

# MSCI<sup>®</sup> Barra<sup>®</sup> press release

## MSCI Hedge Invest Indices Performance – December 2005

New York - January 3, 2006. MSCI Barra, a leading provider of benchmark indices and risk management analytics products, announced today its December 2005 performance figures for the MSCI Hedge Invest Indices. Below is a summary of performance data for selected indices.

Name	Index Level	December <sup>1</sup>	YTD Return <sup>2</sup>	52 Week Return	ITD Return <sup>3</sup>	
MSCI Hedge Invest Index <sup>SM</sup>	11,278.44	0.91%	4.70%	4.70%	12.78%	
MSCI World Equity Index <sup>SM</sup>	2,784.83	2.19%	10.19%	10.19%	47.49%	
MSCI World Sovereign Bond Index <sup>SM</sup>	1,358.45	1.63%	-6.41%	-6.41%	11.93%	
Performance by Strategy-Level Indices						
	Inception Date	Fund Count	December <sup>1</sup>	YTD Return <sup>2</sup>	52 Week Return	ITD Return <sup>3</sup>
MSCI Hedge Invest Systematic Trading Index <sup>SM</sup>	7/15/2003	24	-0.38%	4.94%	4.94%	11.09%
MSCI Hedge Invest Discretionary Trading Index <sup>SM</sup>	1/6/2004	11	1.31%	6.05%	6.05%	4.92%
MSCI Hedge Invest Long Bias Index <sup>SM</sup>	7/15/2003	16	1.93%	7.02%	7.02%	25.33%
MSCI Hedge Invest Variable Bias Index <sup>SM</sup>	7/6/2004	12	2.76%	8.61%	8.61%	14.67%
MSCI Hedge Invest Equity Non-Directional Index <sup>SM</sup>	7/15/2003	13	0.73%	5.42%	5.42%	9.64%
MSCI Hedge Invest Convertible and Equity Arbitrage Index <sup>SM</sup>	7/15/2003	14	0.68%	-2.16%	-2.16%	-1.62%
MSCI Hedge Invest Event-Driven and Merger Arbitrage Index <sup>SM</sup>	7/15/2003	11	0.99%	3.15%	3.15%	7.13%
MSCI Hedge Invest Fixed Income Index <sup>SM</sup>	1/4/2005	14	0.40%	0.74% <sup>4</sup>	N/A	3.73%
Performance by Investment Segment for Hedge Invest Index						
	Weight	Fund Count	December <sup>1</sup>	YTD Return <sup>2</sup>	52 Week Return	ITD Return <sup>3</sup>
<b>Non Directional</b>	<b>34.97%</b>	<b>44</b>	<b>0.71%</b>	<b>2.41%</b>	<b>2.41%</b>	<b>6.16%</b>
Convertible Arbitrage	7.13%	13	0.70%	-2.57%	-2.57%	-1.51%
Equity Arbitrage	1.25%	1	0.47%	0.78%	0.78%	-5.22%
Fixed Income MBS	4.85%	3	0.55%	4.85%	4.85%	14.76%
Fixed Income Ex MBS	2.03%	1	-0.16%	1.32%	1.32%	1.32%
Statistical Arbitrage, Europe	1.89%	1	2.38%	13.63%	13.63%	16.29%
Statistical Arbitrage, Diversified*	0.96%	2	0.52%	-1.14%	-1.14%	7.13%
Merger Arbitrage	2.30%	6	0.64%	3.16%	3.16%	7.17%
No Bias, Europe	2.70%	5	1.78%	7.53%	7.53%	14.89%
No Bias, North America	5.24%	4	-0.75%	0.20%	0.20%	2.87%
No Bias, Diversified*	1.01%	2	2.53%	9.91%	9.91%	20.14%
No Bias, Japan*	0.56%	1	2.74%	14.68%	14.68%	26.96%
Event-Driven	5.05%	5	1.15%	3.15%	3.15%	8.70%
<b>Enhanced</b>	<b>30.53%</b>	<b>34</b>	<b>1.84%</b>	<b>7.83%</b>	<b>7.83%</b>	<b>23.82%</b>
Long Bias, Diversified	1.88%	2	2.13%	4.98%	4.98%	N/A
Long Bias, North America Mid and Large Cap	2.19%	2	1.20%	10.06%	10.06%	N/A
Long Bias, North America No Size Focus	5.97%	5	0.55%	4.31%	4.31%	19.40%
Long Bias, North America Small and Mid Cap	5.78%	3	0.83%	6.67%	6.67%	22.83%
Long Bias, Europe	3.64%	3	2.36%	10.22%	10.22%	N/A
Long Bias, Japan	2.25%	3	2.93%	16.26%	16.26%	42.17%
Long Bias, Asia ex Japan	1.29%	1	6.51%	5.92%	5.92%	N/A
Short Bias	0.79%	2	0.17%	-4.25%	-4.25%	-20.42%
Variable Bias, Other*	1.53%	2	3.59%	13.75%	13.75%	N/A
Variable Bias, Europe	2.44%	5	3.23%	11.12%	11.12%	18.41%
Variable Bias, North America	2.09%	5	1.32%	7.86%	7.86%	35.04%
Variable Bias, Japan	0.67%	1	3.07%	17.24%	17.24%	N/A
<b>Directional</b>	<b>21.72%</b>	<b>38</b>	<b>0.20%</b>	<b>4.92%</b>	<b>4.92%</b>	<b>11.40%</b>
Systematic, Currencies	1.35%	3	-2.54%	-1.04%	-1.04%	-2.08%
Systematic, Diversified	9.75%	21	-0.16%	6.16%	6.16%	14.98%
Systematic, Fixed Income*	0.31%	1	-0.80%	6.43%	6.43%	-5.36%
Discretionary, Commodities	0.60%	1	1.23%	6.37%	6.37%	N/A
Discretionary, Equity	1.65%	2	1.98%	12.57%	12.57%	27.16%
Discretionary, Diversified	5.01%	8	1.10%	3.91%	3.91%	6.09%
Multi-Process(DT)*	1.02%	1	-0.35%	-0.49%	-0.49%	N/A
Multi-Process(MPG)	2.01%	1	0.27%	4.00%	4.00%	N/A
<b>Specialist Credit ex illiquid*</b>	<b>12.78%</b>	<b>9</b>	<b>0.45%</b>	<b>3.80%</b>	<b>3.80%</b>	<b>N/A</b>
<b>Hedge Invest Index</b>	<b>100.00%</b>	<b>125</b>	<b>0.91%</b>	<b>4.70%</b>	<b>4.70%</b>	<b>12.78%</b>

