MSCI Barra

PRESS RELEASE

www.mscibarra.com

MSCI Barra Announces Methodology Enhancements to the MSCI GCC Countries Indices and Transition Plan

Geneva – November 5, 2007 - MSCI Barra announced today, following a consultation with market participants, enhancements to the methodology of the MSCI Gulf Corporation Council (GCC) Countries Indices. The enhancements create a framework similar to that under the MSCI Global Investable Market Indices Methodology which aims to provide exhaustive representation and non-overlapping size segmentation of the investable universe. The enhanced MSCI GCC Countries Indices Methodology accounts for the specific structure of the GCC country markets by using country specific size and liquidity requirements. The Standard Indices will be segmented into Large Cap and Mid Cap Indices in each market. In addition, MSCI Barra will start calculating Small Cap Indices for the six GCC countries. Finally, the Standard and Small Cap Indices will be combined to create the Investable Market Indices.

The MSCI GCC Countries Indices will be transitioning to the enhanced MSCI GCC Countries Indices Methodology in one single phase. The transition will be implemented as of the close of May 30, 2008. The official index histories of the MSCI GCC Countries Indices remain unchanged and will reflect the transition to the enhanced MSCI GCC Countries Indices Methodology as it occurs.

MSCI Barra will begin calculating the MSCI Provisional GCC Countries Indices based on enhanced MSCI GCC Countries Indices Methodology, as well as the new Large Cap, Mid Cap, Small Cap and Investable Market Indices, as of the close of November 30, 2007. The list of MSCI Provisional GCC Countries Indices constituents will be provided in December 2007 and the MSCI Provisional GCC Countries Indices will be distributed in the first calendar quarter of 2008.

In addition, MSCI Barra will start aligning the treatment of foreign investment restrictions in the GCC countries with the one generally applied to other markets in order to reflect the continual opening of the GCC country markets to international investors and the increased integration of these countries within the global international financial markets. As a reminder, the current treatment reflects the constraints for investors based in the GCC countries. Bahrain and Saudi Arabia are the only two countries having different constraints systematically applied to GCC country-based investors and to international investors.

In the case of Bahrain, MSCI Barra will decrease the Foreign Ownership Limits (FOL) to reflect the investment constraints of international investors. The FOL levels will generally decrease from 1 to 0.49. The changes will be implemented as of the close of November 30, 2007 coinciding with the November 2007 Quarterly Index Review.

In the case of Saudi Arabia, MSCI Barra will continue to apply FOL levels reflecting the conditions relevant to non-Saudi Arabian investors based in other GCC countries for the duration of the transition. As previously announced, MSCI Barra will generally increase the FOL levels of Saudi Arabian securities from 0 or 0.49 to 1 as of the close of November 30, 2007 coinciding with the November 2007 Quarterly Index Review.

Coinciding with the transition, MSCI Barra will also align the treatment of foreign investment restrictions of Saudi Arabia with the one applied to the other GCC countries. The FOL levels in Saudi Arabia will be decreased to 0 in order to reflect the conditions relevant to international investors. Simultaneously, the MSCI GCC Countries Index will start including the Saudi Arabian domestic index to continue capturing the full breadth of the investment opportunity set available for investors based in the GCC region. These changes will be implemented as of the close of May 30, 2008 coinciding with the May 2008 Annual Index Review.

The main features of the enhancements and the transition plan are described below.

Index Construction: The enhancements to the current MSCI GCC Countries Indices Methodology are intended to reflect the changing nature of the international investment process and investors' views of the evolving role of GCC country equity markets in international investing.

The final methodological enhancements for the MSCI GCC Countries Indices will be similar to the one presented in the consultation proposal with some minor changes to the global minimum size references, global minimum size range and the minimum investable liquidity levels.

Index Family Structure

- The Standard Indices will aim to exhaustively cover the large- and mid-cap segments of the investable equity universe by targeting a range around 85% coverage of the free float-adjusted market capitalization in each market, while striving to achieve a balance between appropriate market representation in size segment composites within countries and reasonable size integrity across countries.
- The Standard Indices will be segmented into Large Cap and Mid Cap Indices in each market subject to size and market coverage requirements.
- The Small Cap Indices will aim to exhaustively cover the small-cap segment of the investable equity universe by targeting for inclusion all companies with a market capitalization below that of the companies in the Standard Indices and within the top 99% of the investable equity universe in each market, subject to a global minimum size requirement
- The Standard and Small Cap Indices will be combined to create an Investable Market Index in each market that will aim to provide broad and exhaustive coverage of the large-cap, mid-cap, and small-cap companies in the investable equity universe
- The Large, Mid, Standard, Small Cap, and Investable Market indices result in the creation of an integrated investable market index family.
- The international and domestic GCC countries indices will share the same methodology and rebalancing rules which will be applied to two different universes. The international GCC countries indices will no longer be derived from the domestic GCC countries indices.

