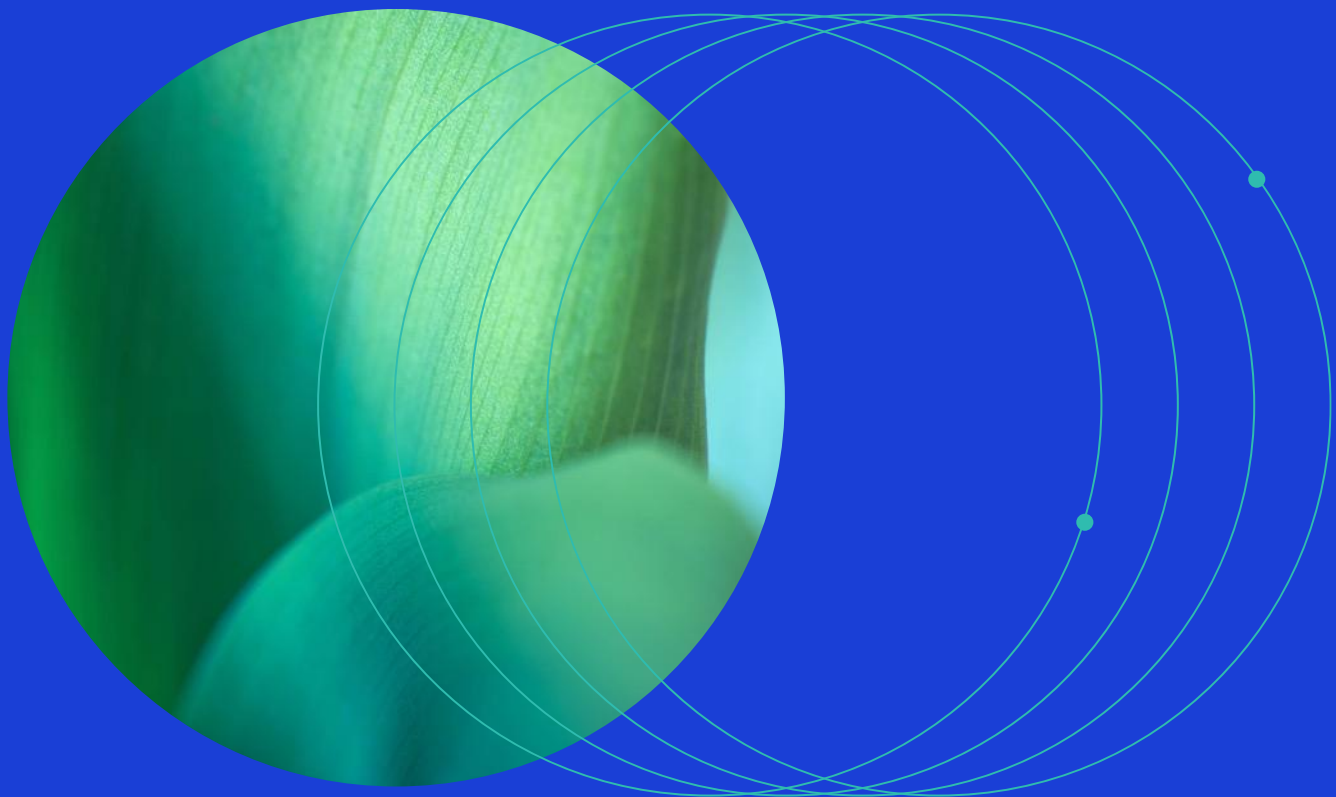


MSCI GLOBAL MARKET ACCESSIBILITY REVIEW



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1 Introduction

The MSCI 2026 Global Market Accessibility Review Report includes updated assessments for all markets included in the MSCI Indexes as well as comparisons to the 2025 review. This report provides analysis of the evolution of Developed, Emerging, Frontier and Standalone Markets with respect to each market's level of accessibility.¹

The MSCI Global Market Accessibility Review aims to assess and track the evolution of accessibility in individual markets, and to inform market authorities about areas that global institutional investors perceive as not meeting international standards and would welcome improvements.

On an annual basis, the MSCI Global Market Accessibility Review Report provides a detailed assessment of market accessibility for each equity market included in the MSCI Indexes and evaluates the following five market accessibility criteria:

- Openness to foreign ownership
- Ease of capital inflows and outflows
- Efficiency of the operational framework
- Availability of investment instruments
- Stability of the institutional framework

These five criteria reflect the areas that international institutional investors strongly emphasize when evaluating a market's investment accessibility. These include equal treatment of investors, free flow of capital, cost of investment, unrestrictive use of stock market data, and market-specific risk.

MSCI uses 18 distinct accessibility measures (outlined below) to assess these five criteria. The evaluation of the accessibility measures is primarily based on investor experience as documented through feedback from market participants including active and passive asset managers, asset owners, brokers, custodians, stock exchanges and regulators.

¹ The information and analysis in this report are based on data and market conditions as of May 31, 2026. Any changes in accessibility occurring after this date will be addressed and incorporated into subsequent reports.

The analysis and assessment of each individual accessibility measure were performed in the same way across all markets, regardless of current market classification. The aggregate assessment of where a market stands with respect to the five criteria allows MSCI to determine if a market's accessibility level meets Developed, Emerging or Frontier Market standards. MSCI welcomes feedback from the investment community to ensure that its market accessibility assessment continues to reflect international institutional investors' experience of investing in a given equity market. The MSCI Global Market Accessibility Review is updated annually in June with interim updates released as necessary.

2 Assessing Accessibility

This section describes the rationale underlying each of the accessibility criteria and related measures and the principles used in their assessment. In some cases, the existence (or the lack of) certain practices systematically defaults to a negative assessment in the relevant category.

2.1 Openness to Foreign Investors

In general, one of the most desirable features that international investors would like to see in a market is that no distinction is made between local and international investors. To assess this level of openness the following characteristics need to be analyzed and measured.

2.1.1 Investor Qualification Requirement

The international standard for Developed Markets is the absence of any investor qualification requirement. Near the other end of the spectrum, a Qualified Foreign Institutional Investor (QFII) license system is highly problematic as it discriminates not only between domestic and foreign investors, but also among different international investors. The requirement of a QFII license would lead to a low assessment.

2.1.2 Foreign Ownership Limit Level

Ideally, international investors would like to see no difference in the opportunity set available to them and to local investors. Foreign ownership restrictions tend to be placed on specific industries which may result in an important sector bias in the opportunity set for foreign investors. MSCI has also considered the proportion of a market that is restricted in order to assess the materiality of the restrictions, using the pro forma data from the most recent index review. In its assessment, MSCI assigns a negative rating when more than ten percent of a market is closed to foreign investors. A restriction between three and ten is viewed as a matter of some concern, while less than three percent is considered not to be a material issue. In general, changes in criteria's rating driven solely by price movement are reflected only if the market consistently breaches the relevant thresholds for three consecutive years. These levels were established after analyzing the varying market impacts resulting from the foreign ownership limits across all markets.

2.1.3 Foreign Room Level

When the foreign ownership limit is reached, investors face a significant challenge. In some cases, the most recent buyers may be forced to sell. More commonly, however, breaching the limit has historically resulted in unequal treatment between existing and new investors, as managers may be unable to allocate the same number of shares across funds. This can be mitigated by the presence of a foreign board or by the listing of depositary receipts in another market where foreign investors could trade with each other, but these solutions may introduce another layer of problems as transactions tend to take place at a premium over the official listing. To assess the materiality of the problem, MSCI has considered the impact on the respective country Investable Market Index resulting from the exclusion or partial exclusion of securities from such index due to low foreign room using pro forma data from the most recent index review. More than one percent impact on the MSCI country Investable Market Index (IMI) has resulted in a negative rating, between one and 0.3 percent impact has been considered as a matter of some concern, while less than 0.3 percent impact has been considered as not being a material issue. In general, changes in criteria's rating driven solely by price movement will be reflected if the market consistently breaches the relevant thresholds for three consecutive years. These levels were set after analyzing the different impacts of low foreign room across all markets.

2.1.4 Equal Rights to Foreign Investors

Restrictions on foreign investors can take the form of separate share classes with those with reduced voting rights being the only ones available to foreign investors. International investors seek equal treatment in terms of economic and voting rights. As a practical matter, the exercise of equal economic rights requires, among other things, equal treatment in the case of corporate actions which implies proper access to information in English. Equality of voting rights is impacted not only by voting restrictions specific to foreign investors, but also by other limitations imposed on minority shareholders in general. Low foreign ownership limits, generalized use of share classes with different voting rights to facilitate the control of companies, other forms of discrimination against foreign and minority shareholders, as well as major corporate

governance problems, generally would lead to lower ratings in this measure.

2.2 Ease of Capital Inflows and Outflows

International investors want to be in a position to move capital in and out of a market without disruption, delay and cost inefficiency. This is measured by the following:

2.2.1 Capital Flows Restriction Levels

Countries that currently impose or have a record of recent imposition of capital controls to restrict inflows or outflows of capital into or from their equity markets are assessed negatively.

2.2.2 Foreign Exchange Market Liberalization Level

In Developed Markets, the standard is the existence of a fully convertible currency, which includes an active offshore deliverable currency market. Developed Markets investors are used to the simultaneous execution of all their FX trades with the counterparty of their choice, based on best execution. The absence of an offshore currency market leads to a negative assessment, as it forces parties to transact onshore at a higher cost, very often through a limited choice of intermediaries, and therefore often not on the basis of best execution. In addition, requirements linking FX transactions to underlying security trades represent a further barrier to market liberalization, as they limit the ability to manage currency risk independently, constrain hedging, and complicate the repatriation of funds, reducing liquidity and efficiency in the FX market while raising costs and impeding best execution. Limited foreign exchange liquidity available to foreign investors would also contribute to a negative assessment.

2.3 Efficiency of the Operational Framework

This category reflects the features an international investor views as necessary to ensure their holdings are clearly identified and well protected, operational risks are minimized as much as possible, and that the processes of trading, clearing, settlement and custody function properly and cost effectively. In the context of Developed Markets, high levels of efficiency have enabled the management of equity funds at extremely low cost. As a result, maintaining this efficiency—rather than

compromising it by adding less cost-effective markets—has become a key priority for a significant segment of the investment management industry.

2.3.1 Market Entry

2.3.1.1 Investor Registration & Account Set Up

The number and the type of required documents as well as the time to complete the full process are the key considerations for this measure. The time to complete the process includes the preparation of the documents. These requirements can be extremely onerous for asset owners with multiple mandates and for asset managers with multiple funds.

2.3.2 Market Organization

2.3.2.1 Market Regulations

In addition to the level of advancement of the legal and regulatory framework governing the financial market, the stock exchange and the various other entities involved in the financial markets, significant weight is assigned to ease of access (including availability in English), lack of ambiguity in and prompt enforcement of laws and regulations. In contrast, inconsistency and unexpected changes in policy, in particular those targeting foreign investors, are assessed negatively.

2.3.2.2 Information Flow

A strong flow of information is essential for protecting shareholder rights, supporting sound investment decisions, and promoting overall market efficiency. Quality, timeliness, granularity, availability in English, and affordability of information all play a role in this assessment. In addition, the quality of local accounting standards, as assessed, for example, by the adoption of International Financial Reporting Standard (IFRS), is also important for international investors. This assessment also considers the integrity of the information underpinning price formation: practices that obscure beneficial ownership or distort reported free float, including indications of coordinated trading, are viewed negatively, as they reduce transparency and generate distortions in market processes.

2.3.3 Market Infrastructure

2.3.3.1 Clearing and Settlement

A well-functioning clearing and settlement system based on the broad framework published by the Bank for International Settlements including Delivery Versus Payment (DVP), the absence of pre-funding requirements/practices, the possibility of using overdrafts and the availability of real omnibus structures are considered in this category.

2.3.3.2 Custody

An important requirement is an efficient mechanism that prevents brokers from having unlimited access to the investor's accounts and that guarantees the safekeeping of the investor's assets. The level of competition among custodian banks within each market is measured by the number of active custodian banks as well as the presence of global custodian banks.

