MSCI

Product Insight

Why Emerging Markets Now?

Insights for wealth managers and ETF issuers ready to take action

ENTER

MSCI

Product Insight

Turn today's emerging market signals **into strategy.**

Backed by more than USD 1.4 trillion in assets under management,[1] the MSCI Emerging Markets Indexes are built to provide a robust and broad representation of the market, covering 24 countries representing USD 11.7 trillion in total market capitalizationare designed to provide a robust and broad representation of the market.[2]

By leveraging emerging markets index-linked products, investors can seek new opportunities with a more comprehensive view of this dynamic landscape. Explore three key insights on China vs. ex-China divergence, discounted EM stocks and tariff-aware revenue mapping.

MSCI EM by the numbers

$1.4 trillion AUM
Benchmarked to MSCI EM indexes

460+ linked ETFs
Tracking MSCI EM indexes

Best Index Provider – Emerging Markets ETFs
ETF Express US Awards 2025

Data as of October 2025

Visit our Markets in Motion hub to explore more of our insights for index-driven strategies.

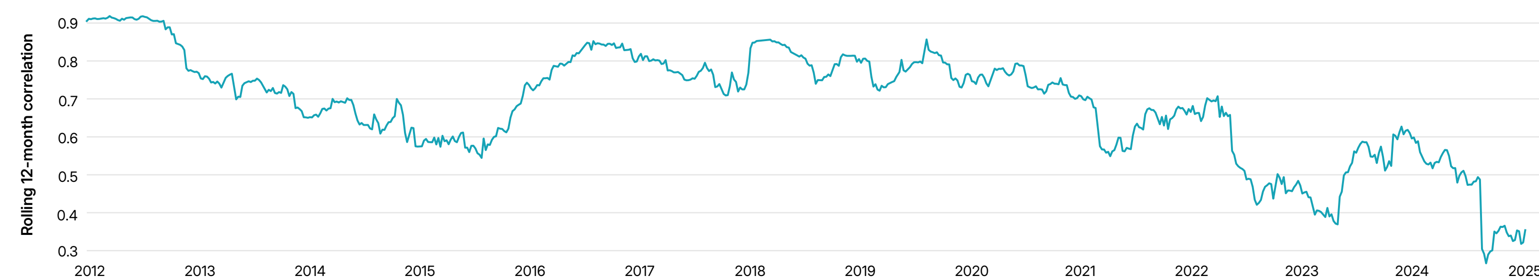
Visit now

[1] As of October 2025.
[2] As of October 2025.

China and EM ex-China: No longer one story

China and EM ex-China have increasingly diverged, with correlations falling to historic lows. Could splitting them — treating them as separate building blocks — yield greater diversification benefits and sharper growth exposure? China's performance is driven by policy shifts and an AI rebound, while EM ex-China is benefiting from cyclical strength across Latin America, EMEA and small caps. Discover how these divergent paths could reshape diversification strategies Rethinking EM Equity Investing as EM ex-China and China Diverge

