

MSCI[®]

Press Release

MSCI EXPANDS FAMILY OF HEDGE FUND INDICES

New York, September 24, 2003. MSCI, a leading provider of equity, fixed income and hedge fund indices, today announced that it will significantly expand the number of indices calculated by the MSCI Hedge Fund IndicesSM and Database. Beginning on September 23, MSCI will calculate 29 new hedge fund indices, bringing the total number of indices to over 190. MSCI anticipates adding several dozen additional indices throughout the remainder of 2003.

The MSCI Hedge Fund Indices and Database were launched in July of 2002 with over 90 indices supported by a database of 750 funds. The indices are organized according to the MSCI Classification StandardSM, which is the most detailed and rigorous in the industry. Currently MSCI's database has over 1,600 funds representing more than \$160 billion of assets, reflecting the addition of approximately 70 funds per month since the product was launched, an additional 200 funds are in the process of being added to the database.

"We have reached critical mass in terms of the number of hedge funds in our database, allowing us to produce indices that reflect a greater number of segments of the hedge fund universe," said Daniel Coker, Head of Hedge Fund Research and Operations for MSCI. "Clients using the MSCI Hedge Fund Indices and Database will now be able to conduct peer group comparisons on an even more granular level, allowing them to understand the performance of various hedge fund strategies in a much more organized and accurate manner."

"As institutional investors are increasingly allocating capital to hedge funds, the MSCI Hedge Fund Indices are designed to help these investors analyze and understand the performance characteristics of the industry, as well as to conduct research on specific funds," said Michel Serieyssol, Global Product Manager for Hedge Funds at MSCI. "We launched the indices in response to demand from the institutional investing community, and we will continue to build on the product's depth and breadth to increase its usefulness."

In addition to the MSCI Hedge Fund Indices, MSCI launched the MSCI Hedge Fund Invest index in July of 2003, which is an investible index based on a platform of hedge funds assembled by Lyxor Asset Management. The MSCI Hedge Fund Indices, as a comprehensive measure of hedge fund industry performance, are utilized by the MSCI Hedge Fund Invest to determine the proper weights of various strategies in order to achieve accurate representation of the diversity of the hedge fund universe.

The MSCI Hedge Fund Classification Standard provides the basis for several levels of index detail, enabling a more accurate definition of peer groups. It uses three primary characteristics – hedge fund investment process, asset class and geography – to classify funds and define hedge fund strategy indices. Secondary classification characteristics include industry segmentation according to the Global Industry Classification Standard (GICS)SM and capitalization size for equity-oriented strategies, and a variety of fixed income criteria.

Some notable additions are the Small Fund and Core Fund Process Group Index Series, and the Short Bias and Event Driven Investment Process indices. A complete list of new indices follows.

Hedge Fund Indices Calculated - August 2003

Hedge Fund Composite

- Process Group Indices
- Directional Trading
- Directional Trading, Core*
- Directional Trading, Small Funds*
- Relative Value
- Relative Value, Core*
- Relative Value, Small Funds*
- Security Selection
- Security Selection, Core*
- Security Selection, Small Funds*
- Specialist Credit
- Specialist Credit, Core*
- Specialist Credit, Small Funds*
- Multi-Process Group
- Multi-Process Group, Core*
- Multi-Process Group, Small Funds*

Investment Process Indices

- Discretionary Trading
- Systematic Trading
- Arbitrage
- Merger Arbitrage
- Statistical Arbitrage
- Multi-Process (RV)
- Long Bias
- No Bias
- Short Bias*
- Variable Bias
- Distressed Securities
- Long-Short Credit
- Event Driven*
- Multi-Process (MPG)

Strategy Indices

- Discretionary Trading, Diversified
- Discretionary Trading, Diversified Developed Markets Diversified
- Systematic Trading, Diversified
- Multi-Process Group, Diversified
- Convertible Arbitrage
- Convertible Arbitrage, North America
- Fixed Income Arbitrage
- Fixed Income Arbitrage, North America
- Mortgage-Backed Arbitrage
- Convertible Arbitrage, Developed Markets
- Merger Arbitrage, North America
- Merger Arbitrage, Developed Markets
- Statistical Arbitrage, North America
- Long Bias, Developed Markets
- Long Bias, Global Markets
- Long Bias, Europe
- Long Bias, North America
- No Bias, Developed Markets
- No Bias, Europe
- No Bias, Europe, Mid-Large Cap
- No Bias, North America
- Variable Bias, Developed Markets
- Variable Bias, Europe
- Variable Bias, North America
- Distressed Securities, Fixed Income
- Distressed Securities, Fixed Income, Developed Markets

