

MSCI Launches New Series of Barra Models

New Systematic Equity Strategies Series One of the First to Address Crowding Risk

Barra Japan is First Single-Country Model in the Series

Tokyo – June 20, 2013 – [MSCI](#) Inc. (NYSE: MSCI), a leading provider of investment decision support tools worldwide, today announced the launch of a new series of single-country multi-factor models with [Systematic Equity Strategies \(SES\)](#), MSCI's new approach to risk modeling. SES factors help capture previously hidden sources of risk and return that managers bet on, which result in greater transparency within portfolios. They also improve the accuracy and explanatory power of a risk model, especially during periods of economic crisis. The [Barra Japan Equity Model \(JPE4\)](#) is the first model in the new SES series.

“Continued market uncertainty and volatility have led to greater demand from institutional investors for better risk management and MSCI's introduction of SES factors directly addresses this demand,” said Mehmet Bayraktar, Head of MSCI Equity Analytics Research, who led the research initiative. “With this innovative new approach to risk modeling, portfolio managers can capture unique sources of risk, especially as they relate to crowding risk, and for the first time obtain more meaningful insight into the risk and return drivers of their proprietary strategy.”

In addition to SES factors, JPE4 also includes Daily Model Update and Volatility Regime Adjustment features, which aid managers in forecasting risks that reflect the current market environment. The model also incorporates new Japanese data for better forecasting of local securities and has broad coverage of the Japanese equity market covering over 3,600 Japanese securities.

Peter Zangari, Managing Director of Equity Portfolio Management Analytics at MSCI said, “JPE4 offers an unprecedented view into new sources of risk across a broad set of securities in Japan. Its development, and the introduction of the Barra SES Series, is another important step in our mission to provide investors with the tools they seek to help them manage their portfolios.”

Learn more about the [Barra Japan Equity Model](#).

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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; 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 September 30, 2012, as published by eVestment, Lipper and Bloomberg on January 31, 2013

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

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