

## MSCI Announces the Results of the MSCI 2026 Market Classification Review

**New York – June 23, 2026** – MSCI released the results of the MSCI 2026 Market Classification Review.

Key takeaways from this year's review include:

- Reclassification of Bulgaria from Standalone to Frontier Market status
- Assessment of shareholder transparency and coordinated trading concerns in the Indonesian and Turkish equity markets, acknowledging the announced steps undertaken by both markets to address these matters and noting the continued potential for future consultations on the appropriate treatment of these markets if credible progress is not observed
- Acknowledgement of the removal of floor prices in Bangladesh, with a caution that any reintroduction could prompt a consultation on reclassification from Frontier to Standalone Market status
- Ongoing monitoring of the implementation of measures aimed at improving the accessibility of the Korean equity market for international institutional investors
- Reminder on the reclassification of Greece from Emerging to Developed Market status at the May 2027 Index Review

“The MSCI Market Classification Framework determines whether a market is developed, emerging, or frontier based on the accessibility and investability that international institutional investors actually experience,” said Raman Aylur Subramanian, Head of Market Classification and Taxonomies. “Index inclusion and market classification are not static judgments. They must be continuously assessed against market changes and the experience of international institutional investors. When market access or experiences worsen, our framework requires us to respond decisively. And when market accessibility and investability improve in a meaningful and sustained way, markets can progress through the classification framework, as seen with Bulgaria and Greece.”

More information related to the MSCI 2026 Market Classification Review, including the results of the 2026 MSCI Global Market Accessibility Review, can be viewed at: [www.msci.com/market-classification](https://www.msci.com/market-classification).

### Results of the Consultation on the Classification of Bulgaria

MSCI announced its decision to reclassify Bulgaria from Standalone Market status to Frontier Market status. The reclassification proposal was originally launched for consultation in 2024, after enough Bulgarian securities met the Size and Liquidity Requirements for Frontier Markets. The decision was subsequently deferred following feedback from international institutional investors, who cited limited market liquidity and the timing of the euro adoption.

Since then, conditions have materially improved. Market participants agreed that liquidity on the Bulgarian Stock Exchange (BSE) has improved meaningfully, supported by a higher number of securities meeting the Frontier Market Size and Liquidity Requirements and rising turnover. No significant operational challenges were identified following Bulgaria's transition to the euro, which was completed on January 1, 2026, when BSE's trading and post-trading infrastructure transitioned fully to euro denomination. Bulgaria had previously migrated to the European Central Bank's TARGET2-Securities (T2S) platform in September 2023, and following euro adoption, all settlements now occur in euros.

The reclassification will be implemented in one step across all standard, custom and derived MSCI Indexes, coinciding with the May 2027 Index Review. MSCI will share additional details on the implementation process in due course.

The accessibility report for Bulgaria is now reflected in the MSCI 2026 Global Market Accessibility Review report available at <https://www.msci.com/market-classification>.

### **Shareholder Transparency and Coordinated Trading Concerns**

International institutional investors frequently raise concerns with MSCI when they experience persistent opacity in shareholding structures and suspect coordinated trading behavior. Both concerns materially limit investors' ability to assess true free float and to rely on observed market prices for portfolio construction and index replication, and they relate directly to the Information Flow and Market Infrastructure pillars of the MSCI Market Accessibility framework.

For Indonesia, market participants raised profound investability concerns stemming from these issues. MSCI acknowledges the recent transparency reforms announced by Otoritas Jasa Keuangan (OJK), PT Bursa Efek Indonesia (IDX), and PT Kustodian Sentral Efek Indonesia (KSEI), including enhanced disclosure of shareholders with ownership above 1%, more granular investor classification, the introduction of a High Shareholding Concentration (HSC) framework, and a roadmap to raise the minimum free float requirement to 15%. While these announcements represent a step in the right direction, what matters for international institutional investors is the consistent implementation and sustained effect of these measures across the market. MSCI will continue to assess their scope, consistency and sustained effectiveness in the context of free float determination and broader investability assessments. Should sufficient progress not be evident by the time of the November 2026 MSCI Index Review, MSCI will consider a range of options for the appropriate treatment for the Indonesia market, potentially including a consultation on the reclassification of Indonesia from Emerging Markets to Frontier Markets.