Other Equal Weighted Indices

- Composite, Small Funds
- Composite, Core Funds
- Currencies*
- Equity
- Fixed Income
- Diversified
- Developed Markets
- Europe
- North America
- Japan
- Developed Markets, Diversified
- Emerging Markets
- Global Markets
- Global Markets, Asia*
- Combined Asia Pacific*
- Mid and Large Cap
- Small and Mid Cap
- Small Cap
- Relative Value, Equity*
- Relative Value, Diversified*
- Relative Value, Fixed Income*
- Relative Value, Developed Markets, North America*
- Relative Value, Developed Markets, Diversified*
- Relative Value, Developed Markets, Europe*
- Relative Value, Global Markets*
- Statistical Arbitrage, Developed Markets*
- Statistical Arbitrage, Developed Markets, Europe*
- Statistical Arbitrage, Mid and Large Cap
- Security Selection, Mid and Large Cap
- Security Selection, Small and Mid Cap
- Security Selection, Small Cap
- Security Selection, Global Markets
- Security Selection, Europe
- Security Selection, Japan*
- Security Selection, Developed Markets
- Security Selection, Developed Markets, North America
- Security Selection, Diversified Developed Markets
- Security Selection, No Industry Focus
- Security Selection, Financials
- Security Selection, Health Care
- Security Selection, IT
- Long Bias, Mid and Large Cap
- Long Bias, No Size Focus
- Long Bias, Small and Mid Cap
- Long Bias, Small Cap
- Long Bias, North America, Mid and Large Cap*
- Long Bias, North America, Small and Mid Cap*
- No Bias, No Size Focus North America
- Specialist Credit, Developed Markets*
- Specialist Credit, Developed Markets, North America*

*Indicates New Indices
* Indicate new Indices

Hedge Fund Composite - Asset Weighted (AW)

- Process Group Indices
- Directional Trading, AW
- Relative Value, AW
- Security Selection, AW
- Specialist Credit, AW
- Multi-Process Group, AW

Other Asset Weighted Indices

- Equity, AW
- Fixed Income, AW
- Diversified, AW
- Developed Markets, AW
- Emerging Markets, AW
- Global Markets, AW
- Europe, AW
- North America, AW
- Japan, AW
- Developed Markets, Diversified, AW
- Mid and Large Cap, AW
- Small and Mid Cap, AW
- Small Cap, AW
- Security Selection, Mid and Large Cap, aw
- Security Selection, Small and Mid Cap, aw
- Security Selection, Small Cap, aw
- Security Selection, Global Markets, aw
- Security Selection, Europe, aw
- Security Selection, North America, aw
- Security Selection, Developed Markets, aw
- Security Selection, Diversified Developed Markets, aw
- Security Selection, No Industry Focus, aw