2.3.3.3 Registry / Depository

The existence of a well-functioning central registry or of independent registrars and a central depository are important characteristics of a robust market infrastructure. A central depository acting as a central registry is also considered as a standard feature. Registration at the issuer level or instances where a custodian (or some other financial institution) acts as a central registry are not desirable.

2.3.3.4 Trading

An important desired feature is the ability to execute grouped trades at the same price for the various accounts of a fund manager. The level of competition amongst brokers is also measured by the number of active brokers, the presence of global brokers ensuring high quality services and competitive fees.

2.3.3.5 Transferability

There are significant cost savings and efficiency gains associated with the possibility of off-exchange transactions and "in-kind" transfers. These are important in case of manager transitions, mergers of funds and in the creation and redemptions of ETF shares, an increasingly important segment of the investment management industry.

2.3.3.6 Stock Lending/Short Selling

The existence of well-functioning stock lending and short selling mechanisms has become a standard in certain markets that help support direct hedging practices and quantitative asset management. More broadly, they have become a recognized ingredient in the efficiency of markets, by allowing arbitrage between different instruments (futures, ETFs, etc.)

The presence of rules and regulations governing these activities alone is insufficient. Stock lending and short selling activities must also have adequate infrastructure, established practices, and unrestricted execution to be considered fully efficient.

2.4 Availability of Investment Instruments

Investors are increasingly using a wide range of investment instruments—such as exchange-traded funds, futures, options, swaps, and structured products, both onshore and offshore—to complement direct equity investments. These instruments have become an integral part of their overall investment strategies. Today, the availability of such instruments has become critical to international investors for a number of their investment activities such as gaining exposure to markets, hedging of investments, equitization of cash positions or overlay strategies. Hence, it is expected that stock exchanges, which often have legal or natural monopolies, would not impose clauses in their provision of stock market data, such as securities' prices, that could lead directly or indirectly to restricting the availability of investment instruments globally. These clauses typically restrict investors' access to derived stock exchange information, data and products, including, for example, the provision of independently calculated indexes or the creation of investment instruments based on such indexes. In addition, the imposition of these types of clauses can result in global or regional investment instruments breaching local market rules, regulations or other restrictions. The existence of these types of practices will lead to a negative assessment.

2.5 Stability of Institutional Framework

Long-term investors commit their capital to a country's market for extended periods, making market stability essential to their investment

decisions. The track record of government interventions and the current level of foreign investment restrictions are used as indicators of the stability of the “free-market” economic system. This assessment is not a forward-looking statement but rather, it considers a country’s history of actions by market-authorities as an indicator of a potential risk that foreign investors may be impacted by discriminatory measures in times of crisis.

3 Review Summary

The MSCI Global Market Accessibility Review provides an assessment of each individual market as well as a summary of changes in market accessibility across 80² evaluated markets. The methodology applied by MSCI for this review is consistent with the prior year's review.

For the purposes of the Market Accessibility Review, a market is evaluated not as a geographic entity, but as a framework of rules, infrastructure, and institutional practices that determine how international institutional investors gain and maintain market access. Its accessibility is reflected in the interaction between Openness to Foreign Ownership, Ease of Capital Inflows and Outflows, Efficiency of the Operational Framework, Availability of Investment Instruments, and Stability of the Institutional Framework.

The effectiveness of reforms depends not only on their underlying policy rationale, but also on how they are implemented, and how that implementation is experienced. Even when reforms are grounded in a sound macroeconomic assessment and designed to improve market accessibility, their intended benefits may not materialize if implementation is not aligned with the accessibility challenges they seek to address, if reforms are not effectively operationalized, or if the process does not incorporate feedback from international institutional investors. This review cycle highlighted three relevant trends in market development and accessibility.

In some cases, authorities successfully translated policy objectives into effective implementation, addressing the specific frictions affecting market accessibility and delivering reforms that became operational for international institutional investors. In others, market accessibility deteriorated as weaknesses in governance and oversight allowed practices and structures to emerge that reduced transparency, increased opacity, and impaired the efficient functioning of market mechanisms, ultimately hindering investor access.

A third group of markets continued to pursue reforms aimed at addressing accessibility challenges through novel or less conventional

² 81 markets are covered in total, as China is evaluated as 'China International' and 'China A'.

approaches. While these efforts demonstrate an ongoing commitment to market development, they have yet to produce a meaningful improvement in the experience of international institutional investors.

These trends were reflected in the rating changes observed during this review cycle and, in some cases, in the absence of rating changes where reforms have not yet translated into measurable improvements in accessibility.

In this review, there were more improvements than deteriorations in market accessibility ratings.

A significant portion of those improvements are attributed to improvements in Stability of Institutional Framework, as Colombia and several Frontier Markets have maintained a consistent absence of discriminatory measures affecting international institutional investors.

As in previous reviews, Developed Markets continue to offer the highest levels of market accessibility, with shortfalls in market accessibility identified in only a handful of markets.

Overall, the distribution of ratings in Emerging Markets and Frontier Markets reflects a lower level of market accessibility compared to Developed Markets. In the Emerging Markets, the main market accessibility issues are in Openness to Foreign Ownership and Market Infrastructure, the latter also being the area where Frontier Markets show the most significant shortcomings.

Table 1: Summary Assessment Table (number of markets)

	Developed Markets			Emerging Markets			Frontier Markets			Standalone Markets		
	++	+	-	++	+	-	++	+	-	++	+	-
Openness to foreign ownership												
Investor qualification requirement	23	-	-	22	3	-	20	1	-	11	1	-
Foreign ownership limit (FOL) level	22	1	-	13	4	8	19	-	2	11	-	1
Foreign room level	21	-	2	18	3	4	19	-	2	12	-	-
Equal rights to foreign investors	22	1	-	3	18	4	14	6	1	4	8	-
Ease of capital inflows / outflows												
Capital flow restriction level	23	-	-	23	2	-	18	3	-	7	2	3
Foreign exchange market liberalization level	23	-	-	12	5	8	9	4	8	4	1	7
Efficiency of the operational framework												
Market entry												
Investor registration & account set up	23	-	-	9	10	6	9	8	4	5	4	3
Market organization												
Market regulations	23	-	-	14	11	-	15	6	-	5	6	1
Information flow	21	2	-	10	12	3	12	5	4	2	6	4
Market infrastructure												
Clearing and Settlement	23	-	-	6	13	6	6	7	8	3	1	8
Custody	23	-	-	21	4	-	19	2	-	4	3	5
Registry / Depository	23	-	-	23	2	-	20	1	-	5	6	1
Trading	23	-	-	23	2	-	10	5	6	3	3	6
Transferability	23	-	-	8	8	9	7	4	10	2	3	7
Stock lending	22	1	-	8	9	8	-	-	21	-	-	12
Short selling	21	2	-	4	11	10	-	-	21	-	-	12
Availability of investment instruments	23	-	-	20	2	3	21	-	-	11	-	1
Stability of institutional framework	23	-	-	5	18	2	7	10	4	1	5	6

++: no issues; +: no major issues, improvements possible; -: improvements needed

3.1 Developed Markets

This cycle saw notable developments in the openness to foreign investors' ownership. Canada's ratings for the Foreign Ownership Limit Level and Foreign Room Level criteria both improved this year. Foreign ownership limits, while still applicable to certain sectors at up to 49 percent, have affected less than three percent of the Canadian equity market for three consecutive years. Additionally, following the increase in foreign room for BCE Inc. the MSCI Canada IMI is no longer impacted by low foreign room. In contrast, a reduction in Ryanair Holdings' foreign room led to a deterioration in the Foreign Room Level criterion for Ireland.

Israel observed an improvement in the Clearing and Settlement criterion as its trading week transitioned from a Sunday-Thursday to a Monday-Friday schedule. In addition, its T+1 settlement cycle is no longer an outlier characteristic, as the United States and Canada's moves toward shorter settlement cycles have prompted a growing number of markets to evaluate or advance similar plans.

The European Union and the United Kingdom have both confirmed a coordinated transition to T+1 on October 11, 2027, with the EU transition pending approval by the European Parliament.

For the Hong Kong market, HKEX published a consultation paper in April 2026 proposing a transition from T+2 to T+1, with an indicative implementation date of Q4 2027, subject to market readiness and regulatory approval.

In Australia, the industry has begun consulting on the potential move to T+1, however any transition is expected to follow the completion of the CHES replacement project, with its settlement and sub register component currently targeted for 2029.

In Japan, industry bodies and regulators have begun preliminary discussions on the potential implications of a shift to T+1, though no formal consultation paper has been published and no implementation timeline has been defined.

MSCI continues to closely monitor these developments. Feedback received from market participants reemphasized that shorter settlement cycles should not introduce further operational challenges and risks, such as pre-funding requirements. At the same time, many market participants stressed that a lack of alignment of equity settlement cycles within global equity markets is undesirable.

3.2 Emerging Markets

In this review cycle, there were more rating improvements than deteriorations across Emerging Markets. The deteriorations were driven by problems due to structural issues in the opacity in shareholding structures and concerns about coordinated trading in Indonesia and Turkey impacting their Information Flow criterion.

In Korea, authorities have continued implementing the reform agenda introduced in prior years, with additional measures announced across several areas. However, underlying accessibility issues remain unresolved.

Building on measures to align the FX framework with global practices, further initiatives have been outlined including the launch of a 24-hour FX market in mid-2026 and an Offshore KRW Settlement Institution pilot later in 2026 with full launch targeted for 2027. A fully deliverable offshore currency market is not yet available.

In addition, the transition from the Investor Registration Certificate (IRC) to the Legal Entity Identifier (LEI), initiated in December 2023, remains ongoing. The coexistence of both frameworks has constrained the practical adoption of omnibus account structures.

The mandatory English disclosure framework entered its second phase in 2026, while a third phase in 2027 will extend the requirement to all KOSPI-listed companies.

The short selling ban was lifted in early 2025 alongside the implementation of a new naked short selling detection system. As the framework has been put into use, however, frictions have emerged in practice, and refinements to operational processes and infrastructure are ongoing. Furthermore, despite the reduction of the settlement progress payment amounts, there is a lack of clarity around the calculation of funding amounts, creating inefficiency in the settlement process.

Lastly, derivatives products linked to Korean indexes have been launched on international exchanges, broadening the offering of investment instruments available to international investors.

In Indonesia, accessibility concerns have arisen from ongoing opacity in shareholding structures and indications of coordinated trading behavior that undermines proper price formation. These issues materially limit

international institutional investors' ability to assess true free float and to rely on observed market prices for portfolio construction and index replication. Similar behaviors have been observed in Turkey, particularly among small-cap listed companies. These issues may impair price formation and amplify volatility. As a result, the Information Flow criterion has been downgraded for both markets, reflecting ongoing concerns around free float transparency and proper price formation.

Furthermore, on March 2, 2026, Borsa Istanbul reinstated a market-wide ban on short selling for all securities listed on the Turkish market. The prohibition has been extended multiple times. Frequent changes in rules and the continuous imposition of restrictions are not a desirable feature of a well-functioning short selling framework.

The Capital Market Authority (CMA) in Saudi Arabia has further opened the market for foreign investment with the removal of the Qualified Foreign Investor concept in the Main Market, allowing foreign investors to access the market without the need to meet qualification requirements, effective February 1, 2026. This led to an improvement in the Investor Qualification Requirement criterion for Saudi Arabia.

In Chile, the repatriation process has improved materially in recent years, with FX liquidity increasing and repatriation timelines shortening to same-day processing. These developments were reflected in an upgrade of Chile's Capital Flow Restriction Level assessment.

The shortening of settlement cycles is also being evaluated across several Emerging Markets.

Borsa Istanbul in Turkey launched a formal evaluation process for a potential transition to a T+1 settlement cycle, opening end-to-end testing environments in January 2026. All market participants are required to complete their preparations by December 31, 2026, though no implementation date has been confirmed.

The Central Bank of Brazil opened a public consultation in October 2025 on the potential shortening of the settlement cycle, with results yet to be announced. The stock exchange (B3) has separately indicated a target of February 2028 for a transition to T+1.

A discussion paper on the potential shortening of the settlement cycle was published by South Africa in January 2026, marking an early step in the market's evaluation of a transition to T+1.

The Stock Exchange of Thailand is in the process of establishing a dedicated working group to assess the feasibility and implications of a transition to T+1.

