

METHODOLOGY BOOK FOR:
**- MSCI EMERGING MARKETS
IMI (JST FIXING) INDEX**
**- MSCI KOKUSAI (JST FIXING)
INDEX**

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1 INTRODUCTION

The MSCI Emerging Markets IMI (JST¹ Fixing) Index and MSCI Kokusai (JST Fixing) Index are designed to represent the performance of the constituents of the MSCI Emerging Markets Investable Market Index (IMI) and MSCI Kokusai Index respectively in Japanese Yen (“JPY”) using the 10 AM Japan Standard Time spot FX rates on the previous day’s index levels calculated in US Dollars (“USD”) as per the MSCI Index Calculation methodology².

¹ Japan Standard Time

² MSCI Index Calculation methodology available at <https://www.msci.com/index-methodology>

2 INDEX CONSTRUCTION AND MAINTENANCE

The MSCI Emerging Markets IMI and MSCI Kokusai Index are created and maintained in accordance with the MSCI Global Investable Market Indexes methodology³.

The index levels for the MSCI Emerging Markets IMI (JST Fixing) Index and the MSCI Kokusai (JST Fixing) Index are calculated daily in Japanese Yen by applying the 10 AM Japan Standard Time spot FX rates⁴ on the previous day's (t-1) closing index levels for the corresponding index in US Dollar, using the following formula:

$$\text{IndexLevelinJPY}(t) = \text{IndexLevelinUSD}(t - 1) * \frac{\text{FXrate}(t)}{\text{FXrate}(\text{index_base_date})}$$

where

- IndexLevelinJPY(t) is the index level computed in JPY on day (t) for the MSCI Emerging Markets IMI (JST Fixing) Index and the MSCI Kokusai (JST Fixing) Index
- IndexLevelinUSD(t-1) is the index level computed in USD on day (t-1) for the MSCI Emerging Markets IMI and the MSCI Kokusai Index
- FXrate(t) is the 10 AM JST spot FX rate on day (t)
- FXrate(index_base_date) is the 10 AM JST spot FX rate on the index's base date
- The index's base date is the date on which the index starts calculating.

The daily 10 AM Japan Standard Time (JST) spot FX rate for calculating index levels in JPY are provided by WM Reuters.

In the event that spot FX rates are unavailable at 10 AM JST, WM Reuters provides the last published hourly rate at 10 AM JST. In the absence of 10 AM JST spot FX rates from WM Reuters, 4 PM New York Time (Eastern Standard Time, EST) spot FX rate⁵ from the previous day provided by WM Reuters will be used for the index level calculation. In the absence of 10 AM JST as well as 4 PM NY spot FX rates from WM Reuters, the 10 AM JST spot FX rate of the previous day would be used for the index level calculation. This order of priority is followed until a spot FX rate is found for index level calculation.

³ MSCI Global Investable Market Indexes methodology available at <https://www.msci.com/index-methodology>

⁴ MSCI reserves the right to change the FX rate used for calculating the index levels in Japanese Yen, from the existing spot FX rate to a more appropriate rate, should that be available.

⁵ In the event that real-time spot FX rates are unavailable at 4PM NYT, WM Reuters provides the last published hourly rate at 4PM NYT.

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