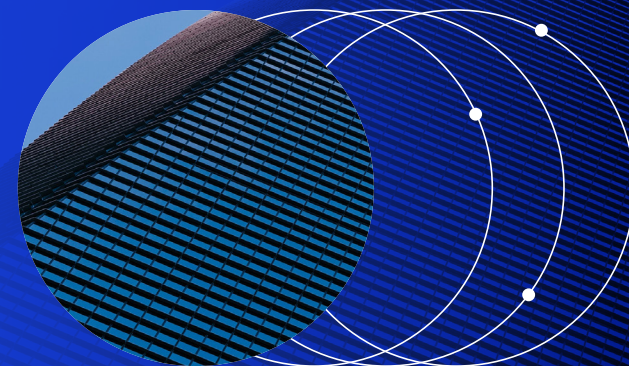


# Insights from MSCI May 2025 Index Review

On May 13, 2025, we communicated that **123 securities will be added** and **208 securities will be removed** from the MSCI ACWI Investable Market Index (IMI), MSCI's flagship global equity index. The MSCI ACWI IMI is designed to represent the performance of the investment universe of large/mid and small cap companies across developed and emerging markets. It covers approximately 99% of the global equity investment opportunity by free float-adjusted market capitalization.



## Further granularity

Our methodology applies a [building block approach across geographies and company sizes](#). This enables investors to assess [how the global investable opportunity has changed at a more granular level](#). In this rebalance, there were more additions and deletions in emerging markets than in developed markets for both large/mid cap and small cap indexes.



In the MSCI World Index, most of the turnover is driven by size segment migrations, particularly from downward migrations in the MSCI USA and MSCI Japan Indexes. Size segment migrations are generally triggered by changes in the full company market capitalization of a company relative to the required size threshold.

In the MSCI Emerging Markets Index, most of the additions and deletions are due to size segment migrations.

It should also be noted the higher turnover in Brazil due to the addition of foreign listings.

## Impact on the indexes

To assess the impact on the indexes of these changes, we calculate one-way index turnover to measure the percentage change in the composition of the index. This index turnover corresponds to the proportion of assets that should be bought in a portfolio replicating the index. As a portfolio has a fixed dollar amount, the amount of assets that should be bought exactly corresponds to the amount of assets that should be sold:

MSCI ACWI  
IMI turnover:

0.5%

MSCI World  
IMI turnover:

0.5%

MSCI EM  
IMI turnover:

1.1%

Index turnover is influenced by the number and size of securities added or deleted as well as other changes impacting security index market capitalization, such as free float update.

## Additional Highlights

- MSCI reviewed the Foreign Ownership Limits and Foreign Room of EU Airlines based on public information and recent disclosures. As a result, Ryanair and International Airlines Group will be added to the MSCI Europe Index.
- In April 2025, MSCI launched a consultation on the potential exclusion of securities placed on special alert boards in Indonesia. The consultation will remain open until June 20, 2025.

## What happens next?

June 2, 2025 – the effective date for the index changes.

While the index changes were announced on May 13, 2025, they will be implemented for the market cap indexes on June 2, 2025. MSCI's standard practice is to announce the results of the review and provide sufficient lead time before implementation, allowing the market and market participants to adjust to the information.

## About MSCI

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