Nuam Exchange, integrating the markets of Chile, Colombia and Peru has targeted a transition to T+1 in the second half of 2027.

3.3 Frontier Markets

Vietnam continued to advance its capital market reform agenda during the review period. Key developments include the introduction of a global broker trading model allowing foreign investors to access the market without a domestic account, the formal establishment of a Central Counterparty (CCP) company with a go-live in early 2027, and continued progress on the phased rollout of English-language disclosure requirements. On foreign ownership limits, new regulation prevents companies from voluntarily restricting foreign ownership below the applicable legal limit, public companies are required to publish their applicable limits by September 2026 and the authorities are looking to loosen restrictions across a number of sectors. MSCI will continue to monitor the implementation of these reforms closely.

In July 2022, a floor price mechanism was reintroduced across all listed securities in the Bangladesh equity market. Over the following years, the mechanism rendered a significant portion of the market effectively untradable, as securities could not transact below their floor levels. In June 2026, all floor prices were removed from remaining securities.

The Ministry of Finance of the Republic of Croatia and the Croatian Financial Services Supervisory Agency (HANFA) have made notable progress in advancing their strategic framework for the development of the Croatian capital market. The new Credit Institutions Act, which entered into force on March 13, 2026, introduced an amendment allowing shares of credit institutions to be held through omnibus custody accounts; this improvement has been reflected in the Clearing and Settlement criterion. Additionally, the Stability of Institutional Framework criterion has been upgraded to recognize the Croatian market's consistent track record of systemic stability. MSCI is assessing the clarifications announced in April 2026 regarding tax ID requirements for the Investor Registration & Account Set Up criterion, and the potential amendments to the Capital Markets Act expected in June 2026 that

would require issuers to disclose regulated information in both Croatian and English.

Settlement cycle developments have also been observed across several Frontier Markets. Pakistan completed its transition to a T+1 settlement cycle in February 2026. The Bourse Régionale des Valeurs Mobilières (BRVM) completed its transition from T+3 to T+2 in December 2025, serving the eight member states of the West African Economic and Monetary Union (WAEMU). Oman announced a move to T+2 across all securities listed on the Muscat Stock Exchange, effective September 2026, as part of a broader strategy to modernize the market's operational framework.

3.3.1 Advanced Frontier Markets

Following the MSCI 2026 Global Market Accessibility Review, there are no changes to the composition of the Advanced Frontier Markets subcategory. The members remain Estonia, Latvia, Lithuania, Romania and Slovenia.

Among the accessibility developments observed in this review cycle, Romania and Slovenia both recorded an improvement in their Stability of Institutional Framework rating. In both markets, the institutional framework is considered to be in line with other European Developed Markets, with no known government interventions challenging the stability of the free-market economy in recent years.

3.4 Standalone Markets

Market developments in some Standalone Markets have been noted in this review.

On January 1, 2026, Bulgaria joined the Eurozone and transitioned its official currency to the euro. All trading and post-trading operations were successfully transitioned and now operate in euros, with no operational frictions encountered. This development has been noted in the Foreign Exchange Market Liberalization Level criterion. In addition, MSCI has upgraded the Custody criterion as custody and trading accounts are separate following the adoption of MiFID II in Bulgaria.

Panama rating for Investor Registration & Account Set up has been upgraded as the process has improved, with account opening now

typically completed within approximately two business days under normal conditions.

The Trinidad and Tobago Securities and Exchange Commission (TTSEC) website centralizes all acts, bye-laws, rules, orders and guidelines governing the securities market in a single, publicly accessible location. The regulatory framework operates entirely in English and does not present material ambiguity or barriers for foreign investors seeking to understand the applicable rules, resulting in an upgrade of Trinidad and Tobago's Market Regulations assessment.

Nigeria advanced its settlement cycle in phases. Following a transition from T+3 to T+2 in November 2025, the market completed a further move to T+1 in June 2026.

3.5 Summary of the rating changes

Table 2 shows the market assessment evolution, from last year to date, by summarizing the total number of improvements and deteriorations in various assessment categories for the analyzed markets. Most of the changes were related to Stability of Institutional Framework, followed by changes related to Capital Flow Restriction Level.

Table 2: Summary of Improvements/Deteriorations Table (number of markets)

	Developed Markets		Emerging Markets		Frontier Markets		Standalone Markets	
	Improvements	Deteriorations	Improvements	Deteriorations	Improvements	Deteriorations	Improvements	Deteriorations
Openness to foreign ownership								
Investor qualification requirement	-	-	1	-	-	-	-	-
Foreign ownership limit (FOL) level	1	-	-	-	-	-	-	-
Foreign room level	1	1	-	-	-	-	-	-
Equal rights to foreign investors	-	-	-	-	-	-	-	-
Ease of capital inflows / outflows								
Capital flow restriction level	-	-	1	-	1	-	1	-
Foreign exchange market liberalization level	-	-	-	-	-	-	1	-
Efficiency of the operational framework								
Market entry								
Investor registration & account set up	-	-	-	-	-	-	1	-
Market organization								
Market regulations	-	-	1	-	-	-	1	-
Information flow	-	-	-	2	-	-	-	-
Market infrastructure								
Clearing and Settlement	1	-	-	-	1	-	-	-
Custody	-	-	-	-	-	-	1	-
Registry / Depository	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-
Transferability	-	-	-	-	-	-	-	-
Stock lending	-	-	-	-	-	-	-	-
Short selling	-	-	-	-	-	-	-	-
Availability of Investment Instruments	-	-	1	-	-	-	-	-
Stability of institutional framework	-	-	1	-	4	-	-	-
Total	3	1	5	2	6	-	5	-

There were three improvements and one deterioration in the Developed Markets, while there were five improvements and two deteriorations in the Emerging Markets. In the Frontier Markets, there were six improvements and no deteriorations. There were five improvements in the Standalone Markets.

Table 3 illustrates the overall trends in ratings improvements and deteriorations in recent years. The number of changes has increased compared to last year, in which there were twelve improvements and five deteriorations.

Table 3: Trends in Ratings Improvements and Deteriorations

	2026		2025		2024		2023	
	Improvements	Deteriorations	Improvements	Deteriorations	Improvements	Deteriorations	Improvements	Deteriorations
Openness to foreign ownership								
Investor qualification requirement	1	-	-	-	-	-	-	-
Foreign ownership limit (FOL) level	1	-	1	1	2	-	-	-
Foreign room level	1	1	1	2	-	-	1	-
Equal rights to foreign investors	-	-	1	-	-	-	-	-
Ease of capital inflows / outflows								
Capital flow restriction level	3	-	-	-	-	-	-	-
Foreign exchange market liberalization level	1	-	-	1	-	-	-	-
Efficiency of the operational framework								
Market entry								
Investor registration & account set up	1	-	-	-	-	-	-	-
Market organization								
Market regulations	2	-	-	-	-	-	3	1
Information flow	-	2	3	1	-	-	-	-
Market infrastructure								
Clearing and Settlement	2	-	2	-	1	-	-	-
Custody	1	-	1	-	1	-	2	-
Registry / Depository	-	-	-	-	2	-	-	-
Trading	-	-	-	-	1	-	-	-
Transferability	-	-	-	-	1	-	1	-
Stock lending	-	-	1	-	-	-	-	-
Short selling	-	-	2	-	-	1	1	-
Availability of Investment Instruments	1	-	-	-	-	-	-	-
Stability of institutional framework	5	-	-	-	3	-	-	-
Total	19	3	12	5	11	1	8	1

Tables 4, 5, 6, and 7 detail the improvements and deteriorations observed across the assessed criteria for Developed, Emerging, Frontier and Standalone Markets, respectively. A total of nineteen markets exhibited changes in at least one measure.

Table 4: Summary of Improvements/Deteriorations Table for Developed Markets

	Canada	Ireland	Israel
Openness to foreign ownership			
Foreign ownership limit (FOL) level	I	-	-
Foreign room level	I	D	-
Efficiency of the operational framework			
Market infrastructure			
Clearing and Settlement	-	-	I

-: No change; I: Improvement; D: Deterioration

Table 5: Summary of Improvements/Deteriorations Table for Emerging Markets

	Chile	Colombia	Egypt	Saudi Arabia	Turkey	Indonesia	Korea
Openness to foreign ownership							
Investor qualification requirement	-	-	-	I	-	-	-
Ease of capital inflows / outflows							
Capital flow restriction level	I	-	-	-	-	-	-
Efficiency of the operational framework							
Market organization							
Market regulations	-	-	I	-	-	-	-
Information flow	-	-	-	-	D	D	-
Availability of Investment Instruments	-	-	-	-	-	-	I
Stability of institutional framework	-	I	-	-	-	-	-

-: No change; I: Improvement; D: Deterioration

Table 6: Summary of Improvements/Deteriorations Table for Frontier Markets

	Romania	Slovenia	Croatia	Kazakhstan	Kenya
Ease of capital inflows / outflows					
Capital flow restriction level	-	-	-	-	I
Efficiency of the operational framework					
Market infrastructure					
Clearing and Settlement	-	-	I	-	-
Stability of institutional framework	I	I	I	I	-

:- No change; I: Improvement; D: Deterioration

Table 7: Summary of Improvements/Deteriorations Table for Standalone Markets

	Panama	Trinidad & Tobago	Bulgaria	Nigeria
Ease of capital inflows / outflows				
Capital flow restriction level	-	-	-	I
Foreign exchange market liberalization level	-	-	I	-
Efficiency of the operational framework				
Market entry				
Investor registration & account set up	I	-	-	-
Market organization				
Market regulations	-	I	-	-
Market infrastructure				
Custody	-	-	I	-

:- No change; I: Improvement; D: Deterioration

4 Developed Markets

The following comments should be read in conjunction with the market-by-market assessment results that can be found in Appendix II of this document.

4.1 Americas

4.1.1 Canada

Improvement

Foreign Ownership Limit Level: "+" to "++". While some sectors are still subject to foreign ownership limits for up to 49 percent, these limitations have been less than three percent of the Canadian equity market for three consecutive years.

Foreign Room Level: "+" to "++". Following the increase of the adjustment factor for BCE Inc. to 1, the MSCI Canada IMI is no longer impacted by low foreign room.

4.1.2 USA

Foreign Ownership Limit Level: Airline companies are subject to a 25 percent foreign ownership limit. However, this did not result in a negative assessment due to the very limited impact of these ownership limits on the US market.

4.2 Europe, Middle East, and Africa

European airline companies are in general subject to a 50 percent foreign ownership limit for non-European investors but the impact on the different markets is very limited, with the exception of Ireland. Consequently, the presence of these ownership limits did not result in any negative assessments for most of the individual markets.

4.2.1 Ireland

Foreign Ownership Limit Level: Ryanair Holdings is subject to an 80 percent foreign ownership limit for non-EU investors. Currently, this affects more than three percent of the Irish equity market.

Deterioration

Foreign Room Level: "++" to "-". Following a deterioration in the foreign room of Ryanair Holdings, more than one percent of the MSCI Ireland IMI is currently affected by foreign room issues.

4.2.2 Israel

Information Flow: Detailed stock market information is not always disclosed in English.

Improvement

Clearing and Settlement: "+" to "++". The T+1 settlement cycle is no longer an outlier characteristic, as Developed Markets have broadly adopted or are in the process of adopting this cycle. In addition, Israel transitioned its trading week from Sunday-Thursday to Monday-Friday as of January 2026.

4.2.3 Portugal

Stock Lending: Is restricted to certain securities.

Short Selling: Is allowed but is restricted to certain securities.

4.2.4 Spain

Foreign Room Level: The MSCI Spain IMI is impacted by low foreign room due to the adjustment factor applied to International Airlines Group.

Short Selling: Is allowed but is not an established market practice.

4.3 Asia Pacific

4.3.1 Japan

Foreign Ownership Limit Level: The airlines, media and telecommunications industries are impacted by foreign ownership limits. These limitations represent less than three percent of the Japanese equity market.

Equal Rights to Foreign Investors: Company-related information is not always readily available in English. The Tokyo Stock Exchange (TSE) Prime Market issuers are now required to disclose simultaneously in both languages. Additionally, the TSE-led reforms are supporting gradual improvement on corporate governance standards. For securities subject to foreign ownership limits, voting rights may be prorated when the aggregate limit is reached.

