

MSCI[®]

press release

MSCI ANNOUNCES PROVISIONAL INDEX CONSTITUENTS

Geneva, May 19, 2001. MSCI announced today the full list of constituents and their inclusion factors for the MSCI Provisional Index SeriesSM. This index series has been created based on the MSCI Enhanced Methodology for free float adjusting constituents' index weights, and targeting for index inclusion 85% of free float-adjusted market capitalization in each industry group, within each country. The complete list of constituents and their inclusion factors, which are used to adjust the constituents' index weights for free float, have been posted on MSCI's web site, www.msci.com. MSCI will begin calculating the MSCI Provisional Index Series on May 31, 2001.

The MSCI Provisional Index Series has been created to assist investors in understanding the changes that would occur if the Enhanced Methodology were immediately implemented in the MSCI Standard Index SeriesSM. As previously announced on December 10, 2000, the Enhanced Methodology will be implemented in the MSCI Standard Index Series in two phases, as of the close of November 30, 2001 and May 31, 2002, respectively. The MSCI Provisional Index Series provides increased flexibility for investors wishing to transition to the Enhanced Methodology on their own schedule. In addition, the MSCI Provisional Index Series is an official index series and, as such, may be used for new investment mandates and for a variety of investment vehicles such as passive mutual funds, exchange traded funds and derivative contracts.

A description of MSCI's Enhanced Methodology has also been posted on MSCI's web site. It provides details regarding the free float adjustment of constituents' market capitalizations and the application of the 85% target market representation guideline. It also provides details of other methodology rules and guidelines that have been applied in the construction of the MSCI Provisional Index Series, including, but not limited to, guidelines regarding minimum constituent size for index inclusion. In addition, it provides information relating to the implementation of the first phase of the transition of the MSCI Standard Index Series to the Enhanced Methodology, scheduled for November 30, 2001, and other transition issues.

Below is a brief pro forma analysis comparing the MSCI Provisional Index Series with the MSCI Standard Index Series for some of the more frequently used global and regional composite indices, using data as of May 11, 2001.

All Country World Index (ACWI) Free – The MSCI ACWI Free IndexSM represents 49 of the world's developed and emerging equity markets. On a pro forma basis, the overall free float-adjusted market capitalization of the MSCI Provisional ACWI Free Index (USD 18,171 billion) will be lower than the total market capitalization of the MSCI Standard ACWI Free Index (USD 18,764 billion). This is the net result of the decrease in market capitalization due to the free float adjustment of the constituents in the Provisional ACWI Free Index which are also in the Standard ACWI Free Index, and the increase in market capitalization resulting from securities that will be included in the Provisional ACWI Free Index but are not in the Standard ACWI Free Index. The Provisional ACWI Free Index will contain 2,258 securities vs. 2,066 in the Standard ACWI Free Index.

On a pro forma basis, the USA and the United Kingdom Indices will have the largest increases in country weights. In the Provisional ACWI Free Index, the weight of the USA Index will be 55.3% as compared with 49.1% in the Standard ACWI Free Index, while the weight of the United Kingdom Index will be 10.4% as compared with 9.3%. Conversely, the largest decreases in country weights will occur in the Japan, France and Germany Indices (-1.3, -1.2 and -1.0 percentage points, respectively).

The industry groups with the greatest weight differences on a pro forma basis are Technology Hardware & Equipment and Telecommunication Services, which will have weights of 11.5% and 7.2% in the Provisional ACWI Free Index as compared with 10.0% and 8.2% in the Standard ACWI Free Index, respectively. The higher weight of the Technology Hardware & Equipment industry group is mainly due to securities that will be included in the Provisional ACWI Free Index, but are not in the Standard ACWI Free Index. The lower weight of the Telecommunication Services industry group in the Provisional ACWI Free Index is primarily due to several large telecommunication companies in developed markets having lower average free float than companies in other industry groups.

On a pro forma basis, the weight of developed markets in the Provisional ACWI Free Index will be 96.9% as compared with 95.0% in the Standard ACWI Free Index. The weight of emerging markets in the Provisional ACWI Free Index will be 3.1% as compared with 5.0% in the Standard ACWI Free Index. The greater relative weight of developed markets in the Provisional ACWI Free Index is primarily due to the higher average free float, less restrictive foreign ownership limits and a greater availability of sizeable and liquid securities in developed markets vs. emerging markets.

EAFE (Europe, Australasia, Far East) Index – The MSCI EAFE[®] Index represents 21 developed equity markets outside of North America. On a pro forma basis, the overall free float-adjusted market capitalization of the MSCI Provisional EAFE Index (USD 7,195 billion) will be lower than the total market capitalization of the MSCI Standard EAFE Index (USD 8,230 billion). This is due primarily to free float-adjusting the market capitalization of the constituents in the MSCI Provisional EAFE Index.

