

MSCI Indices 2013 Performance Results¹

Global Markets Advance—Led by Returns in Developed and Frontier Markets and Small Caps

- *Global markets posted significant positive returns, primarily in Developed and Frontier Markets*
- *Global small caps outpaced large and mid caps, extending the trend seen in 2012*
- *Most Emerging Markets regions and countries displayed negative results—many in the double digits*

London – December 27, 2013 – MSCI Inc. (NYSE: MSCI), a leading provider of investment decision support tools worldwide, today published the year-to-date (YTD) 2013 performance of its MSCI Indices, displaying substantial advances in global equity markets, with the exception of Emerging Markets.

The flagship MSCI global index, **MSCI ACWI IMI**—comprised of over 8,500 large, mid and small cap securities across 23 Developed and 21 Emerging Markets countries—showed healthy double digit returns, delivering a 2013 YTD return of 19.58%, following its 2012 gain of 13.70%.

As in 2012, the **MSCI ACWI Small Cap Index** bested all other MSCI ACWI index capitalization segments for 2013 YTD, with a return of 25.09% versus returns of 20.76% and 18.37% over the period for the **MSCI ACWI Mid Cap** and **Large Cap Indices**, respectively.

Among global sectors, the top performers for 2013 YTD were the **MSCI ACWI IMI/Healthcare** and the **MSCI ACWI IMI/Consumer Discretionary Indices**, which returned 32.83% and 32.74%, respectively. The single sector index with negative performance was the **MSCI ACWI IMI/Materials Index**, which returned -3.36% for the period.

Developed Markets

A wide range of regional and country MSCI Developed Markets (DM) Indices delivered strong positive returns in the double digits for 2013 YTD. The **MSCI World Index**, for example, posted a return of 22.50%, while the top performing regional index, the **MSCI North America Index**, returned 26.56%. The highest DM country performers included the **MSCI Finland, Ireland** and **USA Indices**, with returns of 38.99%, 36.73% and 28.79%, respectively.

The MSCI DM Small Cap Indices handily outperformed their mid and large cap counterparts across the majority of countries and regions for 2013 YTD. The **MSCI USA Small Cap Index** was the top performer, for example, with a 2013 YTD return of 35.74%, while the **MSCI World Small Cap Index** produced a return of 28.80% over the period, which was 28% higher than that of the MSCI World Index.

Frontier Markets

The MSCI Frontier Markets (FM) Indices produced widely dispersed 2013 YTD results, with the majority of regions and countries in positive territory. The **MSCI Frontier Markets Index** returned 20.53% over the period, closely followed by the **MSCI Frontier Markets 100 Index**, which returned 20.37%. The **MSCI**

¹ All year-to-date (YTD) 2013 index performance data is based on price index levels in USD for the periods 1 January 2013 – 24 December 2013.

Frontier Markets Africa Index was the top-performing regional FM index, delivering a return of 23.49% for the period. The top three single country FM index performers for 2013 YTD included the **MSCI Bulgaria, UAE and Argentina Indices**, which returned 91.55%, 79.02%, and 68.97%, respectively. The lowest performing FM countries were the **MSCI Tunisia and Ukraine Indices** with 2013 YTD returns of -12.44%, and -18.52%, respectively.

Emerging Markets

A majority of the regional and country MSCI Emerging Markets (EM) Indices posted negative 2013 YTD returns. The **MSCI Emerging Markets Index** lost -5.67% over the period—and this figure was slightly higher than the average return across the EM constituent regions and countries. Four EM countries did show positive returns in the low single digits, including the **MSCI Egypt Index**, which posted a 7.17% return for the period, and the **MSCI Taiwan, Korea, and Malaysia Indices**, which returned 3.78%, 2.51%, and 2.09%, respectively. One EM outlier was the **MSCI Greece Index**, which migrated from the developed markets to the emerging markets in November 2013 and posted a return of 37.88%.

*The **MSCI China Index**², which comprises approximately 20% of the **MSCI Emerging Markets Index**, delivered a slightly negative return of -0.20%; the domestic **MSCI China A Index**³ delivered a slightly lower return of -2.53%. The top performing EM region was the **MSCI Emerging Markets Far East Index**, which returned 0.57% over the period.*

Reinforcing the global trend of small cap dominance, the **MSCI EM Small Cap Index** outperformed its large- and mid-cap sibling (the MSCI EM Index), returning -2.07% for 2013 YTD.

Factor Indices

Relative to their market cap weighted parent indices, the suite of MSCI Factor Indices performed variously in different markets. For example, against the backdrop of significant upward trends in the regions and countries of the developed markets, the **MSCI Momentum Indices** handily outperformed their parent indices over the YTD 2013 period in these DM markets. Similarly, **MSCI Value Weighted and Quality Indices** generally showed modest outperformance relative to their parents in the developed markets. The **MSCI Minimum Volatility Indices**, on the other hand, generally underperformed their parents in developed markets and outperformed their parents in emerging markets, which showed substantially negative 2013 YTD performance.

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

² The MSCI China Index is composed of H shares, B shares, Red chips and P chips.

³ The MSCI China A Index is composed of securities incorporated in mainland China that are listed on the Shanghai or the Shenzhen exchange and are traded in Renminbi (RMB).

