

# MSCI<sup>®</sup> announcement

## HEDGE FUND INDICES

### Currency Conversion Methodology Change for the MSCI Hedge Fund Indices<sup>SM</sup>

**New York, November 4, 2003.** MSCI announced today that effective as of its next calculation of the MSCI Hedge Fund Indices, expected to take place on November 24<sup>th</sup>, the performance of constituent funds that are not denominated in US dollars will be converted into US dollars in a manner that assumes that the currency risk is fully hedged. MSCI has undertaken this change after extensive client consultations and believes that this new approach will result in indices that provide a more accurate reflection of the hedge fund investment process. This new approach is expected to reduce the impact that currency fluctuations will have on index levels and more closely represent the actions of hedge fund investors, who typically seek to mitigate currency exposures. Although the effect of this change is expected to be small at the composite index level, the impact on certain, more granular, indices may be significant. MSCI also announced that, coinciding with this change, fund performance information will be available to qualified licensees both in base currency and in US dollar-hedged format. A detailed description of the new currency approach is available on the MSCI website. Please contact MSCI client service if you would like further information pertaining to this change.

For further information on MSCI indices or MSCI data, visit our web site at [www.msci.com](http://www.msci.com) or contact:

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