For Turkey, international institutional investors have highlighted recurring instances of possible coordinated trading behavior involving fund holdings closely affiliated with certain smaller, listed companies, with the effect of artificially inflating free float estimates. MSCI acknowledges the decision issued by the Capital Markets Board of Turkey (SPK), which recently introduced a framework for excluding fund-held stakes from the exchange's free float calculations where the underlying beneficial

ownership belongs to parties already excluded from free float. Nevertheless, market participants want to see the impact of these adjusted calculations in practice. Additionally, international investors have communicated that they seek further progress, including granular and timely disclosure of beneficial ownership, robust surveillance and enforcement against coordinated trading behavior, and a transparent, rules-based framework for the identification and treatment of securities exhibiting structurally distorted free float. If sufficient tangible and credible progress is not evident in the Turkey market by the time of the November 2026 MSCI Index Review, MSCI may launch a consultation on the appropriate treatment for Turkey and its eligible securities.

MSCI continues to welcome feedback on shareholder transparency and trading behavior in these markets.

### **Removal of Floor Prices in Bangladesh**

Floor prices have now been removed from all affected securities in the Bangladesh equity market. MSCI welcomes this development. Floor prices severely hinder a market's accessibility, distorting price discovery and impairing the ability of international institutional investors to enter and exit positions at fair value, and their removal is an important step toward restoring the investability of the market.

MSCI cautions that the reintroduction of floor prices on any listed securities would once again severely impair the accessibility of the Bangladesh equity market. Should floor prices be reimposed, MSCI may launch a consultation on a potential reclassification of Bangladesh from Frontier Market status to Standalone Market status. MSCI continues to welcome feedback on the accessibility of the Bangladesh equity market.

### **Market Accessibility of Korea**

From 2008 to 2014, MSCI consulted with global market participants on the potential reclassification of Korea from Emerging Market status to Developed Market status. Market participants identified the limited convertibility of the Korean won in the offshore currency market as a key barrier to reclassification. Other accessibility issues highlighted at the time included the rigidity of the investor ID system, the restrictions on in-kind transfers and off-exchange transactions, and the limited availability of investment instruments stemming from restrictions on the use of exchange data for the creation of financial products.

MSCI acknowledges the measures announced by Korean market authorities to address these long-standing concerns. However, investors have communicated that the underlying issues have not been fully resolved. The Korean won is not deliverable offshore. Even more concerning, onshore liquidity during the extended FX trading hours remains largely insufficient to support tight execution at standards comparable to those observed in developed markets, constraining FX operational flexibility for index replicators and others. International institutional investors will need to be convinced that this trading of

the won in overnight markets in Korea will eventually provide large, deep and consistent pools of liquidity and tight bid/ask spreads that are comparable to day trading hours for other developed market currencies in the world. Operational adoption of omnibus accounts and in-kind transfers remains limited. Following the lifting of the short-selling ban, market participants continue to face significant operational burdens under the reinstated compliance regime. In addition, early pre-settlement funding requirements remain a burden for market participants.

MSCI will continue to monitor implementation and engage with market participants and Korean authorities. As a reminder, potential reclassification consultations require that all issues have been addressed, reforms have been fully implemented, and market participants have had ample time to thoroughly evaluate the sustained effectiveness of the changes.

### **Market Classification of Greece**

On March 31, 2026, MSCI announced its decision to reclassify Greece from Emerging Market status to Developed Market status, following a consultation launched on January 26, 2026. The majority of consultation participants favored the proposed reclassification, recognizing that Greece's market infrastructure has converged with Developed European standards and meets the criteria for MSCI Developed Markets.

The reclassification will be implemented in one step across all standard, custom and derived MSCI Indexes, coinciding with the May 2027 Index Review. Once reclassified, Greece will be incorporated into the Developed Europe single market index construction process, and existing constituent rules will be applied to minimize turnover at the time of the reclassification.

-Ends-

### **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](http://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>.