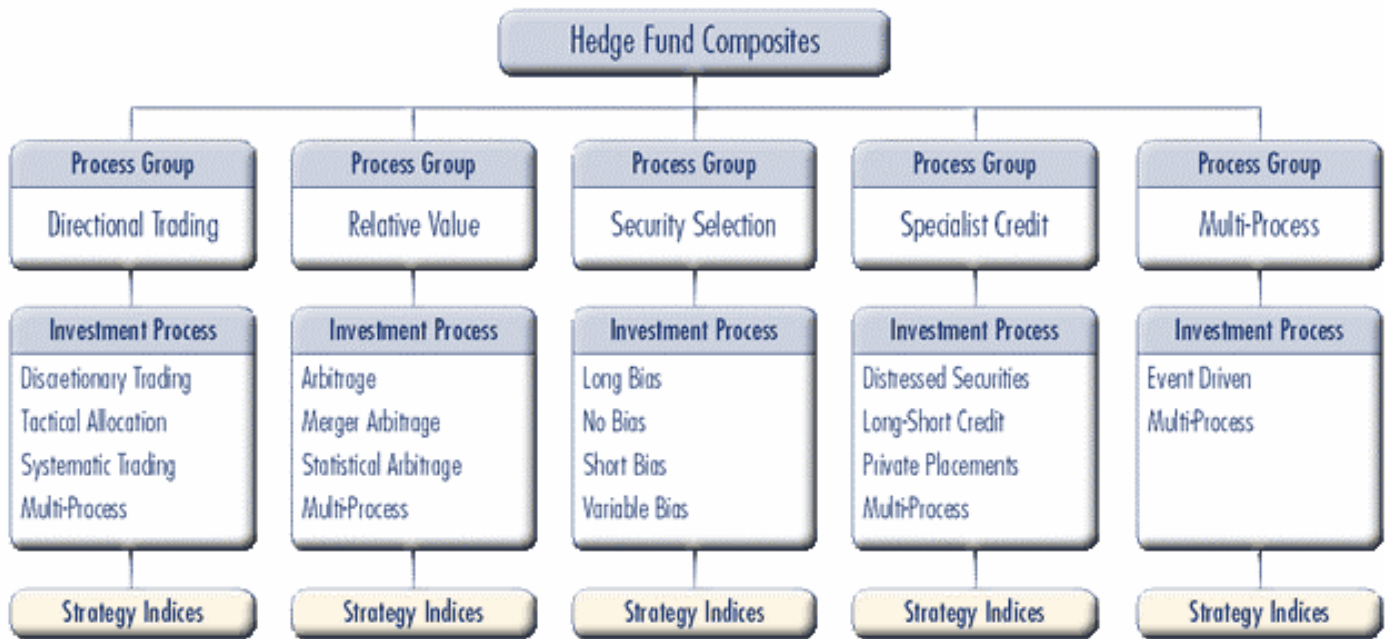
Hedge Fund Composite, Onshore

- Process Group Indices
- Directional Trading, Onshore
- Relative Value, Onshore
- Security Selection, Onshore
- Multi-Process Group, Onshore
- Specialist Credit, onshore
- Investment Process Indices
- Merger Arbitrage, Onshore
- Arbitrage, Onshore
- Long Bias, Onshore
- No Bias, Onshore
- Systematic Trading, Onshore
- Variable Bias, Onshore
- Strategy Indices
- Systematic Trading, Diversified, Onshore
- Merger Arbitrage, Developed Markets, Onshore
- Merger Arbitrage, North America, Onshore
- Long Bias, North America, No Size Focus, Onshore
- Long Bias, North America, Small and Mid Cap, Onshore
- Long Bias, North America, Small Cap, Onshore
- Long Bias, Developed Markets, Onshore
- Long Bias, North America, Onshore
- No Bias, Developed Markets, Onshore
- No Bias, North America, Onshore
- Variable Bias, Developed Markets, Onshore
- Variable Bias, North America, Onshore
- Distressed Securities, Onshore

Hedge Fund Composite, Offshore

- Process Group Indices
- Directional Trading, Offshore
- Relative Value, Offshore
- Security Selection, Offshore
- Specialist Credit, Offshore
- Multi-Process Group, Offshore
- Investment Process Indices
- Discretionary Trading, Offshore
- Arbitrage, Offshore
- Merger Arbitrage, Offshore
- Statistical Arbitrage, Offshore
- Long Bias, Offshore
- No Bias, Offshore
- Variable Bias, Offshore
- Systematic Trading, Offshore
- Long-Short Credit, Offshore
- Multi-Process Group(MPG), Offshore
- Strategy Indices
- Discretionary Trading, Diversified, Offshore
- Discretionary Trading, Offshore, Diversified Developed Markets
- Systematic Trading, Diversified, Offshore
- Convertible Arbitrage, Offshore
- Convertible Arbitrage, Developed Markets, Offshore
- Fixed Income Arbitrage, Offshore
- Merger Arbitrage, Developed Markets Offshore
- Statistical Arbitrage, Developed Markets Offshore
- Multi-process(RV), Offshore
- Long Bias, Developed Markets, Offshore
- Long Bias, Europe, Offshore
- Long Bias, North America, Offshore
- No Bias, Developed Markets, Offshore
- No Bias, Europe, Offshore
- No Bias, Europe, Offshore, Mid-Large Cap
- Variable Bias, Developed Markets, Offshore
- Variable Bias, Europe, Offshore

MSCI Hedge Fund Indices – Index Structure



For further information on MSCI indices or MSCI data, visit our web site at www.msci.com or contact:

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