Information Flow: Detailed stock market information is in general disclosed in a timely manner, though not always in English. Tokyo Stock Exchange (TSE) Prime Market issuers are now required to disclose simultaneously in both languages. Japanese dividends are usually declared in advance, yet final amounts may be confirmed after the ex-

date, which is uncharacteristic of Developed Markets; estimated amounts are generally available and broadly used by the market.

5 Emerging Markets

The following comments should be read in conjunction with the market-by-market assessment results that can be found in Appendix II of this document.

5.1 Americas

5.1.1 Brazil

Foreign Ownership Limit Level: Certain banking companies are subject to a 30 percent foreign ownership limit. These limitations affect more than three percent of the Brazilian equity market.

Equal Rights to Foreign Investors: Foreign investors are, in general, limited to the non-voting shares of Brazilian banks and, hence, do not have the same voting rights as domestic investors. The general segregation between voting and non-voting shares also negatively impacts the voting rights of minority shareholders due to their limited access to the voting shares. Company related information is not always readily available in English.

Foreign Exchange Market Liberalization Level: There is no offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Investor Registration & Account Set Up: Registration is mandatory, and all foreign investors need to appoint a legal and tax representative prior to entering the market. Following a normative resolution issued in October 2025, ultimate beneficial owner (UBO) disclosure requirements were further tightened, which has added complexity to the registration process.

Market Regulations: Not all regulations can be found in English.

Clearing and Settlement: There is an absence of true omnibus structures in the market. Overdraft facilities are prohibited.

Information Flow: Detailed stock market information is not always disclosed in English.

Transferability: In-kind transfers are allowed but with some restrictions.

Availability of Investment Instruments: Restrictions imposed on the use of stock market data have led to limited availability of investment instruments.

5.1.2 Chile

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Foreign Exchange Market Liberalization Level: There is no offshore deliverable currency market.

Investor Registration & Account Set Up: Registration is mandatory and foreign investors need to obtain a tax ID and provide additional documents to set up local accounts (e.g., power of attorney and letter of good standing from investor's local authority) depending on the registration mechanism chosen by the foreign investor.

Market Regulations: Not all regulations can be found in English.

Information Flow: Detailed stock market information is not always disclosed in English.

Transferability: In-kind transfers and off-exchange transactions are allowed but not an established market practice.

Stock Lending: Is allowed with restrictions and is not an established market practice.

Short Selling: Is allowed with restrictions and is not an established market practice.

Improvement

Capital Flow Restriction Level: "+" to "++". The repatriation process is efficient and can now be completed on the same day.

5.1.3 Colombia

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Capital Flow Restriction Level: Due to some administrative requirements, repatriation of funds can take up some time to be cleared.

Foreign Exchange Market Liberalization Level: The offshore market is restricted and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions and registered with the Central Bank).

Investor Registration & Account Set Up: Registration is mandatory, and all documents must be filed in Spanish. The process of setting up accounts may be lengthy.

Market Regulations: Not all regulations can be found in English.

Information Flow: Detailed stock market information is not always disclosed in English.

Clearing and Settlement: There is no nominee concept as well as a lack of a clear legal basis for omnibus accounts.

Transferability: Off-exchange transactions are prohibited. In-kind transfers are possible with certain restrictions.

Stock Lending: Is allowed but with some restrictions.

Short Selling: Is allowed with restrictions.

Improvement

Stability of Institutional Framework: "-" to "+". Colombia's institutional framework has demonstrated sustained stability over an extended period.

5.1.4 Mexico

Foreign Ownership Limit Level: Restrictions on foreign investment affect a significant proportion of the Mexican equity market. Foreign ownership in a number of companies is only possible through Participation Certificates (CPOs), which, in general, do not provide voting rights.

Equal Rights to Foreign Investors: Holders of CPOs have, in general, no voting rights and, hence, are not at par with domestic investors. In addition, the general segregation between voting and non-voting shares also negatively impacts the voting rights of minority shareholders due to their limited access to the voting shares.

Investor Registration & Account Set Up: Registration is mandatory and foreign investors must have a contract with local agents.

Information Flow: Detailed stock market information is not always disclosed in English.

Short Selling: Is allowed, however, a stock lending trade must be in place in Valpre (electronic securities lending system managed by the Central Securities Depository) before a short selling transaction can be executed.

5.1.5 Peru

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Investor Registration & Account Set Up: Registration is mandatory, but the process is efficient. All documents, however, must be filed in Spanish.

Market Regulations: Not all regulations can be found in English.

Information Flow: Detailed stock market information is not always disclosed in English.

Clearing and Settlement: Omnibus structures and nominee concept are not available. In addition, there is an absence of a real DVP system on the Lima Stock Exchange.

Trading: Limited level of competition among brokers which can lead to relatively higher trading costs.

Transferability: In-kind transfers are allowed but with some restrictions.

Stock Lending: Stock lending through the Lima Stock Exchange (BVL) is only available for highly liquid stocks included in the TVR (Tabla de Valores de Referencia) table. This lending service is not widely used.

Short Selling: Is allowed but is not an established market practice due to the limited capacity.

5.2 Europe, Middle East, and Africa

5.2.1 Czech Republic

Investor Registration & Account Set Up: Registration is not required, but the account setup process can take a significant amount of time.

Market Regulations: Not all regulations can be found in English.

Clearing and Settlement: There is no nominee concept as well as a lack of a clear legal basis for omnibus accounts.

Stock Lending: Is allowed but is not an established market practice due to the limited capacity.

Short Selling: Is allowed but is not an established market practice due to the limited capacity.

5.2.2 Egypt

Equal rights to foreign investors: Company related information is not always available in English.

Foreign Exchange Market Liberalization Level: There is a lack of efficiency on the offshore currency market. Liquidity in the onshore currency market has improved and there is no FX backlog outstanding for foreign investors. MSCI will continue to closely monitor the liquidity of the Egyptian FX market and the capacity of international institutional investors to repatriate their capital without delays. In addition, there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Investor Registration & Account Set Up: Registration is mandatory, but the process is efficient.

Information Flow: Lack of robustness and enforcement of local accounting standards.

Clearing and Settlement: There is no functioning nominee status and omnibus structures are not available for custody purposes.

Trading: Limited level of competition among brokers which can lead to relatively higher trading costs.

Transferability: Off-exchange transactions are prohibited. In-kind transfers can only be executed if there is no change in beneficial owner and subject to the Financial Regulatory Authority's approval.

Stock Lending: Is allowed but is not an established market practice due to the limited capacity.

Short Selling: Is allowed but is not an established market practice due to the limited capacity.

Stability of Institutional Framework: There have been instances of government interventions that challenged the stability of the "free-market" economy as illustrated by frequently changing market regulations.

Improvement

Market Regulations: "-" to "+". There are no regulatory restrictions limiting foreign participation in the market, with the exception of companies incorporated in the Sinai Peninsula. However, relevant

regulations are not available in English, although some progress has been made with certain ones.

5.2.3 Hungary

Foreign Ownership Limit Level: Wizz Air Holding is subject to a 49 percent foreign ownership limit. Currently, this affects more than three percent of the Hungarian equity market.

Foreign Room Level: The MSCI Hungary IMI is impacted by low foreign room due to the adjustment factor applied to Wizz Air Holdings.

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Market Regulations: Not all regulations, particularly recent ones, can be found in English.

Information Flow: Detailed stock market information is not always disclosed in English.

Registry / Depository: There is an absence of a central registry, with some registration done by financial institutions.

Stock Lending: Is allowed but is not an established market practice.

Short Selling: Is allowed but is not an established market practice.

5.2.4 Kuwait

Equal Rights to Foreign Investors: The presence of large strategic shareholders in many Kuwaiti companies may limit the level of transparency and governance in the market.

Investor Registration & Account Set Up: Registration is mandatory, but the process is efficient.

Information Flow: Company related information is not always readily available in English.

Clearing and Settlement: Overdraft facilities are prohibited.

Custody: The introduction of the false trade mechanism has eliminated the need for segregated custody and trading accounts, which were previously required in order to mitigate the risk deriving from local brokers having unlimited access to trading accounts. More time is needed to assess the efficiency of the process.

Transferability: In-kind transfers and off-exchange transactions are allowed with some restrictions and are not yet common practice.

Stock Lending: Is allowed but with some restrictions and is not yet a common practice. In August 2024, the Capital Markets Authority (CMA) issued a resolution to introduce bilateral securities lending and borrowing.

Short Selling: Is allowed with restrictions and is not an established market practice.

5.2.5 Poland

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Information Flow: Detailed stock market information is not always disclosed in English.

Clearing and Settlement: There is no nominee status. The use of omnibus accounts may be restricted to certain foreign entities.

Registry / Depository: There is an absence of a central registry, with some registration done by financial institutions.

Transferability: Off-exchange transactions are allowed but may be subject to a tax.

Stock Lending: Is allowed but is not an established market practice.

Short Selling: Is allowed but is not an established market practice.

5.2.6 Qatar

Foreign Ownership Limit Level: A few companies are subject to a foreign ownership limit of 49 percent. These limitations affect more than three percent but less than ten percent of the Qatari equity market.

Equal Rights to Foreign Investors: The presence of large strategic shareholders in many Qatari companies may limit the level of transparency and governance in the market.

Investor Registration & Account Set Up: Registration is mandatory, but the process is efficient.

Clearing and Settlement: There is no functioning nominee status and omnibus structures are not available. Overdraft facilities are prohibited.

Custody: There are inefficiencies in the local custody workflow that impact pre- and post-trade processes and can result in failed trades. There are also inefficiencies in the existing false trade mechanism.

Transferability: In-kind transfers and off-exchange transactions are allowed with restrictions.

Stock Lending: Securities lending and borrowing facilities are currently only available for use by liquidity providers and as a mechanism to prevent settlement failures.

Short Selling: Is allowed with restrictions and is not an established market practice.

5.2.7 Saudi Arabia

Foreign Ownership Limit Level: Listed companies are generally subject to a foreign ownership limit of 49 percent, while a few companies are fully closed to foreign investors. This affects more than ten percent of the Saudi market.

Equal Rights to Foreign Investors: The rights of foreign investors are limited as a result of the stringent foreign ownership limits.

Investor Registration & Account Set Up: Recent reforms have led to a material improvement in account setup times. Registration is mandatory, but the process is efficient.

Information Flow: Some information is still available only in Arabic.

Clearing and Settlement: There is no nominee status and omnibus structures are not available for custody purposes.

Custody: There are inefficiencies in the local custody workflow that impact pre- and post-trade processes and can result in failed trades. There are also inefficiencies in the existing false trade mechanism.

Transferability: In-kind transfers and off-exchange transactions are prohibited.

Stock Lending: Is allowed but is not an established market practice.

Short Selling: Is allowed but is not an established market practice.

Improvement

Investor Qualification Requirement: "+" to "++". Following a consultation, effective on February 1, 2026, the Capital Market Authority eliminated the concept of the Qualified Foreign Investor (QFI) in the Main Market,

allowing foreign investors to access the market without the need to meet qualification requirements.

5.2.8 South Africa

Clearing and Settlement: Restrictions on the use of overdrafts may be applicable to non-residents.

Transferability: Off-exchange transactions and in-kind transfers are allowed but with some restrictions.

5.2.9 Turkey

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Foreign Exchange Market Liberalization Level: There have been several interventions by the authorities restricting the functioning of the foreign exchange market, including the delay in settlement of some foreign exchange transactions.

Investor Registration & Account Set Up: Registration is mandatory, but the process is efficient.

Market Regulations: Not all regulations can be found in English.

Clearing and Settlement: There is no nominee status and omnibus structures are not available.

Stock Lending: Is restricted to certain securities.

Short Selling: In March 2026, Borsa Istanbul reimposed a ban on short selling across all listed securities. Repeated extensions of the suspension weigh negatively on the long-term assessments of the regulatory framework governing short selling securities.

Availability of Investment Instruments: Restrictions imposed on the use of stock market data have led to limited availability of investment instruments.

Stability of Institutional Framework: Government interventions may call into question the stability of the country's institutional framework.