## Media Inquiries

### PR@msci.com

Melanie Blanco

+1 212 981 1049

Konstantinos Makrygiannis

+44 77 6893 0056

Tina Tan

+852 2844 9320

## MSCI Global Client Service

EMEA Client Service

+ 44 20 7618 2222

Americas Client Service

+1 888 588 4567

Asia Pacific Client Service

+ 852 2844 9333

The data, data feeds, databases, reports, text, graphs, charts, images, videos, recordings, models, metrics, analytics, indexes, ratings, scores, cases, estimates, assessments, software, websites, products, services and other information and materials contained herein or delivered in connection with this notice (collectively, the "Information") are copyrighted, trade secrets (when not publicly available), trademarks and proprietary property of MSCI Inc. or its subsidiaries (collectively, "MSCI"), MSCI's licensors, direct or indirect suppliers and authorized sources, and/or any third party contributing to the Information (collectively, with MSCI, the "Information Providers"). All rights in the Information are reserved by MSCI and its Information Providers and user(s) shall not, nor assist others to, challenge or assert any rights in the Information.

Unless you contact MSCI and receive its prior written permission, you must NOT use the Information, directly or indirectly, in whole or in part (i) for commercial purposes, (ii) in a manner that competes with MSCI or impacts its ability to commercialize the Information or its services, (iii) to provide a service to a third party, (iv) to permit a third party to directly or indirectly access, use or resell the Information, (v) to redistribute or resell the Information in any form, (vi) to include the Information in any materials for public dissemination such as fund factsheets, market presentations, prospectuses, and investor information documents (e.g. KIIDs or KIDs), (vii) to create or as a component of any financial products, whether listed or traded over the counter or on a private placement basis or otherwise, (viii) to create any indexes, ratings or other data products, including in derivative works combined with other indexes or data or as a policy, product or performance benchmarks for active, passive or other financial products, (ix) to populate a database, or (x) to train, use as an input to, or otherwise in connection with any artificial intelligence, machine learning, large language models or similar technologies except as licensed and expressly authorized under MSCI's AI Contracting Supplement at <https://www.msci.com/legal/supplemental-terms-for-client-use-of-artificial-intelligence>.

The intellectual property rights of MSCI and its Information Providers may not be misappropriated or used in a competitive manner through the use of third-party data or financial products linked to the Information, including by using an MSCI index-linked future or option in a competing third-party index to provide an exposure to the underlying MSCI index or by using an MSCI index-linked ETF to create a financial product that provides an exposure to the underlying MSCI index without obtaining a license from MSCI.

The user or recipient of the Information assumes the entire risk of any use it may make, permit or cause to be made of the Information. NONE OF THE INFORMATION PROVIDERS MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH INFORMATION PROVIDER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES (INCLUDING ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, SUITABILITY, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION. Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall MSCI or any other Information Provider have any liability arising out of or relating to any of the Information, including for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages, even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited.

The Information, including index construction, ratings, historical data, or analysis, is not a prediction or guarantee of future performance, and must not be relied upon as such. Past performance is not indicative of future results. The Information may contain back tested data. Back-tested performance based on back-tested data is not actual performance but is hypothetical. There are frequently material differences between back tested performance results and actual results subsequently achieved by any investment strategy. The Information may include "Signals," defined as quantitative attributes or the product of methods or formulas that describe or are derived from calculations using historical data. Signals are inherently backward-looking because of their use of historical data, and they are inherently inaccurate, not intended to predict the future and must not be relied upon as such. The relevance, correlations and accuracy of Signals frequently change materially over time.

The Information may include data relating to indicative prices, evaluated pricing or other information based on estimates or evaluations (collectively, "Evaluations") that are not current and do not reflect real-time traded prices. No evaluation method, including those used by the Information Providers, may consistently generate evaluations or estimates that correspond to actual "traded" prices of any relevant securities or other assets. Evaluations are subject to change at any time without notice and without any duty to update or inform you, may not reflect prices at which actual transactions or collateral calls may occur or have occurred. The market price of securities, financial instruments, and other assets can be determined only if and when executed in the market. There may be no, or may not have been any, secondary trading market for the relevant securities, financial instruments or other assets. Private capital, equity, credit and other assets and their prices may be assessed infrequently, may not be priced on a secondary market, and shall not be relied upon as an explicit or implicit valuation of a particular instrument. Any reliance on fair value estimates and non-market inputs introduces potential biases and subjectivity. Internal Rate of Return metrics are not fully representative without full disclosure of fund cash flows, assumptions, and time horizons.

