

# MSCI Launches New MSCI China A International and MSCI China All Shares Indexes

- Designed for investors with QFII/RQFII quotas
- Can be combined with existing MSCI ACWI/MSCI Emerging Markets Indexes
- Expand MSCI's family of indexes for China equity markets

**Hong Kong – June 26, 2014** – MSCI Inc. (NYSE: MSCI), a leading provider of investment decision support tools worldwide, launched two new indexes today for the China equity market – the MSCI China A International Index and the MSCI China All Shares Index. Both indexes are designed for international investors with QFII/RQFII quotas and can be used as benchmarks or as the basis of index-linked products.

The two standalone indexes reflect the full inclusion scenario outlined in the 'Index Inclusion Roadmap for China A-Shares in the MSCI Emerging Markets Index' consultation proposal, launched earlier this year as part of MSCI's Annual Market Classification Review.

The 2014 MSCI Annual Market Classification Review concluded that, based on feedback from international investors, China A-shares should not be included in the MSCI Emerging Markets Index due to current investability constraints linked to the QFII/RQFII quota systems. However, many of those investors, especially those with QFII or RQFII quotas, wish to invest in China A-shares or to be benchmarked to a universe that includes this market segment.

"With the launch of these two new indexes, international investors who include or wish to include China A-shares in their current equity allocation now have appropriate benchmarks they can use within a consistent asset allocation framework," said Alain Dubois, Managing Director and Head of New Business and Product Development for the Index business at MSCI.

The two new indexes expand MSCI's existing family of indexes for the China equity market, providing an even more comprehensive range of index tools for both domestic and international investors.

Index	A Shares	B Shares	H Shares	Red Chips	P Chips	China Securities Listed in US/Singapore	Number of Constituents (as of Jun 23, 2014)	
MSCI All China Index	x	x	x	x	x	x	590	Provides the most comprehensive representation of the total China opportunity set in all geographical locations
<b>NEW!</b> MSCI China All Shares Index	x	x	x	x	x		385	Reflects the Mainland China and Hong Kong opportunity set from an international investor's perspective
MSCI China A Index	x						441	Reflects the opportunity set of Mainland China A-share securities from a domestic investor's perspective
<b>NEW!</b> MSCI China A International Index	x						221	Reflects the opportunity set of Mainland China A-share securities from an international QFII/RQFII investor's perspective
MSCI China Index		x	x	x	x		140	Reflects the freely accessible opportunity set of Mainland China and Hong Kong listed China securities from an international investor's perspective

The MSCI China A International Index, which currently contains 221 securities<sup>1</sup>, represents the A-share component of the MSCI China All Shares Index<sup>2</sup>, which combines A, B and H Shares with Red and P Chips. Both indexes are built from an international investor's perspective using the MSCI Global Investable Market Indexes Methodology - the same methodology applied to all MSCI international equity indexes.

In addition, the standalone MSCI China A International Index can be combined with the MSCI ACWI Index and the MSCI Emerging Markets Index to provide an approximation of the investment opportunity set if China A-shares were to be fully included in the MSCI Global Equity Indexes.

Further information on the MSCI China A International Index and the MSCI China All Shares Index can be found on our [website](#).

<sup>1</sup> As of June 23, 2014

<sup>2</sup> For the China A-share constituents within the MSCI China All Shares Index, an Inclusion Factor (IF) of 100% is applied to their security free-float adjusted market capitalization in deriving their final weight in the index.

-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 indexes, portfolio risk and performance analytics, and ESG data and research.

The company's flagship product offerings are: the MSCI indexes with approximately USD 8 trillion estimated to be benchmarked to them on a worldwide basis<sup>1</sup>; Barra multi-asset class factor models, portfolio risk and performance analytics; RiskMetrics multi-asset class market and credit risk analytics; IPD real estate information, indexes and analytics; MSCI ESG (environmental, social and governance) Research screening, analysis and ratings; 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.

