MSCI Introduces Diversified Multi-Factor Indexes

New York – March 19, 2015 – MSCI Inc. (NYSE: MSCI), a leading provider of equity factor indexes and models, today announced that it has launched a series of Diversified Multi-Factor Indexes.

Research has shown that stocks reflecting certain factors have, over time, provided a higher return than the overall market. MSCI Diversified Multi-Factor Indexes use Barra risk tools to construct indexes that track the performance of four of these factors – Value, Momentum, Quality and Low Size – while keeping risk at the level of an underlying parent index. These indexes can be used by institutional investors looking to construct diversified portfolios that are exposed to multiple factors.

“MSCI Diversified Multi-Factor Indexes break new ground in factor indexing,” said Remy Briand, Head of Research for MSCI. “The innovation is in capturing optimal exposure to a diversified set of factors while aiming to keep risk similar to that of the market.”

The new series includes six indexes:

- MSCI ACWI Diversified Multi-Factor Index
- MSCI EM Diversified Multi-Factor Index
- MSCI USA Diversified Multi-Factor Index
- MSCI USA Small Cap Diversified Multi-Factor Index
- MSCI World ex USA Diversified Multi-Factor Index
- MSCI World ex USA Small Cap Diversified Multi-Factor Index

Alain Dubois, Head of Index Product Management for MSCI, said, “No other firm has the breadth of experience or capabilities MSCI has in the factor index and analytics space. MSCI Diversified Multi-Factor Indexes will be very attractive to many types of investors.”

Equity factor investing was pioneered in the 1970s based on research, data and analytics created by Barra, today an MSCI company. In recent years, MSCI has developed a broad range of factor indexes and factor models.

MSCI recently reported a record surge in demand from ETF providers for its factor indexes. Today, more than USD 120 billion in assets are benchmarked to MSCI Factor Indexes.

For more information about MSCI Multi-Factor Indexes and the full range of MSCI Factor Indexes, visit www.msci.com/factorindexes.

1 As of December, 2014 according to eVestment, Lipper, Morningstar, Bloomberg and MSCI data

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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 ESG data and research.

The company’s flagship product offerings are: the MSCI indexes with over USD 9.5 trillion estimated to be benchmarked to them on a worldwide basis; 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.

1 As of June 30, 2014, as reported on September 30, 2014, by eVestment, Morningstar and Bloomberg

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

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