

MORGAN STANLEY QUALITY MUNICIPAL INCOME TRUST
Form N-CSRS
July 09, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED

MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: **811-06591**

Morgan Stanley Quality Municipal Income Trust

(Exact name of registrant as specified in charter)

522 Fifth Avenue, New York, New York

10036

(Address of principal executive offices)

(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**

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Date of fiscal year end: October 31, 2008

Date of reporting period: April 30, 2008

Item 1 - Report to Shareholders

Welcome, Shareholder:

In this report, you'll learn about how your investment in Morgan Stanley Quality Municipal Income Trust performed during the semiannual period. We will provide an overview of the market conditions, and discuss some of the factors that affected performance during the reporting period. In addition, this report includes the Trust's financial statements and a list of Trust investments.

Market forecasts provided in this report may not necessarily come to pass. There is no assurance that the Trust will achieve its investment objective. The Trust is subject to market risk, which is the possibility that market values of securities owned by the Trust will decline and, therefore, the value of the Trust's shares may be less than what you paid for them. Accordingly, you can lose money investing in this Trust. Income earned by certain securities in the

portfolio may be subject to the federal alternative minimum tax (AMT).

Fund Report For the six months ended April 30, 2008

Market Conditions

The six-month period under review was marked by disrupted credit markets, recession fears, deterioration of the housing market, and markdowns in the mortgage market as a result of forced selling. Although the fixed income market saw some improvements in the last month of the period, many of the same concerns and problems remained.

The Federal Reserve (the “Fed”) stepped in several times during the period to minimize the liquidity crisis. Not only did the Federal Open Market Committee reduce the target federal funds rate several times, from 4.5 percent to 2.0 percent, but in an unprecedented move, the Fed granted primary Treasury dealers (mostly brokerage firms) access to its discount window and loosened its collateral requirements, extending loans of Treasury securities in exchange for lower quality, less liquid securities. Finally, in what was most decidedly the biggest headline event, the Fed arranged and supported JPMorgan Chase’s purchase of Bear Stearns, which was viewed by many as necessary to avoid serious market repercussions had the firm failed.

The decline in short-term interest rates, coupled with the risk-averse environment during the period pushed Treasury yields lower, especially on the short end of the yield curve, causing the curve to steepen. The municipal yield curve steepened as well, with the yield differential between one-year and 30-year maturities reaching more than 300 basis points. Overall, municipal bonds underperformed their taxable counterparts as credit rating downgrades of various monoline bond insurers and the deterioration of the auction rate and variable rate markets posed additional challenges for the sector. After a record year for new municipal bond issuance in 2007, the amount of new issues coming to market in the first four months of 2008 declined.

Performance Analysis

For the six-month period ended April 30, 2008, the net asset value (NAV) of Morgan Stanley Quality Municipal Income Trust (IQI) decreased from \$14.50 to \$13.80 per share. Based on this change plus reinvestment of tax-free dividends totaling \$0.345 per share, the Trust’s total NAV return was –2.18 percent. IQI’s value on the New York Stock Exchange (NYSE) moved from \$12.90 to \$12.62 per share during the same period. Based on this change plus reinvestment of dividends, the Trust’s total market return was 0.55 percent. IQI’s NYSE market price was at an 8.55 percent discount to its NAV. During the fiscal period, the Trust purchased and retired 281,578 shares of common stock at a weighted average market discount of 10.49 percent. *Past performance is no guarantee of future results.*

Monthly dividends for the second quarter of 2008, declared in April, were unchanged at \$0.0575 per share. The dividend reflects the current level of the Trust’s net investment income. IQI’s level of undistributed net investment income was \$0.034 per share on April 30, 2008 versus \$0.013 per share six months earlier.¹

Throughout the six-month period, the Trust maintained a lower interest rate sensitivity (as measured by duration*), which was implemented through the use of a U.S. Treasury futures hedge. This defensive positioning benefited performance as it helped to minimize the price declines that resulted from rising yields across the intermediate and long end of the municipal yield curve.

In terms of the Trust's sector positioning, an overweight in the hospital/life care and tobacco sectors detracted from relative performance as spread widening in those sectors hindered returns. Conversely, an overweight in the public utility sector, particularly water and sewer bonds, benefited performance. The flight to quality that took place during the period helped boost the performance of the more solid infrastructure sectors such as utilities and the Trust's holdings there enhanced returns.