Rolling 12-month correlation between MSCI China index and MSCI EM ex-China index

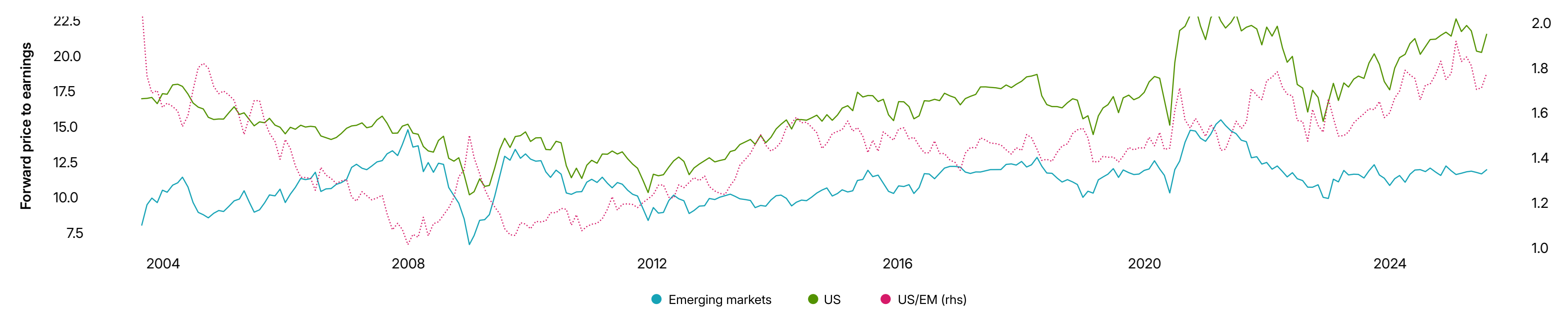


Source: MSCI. Based on weekly gross total returns in USD.

Attractive valuations put EM stocks back in spotlight

As U.S. equities confront high valuations, policy uncertainty and slowing earnings, emerging markets have stepped into the spotlight. EM stocks have traded at steep discounts relative to the United States and offer revenue sources less tied to U.S. and China demand, providing investors with diversification potential when it's needed most. Explore how MSCI's Emerging Markets Index and economic exposure data help tell the story: Emerging Markets in a World Beyond US Exceptionalism

EM equities have been trading at a steep discount relative to the US



Source: MSCI. Data period from June 30, 2003, to May 30, 2025. EM is represented by the MSCI Emerging Markets Index, and US is represented by the MSCI USA Index. Relative valuation is based on the forward price-to-earnings ratio.