Deterioration

Information Flow: "+" to "-". Investability concerns remain due to limited transparency in shareholding structures and coordinated trading behavior that undermines proper price formation. In addition, detailed stock market information is not always disclosed in English.

5.2.10 United Arab Emirates

Foreign Ownership Limit Level: Listed companies are in general subject to a foreign ownership limit of 49 percent, but companies may choose to set a lower limit. These limitations affect more than ten percent of the UAE market.

Foreign Room Level: More than 0.3 percent, but less than one percent of the MSCI UAE IMI is impacted by low foreign room due to adjustment factors in several companies.

Equal Rights to Foreign Investors: The rights of foreign investors are limited as a result of the stringent foreign ownership limits and some companies that do not allow foreign investors to vote.

Investor Registration & Account Set Up: Registration is mandatory, but the process is efficient.

Clearing and Settlement: Nominee status and omnibus structures are not available. Omnibus structures were introduced in the Dubai Financial Market in March 2023. However, the Abu Dhabi Securities Exchange and Nasdaq Dubai have not yet introduced these structures.

Custody: There are inefficiencies in the local custody workflow that impact pre- and post-trade processes and can result in failed trades. There are also inefficiencies in the existing false trade mechanism.

Transferability: In-kind transfers are prohibited.

Stock Lending: Is allowed with restrictions and is not an established market practice. In May 2025, the Dubai Financial Market introduced a centralized securities lending and borrowing program.

Short Selling: Is allowed with restrictions and is not an established market practice.

5.3 Asia Pacific

5.3.1 China (international)

The assessment of the accessibility of the China (international) market considers only the Hong Kong listed portion of the China market (e.g., H-shares, Red-Chips and P-Chips).

Foreign Ownership Limit Level: The proportion of Chinese companies' share capital freely accessible to foreign investors is in general limited.

Foreign investors can acquire shares of Chinese companies listed in the Hong Kong Stock exchange, which represents a portion of the total market capitalization of Chinese companies.

Equal Rights to Foreign Investors: Foreign investors have in general limited voting power due to the limited shares available to them.

Market Regulations: Not all regulations can be found in English.

5.3.2 China A Market

Investor Qualification Requirement: Foreign institutional investors are required to apply for a Qualified Foreign Investor (QFI) qualification, which involves meeting specific eligibility requirements. However, there is no qualification requirement for foreign institutional investors accessing the China A market via Stock Connect. In late 2025, the China Securities Regulatory Commission (CSRC) introduced a One-Stop Service to streamline QFI registration, reducing typical approval timelines, and an Express Entry channel to expedite CSRC approval for designated long-term Foreign Patient Capital. More time is needed to assess the efficiency of these measures.

Foreign Ownership Limit Level: A-shares held by all QFIs as well as through the Stock Connect program in a listed company cannot exceed 30% of the total outstanding shares of the company.

Foreign Room Level: More than one percent of the MSCI China A International IMI is impacted by low foreign room. Also, the current threshold of disclosure of foreign holdings does not provide sufficient transparency for the upward revision of the adjustment factors. The threshold of foreign holding disclosure was lowered to 24% from 26% previously since October 2020.

Equal Rights to Foreign Investors: Company related information is not always readily available in English. In addition, the corporate governance standards of some Chinese companies have been questioned by some international institutional investors.

Capital Flow Restriction Level: While regulations on capital flows for QFIs have been simplified and QFIs can independently import funds to invest in securities after registration with China's SAFE (State Administration of Foreign Exchange), there are still reporting requirements for capital repatriation. Notably, under the Stock Connect Northbound channel, there are no such repatriation requirements.

Foreign Exchange Market Liberalization Level: The RMB is not fully convertible onshore, but investors are able to tap into the offshore RMB market in Hong Kong (CNH) for securities settlement through Stock Connect.

Investor Registration & Account Set Up: Registration is mandatory and subject to the China Securities Regulatory Commission (CSRC) approval, but the process is efficient.

Market Regulations: Not all regulations can be found in English.

Information Flow: Detailed stock market information is not always disclosed in English.

Clearing and Settlement: The DVP practice in mainland China remains different from other global markets, and the T+0/T+1 settlement cycle continues to pose operational challenges for some institutional investors. On the Master Special Segregated Account (Master SPSA), there are still areas for improvement on the management of multiple accounts.

Transferability: Off-exchange transactions are prohibited.

Stock Lending: Is allowed with restrictions and is not an established market practice.

Short Selling: Is allowed with restrictions and is not an established market practice.

Availability of Investment Instruments: The existing derivative products provide international institutional investors with a range of investment instruments. However, restrictions on the use of stock market data remain.

5.3.3 India

Investor Qualification Requirement: Foreign investors must register as a Foreign Portfolio Investor (FPI) and obtain a Permanent Account Number (PAN).

Foreign Ownership Limit Level: Several companies are subject to foreign ownership limits depending on sector; these limitations affect more than 10 percent of the Indian equity market.

Foreign Room Level: The equity market is significantly impacted by foreign room issues and there is no active formal foreign board allowing foreign investors to trade among themselves. More than one percent of the MSCI India IMI is impacted by low foreign room. The Central

Depository Service Limited (CDSL) and National Securities Depository Limited (NSDL) monitor foreign ownership levels and issue a warning once the levels are close to being breached.

Equal Rights to Foreign Investors: Rights of foreign investors are limited as a result of the foreign ownership limits.

Foreign Exchange Market Liberalization Level: There is no efficient offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Investor Registration & Account Set Up: Registration is mandatory and subject to Securities and Exchange Board of India (SEBI) approval. A new framework for low-risk foreign investors has recently been introduced, following various initiatives over the past few years to streamline the registration process. Overall, the full account setup process continues to require a significant amount of time and remains complex for the broader foreign investor base.

Market Regulations: The regulatory framework governing foreign investments in India is complex and subject to frequent changes and clarifications.

Clearing and Settlement: There is no nominee status and omnibus structures are not available; overdraft facilities are also prohibited. The current settlement cycle continues to generate operational challenges, including pre-funding requirements and liquidity constraints.

Transferability: In-kind and off-exchange transfers are allowed with restrictions.

Short Selling: Is allowed but all transactions must be reported to the Securities and Exchange Board of India.

Availability of Investment Instruments: Restrictions imposed on the use of stock market data have led to limited availability of investment instruments.

5.3.4 Indonesia

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Foreign Exchange Market Liberalization Level: There is no efficient offshore currency market and there are constraints on the onshore

currency market (e.g., foreign exchange transactions must be linked to security transactions).

Clearing and Settlement: Overdraft facilities for foreign investors are prohibited.

Transferability: In-kind transfers are only allowed in certain cases.

Stock Lending: Is allowed but is restricted to certain securities and to 90-day lending contracts.

Short Selling: Is allowed but with some restrictions.

Deterioration

Information Flow: "+" to "-". Investability concerns remain due to limited transparency in shareholding structures and coordinated trading behavior that undermines proper price formation. Detailed stock market information is not always disclosed in English.

5.3.5 Korea

Foreign Room Level: More than 0.3%, but less than 1% of the MSCI Korea IMI is impacted by low foreign room.

Equal Rights to Foreign Investors: Company-related information is not always readily available in English. The phased mandatory English disclosure framework was introduced in 2023. The second phase started in May 2026, and a third phase planned for 2027 would extend the requirement to all KOSPI-listed companies. The effectiveness will need to be assessed once full implementation is completed.

Foreign Exchange Market Liberalization Level: A fully deliverable offshore currency market is still not available, and constraints persist on the onshore FX market. Building on the MOEF's FX reform announced in 2023 and subsequent measures implemented through 2024–2025, the authorities have outlined further initiatives to align the FX framework with global practices, including plans for 24-hour onshore trading in July 2026 and offshore KRW settlement targeted for 2027.

Investor Registration & Account Set Up: Registration is mandatory. Since December 2023, foreign investors must obtain a Legal Entity Identifier (LEI), which superseded the previous Investor Registration Certificate (IRC) system. The transition between both frameworks remains ongoing, and their coexistence continues to create operational friction, with implications for the use of omnibus account structures.

Information Flow: Detailed stock market information is not always disclosed in English. A phased mandatory English disclosure framework introduced in 2023 has progressively improved disclosure practices. The first phase has concluded. The second phase expands coverage in 2026, with a further phase expected in 2027. Additionally, adoption of the revised dividend distribution procedure remains partial but is progressing.

Clearing and Settlement: Despite recent regulatory measures, settlement is still predominantly conducted on a per-investor-ID basis. Overdraft and omnibus mechanisms are permitted but practical adoption remains limited. The Korea Securities Depository (KSD) recently advanced its settlement start time and reduced the settlement progress payment amounts, partially easing broker pre-settlement funding requirements. However, there is a lack of clarity around the calculation of funding amounts, creating inefficiency in the settlement process.

Transferability: Following regulatory reforms of 2023, in-kind transfers and off-exchange transactions are allowed with restrictions. However, they are not yet common practice.

Short Selling: Is allowed with restrictions. Since the lifting of the ban in early 2025, significant operational friction, compliance burden and regulatory complexity have emerged. MSCI will continue monitoring the effectiveness and stability over time.

Improvement

Availability of Investment Instruments: "-" to "+". Derivatives products linked to Korean indexes have recently been listed on international exchanges. Some restrictions on the use of exchange data for the creation of financial products persist.

5.3.6 Malaysia

Foreign Ownership Limit Level: Industries that are of strategic importance, including the brokerage, insurance, and telecommunication industries, are subject to foreign ownership restrictions ranging from 30 to 70 percent. These limitations still affect more than three percent but less than ten percent of the Malaysian equity market.

Equal Rights to Foreign Investors: Foreign investors holding shares that exceed the foreign ownership limits are not treated equally in terms of voting rights compared with domestic investors holding the same shares in the same company.

Foreign Exchange Market Liberalization Level: There is no efficient offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Transferability: In-kind transfers and off-exchange transactions are allowed with restrictions.

Short Selling: Is allowed but is restricted to certain securities.

5.3.7 Philippines

Foreign Ownership Limit Level: All industries are in general subject to a 40 percent foreign ownership limit. These limitations affect more than ten percent of the Philippine equity market.

Foreign Room Level: More than one percent of the MSCI Philippines IMI is impacted by low foreign room.

Equal Rights to Foreign Investors: Rights of foreign investors are limited as a result of the stringent foreign ownership limits.

Foreign Exchange Market Liberalization Level: There is no offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Clearing and Settlement: Overdraft facilities for foreign investors are prohibited.

Stock Lending: The Philippines Stock Exchange Short Selling Program was implemented in November 2023. However, it is not yet an established market practice.

Short Selling: The Philippines Stock Exchange Short Selling Program was implemented in November 2023. However, it is not yet an established market practice.

5.3.8 Taiwan

Investor Qualification Requirement: Foreign investors must formally apply for a Foreign Institutional Investor (FINI) or a Foreign Individual Investor (FIDI) qualification, but the process is efficient.

Equal Rights to Foreign Investors: Despite recent reforms, company-related information is not always readily available in English.

Foreign Exchange Market Liberalization Level: The New Taiwan Dollar (TWD) is not freely convertible, there is no efficient offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Investor Registration & Account Set Up: Registration is mandatory and approval from the Taiwan Stock Exchange is required. The full account setup process may be lengthy.

Information Flow: Despite recent reforms, company-related information is not always readily available in English.

Clearing and Settlement: There is no nominee status, and the ID system makes it difficult to use omnibus structures. Overdrafts are available with restrictions. Pre-funding practices persist.

Transferability: In-kind transfers and off-exchange transactions are allowed with restrictions and are not yet common practice.

Stock Lending: Is allowed with restrictions.

Short Selling: Is allowed with restrictions.

5.3.9 Thailand

Foreign Ownership Limit Level: Restrictions on foreign investment affect a significant proportion of the Thailand equity market. However, foreign investors can obtain access to Thai companies through Non-Voting Depository Receipts (NVDRs).

Foreign Room Level: There are companies from specific sectors that are unable to issue NVDRs or have limits on NVDR issuance. Prolonged low level of foreign room is found in Bangkok Bank, a major company within the banking industry that is subject to limits on NVDR issuance. More than one percent of the MSCI Thailand IMI is impacted by low foreign room.