The United Kingdom Index will have the largest increase in country weight on a pro forma basis, increasing to 26.2% in the Provisional EAFE Index as compared with 21.2% in the Standard EAFE Index. The largest decreases in country weights in the Provisional EAFE Index as compared with the Standard EAFE Index will occur in the France, Germany and Italy Indices. The weight of the France Index will be 9.5% as compared with 11.2%, the weight of the Germany Index will be 7.0% as compared with 8.5%, and the weight of the Italy Index will be 3.7% as compared with 4.6%.

Emerging Markets Free (EMF) Index – The MSCI EMF IndexSM represents 26 of the world's emerging equity markets. On a pro forma basis, the overall free float-adjusted market capitalization of the MSCI Provisional EMF Index (USD 562 billion) will be lower than the total market capitalization of the MSCI Standard EMF Index (USD 947 billion) primarily due to free float-adjusting the constituents in the MSCI Provisional EMF Index.

The South Africa and Korea Indices will have the largest increases in country weights on a pro forma basis. The weight of the South Africa Index will be 15.3% in the Provisional EMF Index as compared with 11.0% in the Standard EMF Index. The weight of the Korea Index will be 14.8% in the Provisional EMF Index as compared with 11.5% in the Standard EMF Index. The largest decreases in weights in the Provisional EMF Index will be in the India, Mexico and Malaysia Indices. See the attachment for further details. After the application of a Limited Investability Factor, which accounts for restrictions on foreign equity investment

other than those imposed by free float and foreign ownership limits, the Taiwan Index will have approximately the same weight in the Provisional EMF Index as it does in the Standard EMF Index.

Index Turnover – If the Enhanced Methodology were immediately implemented in the MSCI Standard Indices listed below, the following one-way index turnover would result, based on pro forma data as of May 11, 2001:

<u>Index</u>	<u>One-Way Index Turnover</u>
MSCI ACWI Free	14%
MSCI World	13%
MSCI EAFE	15%
MSCI EMF	23%

The MSCI World IndexSM represents 23 of the world's developed equity markets.

Attached is a pro forma analysis comparing the country weights of the MSCI Provisional ACWI Free Index with the country weights of the MSCI Standard ACWI Free Index. In addition, attached are the top country and industry group weight increases and decreases for the MSCI Provisional ACWI Free, World, EAFE and EMF Indices as compared with the corresponding MSCI Standard Indices.

Note: All pro forma information uses data as of May 11, 2001.

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And at a further twelve locations around the world.

**COMPARISON OF THE MSCI PROVISIONAL ACWI FREE INDEX WITH
THE MSCI STANDARD ACWI FREE INDEX
BY COUNTRY**

	MSCI Provisional ACWI Free Index Weight	MSCI Standard ACWI Free Index Weight	Weight Difference (Percentage Points)
Developed Markets - NORTH AMERICA			
USA	55.30%	49.06%	+6.24
Canada	2.02%	2.03%	-0.02
Developed Markets - EUROPE			
United Kingdom	10.38%	9.31%	+1.06
France	3.77%	4.94%	-1.16
Switzerland	2.87%	2.93%	-0.05
Germany	2.76%	3.71%	-0.95
Netherlands	2.17%	2.42%	-0.25
Italy	1.47%	2.02%	-0.55
Spain	1.23%	1.39%	-0.16
Finland	1.00%	0.98%	+0.02
Sweden	0.84%	1.00%	-0.16
Ireland	0.34%	0.30%	+0.04
Belgium	0.28%	0.39%	-0.11
Denmark	0.28%	0.40%	-0.12
Greece	0.16%	0.16%	+0.00
Norway	0.16%	0.20%	-0.04
Portugal	0.15%	0.23%	-0.08
Austria	0.04%	0.09%	-0.04
Developed Markets - ASIA PACIFIC			
Japan	9.38%	10.71%	-1.33
Australia	1.33%	1.32%	+0.01
Hong Kong	0.66%	0.93%	-0.27
Singapore	0.26%	0.38%	-0.11
New Zealand	0.04%	0.05%	-0.01
Emerging Markets - LATIN AMERICA			
Brazil	0.30%	0.49%	-0.19
Mexico	0.30%	0.59%	-0.29
Chile	0.07%	0.18%	-0.11
Argentina	0.03%	0.08%	-0.04
Peru	0.01%	0.02%	-0.01
Venezuela	0.01%	0.02%	-0.02
Colombia	0.00%	0.01%	-0.01
Emerging Markets - EMEA			
South Africa	0.47%	0.56%	-0.08
Israel	0.16%	0.24%	-0.07
Russia	0.08%	0.14%	-0.06
Turkey	0.05%	0.12%	-0.07
Poland	0.04%	0.06%	-0.02
Hungary	0.03%	0.04%	-0.02
Egypt	0.01%	0.01%	+0.00
Morocco	0.01%	0.01%	+0.00
Czech Republic	0.01%	0.03%	-0.02
Jordan	0.00%	0.01%	-0.00
Emerging Markets - ASIA PACIFIC			
Korea	0.46%	0.58%	-0.12
Taiwan	0.44%	0.69%	-0.24
China	0.26%	0.35%	-0.08
Malaysia	0.12%	0.29%	-0.17
India	0.12%	0.35%	-0.23
Thailand	0.04%	0.08%	-0.05
Philippines	0.02%	0.05%	-0.02
Indonesia	0.02%	0.03%	-0.02
Pakistan	0.00%	0.01%	-0.01
TOTAL	100.00%	100.00%	

