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New spin on portfolio favorite: Rydex to launch ETF based on new S&P Equal Weight Index

First ETF to Offer Quarterly Rebalancing; Attempts to Buy Low, Sell High

ROCKVILLE, Md., April 22, 2003 – Rydex Global Advisors has created a new way to invest in the companies in the S&P 500 with the introduction of Rydex's first exchange-traded fund (ETF). The Rydex S&P Equal Weight ETF—based on the S&P Equal Weight Index (EWI)—will launch on April 30, 2003.

The S&P EWI, developed by Standard & Poor's in cooperation with Rydex and launched in January 2003, has the same constituents as the S&P 500 and is designed to offer investors an opportunity to invest in the 500 leading US companies represented by the S&P 500 in equal measure.

"Investors have been calling for equally weighted index products for years. We are very excited to introduce the first investable product—and our first ETF—based on Standard & Poor's compelling index," states Rydex president A.P. "Skip" Viragh, Jr. "The new Rydex S&P Equal Weight ETF provides the transparency and flexibility that are critical for investing in today's markets and are cornerstones of Rydex's investment philosophy."

"We designed the S&P EWI to meet the need for an S&P-calculated tool for benchmarking, investing and trading strategies that require a size-neutral index compatible with the S&P 500," says Bo Chung, director, Standard & Poor's. "We are pleased to enter into a new licensing relationship with Rydex in connection with this ETF product."

With the new Rydex S&P Equal Weight Exchange Traded Fund, investors have access to an equal weight strategy. The 500 stocks are given equal weight through quarterly rebalancing which eliminates the bias toward large companies and provides the opportunity for outperformance with lower sector volatility.

"The Rydex S&P Equal Weight ETF is a new tool for investors," claims Chuck Tennes, Rydex's director of portfolio. "With its equal emphasis on all 500 companies, it is a great complement to the familiar S&P 500. While investors will incur gains only when the index rises," Tennes adds, "the quarterly rebalancing imposes a disciplined process of 'buy low, sell high.'"

Exchange-traded funds combine the broad diversification benefits of mutual funds with the flexibility of stocks. Like mutual funds, ETFs are baskets of stocks that can be purchased in a single transaction. Because ETFs are listed on a stock exchange, investors can purchase shares through a brokerage account, trade throughout the day, purchase on margin and use limit and stop orders. ETFs have grown tremendously in the ten years since they were introduced to the market. Despite the bear market, ETF assets have grown from \$65.6 billion in Dec. 2000 to \$102.1 billion in Dec. 2002.¹

The Rydex S&P Equal Weight ETF will be listed on the American Stock Exchange (Amex) and is expected to begin trading at 9:30 AM ET on April 30, 2003 under the symbol RSP.

The Amex pioneered the concept of the ETF and launched the first ETF in the United States in 1993. Today, the Amex leads the industry in ETF listings. With the addition of the Rydex S&P Equal Weight ETF, the Amex now lists 125 ETFs.

Bear Hunter Structured Products LLC will be the Amex specialist in this security and Bank of New York will be the administrator.

About the S&P Equal Weight Index

The S&P EWI comprises the same constituents as the S&P 500 Index and will be maintained according to a methodology consistent with that of the S&P 500. For example, the S&P EWI is calculated by the same divisor-based method as the S&P 500, its rebalance dates coincide with quarterly share adjustments of the S&P 500, dividends and constituent changes are treated in the same manner as the S&P 500, and it is reported and calculated by Standard & Poor's. For more information, including methodology, construction, and historical simulations, please visit the S&P Indices section of www.standardandpoors.com.

About Rydex

Rydex is an innovative financial services company that offers 34 flexible investment products for a variety of market conditions. The company's 17 sector funds offer pure exposure to industry sectors, giving investors the ability to take advantage of a particular market sector at a given time. Its flagship portfolio, Rydex Nova Fund, was the first leveraged benchmark fund available to the public. For more information, please call 800.820.0888 or visit www.rydexfunds.com.

About Standard & Poor's

Standard & Poor's is a leader in providing widely recognized credit opinions, financial data, analytical research and investment analysis to the global capital markets. With 5,000 employees located in 19 countries, Standard & Poor's is an integral part of the world's financial architecture. Additional information is available at www.standardandpoors.com.

¹ICI data as of February 2003

The Rydex S&P Equal Weight ETF is subject to risks similar to those of stocks. Shares can be bought and sold through a broker and the selling shareholder may have to pay brokerage commissions in connection with the sale. Investment returns and principal value will fluctuate so that when shares are redeemed, they may be worth more or less than original cost. Shares may only be redeemed directly from the fund by

Authorized Participants via Creation Units. Please see the prospectus for more details. The use of margin involves increased risks and may not be suitable for all investors.

For more complete information regarding Rydex S&P Equal Weight ETF, including management fees and expenses, please call 800.258.4332 for a prospectus. Please read the prospectus carefully before you invest or send money.

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