MSCI'S REGULATORY MODULE FOR PRIIPS

MSCI'S ROBUST ANALYTICS FOR TIMELY CALCULATION OF RISK AND PERFORMANCE INDICATORS AND KID PRODUCTION

As a result of planned EU legislation, banks, insurers and asset managers who are producing or selling "packaged retail investment" and "insurance-based investment" products (PRIIPS) will have to produce key information documents (KIDs), for retail investors to compare products to each other across multiple providers.

KEY COMPLIANCE CHALLENGES

- The PRIIPS KID requires risk and performance indicators that are forward-looking and not backward-looking, requiring more advanced calculation methodologies.

- The indicators may need to be embedded in the PRIIPS KID production workflow. In addition, a significant change in the indicators could trigger the need to regularly update and review the KIDs, which may be challenging to maintain on an ongoing basis.

- The current deadline of January 2018, to incorporate these additional calculations into new reports, is fast approaching.

MSCI CAN HELP COMPANIES REDUCE THEIR COMPLIANCE OVERHEAD

- Our robust risk and performance calculations available for Category I (OTC Derivatives), Category II (Investment Funds) and Category III (Structured Products) product types are designed to help you improve your time-to-market and data management costs.

- MSCI provides built-in market and benchmark data as well as fast-fill models for selected European Structured Investment Products Association (EUSIPA) categories to help reduce implementation complexity.

- Save operational overhead by using our hosted risk and performance platform that is designed to be deployed without additional hardware or extra staff.

- Access to detailed user-guides and a global research team.
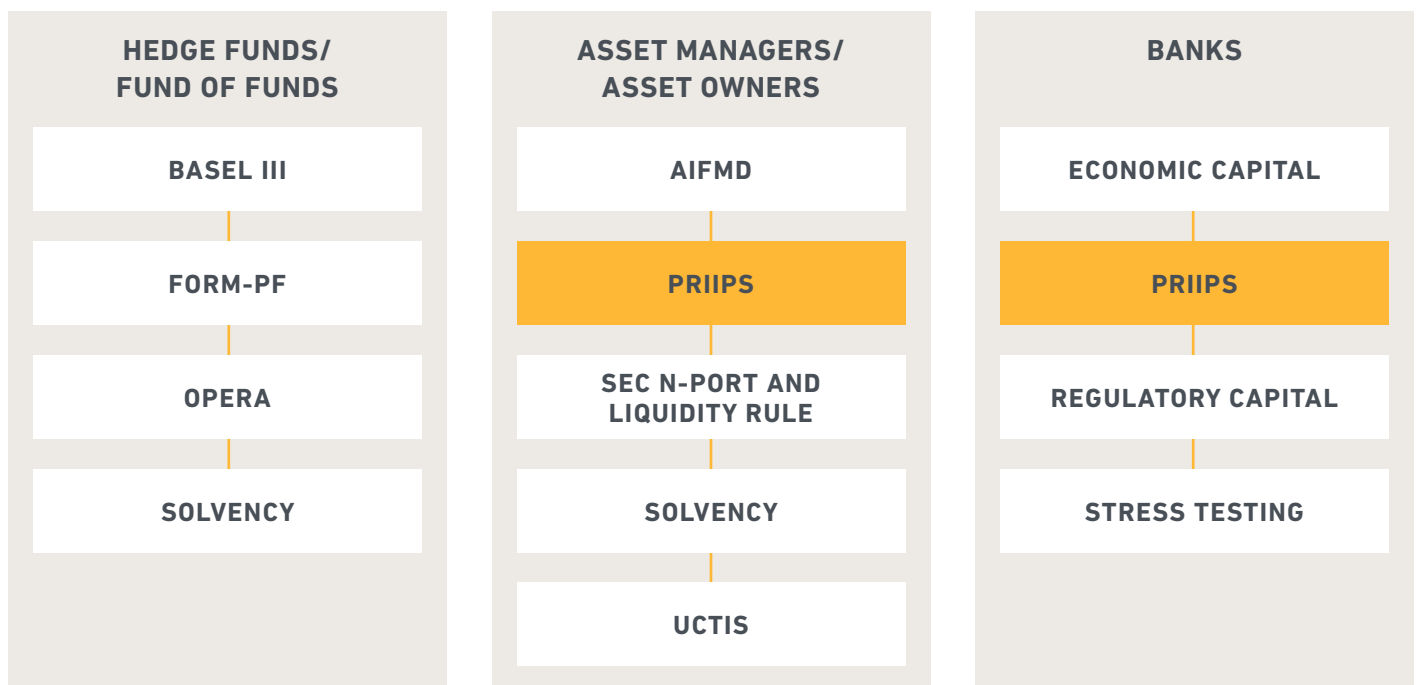
MSCI'S PRIIPS ANALYTICS

Our PRIIPS module will support both the Cornish-Fisher and the Bootstrapped VaR methodologies.

	INPUT	OUTPUT
CORNISH-FISHER	• Equity position referring to market data (e.g. Benchmarks) available in our platforms, or • Client-provided time series (historical returns)	• VaR-Equivalent Volatility • Performance statistic and diagnostics (e.g. volatility, skew and excess kurtosis)
BOOTSTRAPPED VAR	• Client-provided position file for OTC Derivatives and Structured Products	• VaR-Equivalent Volatility • VaR, Performance statistics and diagnostics (e.g. simulated Pnls and risk factors)

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FLEXIBLE DELIVERY OPTIONS

- Access MSCI's risk indicator and performance scenario calculations via the KNEIP's PRIIPS solution. A leader in the production of UCITS KIDs with a large footprint across EU clients, KNEIP has integrated our analytics in their KID production and dissemination solution.

- **Web Services** - Direct access to RiskServer via XML/API offering tight integration and speed. Recommended for intra-day processing.

- **Managed Services**, an end-to-end service that delivers customized risk reporting and the ability to run numerous lengthy reports with ease. Can be used for end-of-day processing.

MSCI is committed to helping institutional investors manage regulatory complexity with efficiency. We offer products designed for analytically-focused regulations that affect pension funds, insurance firms, asset managers, Hedge Funds, Fund of Funds, and banks.

HEDGE FUNDS/ FUND OF FUNDS	ASSET MANAGERS/ ASSET OWNERS	BANKS
BASEL III	AIFMD	ECONOMIC CAPITAL
FORM-PF	PRIIPS	PRIIPS
OPERA	SEC N-PORT AND LIQUIDITY RULE	REGULATORY CAPITAL
SOLVENCY	SOLVENCY	STRESS TESTING
	UCTIS	

ABOUT MSCI

For more than 40 years, MSCI's research-based indexes and analytics have helped the world's leading investors build and manage better portfolios. Clients rely on our offerings for deeper insights into the drivers of performance and risk in their portfolios, broad asset class coverage and innovative research. Our line of products and services includes indexes, analytical models, data, real estate benchmarks and ESG research. MSCI serves 97 of the top 100 largest money managers, according to the most recent P&I ranking. For more information, visit us at www.msci.com.