The Trust's procedure for reinvesting all dividends and distributions in common shares is through purchases in the open market. This method helps support the market value of the Trust's shares. In addition, we would like to remind you that the Trustees have approved a procedure whereby the Trust may, when appropriate, purchase shares in the open market or in privately negotiated transactions at a price not above market value or net asset value, whichever is lower at the time of purchase. The Trust may also utilize procedures to reduce or eliminate the amount of Auction Rate Preferred Shares (ARPS) outstanding, including their purchase in the open market or in privately negotiated transactions.

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. Investment return, net asset value and common share market price will fluctuate and Trust shares, when sold, may be worth more or less than their original cost.

There is no guarantee that any sectors mentioned will continue to perform as discussed herein or that securities in such sectors will be held by the Trust in the future.

*1 Income earned by certain securities in the portfolio may be subject to the federal alternative minimum tax (AMT). * A measure of the sensitivity of a bond's price to changes in interest rates, expressed in years. Each year of duration represents an expected 1 percent change in the price of a bond for every 1 percent change in interest rates. The longer a bond's duration, the greater the effect of interest-rate movements on its price. Typically, trusts with shorter durations perform better in rising-interest-rate environments, while trusts with longer durations perform better when rates decline. Duration calculations are adjusted for leverage.*

TOP FIVE SECTORS as of 04/30/08 General Obligation

16.6 % Water & Sewer 13.4 Hospital 10.5 Transportation 10.3 Tobacco 6.8

LONG-TERM CREDIT ANALYSIS as of 04/30/08 Aaa/AAA

38.1 % Aa/AA 29.9 A/A 16.4 Baa/BBB 11.6 Ba/BB 1.9 NR 2.1

SUMMARY OF INVESTMENTS BY STATE

CLASSIFICATION as of 04/30/08 California 30.0 % Texas 20.6 New York 18.2 New Jersey 11.9
Florida 8.0 Hawaii 7.6 Washington 6.0 Georgia 5.8 Indiana 5.4 Illinois 5.2 Arizona 5.2 South
Carolina 4.9 Michigan 4.9 Pennsylvania 4.4 Nevada 4.2 Ohio 3.3 Maryland 3.2 Tennessee 3.0
Nebraska 2.9 Colorado 2.8 District of Columbia 1.8

SUMMARY OF INVESTMENTS BY STATE

CLASSIFICATION as of 04/30/08 (continued) Kentucky 1.6 % Connecticut 1.5 North Carolina 1.4 Virginia
1.4 Alabama 1.2 Idaho 1.2 Missouri 1.1 Alaska 1.0 New Mexico 0.9 Montana 0.9 Kansas
0.8 North Dakota 0.8 Vermont 0.6 Minnesota 0.6 Oklahoma 0.4 Delaware 0.3 Total Long-Term
Investments† 175.0 Short-Term Investment 5.8 Liability for Floating Rate Note Obligations (19.1) Other
Assets in Excess of Liabilities 2.5 Preferred Shares of Beneficial Interest (64.2) Net Assets Applicable to
Common Shareholders 100.0 %

†Does not include open long/short futures contracts with an underlying face amount of \$149,659,206 with total unrealized depreciation of of \$81,901 and open swap contracts with unrealized depreciation of \$119,794.

Subject to change daily. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the sectors shown above. Top five sectors are as a percentage of total investments. Long-term credit analysis are as a percentage of long-term investments. Summary of investments by state classification are as a percentage of net assets applicable to common shareholders. Securities are classified by sectors that represent broad groupings of related industries. Morgan Stanley is a full-service securities firm engaged in securities trading and brokerage activities, investment banking, research and analysis, financing and financial advisory services. Rating allocations based upon ratings as issued by Standard and Poor's and Moody's, respectively.

