MSCI is consulting with investors in order to understand their needs and constraints regarding the framework for the reclassification of a country from the emerging to the developed market indices. This questionnaire will help MSCI in its investigation, and will also provide MSCI with additional useful information related to the use of the MSCI Global Equity Indices. The consultation document can be found on MSCI’s website at www.msci.com/consultation/

Please submit your response by October 15, 2004, either via e-mail to consultation@msci.com or by fax to (41) 22 817 9205. Please feel free to send the answers to the questions and any other comments via an additional Word document if that is more convenient for you.

Contact Details

Name: ___________________________________ Title: _______________________

Organization: ____________________________________________________________

Email: ___________________________________ Telephone: ___________________

Assets under management

Total assets: _____________

Assets in Emerging Markets (EM): _____________ of which in segregated EM accounts/funds: _____________

Mandates (check all that apply)

Global Mandates ☐ Regional Mandates ☐ EM Mandates ☐

Type of investment style (check all that apply)

Passive ☐ Enhanced ☐ Active ☐

Bottom up ☐ Top Down ☐ Quant ☐ Other ☐

Please describe____________________________________________________________

Use of MSCI Indices (check all that apply)

Benchmark ☐ Performance measurement ☐ Research ☐

Which MSCI indices do you use? ________________________________
A. Current framework and potential enhancements

1. Do you have concerns with the current framework for the reclassification of countries? If yes, what is the main issue in your view?

2. Do you believe that announcing a formal review at an earlier stage, and making a more formal distinction between the formal review and the consultation can enhance the process?

3. Would you suggest a different alternative?

4. At which stage in the process should market participants become aware of the beginning of a formal review of a country’s status?

5. For how long should the formal review remain open before a public consultation is launched?
   a. Short timeframe, such as 1 to 1 ½ years
   b. Two to three years
   c. If none of the above, what would you suggest?

B. Factors for country classification

6. Do you agree that the approach to country classification should essentially be qualitative, supplemented by quantitative references when possible? If no, why?

7. What factors other than those highlighted in the Consultation Document do you consider to be essential in analyzing the potential reclassification of a country?

8. To what extent should political risk be a factor in determining whether a country should be reclassified as developed?

   - How do you account for political risk in your investment decisions? How do you assess political risk?
9. Which factors would you give particular emphasis to in trying to assess the stability and sustainability of a country’s economy?

______________________________________________________________________________

______________________________________________________________________________

______________________________________________________________________________

______________________________________________________________________________

10. What is the importance of membership in regional economic/political blocks such as EMU or EU in assessing the sustainability of economic development?

______________________________________________________________________________

C. Transition of countries

11. What are the investment process needs and constraints that MSCI should take into account for the transition of countries?

______________________________________________________________________________

12. Is it preferable to co-ordinate the transition of countries, such as making the transition of several countries coincide, or should the timing of reclassification be based solely on a country’s individual merits?

______________________________________________________________________________

13. Portugal and Greece were reclassified from the emerging to the developed market indices in one step. However, MSCI may decide to implement the reclassification of larger countries in different phases to facilitate the transition. This would imply that during the transition a country could be simultaneously in the World (Developed) and Emerging Market Indices. Would you view that as problematic?

______________________________________________________________________________

14. Would you prefer an alternative approach whereby an even longer lead time would be provided with an implementation of the change in one phase, while also providing a provisional index, at an early stage of the process?

______________________________________________________________________________

______________________________________________________________________________

______________________________________________________________________________

D. Inclusion and removal of countries

15. Do you currently invest in countries that are not part of the MSCI Global Equity Indices? If yes, which ones? Do you believe these countries should be included in the MSCI Global Equity indices?

______________________________________________________________________________

16. Are there countries that you would like to see removed from the MSCI EM Index?

______________________________________________________________________________
E. General questions

17. Which countries, based on your analysis, should be under formal review:

   a. Today?
   b. In one to two years?
   c. In three to four years?

Please elaborate

________________________________________________________________________________________

________________________________________________________________________________________

________________________________________________________________________________________

18. Which additional issues do you expect to see, in the years to come, with the potential reclassification of countries from emerging to developed?

________________________________________________________________________________________

________________________________________________________________________________________

________________________________________________________________________________________

19. Would you suggest other segmentations in addition to, or instead of, the current emerging/developed classification?

________________________________________________________________________________________

________________________________________________________________________________________

________________________________________________________________________________________
For further information on MSCI indices or MSCI data, please visit our website at www.msci.com or contact:

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