

MSCI Indices 2012 Performance Results

Global Equity Markets Rebound in 2012—Overcoming 2011 Losses

- *Global markets posted significant positive returns, largely in the double digits*
- *Emerging Markets and the EMU showed strong relative performance*
- *Small caps outpaced large and mid caps across most regions and countries*

London – December 28, 2012 – MSCI Inc. (NYSE: MSCI), a leading provider of investment decision support tools worldwide, today published the year-to-date (YTD) 2012 performance of its MSCI Indices, revealing a vigorous rebound in global equity markets, following the global slowdown experienced in 2011.

Major financial markets worldwide showed healthy double digit returns across all size segments for 2012. The **MSCI ACWI Investable Market Index (IMI)**, comprised of close to 9,000 large, mid and small cap securities across 24 Developed and 21 Emerging Markets countries, for example, delivered a 2012 YTD return of 13.45% versus a loss of -9.87% in 2011.

The **MSCI ACWI Small Cap Index** bested all other MSCI ACWI index capitalization segments for 2012 YTD, with a return of 15.17% versus returns of 14.21% and 12.99% over the period for the **MSCI ACWI Mid Cap** and **Large Cap Indices**, respectively.

MSCI ACWI IMI/Financials outperformed all other global sectors, returning 24.13% for 2012 YTD. Laggard sectors included the **MSCI ACWI IMI/Telecommunications Services** and **MSCI ACWI IMI/Utilities** which returned 4.29% and -0.71% for the period.

Developed Markets

Nearly the entire range of country and regional MSCI Developed Markets (DM) Indices delivered strong positive returns for 2012 YTD. The two main MSCI DM flagship indices—the **MSCI World Index** and **MSCI EAFE**—returned 13.00% and 13.96%, respectively, while even higher returns prevailed in many European countries and regions. The **MSCI EMU** and **Europe Indices**, for example, delivered 2012 YTD returns of 18.34% and 15.87%. The highest DM country performers were all European: the **MSCI Belgium Index** was at the top, returning 37.58% for 2012 YTD, followed by the **MSCI Denmark** and **Germany Indices**, with returns of 30.32% and 28.12%, respectively. The only three DM countries with negative returns for 2012 YTD were the **MSCI Spain, Greece** and **Israel Indices** which produced losses of -1.90%, -2.53% and -6.95%, respectively.

The MSCI DM Small Cap Indices outperformed their mid and large cap counterparts across the majority of countries and regions for 2012 YTD. The **MSCI Europe Small Cap Index** returned 25.76% (nearly 10% more than the **MSCI Europe Index**), for example, while the **MSCI World Small Cap Index** produced a return of 14.75% over the period.

Emerging Markets

The MSCI Emerging Markets (EM) Indices posted a slightly wider range of positive results relative to the Developed Markets. The **MSCI Emerging Markets Index** returned 14.52% for 2012 YTD, which was somewhat below average in comparison to its constituent regions and countries. The top performing

¹ All year-to-date (YTD) 2012 index performance data is based on price index levels in USD for the periods 1 January 2012 – 27 December 2012.

region was the **MSCI EM Eastern Europe ex Russia Index** which provided a 25.62% return for 2012 YTD, followed by the **MSCI EM Europe Index** with a 20.46% return for the period. The three stand-out performers among the Emerging Markets countries were the **MSCI Turkey, Egypt and Philippines Indices**, with 2012 YTD returns of 60.59%, 46.90% and 43.17%, respectively. The **MSCI Czech Republic, Brazil and Morocco Indices** were the only Emerging Markets countries to deliver negative 2012 YTD results, with returns of -3.49%, -4.37% and -16.15%.

Reinforcing the global small cap dominance trend, the **MSCI EM Small Cap Index** outperformed its large- and mid-cap sibling (the MSCI EM Index), returning 18.56% for 2012 YTD.

Frontier Markets

The MSCI Frontier Markets Indices produced the most widely dispersed results for 2012 YTD. The **MSCI Frontier Markets Index** returned 4.60% over the period. The **MSCI Frontier Markets Africa Index** was the top-performing regional Frontier Markets index, delivering a 2012 YTD return of 44.88%. The top three single country Frontier Markets index performers for 2012 YTD included the **MSCI Kenya, Nigeria and Estonia Indices** which posted returns of 54.16%, 52.82%, and 44.98%, respectively. More than half of the FM countries delivered negative 2012 YTD returns. The bottom performers were the **MSCI Bulgaria, Argentina, and Ukraine Indices** with 2012 YTD returns of -32.78%, -37.49% and -49.33%, respectively.