For More Information About Portfolio Holdings

Each Morgan Stanley trust provides a complete schedule of portfolio holdings in its semiannual and annual reports within 60 days of the end of the trust's second and fourth fiscal quarters. The semiannual reports and the annual reports are filed electronically with the Securities and Exchange Commission (SEC) on Form N-CSRS and Form N-CSR, respectively. Morgan Stanley also delivers the semiannual and annual reports to trust shareholders and makes these reports available on its public web site, www.morganstanley.com. Each Morgan Stanley trust also files a complete schedule of portfolio holdings with the SEC for the trust's first and third fiscal quarters on Form N-Q. Morgan Stanley does not deliver the reports for the first and third fiscal quarters to shareholders, nor are the reports posted to the Morgan Stanley public web site. You may, however, obtain the Form N-Q filings (as well as the Form N-CSR and N-CSRS filings) by accessing the SEC's web site, <http://www.sec.gov>. You may also review and copy them at the SEC's public reference room in Washington, DC. Information on the operation of the SEC's public reference room may be obtained by calling the SEC at (800) SEC-0330. You can also request copies of these materials, upon payment of a duplicating fee, by electronic request at the SEC's e-mail address (publicinfo@sec.gov) or by writing the public reference section of the SEC, Washington, DC 20549-0102.

Morgan Stanley Quality Municipal Income Trust

Portfolio of Investments April 30, 2008 (unaudited)

		PRINCIPAL		AMOUNT IN		THOUSANDS		COUPON		RATE		MATURITY	
DATE	VALUE	Tax-Exempt Municipal Bonds (175.0%)				<i>Alabama (1.2%)</i>						\$ 3,700	
	University of Alabama, Ser 2004-A (MBIA Insd)	5.25	%	07/01/22	\$ 3,926,551	<i>Alaska (1.0%)</i>							
	4,000 Northern Tobacco Securitization Corporation, Asset Backed					Ser 2006 A		5.00	06/01/46				
	3,125,400 <i>Arizona (5.2%)</i>	2,000				Arizona Transportation Board, Highway Refg Ser 2002 A							
	5.25 07/01/19 2,152,580	3,000				Phoenix Civic Improvement Corporation, Airport Ser 2002 B							
	(AMT) (FGIC Insd) 5.25 07/01/32 2,896,260	3,800				Phoenix Civic Improvement Corporation, Jr Lien							
	Water Ser 2002 (FGIC Insd) 5.00 07/01/26 3,878,508	6,000				Salt River Project Agricultural Improvement							
						& Power District,							
	2002 Ser B 5.00 01/01/31 6,096,900	2,000				Surprise Municipal Property Corporation Ser 2007		4.90					
04/01/32	1,758,060	16,782,308				<i>California (30.0%)</i>		10,000					
	Recovery Ser 2004 A 5.00 07/01/16 10,481,000	2,000				California Health Facilities Financing Authority,							
						Cedars-Sinai							
	Medical Center Ser 2005 5.00 11/15/34 1,951,160	2,000				California Health Facilities Financing Authority,							
	Kaiser Permanente Ser 2006 A 5.25 04/01/39 1,987,800	5,000				California Infrastructure & Economic							
	Development Bank, Bay Area Toll Bridges Seismic Retrofit First Lien Ser 2003 A (AMBAC Insd) 5.00					01/01/28 (a) 5,340,650		3,000					
	The Scripps Research Institute Ser 2005 A 5.00 07/01/29 3,074,220	6,000				California Pollution Control							
						Financing Authority, Keller Canyon							
	Landfill Co/Browning-Ferris Industries Inc Ser 1992 (AMT) 6.875 11/01/27 6,000,060	5,000				California							
	Statewide Communities Development, John Muir Health Ser 2006 A 5.00 08/15/32 4,869,300	4,000				California Statewide Communities Development,							
	Baptist University Ser 2007 A 5.40 11/01/27 3,830,320	5,000				California, Various Purpose Dtd 05/01/03							
	5.25 02/01/19 5,268,450	16,000				California, Various Purpose Dtd 11/01/06 (b) 4.50 10/01/36							
	14,884,480	6,000				Golden State Tobacco Securitization Corporation,							
	Enhanced Asset Backed Ser 2005 A (AMBAC Insd) 5.00 06/01/29 5,877,240	4,000				Golden State Tobacco							
						Securitization Corporation,							
	Enhanced Asset Backed Ser 2007 A 5.75 06/01/47 3,591,560												

