----	-----	-----
15	Short	U.S. Treasury Bonds 20 Years September 2007	\$ (1,676,719)	\$ (27,229)
17	Short	U.S. Treasury Bonds		

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

		20 Years September 2007	(1,900,281)	(52,109)
20	Short	U.S. Treasury Bonds 20 Years September 2007	(2,235,625)	(73,180)
52	Short	U.S. Treasury Bonds 20 Years September 2007	(5,812,625)	(71,643)

		TOTAL UNREALIZED DEPRECIATION		\$ (224,161) =====

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 provide reasonable assurance 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 ("SEC") 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. The Fund's principal executive officer and principal financial officer have also concluded that the Fund's disclosure controls and procedures designed to ensure that information required to be disclosed by the Fund in this Form N-Q is accumulated and communicated to the Fund's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure were effective.

Management of the Fund has determined that as of and prior to November 30, 2006, the Fund's fiscal quarter end period, the Fund had a deficiency in its internal control over financial reporting related to the review, analysis and determination of whether certain transfers of municipal securities qualified for sale accounting under the provisions of Statement of Financial Accounting Standards No. 140 "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." Since November 30, 2006, and prior to the issuance of the Fund's quarterly schedule of portfolio holdings, management has revised its disclosure controls and procedures and its internal control over financial reporting in order to improve the controls' effectiveness to ensure that transactions in transfer of municipal securities are accounted for properly.

Management notes that other investment companies investing in similar investments over similar time periods had been accounting for such investments in a similar manner as the Fund. Accordingly, other investment companies are also concluding that there was a material weakness in their internal control over financial reporting of such investments. There was no impact to the net asset value of the Fund's shares or the Fund's total return for any period as a result of the changes in financial reporting of such investments.

(b) There were no changes in the Fund's internal control over financial reporting that occurred during the fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Fund's internal control over financial reporting. However, as discussed above, subsequent to November 30, 2006, the Fund's internal control over financial reporting was revised.

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 Municipal Income Opportunities Trust

/s/ Ronald E. Robison
Ronald E. Robison
Principal Executive Officer
October 18, 2007

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 18, 2007

/s/ Francis Smith
Francis Smith
Principal Financial Officer
October 18, 2007