<sup>1</sup> As of September 30, 2013, as reported on January 31, 2014, by eVestment, Lipper and Bloomberg

For further information on MSCI, please visit our web site at [www.msci.com](http://www.msci.com)

## Media Enquiries:

Kristin Meza, MSCI, New York	+ 1.212.804.5330
Jo Morgan, MSCI, London	+ 44.20.7618.2224
Nick Denton   Christian Pickel, MHP Communications, London	+ 44.20.3128.8754/8208

## MSCI Global Client Service:

EMEA Client Service	+ 44.20.7618.2222
Americas Client Service	1.888.588.4567 (toll free)/+ 1.212.804.3901
Asia Pacific Client Service	+ 852.2844.9333

This document and all of the information contained in it, including without limitation all text, data, graphs, charts (collectively, the "Information") is the property of MSCI Inc. or its subsidiaries (collectively, "MSCI"), or MSCI's licensors, direct or indirect suppliers or any third party involved in making or compiling any Information (collectively, with MSCI, the "Information Providers") and is provided for informational purposes only. The Information may not be modified, reverse-engineered, reproduced or disseminated in whole or in part without prior written permission from MSCI.

The Information may not be used to create derivative works or to verify or correct other data or information. For example (but without limitation), the Information may not be used to create indexes, databases, risk models, analytics, software, or in connection with the issuing, offering, sponsoring, managing or marketing of any securities, portfolios, financial products or other investment vehicles utilizing or based on, linked to, tracking or otherwise derived from the Information or any other MSCI data, information, products or services.

The user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. NONE OF THE INFORMATION PROVIDERS 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 APPLICABLE LAW, EACH INFORMATION PROVIDER 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 applicable law, in no event shall any Information Provider 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, including without limitation (as applicable), any liability for death or personal injury to the extent that such injury results from the negligence or willful default of itself, its servants, agents or sub-contractors.

Information containing any historical information, data or analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. Past performance does not guarantee future results.

The Information should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. All Information is impersonal and not tailored to the needs of any person, entity or group of persons.

None of the Information constitutes an offer to sell (or a solicitation of an offer to buy), any security, financial product or other investment vehicle or any trading strategy.

It is not possible to invest directly in an index. Exposure to an asset class or trading strategy or other category represented by an index is only available through third party investable instruments (if any) based on that index. MSCI does not issue, sponsor, endorse, market, offer, review or otherwise express any opinion regarding any fund, ETF, derivative or other security, investment, financial product or trading strategy that is based on, linked to or seeks to provide an investment return related to the performance of any MSCI index (collectively, "Index Linked Investments"). MSCI makes no assurance that any Index Linked Investments will accurately track index performance or provide positive investment returns. MSCI Inc. is not an investment adviser or fiduciary and MSCI makes no representation regarding the advisability of investing in any Index Linked Investments.

Index returns do not represent the results of actual trading of investable assets/securities. MSCI maintains and calculates indices, but does not manage actual assets. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the index or Index Linked Investments. The imposition of these fees and charges would cause the performance of an Index Linked Investment to be different than the MSCI index performance.

The Information may contain back tested data. Back-tested performance is not actual performance, but is hypothetical. There are frequently material differences between back tested performance results and actual results subsequently achieved by any investment strategy.

Constituents of MSCI equity indexes are listed companies, which are included in or excluded from the indexes according to the application of the relevant index methodologies. Accordingly, constituents in MSCI equity indexes may include MSCI Inc., clients of MSCI or suppliers to MSCI. Inclusion of a security within an MSCI index is not a recommendation by MSCI to buy, sell, or hold such security, nor is it considered to be investment advice.

Data and information produced by various affiliates of MSCI Inc., including MSCI ESG Research Inc. and Barra LLC, may be used in calculating certain MSCI equity indexes. More information can be found in the relevant standard equity index methodologies on [www.msci.com](http://www.msci.com).

MSCI receives compensation in connection with licensing its indices to third parties. MSCI Inc.'s revenue includes fees based on assets in investment products linked to MSCI equity indexes. Information can be found in MSCI's company filings on the Investor Relations section of [www.msci.com](http://www.msci.com).

MSCI ESG Research Inc. is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc. Except with respect to any applicable products or services from MSCI ESG Research, neither MSCI nor any of its products or services recommends, endorses, approves or otherwise expresses any opinion regarding any issuer, securities, financial products or instruments or trading strategies and neither MSCI nor any of its 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. Issuers mentioned or included in any MSCI ESG Research materials may include MSCI Inc., clients of MSCI or suppliers to MSCI, and may also purchase research or other products or services from MSCI ESG Research. MSCI ESG Research materials, including materials utilized in any MSCI ESG Indexes or other products, have not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body.

Any use of or access to products, services or information of MSCI requires a license from MSCI. MSCI, Barra, RiskMetrics, IPD, FEA, InvestorForce, and other MSCI brands and product names are the trademarks, service marks, or registered trademarks of MSCI or its subsidiaries 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.