See Notes to Financial Statements

Morgan Stanley Quality Municipal Income Trust

Portfolio of Investments April 30, 2008 (unaudited) continued

		PRINCIPAL		AMOUNT IN		THOUSANDS		COUPON		RATE		MATURITY	
	DATE	VALUE	\$	8,000	Golden State Tobacco Securitization Corporation,								
Enhanced Asset Backed Ser 2007 A-1	5.125 %	06/01/47	\$	6,474,480	4,000	Los Angeles Ser 2004 A							
(MBIA Insd)	5.00	09/01/24		4,135,680	4,000	Port of Oakland Ser 2002 L (AMT) (FGIC Insd)			5.00				
	11/01/32	3,737,680		3,720	San Diego County Water Authority Ser 2002 A COPs (MBIA Insd)			5.00					
	05/01/27	3,804,146		1,000	San Diego County, Burnham Institute for Medical Research								
Ser 2006 COPs	5.00	09/01/34		871,360	16,000	Silicon Valley Tobacco Securitization Authority Tobacco Settlement,							
Santa Clara Tobacco Securitization Corp Ser 2007	0.00	06/01/36		2,153,280	5,000	Tobacco Securitization Authority of Northern California,							
						Sacramento County Tobacco Securitization Corporation							
Ser 2006 A-1	5.00	06/01/37		4,155,100	2,600	University of California Ser 2007-J (FSA Insd) (b)			4.50				
05/15/31	2,505,828	2,400		University of California Ser 2007-J (FSA Insd) (b)		4.50		05/15/35	2,313,072				
	97,306,866			Colorado (2.8%)		1,750		Boulder County, University Corp for Atmospheric Research					
Ser 2002 (MBIA Insd)	5.375	09/01/18		1,847,317	1,750	Boulder County, University Corp for Atmospheric Research							
Ser 2002 (MBIA Insd)	5.375	09/01/21		1,847,318	2,000	Colorado Educational & Cultural Facilities Authority, Peak to Peak							
Charter School Refg & Impr Ser 2004 (XLCA Insd)	5.25	08/15/34		2,025,480	2,000	Colorado Health Facilities Authority, Adventist/Sunbelt Ser 2006 D							
	5.25	11/15/35		1,957,200	1,590	Denver Convention Center Hotel Authority Refg Ser 2006							
(XLCA Insd)	5.00	12/01/30		1,468,492		9,145,807		Connecticut (1.5%)	5,000				
Connecticut Housing Finance Authority, SubSer A-2 (AMT)	5.15	05/15/38		4,744,050		Delaware (0.3%)							
	1,000			New Castle County, Newark Charter School Inc Ser 2006		5.00		09/01/36	833,160				
District of Columbia (1.8%)				6,000	District of Columbia Ballpark Ser 2006 B-1 (FGIC Insd)			5.00					
02/01/31	5,664,780			Florida (8.0%)		3,000		Broward County School Board Ser 2001 A COPs					
(FSA Insd)	5.00	07/01/26		3,033,510	3,500	Broward County Water & Sewer Utility Ser 2003 (MBIA Insd)							
	5.00	10/01/24		3,601,850	3,000	Highlands County Health Facilities Authority, Adventist Health/Sunbelt Ser 2006 C			5.25				
						11/15/36		2,941,230					

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Morgan Stanley Quality Municipal Income Trust