Historical index levels for the full range of MSCI Indices are available at www.msci.com.

MSCI Indices Performance Table—YTD 2012

Index	YTD 2012 1 Jan 2012 – 27 Dec 2012	2011
MSCI All Country (AC) Indices		
MSCI ACWI IMI/Financials	24.13%	-20.61%
MSCI Zhong Hua Index ²	20.07%	-19.72%
MSCI AC Asia ex Japan Index	18.72%	-19.16%
MSCI AC Far East ex Japan Index	18.34%	-16.78%
MSCI AC Europe Index	16.09%	-14.45%
MSCI ACWI Small Cap Index	15.17%	-12.75%
MSCI ACWI Mid Cap Index	14.21%	-11.25%
MSCI ACWI Investable Market Index (IMI)	13.45%	-9.87%
MSCI ACWI Index	13.19%	-9.41%
MSCI ACWI Large Cap Index	12.99%	-9.05%
MSCI ACWI IMI/Telecom Services	4.29%	- 5.02%
MSCI ACWI IMI/Utilities	-0.71%	-6.79%
MSCI Developed Markets (DM) Indices		
MSCI Belgium Index	37.58%	-12.55%
MSCI Denmark Index	30.32%	-16.83%
MSCI Germany Index	28.12%	-20.05%

² The MSCI Zhong Hua Index captures large and mid cap representation across China securities available to non-domestic investors and includes: China H shares, B shares, Red chips and P chips, together with Hong Kong companies listed on the Hong Kong exchange.

MSCI Developed Markets (DM) Indices, cont.		
MSCI Europe Small Cap Index	25.76%	-21.94%
MSCI Nordic Countries Index	19.27%	-19.80%
MSCI Pacific ex Japan Index	19.22%	-16.25%
MSCI Europe ex UK Index	18.61%	-17.63%
MSCI EMU Index	18.34%	-20.15%
MSCI Europe Index	15.87%	-13.82%
MSCI USA Small Cap Index	14.94%	-4.35%
MSCI World Small Cap Index	14.75%	-10.49%
MSCI EAFE Index	13.96%	-14.82%
MSCI World Index	13.00%	-7.61%
MSCI USA Index	12.86%	-0.11%
MSCI Spain Index	-1.90%	-16.90%
MSCI Greece Index	-2.53%	-63.59%
MSCI Israel Index	-6.95%	-29.79%
MSCI Emerging Markets (EM) Indices		
MSCI Turkey Index	60.59%	-36.78%
MSCI Egypt Index	46.90%	-48.78%
MSCI Philippines Index	43.17%	-3.17%
MSCI EM Eastern Europe ex Russia Index	25.62%	-29.98%
MSCI EM Europe & Middle East IMI	21.22%	-26.46%
MSCI EM Europe Index	20.46%	-25.33%
MSCI Emerging Markets Small Cap Index	18.56%	-28.78%
MSCI Emerging Markets (EM) Index	14.52%	-20.41%
MSCI Brazil Index	-4.37%	-24.85%
MSCI Czech Republic Index	-3.49%	-11.29%
MSCI Morocco Index	-16.15%	-18.75%
MSCI Frontier Markets (FM) Indices		
MSCI Kenya Index	54.16%	-30.61%
MSCI Nigeria Index	52.82%	-18.73%
MSCI Estonia Index	44.98%	-28.79%
MSCI FM Africa Index	44.88%	-19.76%
MSCI Frontier Markets (FM) Index	4.60%	-22.14%
MSCI Bulgaria Index	-32.78%	-29.80%
MSCI Argentina Index	-37.49%	-42.64%
MSCI Ukraine Index	-49.33%	-45.81%

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About MSCI

MSCI Inc. is a leading provider of investment decision support tools to investors globally, including asset managers, banks, hedge funds and pension funds. MSCI products and services include indices, portfolio risk and performance analytics, and governance tools.

The company's flagship product offerings are: the MSCI indices with close to USD 7 trillion estimated to be benchmarked to them on a worldwide basis¹; Barra multi-asset class factor models, portfolio risk and performance analytics; RiskMetrics multi-asset class market and credit risk analytics; IPD real estate information, indices and analytics; MSCI ESG (environmental, social and governance) Research screening, analysis and ratings; ISS governance research and outsourced proxy voting and reporting services; FEA valuation models and risk management software for the energy and commodities markets; and CFRA forensic accounting risk research, legal/regulatory risk assessment, and due-diligence. MSCI is headquartered in New York, with research and commercial offices around the world.

¹ As of March 31, 2012, as published by eVestment, Lipper and Bloomberg in September, 2012.

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

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