Equal Rights to Foreign Investors: By definition, foreign investors holding NVDRs are not treated equally in terms of voting rights compared with domestic investors holding common stock in the same company. In addition, company related information is not always readily available in English.

Foreign Exchange Market Liberalization Level: There is no efficient offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Clearing and Settlement: There is no nominee status in the market.

Stock Lending: Is allowed with restrictions.

Short Selling: Is allowed with restrictions.

6 Frontier Markets

The following comments should be read in conjunction with the market-by-market assessment results that can be found in Appendix II of this document.³

6.1 Advanced Frontier Markets

6.1.1 Romania

Clearing and Settlement: There is no nominee status and omnibus structures are available, but with special conditions.

Transferability: Free-of-Payment (FOP) transfers can only be executed if there is no change in beneficial owner.

Improvement

Stability of Institutional Framework: "+" to "++". The market stability is in line with other markets in the Eurozone.

6.1.2 Slovenia

Trading: There is a limited level of competition among brokers which can lead to relatively higher trading costs.

Improvement

Stability of Institutional Framework: "+" to "++". The market stability is in line with other markets in the Eurozone.

6.2 Frontier Markets – Europe, Middle East, and Africa

6.2.1 Bahrain

Investor Registration & Account Set Up: Registration is mandatory, but the process is efficient. A new investor onboarding platform was planned for launch in early 2026. More time is needed to assess the impact on the timeliness of investor registration from this reform.

Information Flow: Stock market information is often not complete and often is not disclosed in a timely manner.

Clearing and Settlement: There is no functioning nominee status and omnibus structures are not available.

³ Stock lending and short selling are activities that are either not developed or are completely prohibited in all Frontier Markets and the summary does not highlight these issues on a market-by-market basis.

Custody: There are inefficiencies in the local custody workflow connected with the existing dual account structure. These can at times impact pre-trade processes in the market.

Transferability: Off-exchange transactions are prohibited. In-kind transfers are possible with certain restrictions.

6.2.2 Croatia

Investor Registration & Account Set Up: Registration is mandatory and the account setup process can take a significant amount of time. More time is needed to assess the clarifications for the tax ID requirements released in April 2026.

Information Flow: Detailed stock market information is not always disclosed in English. The transposition of EU Directive 2024/2811 into Croatian law, expected by June 5, 2026, may have implications for the availability of English-language information.

Trading: Limited level of competition among brokers which can lead to relatively higher trading costs.

Improvement

Clearing and Settlement: "+" to "++". Following amendments to the Credit Institutions Act effective on March 13, 2026, shares of local credit institutions may now be held either in segregated or omnibus custody account structures.

Stability of Institutional Framework: "+" to "++". The market stability is in line with other markets in the Eurozone.

6.2.3 Iceland

Foreign ownership limit (FOL) level: Fisheries companies are impacted by a 25 percent foreign ownership limit. In addition, aviation companies are subject to a foreign ownership limit of 49 percent. These restrictions now impact more than ten percent of the Iceland equity market.

Foreign room level: The adjustment factors applied to the fisheries companies for low foreign room impact over one percent of the MSCI Iceland IMI.

Foreign Exchange Market Liberalization Level: There is no offshore currency market and liquidity can at times be limited in the onshore currency market.

Investor Registration & Account Set Up: Registration is required, but the process is efficient.

6.2.4 Jordan

Equal Rights to Foreign Investors: The presence of large strategic shareholders in many Jordanian companies may limit the level of transparency and governance in the market.

Information Flow: Detailed stock market information is not always available in English.

Clearing and Settlement: There is no functioning nominee status and omnibus structures are not available. Overdraft facilities are not available for foreign investors.

Trading: There is a limited level of competition among brokers which can lead to relatively higher trading costs.

Transferability: In-kind transfers and off-exchange transactions are prohibited.

6.2.5 Kazakhstan

Foreign Exchange Market Liberalization Level: There is no offshore currency market.

Investor Registration & Account Set Up: Registration is mandatory, and documents must be legalized and translated into Kazakh or Russian.

Information Flow: Detailed stock market information is not always available in English.

Clearing and Settlement: T+2 settlement is available for liquid equity securities. However, partial pre-funding is still required for these transactions.

Transferability: In-kind transfers with change of beneficial ownership are possible either through the central depository or the central registry. Off-exchange transactions are possible but with some restrictions.

Improvement

Stability of Institutional Framework: "-" to "+". There have been no known interventions from the government that challenged the stability of the "free-market" economy in recent years.

6.2.6 Kenya

Foreign Exchange Market Liberalization Level: There is no offshore currency market. Market participants have indicated that liquidity in the FX market and the ability to repatriate capital from Kenya has improved.

Investor Registration & Account Set Up: The process to set up accounts can take up to one week.

Clearing and Settlement: Short-term overdrafts are not permitted and pre-funding is required. In addition, there are operational concerns related to the use of omnibus accounts.

Registry / Depository: There is an absence of a central registry, with some registration done by financial institutions.

Trading: There is a very limited level of competition among brokers which can lead to high trading costs.

Transferability: Off-exchange transactions are prohibited. In-kind transfers are allowed with restrictions.

Improvement

Capital Flow Restriction Level: "+" to "++". Market participants confirm that the process of moving capital in and out of Kenya is efficient.

6.2.7 Mauritius

Foreign Exchange Market Liberalization Level: There is no offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Clearing and Settlement: There is no nominee status and omnibus structures are not available.

Trading: There is a very limited level of competition among brokers which can lead to high trading costs.

Transferability: Off-exchange transactions are prohibited. There are restrictions on in-kind transfers.

6.2.8 Morocco

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Capital Flow Restriction Level: In general, there are no capital flow restrictions but the absence of evidence of foreign currency inflows may result in restrictions on the capital outflows. Repatriation has to be performed only using convertible Moroccan Dirham accounts. Investments funded by inward remittance are required to be reported to the Exchange Control Office.

Foreign Exchange Market Liberalization Level: There are restrictions on the offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Market Regulations: Not all regulations can be found in English.

Information Flow: Detailed stock market information is not always disclosed in English.

Clearing and Settlement: There is no legal recognition of nominee status. In addition, there are restrictions on overdraft facilities for foreign investors.

Trading: The limited level of competition among brokers may lead to relatively higher trading costs.

Transferability: Off-exchange transactions are allowed with restrictions.

6.2.9 Oman

Equal Rights to Foreign Investors: The presence of large strategic shareholders in many Omani companies may limit the level of transparency and governance in the market.

Investor Registration & Account Set Up: Registration is mandatory, but the process is efficient.

Clearing and Settlement: There is no functioning nominee status and omnibus structures are not available. Overdraft facilities are not available for foreign investors.

Transferability: Off-exchange transactions are prohibited. In-kind transfers can only be executed if there is no change in beneficial owner.

6.2.10 Serbia

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Capital Flow Restriction Level: Due to some administrative requirements, repatriation of funds can be lengthy.

Foreign Exchange Market Liberalization Level: There is no offshore currency market.

Investor Registration & Account Setup: The process of setting up accounts may be lengthy. Registration is mandatory, and all foreign investors need to appoint a legal and tax representative.

Information Flow: Detailed stock market information is not always disclosed in English.

Clearing and Settlement: Overdraft facilities are restricted to foreign banks.

Trading: There is a limited level of competition among brokers which can lead to high trading costs.

Transferability: Off-exchange transactions are prohibited. In-kind transfers and overdraft facilities are available with restrictions.

6.2.11 Tunisia

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Foreign Exchange Market Liberalization Level: There is no offshore currency market.

Market Regulations: Not all regulations can be found in English.

Information Flow: There is a lack of robustness in, and enforcement of, local accounting standards. In addition, detailed stock market information is not always disclosed in English.

Clearing and Settlement: There is no nominee status and overdraft facilities for foreign investors are prohibited.

Custody: There are limited active custodians available in the market.

Trading: There is a very limited level of competition among brokers which can lead to high trading costs.

Transferability: Off-exchange transactions are prohibited. Free-of-Payment (FOP) transfers can only be executed if there is no change in beneficial owner.

Stability of Institutional Framework: Inability to enforce some provisions of the country's Constitution has put into question the stability of the institutional framework.

6.2.12 WAEMU⁴

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Foreign Exchange Market Liberalization Level: There is no offshore currency market.

Investor Registration & Account Set Up: The process of setting up accounts may be lengthy.

Market Regulations: Not all regulations can be found in English.

Information Flow: Lack of robustness and enforcement of local accounting standards. In addition, detailed stock market information is not always available in English.

Clearing and Settlement: There is no nominee status in the market and overdraft facilities are prohibited.

Trading: There is a limited level of competition among brokers which can lead to high trading costs.

Transferability: Off-exchange transactions are prohibited. In-kind transfers are possible but must be approved by the stock exchange.

6.3 Frontier Markets - Asia Pacific

6.3.1 Bangladesh

Capital Flow Restriction level: The shares of an issuer held by foreign investors, at the time of according consent to the IPO, shall be subject to a one-year lock-in from the first trading day at the exchange.

Foreign Exchange Market Liberalization Level: There is no efficient offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

⁴ The West African Economic and Monetary Union (WAEMU) consists of the following countries: Benin, Burkina Faso, Guinea-Bissau, Ivory Coast, Mali, Niger, Senegal, and Togo.

Investor Registration & Account Set Up: There are heavy documentation requirements and a need to apply for a Non-Resident Investor's Taka Account (NITA).

Market Regulations: Not all regulations can be found in English.

Clearing and Settlement: There is no nominee status and omnibus structures are not available. Overdraft facilities are prohibited.

Trading: There is a limited level of competition among brokers which can lead to higher trading costs. Floor prices have been removed across all remaining stocks.

Transferability: Off-exchange transactions are prohibited.

Stability of Institutional Framework: There have been instances of government interventions that challenged the stability of the "free-market" economy as illustrated by frequently changing market regulations. A floor price mechanism was reintroduced across all listed securities in July 2022 and subsequently lifted in June 2026. During the restriction, a significant portion of the market was effectively untradable as securities could not transact below their floor levels.

6.3.2 Pakistan

Foreign exchange market liberalization level: There is no offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions). Currency conversions must be executed through a Special Convertible Rupee Account.

Investor Registration & Account Set Up: Registration is mandatory. The process of setting up accounts may be lengthy.

Market Regulations: Regulations have frequently changed over the past few years.

Clearing and Settlement: Omnibus structures are not available. Direct overdraft facilities remain prohibited.

Stability of Institutional Framework: There have been instances of interventions that challenged the stability of the "free-market" economy as illustrated by frequently changing market regulations.

6.3.3 Sri Lanka

Investor Qualification Requirement: International institutional investors are required to obtain approval from the Sri Lanka Securities Exchange Commission (SEC) prior to entering the market.

Foreign Exchange Market Liberalization Level: There are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Investor Registration & Account Set Up: Registration is mandatory. The process of setting up accounts may be lengthy.

Clearing and Settlement: Overdraft facilities for foreign investors are prohibited.

Trading: There is a very limited level of competition among brokers which can lead to high trading costs.

Transferability: Off-exchange and in-kind transfers are allowed with restrictions and require prior approval from the SEC.

6.3.4 Vietnam

Foreign Ownership Limit Level: Companies in certain conditional and sensitive sectors are subject to foreign ownership limits ranging from zero to 75 percent. These limitations still affect more than ten percent of the Vietnamese equity market. Recent regulations prohibit companies from self-imposing foreign ownership limits below the legal maximum and require public companies to disclose applicable limits by September 2026.

Foreign Room Level: The equity market is significantly impacted by foreign room issues. More than one percent of the MSCI Vietnam IMI is impacted by low foreign room.

Equal Rights to Foreign Investors: Some company related information is not always readily available in English. In addition, the rights of foreign investors are limited as a result of the stringent foreign ownership limits imposed on both total as well as individual foreign investors.

Foreign Exchange Market Liberalization Level: There is no offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Investor Registration & Account Set Up: Registration is mandatory and account setup requires the approval of the Vietnam Securities Depository and Clearing Corporation (VSDC).

Market Regulations: Not all regulations can be found in English.