Portfolio of Investments April 30, 2008 (unaudited) continued

		PRINCIPAL		AMOUNT IN		THOUSANDS		COUPON		RATE		MATURITY	
DATE	VALUE	\$											
		3,300	Jacksonville Electric Authority, St Johns Power Park										
Refg Issue 2 Ser 17	5.00 %	10/01/18	\$ 3,420,945	1,500	Lee County Industrial Development Authority, Shell Point Village/								
The Alliance Community for Retirement Living Inc, Ser 2006	5.125	11/15/36	1,274,805	12,000	South Miami Health Facilities Authority, Baptist Health								
South Florida Ser 2007 (b)	5.00	08/15/42	11,799,900		26,072,240								<i>Georgia (5.8%)</i>
3,000 Atlanta, Airport Ser 2004 J (FSA Insd)	5.00	01/01/34	3,049,110	6,000	Georgia State Road & Tollway Authority Ser 2004								
2004	5.00	10/01/22	6,286,560	9,000	Georgia State Road & Tollway Authority Ser 2004								
	5.00	10/01/23	9,387,090		18,722,760								<i>Hawaii (7.6%)</i>
1992 Ser BZ	6.00	10/01/10	5,407,050	8,000	Hawaii, 1992 Ser BZ								
10,000 Honolulu City & County Ser 2003 A (MBIA Insd) (b)	5.25	03/01/26	10,389,400										
24,625,490					<i>Idaho (1.2%)</i>								
112,009	945				110 Idaho Housing Agency, 1992 Ser E (AMT)								
					6.75	07/01/12							
					Idaho Housing & Finance Association, 2000 Ser E (AMT)								
					6.00	01/01/32							
					970,222	2,600							
					Idaho Housing & Finance Association 2008 Ser A								
					5.25	07/15/23							
					2,782,208	3,864,439							
					<i>Illinois (5.2%)</i>								
					4,000 Chicago, O'Hare Int'l Airport Third Lien Ser 2003 B-2								
					(AMT) (FSA Insd)								
					5.75	01/01/23							
					4,136,240	4,000 Cook County Ser 1992 C (FGIC Insd)							
					6.00								
					11/15/09	4,223,800							
					6,000 Illinois, First Ser 2002 (MBIA Insd)								
					5.375	07/01/20							
					6,373,980	2,000							
					Schaumburg Ser 2004 B (FGIC Insd)								
					5.25	12/01/34							
					2,071,920	16,805,940							<i>Indiana (5.4%)</i>
					10,000 Indiana Bond Bank, Revolving Fund Ser 2001 A								
					5.00	02/01/23							
					10,316,700	6,000							
					Indiana Health & Educational Facility Financing Authority,								
					Clarian Health Ser 2006 A								
					5.25	02/15/40							
					5,850,120	1,400 Marion County Convention & Recreational							
					Facilities Authority,								
					Refg Ser 2003 A (AMBAC Insd)								
					5.00	06/01/21							
					1,444,618	17,611,438							

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Portfolio of Investments April 30, 2008 (unaudited) continued

		PRINCIPAL		AMOUNT IN		THOUSANDS		COUPON		RATE		MATURITY	
DATE	VALUE												
		<i>Kansas (0.8%)</i>	\$ 3,000	University of Kansas Hospital Authority, KU Health Ser 2002								4.50	
%	09/01/32	\$ 2,623,650		<i>Kentucky (1.6%)</i>	5,000	Louisville & Jefferson County							
				Metropolitan Sewer District,									
Ser 1999 A (FGIC Insd)	5.75	05/15/33	5,172,700	<i>Maryland (3.2%)</i>	2,000	Baltimore							
County, Oak Crest Village Ser 2007 A	5.00	01/01/37	1,832,200	3,000	Maryland Health & Higher								
				Educational Facilities Authority,									
King Farm Presbyterian Community 2006 Ser B	5.00	01/01/17	2,894,430	1,500	Maryland Health &								
				Higher Educational Facilities Authority,									
University of Maryland Medical Ser 2002	6.00	07/01/12 (a)	1,668,525	2,000	Maryland Health &								
				Higher Educational Facilities Authority,									
University of Maryland Medical Ser 2006 A	5.00	07/01/41	1,940,020	2,000	Northeast Maryland Waste								
				Disposal Authority, Montgomery									
County Ser 2003 (AMT) (AMBAC Insd)	5.50	04/01/16	2,063,980	10,399,155	<i>Michigan</i>								
(4.9%)				6,000	Michigan Hospital Finance Authority, Henry Ford Health								
Refg Ser 2006 A	5.25	11/15/46	5,810,160	5,000	Michigan Strategic Fund, Detroit Edison Co Ser 2001 C								
(AMT)	5.65	09/01/29	5,023,650	3,000	Wayne County, Detroit Metropolitan Wayne County Airport								
Refg Ser 2002 D (AMT) (FGIC Insd)	5.50	12/01/17	3,049,980	1,855	Wayne State University, Refg Ser								
2008 (FSA Insd)	5.00	11/15/25	1,946,433	15,830,223	<i>Minnesota (0.6%)</i>								
				2,000	Western Minnesota Municipal Power Agency, 2003 Ser A								
(MBIA Insd)	5.00	01/01/30	2,007,300	<i>Missouri (1.1%)</i>	2,250	Gravois Bluffs							
				Transportation Development District,									
Sales Tax Ser 2007	4.75	05/01/32	1,972,305	1,500	Missouri Health & Educational Facilities Authority,								
Lutheran Senior Services Ser 2005 A	5.375	02/01/35	1,445,295	180	Missouri Housing Development								
				Commission, Homeownership									
				Ser 2000 B-1 (AMT)	6.25	03/01/31	185,031	3,602,631					

