

# MSCI to Consult on the Proposed Index Inclusion Roadmap for China A-Shares in the MSCI Emerging Markets Index

**New York – March 11, 2014** – MSCI Inc. (NYSE: MSCI), a leading provider of investment decision support tools worldwide, including indexes, portfolio risk and performance analytics and corporate governance services, announced today the launch of a consultation on the proposed index inclusion roadmap for China A-shares in the MSCI Emerging Markets Index. This consultation is part of the broader 2014 MSCI Market Classification Review consultation.

In June 2013, following a series of positive market developments, MSCI initiated a review of China A-shares for a potential inclusion into the MSCI Emerging Markets Index. Over the last 9 months, positive market opening measures have continued to take place. Notable developments include the expansion of the RQFII program to London and Singapore, the doubling of the size of the aggregate quota ceiling (RQFII and QFII), the shortening of the repatriation restriction from monthly to weekly for QFII open-ended funds, and the acceleration of investment license requests and quota approvals.

Given the significant market developments and the rapidly growing international investor base in the China A-share market, MSCI is now soliciting feedback from the investment community on a proposed index inclusion roadmap for China A-shares in the MSCI Emerging Markets Index.

MSCI proposes to partially include China A-shares in the pro forma MSCI China Index and its corresponding composite indexes, including the MSCI Emerging Markets Index, at 5% of its FIF-adjusted market capitalization. Simultaneously, the existing MSCI China A Index would be transitioned to the new (International) MSCI China A Index constructed based on the A share component of the pro forma MSCI China Index. MSCI intends to implement this proposal coinciding with the May 2015 Semi-Annual Index Review, subject to market feedback on the proposal.

The consultation document and the Q&A are available on the MSCI web site at <http://www.msci.com/products/indices/consultations/>. The simulated list of pro forma MSCI China Index constituents is available upon request via Client Service.

MSCI welcomes feedback from the investment community on the proposal.

Please note that this proposal may or may not lead to any changes to the MSCI Indexes. The results of the 2014 MSCI Market Classification Review will be announced in June 2014.

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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 indexes, portfolio risk and performance analytics, and governance tools.

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; 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.

<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

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