MSCI Market Cap Indices Performance Table—YTD 2013 (1 Jan 2013 – 24 Dec 2013)

Index	YTD 2013 1 Jan 2013 – 24 Dec 2013	2012
MSCI All Country (AC) Indices		
Global		
MSCI ACWI Small Cap Index	25.09%	15.94%
MSCI ACWI Mid Cap Index	20.76%	14.51%
MSCI ACWI IMI (<i>Large+ Mid + Small Cap</i>)	19.58%	13.70%
MSCI ACWI	18.77%	13.37%
MSCI ACWI Large Cap Index	18.37%	13.14%
Regional		
MSCI AC Americas Index	24.24%	12.44%
MSCI ACWI ex USA Index	10.45%	13.28%
MSCI AC Asia ex Japan Index	-0.30%	19.32%
MSCI AC Asia Pacific ex Japan Index	-0.44%	18.55%
Top 3 Global Sectors		
MSCI ACWI IMI Health Care Index	32.83%	16.28%
MSCI ACWI IMI Consumer Discretionary Index	32.74%	21.63%
MSCI ACWI IMI Industrials Index	26.17%	14.19%
MSCI Developed Markets (DM) Indices		
Global		
MSCI World Small Cap Index	28.80%	15.51%
MSCI World IMI (<i>Large + Mid + Small Cap</i>)	23.31%	13.44%
MSCI World Index	22.50%	13.12%
Regional		
MSCI Europe Small Cap Index	33.34%	25.56%
MSCI North America Index	26.56%	12.84%
MSCI World ex Europe	23.76%	12.38%
MSCI EMU Index	23.27%	17.10%
MSCI Europe ex UK Index	21.98%	17.51%
MSCI Europe Index	19.21%	15.07%
MSCI World ex USA Index	15.60%	10.74%
Top 5 Performing DM Countries		
MSCI Finland Index	38.99%	9.91%
MSCI Ireland Index	36.73%	3.82%
MSCI USA Index	28.79%	13.46%
MSCI Germany Index	26.32%	27.05%
MSCI Netherlands Index	26.07%	17.07%
MSCI Emerging Markets (EM) Indices		
Global		
MSCI Emerging Markets Small Cap Index	-2.41%	19.39%
MSCI Emerging Markets (EM) Index	-5.67%	15.07%

MSCI Emerging Markets (EM) Indices, cont.		
Regional		
MSCI EM Far East Index	-0.57%	17.38%
MSCI BRIC Index	-6.80%	10.94%
MSCI EM Europe Index	-6.90%	19.65%
MSCI EM Beyond BRIC Index	-7.35%	19.19%
MSCI EM Latin America	-16.09%	5.40%
Top 6 Performing EM Countries		
MSCI Egypt Index	7.17%	44.23%
MSCI Taiwan Index	3.78%	13.38%
MSCI Korea Index	2.51%	20.05%
MSCI Malaysia Index	2.09%	10.70%
MSCI China Index	-0.20%	18.87%
MSCI Frontier Markets (FM) Indices		
Global		
MSCI Frontier Markets (FM) Index	20.53%	4.86%
MSCI Frontier Markets 100 Index	20.37%	4.14%
Regional		
MSCI FM Africa Index	23.49%	47.11%
MSCI FM ex GCC Countries Index	17.88%	12.07%
Top 5 Performing Countries		
MSCI Bulgaria Index	91.55%	-33.64%
MSCI UAE Index	79.02%	22.63%
MSCI Argentina Index	68.97%	-38.71%
MSCI Kenya Index	43.58%	54.00%
MSCI Pakistan Index	27.76%	23.34%

Index	YTD 2013 1 Jan 2013 – 13 Dec 2013	Performance vs. Parent	2012
Factor MSCI Indices—Value Weighted (VW)			
MSCI USA Value Weighted Index	30.98%	2.20%	14.58%
MSCI World Value Weighted Index	23.29%	0.79%	13.27%
MSCI Europe Value Weighted Index	20.41%	1.19%	14.67%
MSCI ACWI Value Weighted Index	19.20%	0.13%	13.53%
MSCI EAFE Value Weighted Index	18.70%	1.62%	12.59%
MSCI Factor Indices—Quality			
MSCI USA Quality Index	29.80%	1.01%	9.27%
MSCI UK Quality Index	24.11%	10.15	14.50%
MSCI World Quality Index	23.33%	0.83%	10.75%
MSCI Japan Quality Index	12.23%	-9.63%	1.76%
MSCI Canada Quality Index	5.91%	3.35%	9.74%

Index	YTD 2013 1 Jan 2013 – 13 Dec 2013	Performance vs. Parent	2012
MSCI Factor Indices—Minimum Volatility (MV)			
MSCI World MV Index	14.75%	-7.75%	5.26%
MSCI ACWI MV Index	13.07%	-5.70%	7.23%
MSCI EAFE Minimum Volatility Index	11.37%	-5.71%	7.77%
MSCI EM Asia MV Index	7.18%	8.38%	20.40%
MSCI EM Far East MV Index	7.06%	7.64%	20.61%
MSCI EM Minimum Volatility Index	-3.75%	1.92%	18.28%
MSCI BRIC Minimum Volatility Index	-4.06%	2.74%	13.35%
MSCI Factor Indices —Momentum (Mom)			
MSCI Europe Momentum Index	23.99%	4.78%	17.51%
MSCI ACWI Momentum Index	23.14%	4.01%	15.53%
MSCI World Momentum Index	26.20%	3.70%	12.07%
MSCI USA Momentum Index	31.93%	5.37%	12.91%
MSCI EM Momentum Index	0.02%	5.69%	17.26%

-Ends-

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 approximately USD 7.5 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 corporate governance research, data and outsourced proxy voting and reporting services; and FEA valuation models and risk management software for the energy and commodities markets. MSCI is headquartered in New York, with research and commercial offices around the world.

¹As of March 31, 2013, as reported on July 31, 2013 by eVestment, Lipper and Bloomberg¹

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

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