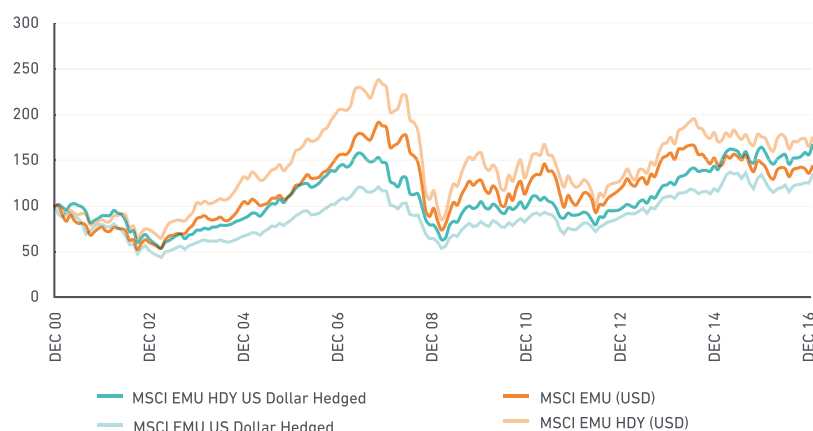


MSCI EMU HIGH DIVIDEND YIELD US DOLLAR HEDGED INDEX (USD)

The MSCI EMU High Dividend Yield US Dollar Hedged Index represents a close estimation of the performance that can be achieved by hedging the currency exposures of its Parent Index, the MSCI EMU HDY Index, to the USD, the “home” currency for the hedged index. The Index is designed to reflect the performance of equities in the Parent Index (excluding REITs) with higher dividend income and quality characteristics. Scurrilities with higher than average dividend yields, that are both sustainable and persistent are selected. The Index also applies quality screens and reviews 12-month past performance to omit stocks with potentially deteriorating fundamentals that could force them to cut or reduce dividends. The Index is 100% hedged to the USD by selling each foreign currency forward at the one-month forward rate. The Parent Index is composed of large and mid-cap stocks across 10 Developed Markets (DM) countries*.

CUMULATIVE INDEX PERFORMANCE — NET RETURNS (DECEMBER 2000 – DECEMBER 2016)



ANNUAL PERFORMANCE (%)

Year	MSCI EMU HDY US Dollar Hedged	MSCI EMU US Dollar Hedged	MSCI EMU HDY (USD)	MSCI EMU (USD)
2016	5.99%	5.90%	0.92%	1.34%
2015	13.10%	8.88%	2.21%	-1.42%
2014	11.05%	4.60%	-2.79%	-8.39%
2013	27.39%	24.12%	32.06%	28.94%
2012	9.57%	20.67%	9.80%	21.17%
2011	-12.31%	-14.71%	-15.01%	-17.64%
2010	-1.79%	4.50%	-10.10%	-4.25%
2009	32.28%	28.48%	35.06%	31.41%
2008	-45.93%	-44.32%	-49.12%	-47.57%
2007	2.54%	9.29%	12.16%	19.55%
2006	26.41%	24.65%	38.25%	36.29%
2005	30.28%	26.30%	12.27%	8.80%
2004	17.75%	12.20%	27.53%	21.41%
2003	14.85%	17.43%	39.90%	43.15%
2002	-28.24%	-35.68%	-13.22%	-21.94%
2001	-10.39%	-20.02%	-14.50%	-22.51%

INDEX PERFORMANCE — NET RETURNS (%) (DECEMBER 30, 2016)

Index	1 Month	3 Months	1 Year	Year to Date	ANNUALIZED TOTAL RETURN				Yield
					3 Years	5 Years	10 years	Since Dec 29, 2000	
MSCI EMU HDY US Dollar Hedged	7.42%	8.80%	5.99%	5.99%	10.01%	13.19%	1.61%	3.30%	4.90
MSCI EMU US Dollar Hedged	6.98%	8.28%	5.90%	5.90%	6.45%	12.56%	2.33%	1.97%	3.18
MSCI EMU HDY (USD)	6.36%	1.41%	0.92%	0.92%	0.09%	7.77%	-1.54%	3.59%	4.90
MSCI EMU (USD)	6.33%	1.39%	1.34%	1.34%	-2.91%	7.41%	-0.74%	2.34%	3.18

* DM countries include: Austria, Belgium, Finland, France, Germany, Ireland, Italy, the Netherlands, Portugal and Spain.

"The MSCI EMU High Dividend Yield US Dollar Hedged Index was launched on May 8, 2015. Data prior to the launch date is back-tested data (i.e., calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results. Past performance -- whether actual or back-tested -- is no indication or guarantee of future performance.

INDEX RISK AND RETURN CHARACTERISTICS — NET RETURNS (DECEMBER 29, 2000 — DECEMBER 30, 2016)

Index	Beta	Tracking Error (%)	ANNUALIZED STANDARD DEVIATION ¹ (%)				SHARPE RATIO ²			
			3 Years	5 Years	10 Years	Since Dec 29, 2000	3 Years	5 Years	10 Years	Since Dec 29, 2000
MSCI EMU HDY US Dollar Hedged	0.72	10.15%	13.1%	13.6%	18.3%	17.9%	0.77	0.96	0.12	0.18
MSCI EMU US Dollar Hedged	0.74	10.15%	14.7%	13.9%	17.7%	18.2%	0.48	0.91	0.16	0.11
MSCI EMU HDY (USD)	-	-	14.3%	17.4%	24.1%	21.9%	0.06	0.50	0.02	0.20
MSCI EMU (USD)	0.97	5.46%	15.0%	16.8%	23.5%	22.0%	-0.14	0.49	0.04	0.14

¹ Based on Monthly Net Return Data

² Based on ICE USD LIBOR 1m

INDEX METHODOLOGY

“For the initial construction of the Index, each MSCI High Dividend Yield Index targets companies with high dividend income and quality characteristics and includes companies that have higher than average dividend yields that are both sustainable and persistent. Index construction starts with a dividend screening process: only securities with a track record of consistent dividend payments and with the capacity to sustain dividend payouts into the future are eligible index constituents. Securities are also screened based on certain “quality” factors such as return on equity (ROE), earnings variability, debt to equity (D/E), and on recent 12-month price performance. The goal is to exclude stocks with potentially deteriorating fundamentals that could be forced to cut or reduce dividends.

From the list of eligible companies, only those with higher than average dividend yields are selected for inclusion in the Index. Issuer weights are capped at 5%. The Index is market cap weighted and rebalanced semi-annually in May and November.

To hedge the currency risk in the Index, each foreign currency in the index is hedged back to a home currency (e.g., EUR) by notionally “selling” each currency forward at the one-month forward rate at the end of each month. To construct investable and replicable indexes, MSCI calculates the performance of hedged indexes using foreign currency weights and corresponding foreign currency notional amounts as of two business days before the first calendar day of the following month.

ABOUT MSCI

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