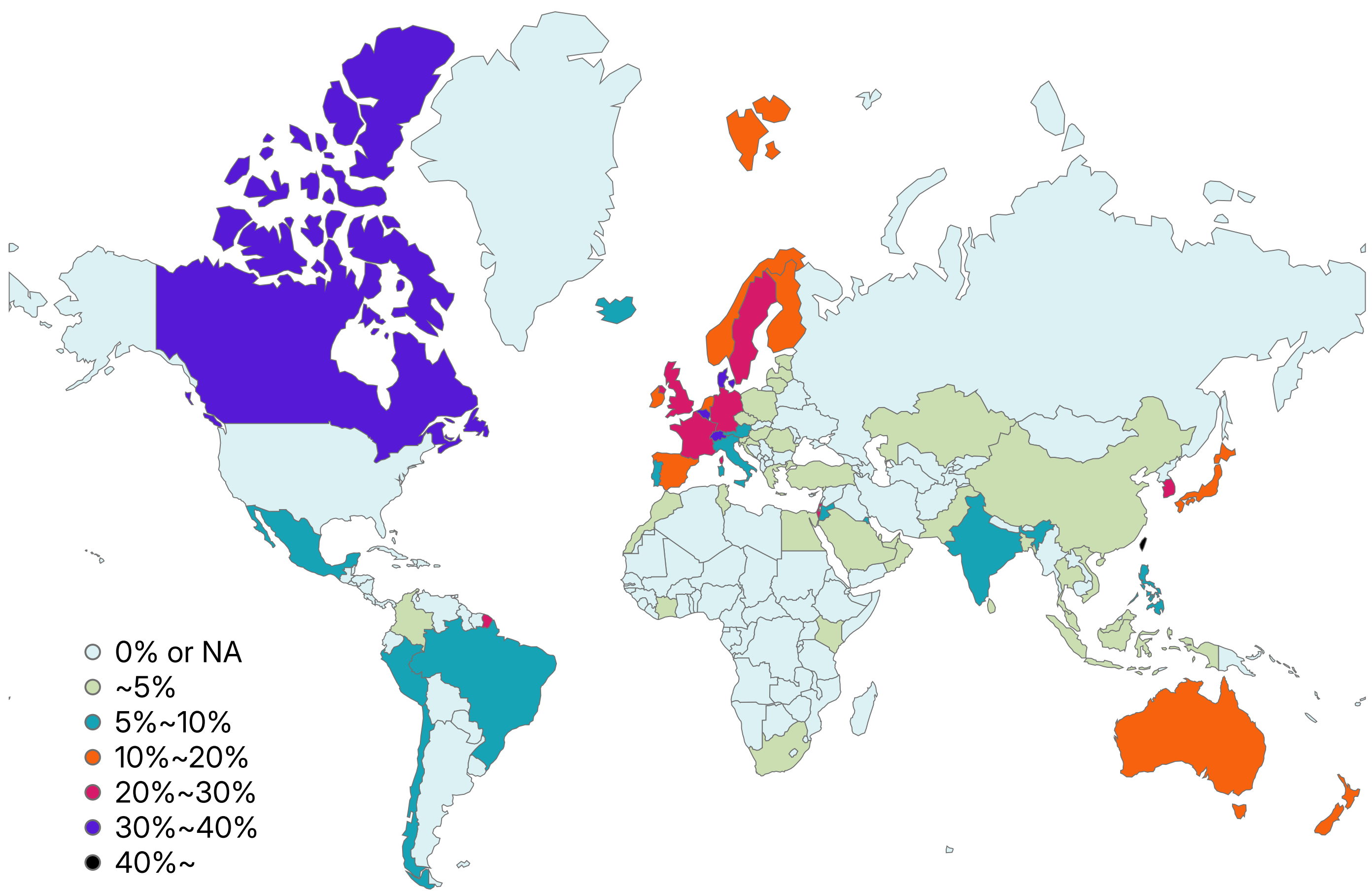
MSCI

Product Insight

Understand tariff implications through a revenue lens

What if investors looked at where companies actually earned revenue rather than just where they're listed? It could mean a better view of geographical portfolio risk. With trade policy in flux, this lens offers a sharper way to assess both vulnerabilities and potential beneficiaries. An MSCI "economic exposure" lens can reframe tariff risk and opportunity across EM supply chains, helping to identify EM firms as well as domestic market suppliers with high U.S./EU end-market or limited exposure amid evolving tariff regimes. Which market segments are most exposed to potential tariff-related disruptions? See our insights here: Keeping Up with Evolving Trade Dynamics

Country exposure to U.S. tariff measures



Source: MSCI. Data as of July 31, 2025. Utilizing MSCI's Economic Exposure data to source revenue exposures to the U.S. of the MSCI IMI constituents for developed, emerging, frontier and standalone markets. For comparison purposes, U.S. exposure of MSCI USA IMI is set to 0.

Identifying opportunity in shifting markets

While uncertainty is a constant in markets, advisers and asset managers can still position for durable growth. With debt and equity emerging markets, investors gain exposure to a larger opportunity set — through a larger mix of countries and economies with unique social, political, demographic and economic traits that may contribute to improved long-term risk-adjusted returns.

Learn more about how you can clarify your view of emerging markets.

View MSCI Indexes

Contact us

AMERICAS	
US	+1 888 588 4567 (toll free)
Canada	+1 416 628 1007
Brazil	+55 11 4040 7830
Mexico	+52 81 1253 4020

ASIA PACIFIC	
China	+86 21 61326611
Hong Kong	+852 2844 9333
India	+91 22 6784 9160
Malaysia	1800818185 (toll free)
South Korea	+82 70 4769 4231
Singapore	+65 67011177
Australia	+612 9033 9333
Taiwan	008 0112 7513 (toll free)
Thailand	0018 0015 6207 7181 (toll free)
Japan	+81 3 4579 0333

EUROPE, MIDDLE EAST & AFRICA	
South Africa	+27 21 673 0103
Germany	+49 69 133 859 00
Switzerland	+41 22 817 9400
United Kingdom	+44 20 7618 2222
Italy	+39 025 849 0415
France	+33 17 6769 810

About MSCI

MSCI (NYSE: MSCI Inc.) strengthens global markets by connecting participants across the financial ecosystem with a common language. Our research-based data, analytics and indexes, supported by advanced technology, set standards for global investors and help our clients understand risks and opportunities so they can make better decisions and unlock innovation. We serve asset managers and owners, private-market sponsors and investors, hedge funds, wealth managers, banks, insurers and corporates.

To learn more, please visit **www.msci.com**

The process for submitting a formal index complaint can be found on the index regulation page of MSCI's website at: https://www.msci.com/index-regulation.