Investability

- Two different levels of global minimum size references will be required to accommodate substantially different size structures among the GCC countries: the Emerging Markets global minimum size reference or 0.5 times the Emerging Markets global minimum size reference. The global minimum size range will extend over 1.15 times to 0.5 times the above mentioned global minimum size references.
- Three different levels of liquidity will be considered in order to account for the specific market characteristics of the six GCC countries: 2.5%, 5% and 15% Annualized Traded Value Ratio (ATVR).
- No additional investability requirements are set for the Standard Indices.

Transition: The transition of the MSCI GCC Countries Indices to the enhanced MSCI GCC Countries Indices Methodology will occur in one single phase as originally proposed during the consultation.

Timeline

- The transition of the MSCI GCC Countries Indices to the enhanced MSCI GCC Countries Indices Methodology will occur as of the close of May 30, 2008.
- The final additions and deletions of constituents will be announced at least 4 weeks in advance of their implementation in the MSCI GCC Countries Indices.

Provisional Indices

- In order to add transparency to the transition process and to assist clients in planning and implementing their individual transition strategies, MSCI Barra will provide Provisional Indices for the MSCI GCC Countries Indices constructed and maintained according to the enhanced MSCI GCC Countries Indices Methodology.
- MSCI Provisional GCC Countries Indices will begin to be calculated as of the close of November 30, 2007.

- The list of MSCI Provisional GCC Countries Indices constituents will be provided in December 2007 and the MSCI Provisional GCC Countries Indices will be distributed to clients in the first calendar quarter of 2008.

MSCI Barra will make available in December 2007 an updated version of the MSCI Global Investable Market Indices Methodology book including the enhanced MSCI GCC Countries Indices Methodology on its website at http://www.mscibarra.com/products/indices/GIMImethodology.html

MSCI Barra will also be updating Appendix VI of the current MSCI Standard Index Series Methodology book at that time.

###

About MSCI Barra

MSCI Barra develops and maintains equity, hedge fund, and REIT indices that serve as benchmarks for an estimated USD 3 trillion on a worldwide basis. MSCI Barra's risk models and analytics products 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, is the majority shareholder of MSCI Barra, and Capital Group International, Inc. is the minority shareholder.

MSCI Barra was voted "Index Provider of the Year" at the 2007 Global Pensions Magazine Awards.

For further information on MSCI Barra, please visit our web site at www.mscibarra.com

For media enquiries please contact:

Sally Todd | Clare Milton, Penrose Financial, London	+ 44.20.7786.4888
Pen Pendleton | Ann Taylor Reed, Abernathy MacGregor, New York	+ 1.212.371.5999

MSCI Barra Global Client Service:

Aatish Suchak, MSCI Barra, London	+ 44.20.7618.2222
Izabella Goldenberg, MSCI Barra, New York	+ 1.212.762.5790
Jackson Wang, MSCI Barra, San Francisco	+ 1.415.576.2323
Alick Lei, MSCI Barra, Hong Kong	+ 852.2848.7333
Pavithra Ramasubban, MSCI Barra, Sydney	+ 61.2.9220.9333
Masao Ikeda, MSCI Barra, Tokyo	+ 813.5424.5470

None of the Information constitutes an offer to sell (or a solicitation of an offer to buy), or a promotion or recommendation of, any security, financial product or other investment vehicle or any trading strategy, and none of the MSCI Barra Parties endorses, approves or otherwise expresses any opinion regarding any issuer, securities, financial products or instruments or trading strategies. None of the Information, MSCI Barra indices, models or other products or services is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

The user of the Information assumes the entire risk of any use it may make or permit to be made of the Information.

In particular, historical data and analysis should not be taken as an indication or guarantee of any future performance, analysis or prediction.

NONE OF THE MSCI BARRA PARTIES MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, MSCI AND BARRA, EACH ON THEIR BEHALF AND ON THE BEHALF OF EACH MSCI BARRA PARTY, HEREBY EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION.

Without limiting any of the foregoing and to the maximum extent permitted by law, in no event shall any of the MSCI Barra Parties have any liability regarding any of the Information for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited.

Any use of or access to products, services or information of MSCI or Barra or their subsidiaries requires a license from MSCI or Barra, or their subsidiaries, as applicable. MSCI, Barra, MSCI Barra, EAFE, Aegis, Cosmos, BarraOne, and all other MSCI and Barra product names are the trademarks, registered trademarks, or service marks of MSCI, Barra or their affiliates, in the United States and other jurisdictions. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor's. "Global Industry Classification Standard (GICS)" is a service mark of MSCI and Standard & Poor's.

The governing law applicable to these provisions is the substantive law of the State of New York without regard to its conflict or choice of law principles.