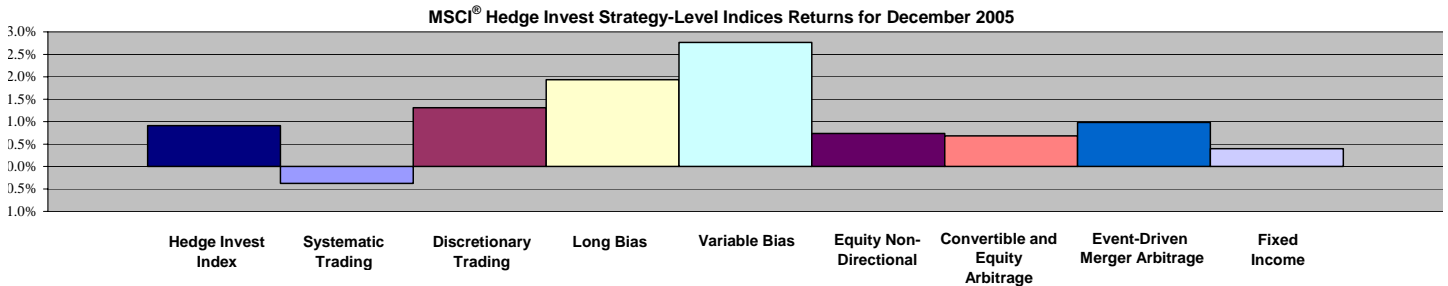
\*not in reference framework, but available on the platform

1. All hedge fund performance data is tabulated based on the last Tuesday on any given period due to weekly pricing.

2. Year to Date (YTD) returns are based on the period from 12/28/04 through 12/27/05.

3. Inception to Date (ITD) returns are from 7/15/03 through 12/27/05 except for strategy-level indices, where inception dates vary with strategy.

4. Year to Date (YTD) returns for Fixed Income Strategy-Level Index are based on the period from 01/04/05 through 12/27/05.



For the month of December, the MSCI Hedge Invest Index<sup>SM</sup> gained 0.91% which brings the year-to-date return to 4.70% and the return since inception to 12.78%. Among the strategy-level indices, for the month, the MSCI Hedge Invest Variable Bias Index<sup>SM</sup> posted the highest return, gaining 2.76%, while the MSCI Hedge Invest Systematic Trading Index<sup>SM</sup> performed the worst, returning -0.38%. Under the investment segments category, Long Bias, Asia ex Japan outperformed all other segments with a gain of 6.51%, while Systematic, Currencies posted the lowest return of -2.54%.

**About MSCI Barra**

MSCI ([www.msci.com](http://www.msci.com)) develops and maintains equity, REIT, fixed income, multi-asset class and hedge fund indices that serve as the benchmark for an estimated USD 3 trillion on a worldwide basis and owns Barra, Inc. (“Barra”). Barra analytics ([www.barra.com](http://www.barra.com)) help the world’s largest investors analyze, measure and manage portfolio and firm-wide investment risk. MSCI Barra is headquartered in New York, with research and commercial offices around the world. Morgan Stanley, a global financial services firm and a market leader in securities, asset management, and credit services, is the majority shareholder of MSCI, and Capital International Inc., part of the global investment management group of The Capital Group Companies, Inc., is the minority shareholder. MSCI Barra is a service mark of Morgan Stanley Capital International Inc. (“MSCI” or “MSCI Barra”).

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