Information Flow: Stock market information is not always disclosed in English and occasionally is not detailed enough. In September 2024, the Ministry of Finance outlined a roadmap requiring public companies to disclose information in English. This will be done in phases starting January 1, 2025 and ending January 1, 2028. MSCI will monitor the implementation of this change. As Vietnam is a low free float market, certain companies with low free float have been flagged to create investability, transparency and price discovery concerns.

Clearing and Settlement: There are no overdraft facilities. While Vietnam has implemented a short-term non-prefunding solution, a full, long-term non-prefunding framework is expected to be introduced with the full implementation of the Central Clearing Counterparty (CCP) model, currently targeted for 2027.

Transferability: Following changes in regulation, more types of off-exchange transactions and in-kind transfers can be executed without the need for regulatory pre-approval, leading to volumes for these transactions increasing significantly in recent years. However, VSDC typically takes several days to review required documentation before these transactions can be executed.

7 Standalone Markets

The following comments should be read in conjunction with the market-by-market assessment results that can be found in Appendix II of this document.⁵

Standalone Markets include all markets covered by MSCI but not included in the MSCI Composite Indexes. This category includes potential candidates for the MSCI Frontier Markets Indexes that currently do not meet the minimum liquidity requirements as well as markets that are currently partially or fully closed to foreign investors.

7.1 Americas

7.1.1 Argentina

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Capital Flow Restriction Level: While the easing of capital controls in April 2025 allowed foreign investors to repatriate new proceeds from equity investments, this remains subject to documentary conditions. Furthermore, prior earnings remain subject to restrictions and may not be freely repatriated.

Foreign Exchange Market Liberalization Level: There is no offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Investor Registration & Account Setup: All documents must be filed in Spanish.

Market Regulations: Not all regulations can be found in English.

Information Flow: Detailed stock market information is not always disclosed in English.

Clearing and Settlement: There is no nominee status in the market. Overdraft facilities remain prohibited.

Trading: Limited level of competition among brokers which can lead to relatively higher trading costs.

⁵ Stock lending and short selling are activities that are either not developed or are completely prohibited in Standalone Markets and the summary does not highlight these issues on a market-by-market basis.

Transferability: Off-exchange transactions are allowed with restrictions.

Availability of Investment Instruments: Restrictions imposed on the use of stock market data have led to limited availability of investment instruments.

Stability of Institutional Framework: There have been instances of government interventions that challenged the stability of the “free-market” economy, including with respect to investment activities of foreign investors.

7.1.2 Jamaica

Clearing and Settlement: Omnibus structures are not available. In addition, there is an absence of a real DVP system.

Custody: Absence of active local custodians.

Registry / Depository: There is an absence of a central registry, with some registration done by financial institutions.

Trading: There is a very limited level of competition among brokers which can lead to high trading costs.

Transferability: Off-exchange transactions are limited and not an established market practice.

7.1.3 Panama

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Market Regulations: Not all regulations can be found in English.

Information Flow: Detailed stock market information is not always disclosed in English.

Clearing and Settlement: Pre-funding of trades is required.

Custody: There is only one active custodian available to foreign investors.

Registry / Depository: There is an absence of a central registry, with some registry at issuer level.

Trading: There is a very limited level of competition among brokers which can lead to high trading costs.

Transferability: Off-exchange transactions are allowed but are not a common practice. In-kind transfers are possible with certain restrictions.

Improvement

Investor Registration & Account Set Up: "-" to "+". The account opening process can now be completed in a short timeframe. Registration remains mandatory, but the process is efficient.

7.1.4 Trinidad and Tobago

Foreign Exchange Market Liberalization Level: There is an absence of an offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be executed by the local custodian).

Investor Registration & Account Set Up: Registration is mandatory and approval from the Ministry of Finance is required. The process of setting up accounts may be lengthy.

Information Flow: Occasionally stock market information is not disclosed in a timely manner.

Clearing and Settlement: Omnibus structures are not available. Overdraft facilities are prohibited.

Custody: The Trinidad and Tobago Central Depository is the only registered custodian.

Registry / Depository: There is an absence of a central registry, with some registry at issuer level.

Trading: There is a very limited level of competition among brokers which can lead to high trading costs.

Transferability: Off-exchange transactions are prohibited, and in-kind transfers are restricted.

Improvement

Market Regulations: "+" to "++". Acts, byelaws, rules, orders and guidelines governing the securities market are centralized and publicly available on the Trinidad & Tobago Securities and Exchange Commission (TTSEC) website.

7.2 Europe, Middle East, and Africa

7.2.1 Bosnia and Herzegovina

Equal Rights to Foreign Investors: Company related information is not readily available in English at the Banja Luka Stock Exchange (BLSE).

Foreign Exchange Market Liberalization Level: There is no offshore currency market.

Market Regulations: Not all regulations can be found in English. Financial system is quite fragmented as the country continues to have two semi-autonomous political entities, judicial system and stock exchange.

Information Flow: Stock market information, including dividend information, is often not complete and is not always disclosed in English. There is no central source for this type of information.

Clearing and Settlement: Pre-funding of trades is required by the Registry of Securities of the Federation of Bosnia and Herzegovina.

Trading: There is a very limited level of competition among brokers which can lead to high trading costs.

Transferability: In-kind transfers and off-exchange transactions are restricted.

7.2.2 Bulgaria

Investor Registration & Account Set Up: The process to set up an account is lengthy due to the requirement to provide several documents in notarized form.

Information Flow: Stock market information is occasionally not disclosed in a timely manner and there is no central source of such information.

Improvement

Foreign Exchange Market Liberalization Level: "+" to "++". On January 1, 2026, Bulgaria joined the Eurozone and transitioned its official currency to the euro. All trading and post-trading operations were successfully transitioned and now operate in euros, with no operational frictions encountered.

Custody: "-" to "+". Custody and trading accounts are separate following adoption of MiFID II in Bulgaria. Omnibus account structures are available but its utility and convenience for international institutional investors remain to be assessed.

7.2.3 Lebanon

Investor Qualification Requirement: Israeli nationals are formally prohibited from investing in Lebanese companies.

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Capital Flow Restriction Level: Since October 2019, restrictions were implemented on the repatriation of funds outside Lebanon. This has impacted the ability of foreign investors to repatriate funds from investments in the local equity market.

Foreign Exchange Market Liberalization Level: There is no offshore currency market and there are constraints on the onshore currency market (e.g., foreign investors are not allowed to hold Lebanese pound balances and foreign exchange transactions must be linked to security transactions).

Investor Registration & Account Set Up: Registration is mandatory and may take up to five days.

Market Regulations: Not all regulations can be found in English.

Information Flow: Detailed stock market information is not always disclosed in English.

Clearing and Settlement: There is no functioning nominee status and omnibus structures are not available. Overdraft facilities remain prohibited.

Custody: Segregated custody and trading accounts are required in order to mitigate the risk deriving from local brokers having unlimited access to trading accounts. In addition, there is an absence of global custodians in the market.

Registry / Depository: There is an absence of a central registry, with some registry at issuer level. Not all listed shares are dematerialized.

Transferability: In-kind transfers and off-exchange transactions are prohibited.

Stability of Institutional Framework: The political situation in the country may call into question the stability of its institutional framework.

7.2.4 Nigeria

Equal Rights to Foreign Investors: In general, the rights of minority shareholders are negatively impacted by the scarcity of relevant information.

Foreign Exchange Market Liberalization Level: There is no offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Market Regulations: Not all relevant information is readily available to foreign investors.

Information Flow: There is limited information available to foreign investors regarding market regulations and the shareholding structure for Nigerian banks.

Registry / Depository: Nigeria operates a central securities depository that functions as the de facto registry for listed equities, with issuer-level registrars maintaining legal records.

Trading: There is a very limited level of competition among brokers which can lead to high trading costs.

Transferability: In-kind transfers and off-exchange transactions are restricted.

Stability of Institutional Framework: There have been instances of government interventions that challenged the stability of the “free-market” economy as illustrated by frequently changing market regulations.

Improvement

Capital Flow Restriction Level: “-” to “+”. A certificate of foreign currency inflow is required for any capital repatriation. Following the liberalization of the Nigerian FX market, the capital repatriation process has improved.

7.2.5 Palestine

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Foreign Exchange Market Liberalization Level: All transactions are carried out in foreign currency as the country does not issue its own currency.

Investor Registration & Account Set Up: Registration is mandatory, but the process is efficient.

Information Flow: Detailed stock market information is not always disclosed in English.

Clearing and Settlement: Overdraft facilities for foreign investors are prohibited. In addition, there is no nominee status and omnibus structures are not available.

Custody: A number of global and local custodian banks currently operate in the market. More time is needed to assess the efficiency of the local custody process.

Trading: There is a limited level of competition among brokers which can lead to higher trading costs.

Transferability: In-kind transfers and off-exchange transactions are prohibited.

Stability of Institutional Framework: Instability in the political landscape may call into question the stability of the country's institutional framework.

7.2.6 Ukraine

Equal Rights to Foreign Investors: Company related information is not always readily available in English.

Capital Flow Restriction Level: Following the liberalization of the foreign exchange framework in 2019, capital flow restrictions were introduced from February 2022 under martial law. These measures include limitations on the timing and size of capital outflows, particularly for dividend repatriation, as well as enhanced onshore FX processing requirements. While some easing has occurred, restrictions on capital outflows remain in place.

Foreign Exchange Market Liberalization Level: There is no offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to security transactions).

Investor Registration & Account Set Up: Registration is mandatory and requires a significant amount of manual paperwork. The process is difficult and requires a lot of time to complete.

Market Regulations: Regulations are not fully enforced by the supervisory authority resulting in many investors trading over the counter. In addition, not all relevant information can be found in English.

Information Flow: Stock market information is often not complete and is often not disclosed in a timely manner. In addition, the information is often not in English.

Clearing and Settlement: Equity settlement is conducted on a T+0 basis and relies on a prefunded model. Overdrafts are not permitted.

Custody: There is no formal segregation between custody and trading accounts.

Registry / Depository: The depository and registry workflow remain inefficient.

Trading: There is a very limited level of competition among brokers which can lead to high trading costs.

Transferability: In-kind transfers are allowed but with some restrictions.

Stability of Institutional Framework: There have been instances of government interventions that challenged the stability of the “free-market” economy.

7.2.7 Zimbabwe

Foreign Ownership Limit Level: Listed companies are, in general, subject to a 49 percent foreign ownership limit. Currently, this affects more than ten percent of the Zimbabwe equity market.

Equal Rights to Foreign Investors: Rights of foreign investors are limited as a result of the stringent foreign ownership limits.

Capital Flow Restriction Level: Repatriation costs via the repatriation mechanism are relatively high and the process takes a long time.

Foreign Exchange Market Liberalization Level: There is no offshore currency market and there are constraints on the onshore currency market (e.g., foreign exchange transactions must be linked to an external payment and executed through authorized dealers). The Reserve Bank of Zimbabwe (RBZ) introduced the Zimbabwe Gold (ZiG) in April 2024; however, the ZiG remains illiquid and has not materially improved convertibility or foreign exchange market efficiency.

Information Flow: Detailed stock market information is not always disclosed in a timely manner.

Market Regulations: Most regulations are publicly available. However, the regulatory framework has frequently changed over the past few years (e.g., FX market), and there are concerns about the full enforcement of laws and regulations.

Clearing and Settlement: Omnibus structures are not available and pre-funding of trades is required. Overdraft facilities are not available for foreign investors.

Registry / Depository: The central securities depository and the central registry are not yet fully efficient.

Custody: There are limited active custodians available in the market.

Trading: There is a very limited level of competition among brokers which can lead to high trading costs.

Transferability: In-kind transfers and off-exchange transactions are prohibited.

Stability of Institutional Framework: There is a lack of enforcement of the rule of law.

8 Appendices

8.1 Appendix I: MSCI Market Classification Framework

The classification of markets is a key input in the process of index construction as it drives the composition of the investment opportunity sets to be represented. The approach used by MSCI aims to reflect the views and practices of the international investment community by striking a balance between a country's economic development and the accessibility of its market while preserving index stability.

The MSCI Market Classification Framework consists of three criteria: Economic Development, Size and Liquidity Requirements as well as Market Accessibility.

In order to be classified in a given investment universe, a country must meet the requirements of all three criteria as described in the table below.