Note: All pro forma information uses data as of May 11, 2001 and reflect the quarterly index rebalancing of the MSCI Standard Index Series announced on May 17, 2001, effective as of the close of May 31, 2001.

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COMPARISON OF MSCI PROVISIONAL INDEX WITH THE CORRESPONDING MSCI STANDARD INDEX

MSCI ACWI FREE INDEX

	Weight Difference		Weight Difference
Top Country Weight Increases		Top Industry Group Weight Increases	
USA	6.24%	Technology Hardware & Equipment	1.48%
United Kingdom	1.06%	Diversified Financials	0.84%
Ireland	0.04%	Energy	0.70%
Finland	0.02%	Health Care Equipment & Services	0.26%
Australia	0.01%	Pharmaceuticals & Biotechnology	0.23%
Top Country Weight Decreases		Top Industry Group Weight Decreases	
Japan	-1.33%	Telecommunication Services	-1.04%
France	-1.16%	Automobiles & Components	-0.50%
Germany	-0.95%	Banks	-0.42%
Italy	-0.55%	Materials	-0.32%
Mexico	-0.29%	Consumer Durables & Apparel	-0.30%

MSCI WORLD INDEX

	Weight Difference		Weight Difference
Top Country Weight Increases		Top Industry Group Weight Increases	
USA	5.40%	Technology Hardware & Equipment	1.50%
United Kingdom	0.90%	Diversified Financials	0.79%
Ireland	0.03%	Energy	0.71%
-	-	Health Care Equipment & Services	0.24%
-	-	Commercial Services & Supplies	0.16%
Top Country Weight Decreases		Top Industry Group Weight Decreases	
Japan	-1.60%	Telecommunication Services	-0.87%
France	-1.31%	Automobiles & Components	-0.54%
Germany	-1.06%	Banks	-0.35%
Italy	-0.61%	Consumer Durables & Apparel	-0.34%
Netherlands	-0.31%	Insurance	-0.32%

MSCI EAFE INDEX

	Weight Difference		Weight Difference
Top Country Weight Increases		Top Industry Group Weight Increases	
United Kingdom	4.98%	Energy	1.54%
Switzerland	0.58%	Technology Hardware & Equipment	0.72%
Australia	0.36%	Materials	0.43%
Finland	0.29%	Pharmaceuticals & Biotechnology	0.39%
Ireland	0.17%	Software & Services	0.23%
Top Country Weight Decreases		Top Industry Group Weight Decreases	
France	-1.73%	Telecommunication Services	-1.00%
Germany	-1.49%	Capital Goods	-0.76%
Italy	-0.89%	Automobiles & Components	-0.75%
Japan	-0.73%	Insurance	-0.46%
Hong Kong	-0.46%	Banks	-0.35%

MSCI EMF INDEX

	Weight Difference		Weight Difference
Top Country Weight Increases		Top Industry Group Weight Increases	
South Africa	4.33%	Technology Hardware & Equipment	2.65%
Korea	3.27%	Insurance	1.28%
China	1.65%	Energy	1.00%
Taiwan	0.73%	Software & Services	0.66%
Israel	0.59%	Diversified Financials	0.59%
Top Country Weight Decreases		Top Industry Group Weight Decreases	
India	-3.01%	Food Beverage & Tobacco	-1.53%
Mexico	-2.00%	Utilities	-1.47%
Malaysia	-1.79%	Capital Goods	-0.91%
Chile	-1.37%	Banks	-0.79%
Turkey	-0.66%	Telecommunication Services	-0.69%

Note: All pro forma information uses data as of May 11, 2001.

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