The Information does not constitute, and must not be relied upon as, investment advice, credit ratings, or proxy advisory or voting services. None of the Information Providers, their products or services, are fiduciaries or make any recommendation, endorsement, or approval of any investment decision or asset allocation. Likewise, the Information does not represent an offer to sell, a solicitation to buy, or an endorsement of any security, financial product, instrument,

investment vehicle, or trading strategy, whether or not linked to or in any way based on any MSCI index, rating, subcomponent, or other Information (collectively, "Linked Investments"). The Information should not be relied on and is not a substitute for the skill, judgment and experience of any user when making investment and other business decisions. MSCI is not responsible for any user's compliance with applicable laws and regulations. All Information is impersonal, not tailored to the needs of any person, entity or group of persons, not objectively verifiable in every respect, and may not be based on information that is important to any user.

It is not possible to invest in an index. Exposure to an asset class or trading strategy or other category represented by an index is only available through third party investable instruments (if any) based on that index. MSCI makes no assurance that any Linked Investments will accurately track index performance or provide positive investment returns. Index returns do not represent results of actual trading of investible assets/securities. MSCI maintains and calculates indexes but does not manage assets. The calculation of indexes and index returns may deviate from the stated methodology. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase securities underlying the index or Linked Investments. The imposition of these fees and charges would cause the performance of a Linked Investment to be different than the MSCI index performance.

Information provided by MSCI Solutions LLC and certain related entities ("MSCI Solutions"), including materials utilized in MSCI sustainability and climate products, have not been submitted to, nor received approval from any regulatory body. MSCI sustainability and climate offerings, research and data are produced by, and ratings are solely the opinion of MSCI Solutions. Other MSCI products and services may utilize information from MSCI Solutions, Barra LLC or other affiliates. More information can be found in the relevant methodologies on [www.msci.com](http://www.msci.com). MSCI Indexes are administered by MSCI Limited (UK) and MSCI Deutschland GmbH. No regulated use of any MSCI private real assets indexes in any jurisdiction is permitted without MSCI's express written authorization. The process for applying for MSCI's express written authorization can be found at: <https://www.msci.com/index-regulation>.

MSCI receives compensation in connection with licensing its indexes and other Information to third parties. MSCI Inc.'s revenue includes fees based on assets in Linked Investments. Information can be found in MSCI Inc.'s company filings on the Investor Relations section of [msci.com](http://msci.com). Issuers mentioned in MSCI Solutions materials or their affiliates may purchase research or other products or services from one or more MSCI affiliates, manage financial products such as mutual funds or ETFs rated by MSCI Solutions or its affiliates or are based on MSCI Indexes. Constituents of MSCI equity indexes are listed companies, which are included in or excluded from the indexes according to the application of the relevant index methodologies. Constituents in MSCI Inc. equity indexes may include MSCI Inc., clients of MSCI or suppliers to MSCI. MSCI Solutions has taken steps to mitigate potential conflicts of interest and safeguard the integrity and independence of its research and ratings.

MIFID2/MIFIR notice: MSCI Solutions does not distribute or act as an intermediary for financial instruments or structured deposits, nor does it deal on its own account, provide execution services for others or manage client accounts. No MSCI product or service supports, promotes or is intended to support or promote any such activity. MSCI Solutions is an independent provider of sustainability and climate data. All use of indicative prices for carbon credits must comply with any rules specified by MSCI. All transactions in carbon credits must be traded "over-the-counter" (i.e. not on a regulated market, trading venue or platform that performs a similar function to a trading venue) and result in physical delivery of the carbon credits.

You may not remove, alter, or obscure any attribution to MSCI or notices or disclaimers that apply to the Information. MSCI, Barra, RiskMetrics, and other MSCI brands and product names are the trademarks, service marks, or registered trademarks of MSCI or its subsidiaries in the United States and other jurisdictions. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and S&P Dow Jones Indices. "Global Industry Classification Standard (GICS)" is a service mark of MSCI and S&P Dow Jones Indices. Terms such as including, includes, for example, such as and similar terms used herein are without limitation.

MSCI and its Information Providers may use automated technologies and artificial intelligence to help generate content and output incorporated in the Information.

Privacy notice: For information about how MSCI collects and uses personal data, please refer to our Privacy Notice at: <https://www.msci.com/privacy-pledge>. For copyright infringement claims contact us at [dmca@msci.com](mailto:dmca@msci.com). This notice is governed by the laws of the State of New York without regard to conflict of laws principles.