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Morgan Stanley Quality Municipal Income Trust

Portfolio of Investments April 30, 2008 (unaudited) continued

		PRINCIPAL		AMOUNT IN		THOUSANDS		COUPON		RATE		MATURITY	
DATE	VALUE												
12/01/29	\$ 2,859,069	Montana (0.9%)	\$ 2,825	Montana Board of Housing, 2000 Ser B (AMT)	6.00 %								
		Nebraska (2.9%)		9,940	Nebraska Investment Financial Authority, Single Family Housing								
		Ser 2007 E (AMT) (b)	5.15	09/01/38	9,428,786	Nevada (4.2%)		2,000	Clark County, Airport SubLien Ser 2004 A-1 (AMT) (FGIC Insd)	5.50	07/01/20	2,026,420	1,000
		(AMT) (AMBAC Insd)	5.375	07/01/19	1,013,640	1,100	Clark County, Jet Aviation Fuel Tax Ser 2003 C						
		(AMT) (AMBAC Insd)	5.375	07/01/20	1,114,256	2,000	Clark County, Jet Aviation Fuel Tax Ser 2003 C						
		(AMT) (AMBAC Insd)	5.375	07/01/22	2,018,240	5,345	Las Vegas Valley Water District, Water Impr Refg Ser 2003 A						
		(FGIC Insd)	5.25	06/01/20	5,632,508	2,000	Reno, Renown Regional Medical Center Ser 2007 A	5.25					
	06/01/37	1,883,600			13,688,664	New Jersey (11.9%)		2,000	New Jersey Economic Development Authority,				
		Cigarette Tax Ser 2004	5.75	06/15/29	1,961,520	1,565	New Jersey Housing Mortgage Finance Authority, Home Buyer						
		Ser 2000 CC (AMT) (MBIA Insd)	5.875	10/01/31	1,602,716	5,000	New Jersey Transportation Trust Fund Authority, 1999 Ser A	5.75	06/15/20	5,758,500	12,000	New Jersey Turnpike Authority, Ser 2003 A (FGIC Insd) (c)	5.00
			5.00	01/01/27	12,053,400	10,000	Passaic Valley Sewerage Commissioners Ser F (FGIC Insd)						
			5.00	12/01/20	10,361,600	5,000	Tobacco Settlement Financing Corporation Ser 2007-1 A	4.625					
			06/01/26	4,271,900	6,000	Tobacco Settlement Financing Corporation Ser 2007-1 B	0.00	06/01/41					
	535,200	2,000				University of Medicine & Dentistry Ser 2004 COPs (MBIA Insd)	5.25	06/15/23	2,054,640				
					38,599,476	New Mexico (0.9%)		3,000	Rio Rancho, Water & Wastewater Refg Ser 1999				
		(AMBAC Insd)	5.25	05/15/19	3,047,490	New York (18.2%)		10,000	Metropolitan Transportation Authority, Transportation				
		Refg Ser 2002 A (FGIC Insd)	5.00	11/15/25	10,072,400	5,000	Nassau County Tobacco Settlement Corporation Ser 2006 A-3	5.125	06/01/46	4,480,300	3,500	New York City Municipal Water Finance Authority Ser A-2003	5.375
			5.375	06/15/19	3,721,515	18,000	New York City Municipal Water Finance Authority 2002 Ser B	5.00	06/15/26	18,294,480	10,000	New York City Municipal Water Finance Authority 2004 Ser A	5.00
								06/15/35	10,134,700				

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Morgan Stanley Quality Municipal Income Trust

