

# **MSCI Expands Range of Factor Indices**

## New Indices on Volatility, Momentum, Value, Earnings Yield and Leverage Now Available

**London - June 16, 2009 -** MSCI Inc. (NYSE: MXB), a leading provider of investment decision support tools worldwide, announced today the launch of a unique range of long/short factor indices based on MSCI indices and Barra risk models. The new indices are designed to reflect the returns of a single Barra risk factor and a designated market in a replicable manner. They target the Barra Momentum, Value, Volatility, Earnings Yield and Leverage risk factors.

"By combining MSCI's considerable index construction and risk modeling expertise, we have been able to develop unique indices that aim to reflect high factor returns within the European and US equity markets," said David Brierwood, Chief Operating Officer at MSCI Inc. "Factors such as Volatility and Leverage can play a significant role in determining portfolio risk and performance, and the availability of these long/short factor indices provides institutional investors with a valuable analytical tool for factor-based hedging and investment strategies."

Designed for use by institutional investors in US and European equities, the eight new factor indices are:

MSCI Europe Barra Momentum Index
 MSCI Europe Barra Low Leverage Index
 MSCI Europe Barra Low Volatility Index
 MSCI Europe Barra Low Volatility Index
 MSCI Europe Barra Value Index
 MSCI USA Barra Low Volatility Index
 MSCI USA Barra Low Volatility Index
 MSCI USA Barra Low Volatility Index

The new indices use an optimization process that, based on specified constraints, aims to achieve a specified high level of exposure to a single Barra factor, very low exposure to other factors and low tracking error to the corresponding MSCI index.

"We have already seen considerable interest from our clients in using the MSCI Factor Indices to support innovative portfolio analysis and portfolio configuration, as well as to enable the creation and monitoring of more tradable products in this area," said Theodore Niggli, Managing Director and Head of MSCI Indices.

The indices are available on request from MSCI, with real time index levels expected to be available on Bloomberg and Reuters shortly after index launch. For further information on the MSCI Factor Indices, including the index methodology, please see <a href="http://www.mscibarra.com">www.mscibarra.com</a>

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## About MSCI Inc.

MSCI Inc. is a leading provider of investment decision support tools to investment institutions worldwide. MSCI Inc. products include indices and portfolio risk and performance analytics for use in managing equity, fixed income and multi-asset class portfolios.

The company's flagship products are the MSCI International Equity Indices, which include over 120,000 indices calculated daily across more than 70 countries, and the Barra risk models and portfolio analytics, which cover 56



equity and 46 fixed income markets. MSCI Inc. is headquartered in New York, with research and commercial offices around the world.

#### For further information on MSCI Inc., please visit our web site at www.mscibarra.com

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