

MSCI[®] press release

HEDGE FUND INDICES

MSCI Hedge Fund Indices Performance – April 2004

New York, May 25, 2004. MSCI announced today its April 2004 performance figures for the MSCI Hedge Fund IndicesSM. Below is a summary of performance data for selected indices.

MSCI HEDGE FUND INDICES							
	April	YTD	1 Year	2003	3 yr Ann. Ret.	3 yr Std Dev.	3 yr Sharpe
MSCI Hedge Fund Composite Index - Equal Weighted SM	-1.28%	2.10%	13.49%	14.74%	7.74%	3.24%	1.83
MSCI Hedge Fund Composite Index - Asset Weighted SM	-0.87%	2.70%	12.59%	13.32%	7.14%	2.85%	1.87
Process Groups							
MSCI Directional Trading Index SM	-4.17%	0.43%	6.87%	10.69%	8.64%	7.83%	0.87
MSCI Relative Value Index SM	-0.04%	1.60%	4.87%	6.42%	5.71%	1.33%	2.93
MSCI Security Selection Index SM	-1.14%	2.47%	19.47%	18.87%	7.03%	5.42%	0.96
MSCI Specialist Credit Index SM	0.49%	3.87%	20.04%	24.66%	14.68%	4.10%	3.14
MSCI Multi-Process Group Index SM	-0.42%	3.68%	18.93%	19.16%	9.34%	4.30%	1.75
Asset Class							
MSCI Hedge Fund Equity Index SM	-1.04%	2.17%	15.82%	15.28%	5.99%	4.34%	0.96
MSCI Hedge Fund Fixed Income Index SM	0.29%	3.36%	14.23%	17.37%	12.52%	2.41%	4.45
MSCI Hedge Fund Diversified Index SM	-3.07%	1.52%	10.61%	13.42%	10.10%	5.69%	1.46
Geography							
MSCI Hedge Fund Developed Markets Index SM	-1.33%	2.05%	12.53%	13.68%	7.21%	3.16%	1.71
MSCI Hedge Fund Emerging Markets Index SM	-1.30%	2.56%	24.04%	27.09%	14.38%	6.06%	2.07
MSCI Hedge Fund Global Markets Index SM	-0.78%	2.30%	17.77%	19.12%	9.44%	3.88%	1.97
MSCI Hedge Fund Europe Index SM	-0.02%	3.22%	8.63%	6.02%	3.45%	2.49%	0.66
MSCI Hedge Fund North America Index SM	-0.98%	1.76%	14.82%	16.88%	7.19%	4.31%	1.25
MSCI Hedge Fund Japan Index SM	2.39%	13.80%	32.79%	18.13%	13.44%	6.96%	1.67
Domicile							
MSCI Offshore Hedge Fund Composite Index SM	-0.86%	2.34%	11.69%	12.26%	7.25%	2.51%	2.16
MSCI Onshore Hedge Fund Composite Index SM	-1.59%	1.83%	15.09%	17.28%	7.89%	4.21%	1.44
MSCI Hedge Invest Index [†]	-0.23%	1.85%	9.79%	8.73%	7.44%	2.51%	2.25
MSCI EQUITY AND FIXED INCOME INDICES							
MSCI World Equity Index SM	-2.05%	0.52%	29.45%	33.11%	-1.60%	16.06%	N/A
MSCI World Sovereign Debt Index SM	-4.27%	-2.40%	7.47%	14.97%	11.16%	8.03%	N/A

Data is as of April 30, 2004. All hedge fund indices listed above are equal weighted unless noted otherwise.

† MSCI Hedge Invest Index: MTD returns are based upon performance from the last Tuesday in previous month until the last Tuesday in reported month. YTD returns are from December 30, 2003 through April 30, 2004. Pro forma historical performance data for the period before July 15, 2003, relies on significant assumptions, and is provided for illustration purposes only. As with all historical performance data, it may not be used to predict future characteristics or performance of the index or relied on in making any investment decisions.

The MSCI Hedge Fund Composite IndexSM, an equal weighted index, posted a -1.28% return for the month of April, outperforming the MSCI World Equity IndexSM, which fell 2.05% and outperforming the MSCI World Sovereign Debt IndexSM, which fell 4.27%. The MSCI Hedge Fund Database has grown to over 1,700 hedge funds and more than 190 indices representing more than \$200 billion in assets. Over 99% of the funds in the database reported performance as of April's index calculation.

The April performance of hedge funds investing in fixed income, measured by the MSCI Hedge Fund Fixed Income IndexSM returned 2.39%. This positive performance was generated despite declining bond markets, shown by the MSCI World Sovereign Debt Index falling 4.27% in April. The MSCI Hedge Fund Equity IndexSM fell 1.04%, but by less than the MSCI World Equity Index which declined by nearly double, falling 2.05% for the month.

Hedge funds investing in various geographical locations returned negative April performance except for those investing in Japan as measured by the MSCI Hedge Fund Japan IndexSM, which returned 2.39%. Hedge funds investing in Japan posted this gain despite declining Japanese equity markets, as measured by the MSCI Japan IndexSM. The MSCI Japan index posted a -5.40% loss for the month.

Below is a brief description of the MSCI Hedge Fund Process Groups:

The **MSCI Directional Trading IndexSM** - MSCI defines Directional Trading strategies as those based upon speculating on the direction of market prices of currencies, commodities, equities, and bonds in the futures and cash markets.

The **MSCI Relative Value IndexSM** - Relative Value strategies focus on spread relationships between pricing components of financial assets or commodities.

The **MSCI Security Selection IndexSM** - Security Selection managers combine long positions and short sales with the aim of benefiting from their ability in selecting investments while offsetting systematic market risks.

The **MSCI Specialist Credit IndexSM** - Specialist Credit funds seek to lend to credit-sensitive issuers.

The **MSCI Multi-Process Group IndexSM** - Multi-Process Group comprises funds which practice a strategy whereby a single investment process does not account for more than 80% of their risk capital.

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

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