Portfolio of Investments April 30, 2008 (unaudited) continued

		PRINCIPAL		AMOUNT IN		THOUSANDS		COUPON		RATE		MATURITY	
DATE	VALUE	\$	2,000										
				Seneca Nation of Indians Ser 2007 A (d)	5.00	%	12/01/23	\$	1,779,680		5,000		
				Tobacco Settlement Financing Corporation, State Contingency									
	Ser 2003 B-1C	5.50	06/01/17	5,197,850	5,000			Triborough Bridge & Tunnel Authority Refg 2002 E					
	(MBIA Insd)	5.25	11/15/22	5,259,250				58,940,175		North Carolina (1.4%)		4,500	
	Charlotte, Water & Sewer Ser 2001	5.125	06/01/26	4,637,745				North Dakota (0.8%)				2,750	
	Ward County, Trinity Ser 2006	5.125	07/01/29	2,537,728				Ohio (3.3%)				5,370	Cuyahoga
	County, Cleveland Clinic Ser 2003 A	6.00	01/01/32	5,599,138	3,000			Lorain County, Catholic Healthcare					
	Partners Ser 2001 A	5.625	10/01/17	3,157,140	2,000			Ohio State University, General Receipts Ser 2002 A					
		5.125	12/01/31	2,039,580				10,795,858		Oklahoma (0.4%)		1,500	Oklahoma
				Development Finance Authority,									
	Great Plains Medical Center Ser 2007	5.125	12/01/36	1,308,660				Pennsylvania (4.4%)				4,000	
				Allegheny County Redevelopment Authority,									
	West Penn Allegheny Health Ser 2007 A (b)	5.375	11/15/40	3,321,179	10,000			Pennsylvania, First Ser					
	2003 (MBIA Insd) (b)	5.00	01/01/13 (a)	10,812,850				14,134,029		South Carolina (4.9%)			
				3,000				Charleston Educational Excellence Financing Corporation,					
	Charleston County School District Ser 2005	5.25	12/01/29	3,056,220	70			Lexington County Health					
				Services District, Lexmed Inc,									
	Ser 2007 A	5.00	11/01/16	73,281	5,000			South Carolina Public Service Authority, Refg Ser 2002 D					
	(FSA Insd)	5.00	01/01/20	5,234,850	7,000			South Carolina Public Service Authority, Refg Ser 2003 A					
	(AMBAC Insd)	5.00	01/01/22	7,247,520	345			Richland County, Environmental Improvement, International					
				Paper									
	Company Ser 2007 A	4.60	09/01/12	341,312				15,953,183					

See Notes to Financial Statements

Morgan Stanley Quality Municipal Income Trust

Portfolio of Investments April 30, 2008 (unaudited) continued

		PRINCIPAL		AMOUNT IN		THOUSANDS		COUPON		RATE		MATURITY	
DATE	VALUE	<i>Tennessee (3.0%)</i>		\$ 2,000	Sullivan County Health Educational & Housing		Facilities Board,						
Wellmont Health Ser 2006 C	5.25 %	09/01/36	\$ 1,796,640	8,000	Tennessee Energy Acquisition								
Corporation Ser 2006 A (b)	5.25	09/01/19	7,990,640	9,787,280	<i>Texas (20.6%)</i>								
2,000	Alliance Airport Authority, Federal Express Corp Refg Ser 2006 (AMT)		4.85	04/01/21	1,804,340								
10,000	Austin, Water & Wastewater Refg Ser 2001 A & B (FSA Insd) (b)		5.125	05/15/27	10,138,440								
3,000	Brazos River Authority, TXU Electric Co Ser 1999 C (AMT)		7.70	03/01/32	2,933,970	6,000							
Houston, Airport Sub Lien Ser 2000 A (AMT) (FSA Insd)		5.875	07/01/17	6,207,780	5,000	Houston,							
Airport Sub Lien Ser 2000 A (AMT) (FSA Insd)		5.625	07/01/30	5,040,650	15,000	Houston, Combined							
Utility First Lien Refg 2004 Ser A (FGIC Insd)		5.25	05/15/23	15,350,100	2,375	Houston Independent							
School District Ser 2008 (PSF)		5.00	02/15/26	2,463,777									