
MSCI Barra Introduces Next Generation Global Equity Model

Improved Model Accuracy, Explanatory Power and Responsiveness to Market Trends

New York – September 24, 2008 – MSCI Barra (NYSE: MXB), a leading provider of investment decision support tools worldwide, including indices and portfolio risk and performance analytics, announced today the introduction of its next generation Barra Global Equity Model (GEM2). GEM2 is a state-of-the-art investment decision support tool designed to help global equity managers better construct and manage risk-adjusted portfolios across developed and emerging markets.

“We believe the Barra Global Equity Model sets new standards for fundamental factor model accuracy and responsiveness to market trends,” said David Brierwood, Chief Operating Officer, MSCI Barra. “The new and enhanced Barra Global Equity Model leverages years of research, extensive investor consultations, and a broader estimation universe based on our high quality MSCI Equity Indices data to create a powerful and intuitive model. We are confident that the Barra Global Equity Model will help investors to better understand the risk and returns of their portfolios, and enable them to construct better risk-adjusted portfolios.”

GEM2 provides improved portfolio risk forecasts and better explanatory power of the sources of portfolio return. These improvements are driven by the use of a new World factor, the Global Industry Classification Standard (GICS®) as the basis of industry factor analysis, the addition of four new risk factors, reformulating existing factors and a new stock-specific risk model. The breadth and high quality of the MSCI Equity Indices data used to construct and maintain GEM2 also enhances the accuracy of risk forecasts. In addition, model coverage has been extended to the GCC countries and China A securities.

Importantly, GEM2 is more responsive to market trends due in part to the use of higher frequency data. In addition, the model reflects the increasing globalization of equity markets and does not impose a hierarchy on country or industry effects on global portfolios. Rather, GEM2 gives users the flexibility to consider industry factors first, common in developed market investing, or country factors first, common in emerging market investing.

GEM2 is available as a Barra Models Direct product, and in the Barra Aegis System, an advanced equity portfolio construction tool.

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About MSCI Barra

MSCI Barra is a leading provider of investment decision support tools to investment institutions worldwide. MSCI Barra products include indices and portfolio risk and performance analytics for use in managing equity, fixed income and multi-asset class portfolios.

The company’s flagship products are the MSCI International Equity Indices, which are estimated to have over USD 3 trillion benchmarked to them, and the Barra risk models and portfolio analytics, which cover 56 equity and 46 fixed income markets. MSCI Barra is headquartered in New York, with research and commercial offices around the world. Morgan Stanley, a global financial services firm, is the controlling shareholder of MSCI Barra.

MSCI Barra was recently named Index Provider of the Year at the European Pensions Awards.

For further information on MSCI Barra, please visit our web site at www.msclubarra.com

For media enquiries please contact:

Sally Todd | Clare Milton, Penrose Financial, London + 44.20.7786.4888
Pen Pendleton | Patrick Clifford, Abernathy MacGregor, New York + 1.212.371.5999

MSCI Barra Global Client Service:

Joe Pivarunas, MSCI Barra, London + 44.20.7618.2222
Stacy Cuffe, MSCI Barra, New York + 1.212.762.5790
Jackson Wang, MSCI Barra, San Francisco + 1.415.576.2323
Abbie Bao, MSCI Barra, Hong Kong + 852.2848.7333
Masao Ikeda, MSCI Barra, Tokyo + 813.5226.8222

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