

Media Information

FTSE to launch Hedge Fund Index in April

London, February 4, 2004: - FTSE Group, the leading global index provider, will launch an index of hedge funds, named FTSE Hedge in April 2004. The index is designed to bring more clarity to this asset class, and will allow investors to more easily understand and follow the performance of hedge funds. FTSE will license fund managers to create funds based on the index, which will also be available in April.

FTSE Hedge will be calculated on a daily basis and will comprise a global index of 40 Hedge Funds, with a range of sub indices covering the major hedge fund strategies. FTSE Hedge has been designed to accurately reflect the investable opportunity for investors across all hedge funds. FTSE Group imposes strict eligibility criteria on the constituent hedge funds in FTSE Hedge. Only open hedge funds with a proven 2-year track record and strict external audits are included in the index. The independent hedge fund consultant, Harcourt Investment Consulting AG, will perform due diligence tests for each constituent hedge fund.

Mark Makepeace, Chief Executive, FTSE Group, said, "FTSE Hedge will bring greater clarity and transparency to the hedge fund market. It will help investors understand and analyse hedge funds and their performance with much greater confidence."

The list of constituent hedge funds to be included in FTSE Hedge will be available in April when the index is introduced. More details about the index structure and methodology can be accessed at www.ftse.com/hedge.

For more information about FTSE Hedge Index contact Sandra Steel/Nicky Gardner –
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Notes to Editors

About FTSE Group

FTSE Group is a world-leader in the creation and management of indices. With offices in London, Frankfurt, Hong Kong, Madrid, Paris, New York, San Francisco and Tokyo, FTSE Group services clients in 77 countries worldwide. It calculates and manages the FTSE Global Equity Index series, which includes world-recognised indices ranging from the FTSE All-World Index, the FTSE4Good series and the recently launched Global Small Cap Index Series, as well as domestic indices such as the prestigious FTSE 100. The company has collaborative arrangements with the AMEX, Athens, Cyprus, Euronext, Johannesburg, London, Luxembourg, and Madrid exchanges, as well as with Nikkei of Japan (Nihon Keizai Shimbun, Inc) and Xinhua Financial Network of China.

FTSE indices are used extensively by investors world-wide for investment analysis, performance measurement, asset allocation, portfolio hedging and for creating a wide range of index tracking funds. Independent committees of senior fund managers, derivatives experts, actuaries and other experienced practitioners review all changes to the indices to ensure that they are made objectively and without bias. Real-time FTSE indices are calculated on systems managed by Reuters. Prices and FX rates used are supplied by Reuters.