

# IPD INDEX ANNOUNCEMENT

January 2018

## SEMI DEVIATION RISK MEASURE CALCULATION ERROR FOR ASSET LEVEL INDEX FACT SHEETS

### INCORRECT CALCULATION OF NON-HEADLINE MEASURE

**London, December 2017:** MSCI announces an error in the calculation of the semi-deviation in the fact sheets for asset level indexes that have been produced till December 2017. The semi deviation is defined as the total return below the expected return however it has been calculated as the income return below the expected return. This is an incorrect representation of this risk measure for the total return. However this doesn't impact any index measure that has been identified to qualify for an index restatement. Therefore MSCI has decided not to restate the index factsheet however would like to inform potential users on the incorrect calculation of the risk measure.

From January 2018 onwards the semi deviation will be calculated as the total return below the expected return and will comply with the methodology as defined in the MSCI Global Methodology Standards for real estate investment.

Should there be any queries, contact information is listed below.

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