Criteria	Frontier	Emerging	Developed
A Economic Development			
A.1 Sustainability of economic development	No requirement	No requirement	Country GNI per capita 25% above the World Bank high income threshold * for 3 consecutive years
B Size and Liquidity Requirements			
B.1 Entry requirement			
Number of companies meeting the following Standard Index criteria over each of the last 8 Index Reviews	1	3	5
Company size (full market cap) **	USD 232 mm	USD 3,937 mm	USD 7,874 mm
Security size (float market cap) **	USD 116 mm	USD 1,969 mm	USD 3,937 mm
Security liquidity	2.5% ATVR	15% ATVR	20% ATVR
B.2 Maintenance requirements			
Number of companies meeting the following Standard Index criteria	-	1	1
Company size (full market cap) **	USD 232 mm	USD 3,937 mm	USD 7,874 mm
Security size (float market cap) **	USD 116 mm	USD 1,969 mm	USD 3,937 mm
Security liquidity	2.5% ATVR	15% ATVR	20% ATVR
Minimum number of securities in the Market Investable Equity Universe	1	3	5
C Market Accessibility Criteria			
C.1 Openness to foreign ownership	At least some	Significant	Very high
C.2 Ease of capital inflows / outflows	At least partial	Significant	Very high
C.3 Efficiency of operational framework	Modest	Good and tested	Very high
C.4 Availability of investment instrument	High	High	Unrestricted
C.5 Stability of the institutional framework	Modest	Modest	Very high

* High income threshold: 2024 GNI per capita of USD 13,935 (World Bank, Atlas method)

** Minimum in use for the May 2026 Index Review, updated on a quarterly basis

The economic development criterion is only used in determining the classification of Developed Markets while that distinction is not relevant between Emerging and Frontier Markets given the very wide variety of development levels within each of these two universes.

The Size and Liquidity Requirements are based on the minimum investability requirements for the MSCI Global Standard Indexes. The Size and Liquidity Entry Requirements are used for evaluating markets for reclassification, requiring a minimum number of companies meeting Standard Index criteria over each of the last 8 Index Reviews. On the other hand, Size and Liquidity Maintenance Requirements assess the current classification of markets using a minimum number of companies meeting Standard Index criteria and minimum number of securities in the Market Investable Equity Universe based on latest data. For additional details, please refer to the MSCI Global Investable Market Indexes methodology book at www.msci.com/index-methodology.

For Developed Markets consolidated at the regional level (e.g., DM Europe), MSCI applies Size and Liquidity Requirements on each individual market within the region. For Emerging or Frontier Markets consolidated at the regional level (e.g., WAEMU and Baltic States), the Size and Liquidity Requirements are assessed on a consolidated basis (i.e., treated as a single market).

While the Size and Liquidity Entry and Maintenance Requirements will serve as general triggers for a potential consultation, MSCI will assess each unique case independently to decide on whether to consult based on this criterion.

Market accessibility aims to reflect international institutional investors' experience of investing in a given market and as a result, this criterion includes several sub-criteria. These criteria are generally based on qualitative measures that are reviewed for all markets at least once a year during the MSCI Global Market Accessibility Review.

MSCI regularly reviews the market classification of all markets included in the MSCI Indexes to ensure that they remain reflective of the evolution of the different markets. In particular, changes in the assessments under the classification framework serve as the basis for determining the markets that will be reviewed for potential market reclassification as part of the Annual Market Classification Review.

MSCI will only consider markets for upgrade if a change in classification status can be viewed as irreversible. Every June, MSCI will communicate its conclusions from the discussions with the investment community on the list of markets under review and announce the new list of markets, if any, under review for potential market reclassification in the upcoming cycle. While adhering to the regular timeline for such communication

helps provide greater predictability and is less disruptive to a market's normal functioning, MSCI may from time to time exercise prudent discretion and consider off-cycle communications should significant market events take place outside the regular review cycle.

Advanced Frontier Markets

Beginning with the 2025 MSCI Market Classification Review, MSCI introduced a new subcategory within the Frontier Markets universe: Advanced Frontier Markets (Advanced FM).

This subcategory identifies Frontier Markets that demonstrate market accessibility characteristics closely aligned with those of Developed Markets but remain classified as Frontier Markets due to their size and liquidity constraints.

To be classified as an Advanced FM, a market must meet the following criteria:

- Market Accessibility assessments must show no more than two deviations from the highest rating (++), across the key focus areas of efficiency of the operational framework (excluding stock lending and short selling), openness to foreign ownership, and ease of capital inflows/outflows.
- The market must be rated ++ on capital flow restriction levels, indicating no constraints.

MSCI will announce and review any changes to the composition of the Advanced FM subcategory annually, in conjunction with the publication of the MSCI Global Market Accessibility Review.

The MSCI Frontier Markets classification and the MSCI Frontier Market Indexes are not impacted by this subcategory.

8.2 Appendix II: Assessment Results

8.2.1 Developed Markets

	Americas		EMEA									
	Canada	USA	Austria	Belgium	Denmark	Finland	France	Germany	Ireland	Israel	Italy	Netherlands
Openness to foreign ownership												
Investor qualification requirement	++	++	++	++	++	++	++	++	++	++	++	++
Foreign ownership limit (FOL) level	++	++	++	++	++	++	++	++	+	++	++	++
Foreign room level	++	++	++	++	++	++	++	++	-	++	++	++
Equal rights to foreign investors	++	++	++	++	++	++	++	++	++	++	++	++
Ease of capital inflows / outflows												
Capital flow restriction level	++	++	++	++	++	++	++	++	++	++	++	++
Foreign exchange market liberalization level	++	++	++	++	++	++	++	++	++	++	++	++
Efficiency of the operational framework												
Market entry												
Investor registration & account set up	++	++	++	++	++	++	++	++	++	++	++	++
Market organization												
Market regulations	++	++	++	++	++	++	++	++	++	++	++	++
Information flow	++	++	++	++	++	++	++	++	++	+	++	++
Market infrastructure												
Clearing and Settlement	++	++	++	++	++	++	++	++	++	++	++	++
Custody	++	++	++	++	++	++	++	++	++	++	++	++
Registry / Depository	++	++	++	++	++	++	++	++	++	++	++	++
Trading	++	++	++	++	++	++	++	++	++	++	++	++
Transferability	++	++	++	++	++	++	++	++	++	++	++	++
Stock lending	++	++	++	++	++	++	++	++	++	++	++	++
Short selling	++	++	++	++	++	++	++	++	++	++	++	++
Availability of Investment Instruments	++	++	++	++	++	++	++	++	++	++	++	++
Stability of institutional framework	++	++	++	++	++	++	++	++	++	++	++	++

++: no issues; +: no major issues, improvements possible; -: improvements needed

	EMEA						Asia Pacific				
	Norway	Portugal	Spain	Sweden	Switzerland	United Kingdom	Australia	Hong Kong	Japan	New Zealand	Singapore
Openness to foreign ownership											
Investor qualification requirement	++	++	++	++	++	++	++	++	++	++	++
Foreign ownership limit (FOL) level	++	++	++	++	++	++	++	++	++	++	++
Foreign room level	++	++	-	++	++	++	++	++	++	++	++
Equal rights to foreign investors	++	++	++	++	++	++	++	++	+	++	++
Ease of capital inflows / outflows											
Capital flow restriction level	++	++	++	++	++	++	++	++	++	++	++
Foreign exchange market liberalization level	++	++	++	++	++	++	++	++	++	++	++
Efficiency of the operational framework											
Market entry											
Investor registration & account set up	++	++	++	++	++	++	++	++	++	++	++
Market organization											
Market regulations	++	++	++	++	++	++	++	++	++	++	++
Information flow	++	++	++	++	++	++	++	++	+	++	++
Market infrastructure											
Clearing and Settlement	++	++	++	++	++	++	++	++	++	++	++
Custody	++	++	++	++	++	++	++	++	++	++	++
Registry / Depository	++	++	++	++	++	++	++	++	++	++	++
Trading	++	++	++	++	++	++	++	++	++	++	++
Transferability	++	++	++	++	++	++	++	++	++	++	++
Stock lending	++	+	++	++	++	++	++	++	++	++	++
Short selling	++	+	+	++	++	++	++	++	++	++	++
Availability of Investment Instruments	++	++	++	++	++	++	++	++	++	++	++
Stability of institutional framework	++	++	++	++	++	++	++	++	++	++	++

++: no issues; +: no major issues, improvements possible; -: improvements needed

8.2.2 Emerging Markets

	Americas					EMEA						
	Brazil	Chile	Colombia	Mexico	Peru	Czech Republic	Egypt	Greece	Hungary	Kuwait	Poland	Qatar
Openness to foreign ownership												
Investor qualification requirement	++	++	++	++	++	++	++	++	++	++	++	++
Foreign ownership limit (FOL) level	+	++	++	-	++	++	++	++	+	++	++	+
Foreign room level	++	++	++	++	++	++	++	++	+	++	++	++
Equal rights to foreign investors	-	+	+	-	+	++	+	++	+	+	+	+
Ease of capital inflows / outflows												
Capital flow restriction level	++	++	+	++	++	++	++	++	++	++	++	++
Foreign exchange market liberalization level	-	+	-	++	++	++	-	++	++	++	++	++
Efficiency of the operational framework												
Market entry												
Investor registration & account set up	-	-	-	+	+	+	+	++	++	+	++	+
Market organization												
Market regulations	+	+	+	++	+	+	+	++	+	++	++	++
Information flow	+	+	+	+	+	++	+	++	+	+	+	++
Market infrastructure												
Clearing and Settlement	-	++	+	++	-	+	+	++	++	+	+	+
Custody	++	++	++	++	++	++	++	++	++	+	++	+
Registry / Depository	++	++	++	++	++	++	++	++	+	++	+	++
Trading	++	++	++	++	+	++	+	++	++	++	++	++
Transferability	+	-	-	++	+	++	-	++	++	-	+	-
Stock lending	++	-	+	++	-	+	-	++	+	-	+	+
Short selling	++	-	+	+	-	+	-	++	+	-	+	-
Availability of Investment Instruments	-	++	++	++	++	++	++	++	++	++	++	++
Stability of institutional framework	+	++	+	+	+	++	-	++	++	+	++	+

++: no issues; +: no major issues, improvements possible; -: improvements needed

	EMEA				Asia Pacific								
	Saudi Arabia	South Africa	Turkey	United Arab Emirates	China	China A	India	Indonesia	Korea	Malaysia	Philippines	Taiwan	Thailand
Openness to foreign ownership													
Investor qualification requirement	++	++	++	++	++	+	+	++	++	++	++	+	++
Foreign ownership limit (FOL) level	-	++	++	-	-	-	-	++	++	+	-	++	-
Foreign room level	++	++	++	+	++	-	-	++	+	++	-	++	-
Equal rights to foreign investors	-	++	+	+	+	+	+	+	+	+	+	+	-
Ease of capital inflows / outflows													
Capital flow restriction level	++	++	++	++	++	+	++	++	++	++	++	++	++
Foreign exchange market liberalization level	++	++	+	++	++	+	-	-	-	+	-	-	+
Efficiency of the operational framework													
Market entry													
Investor registration & account set up	+	++	+	+	++	+	-	++	-	++	++	-	++
Market organization													
Market regulations	++	++	+	++	+	+	+	++	++	++	++	++	++
Information flow	+	++	-	++	++	+	++	-	-	++	++	+	++
Market infrastructure													
Clearing and Settlement	+	+	+	+	++	-	-	+	-	++	+	-	+
Custody	+	++	++	+	++	++	++	++	++	++	++	++	++
Registry / Depository	++	++	++	++	++	++	++	++	++	++	++	++	++
Trading	++	++	++	++	++	++	++	++	++	++	++	++	++
Transferability	-	+	++	+	++	-	-	+	-	+	++	+	++
Stock lending	-	++	+	-	++	-	++	+	++	++	-	+	+
Short selling	-	++	-	-	++	-	+	+	+	+	-	+	+
Availability of Investment Instruments	++	++	-	++	++	+	-	++	+	++	++	++	++
Stability of institutional framework	+	+	-	+	+	+	+	+	+	+	+	+	+

++: no issues; +: no major issues, improvements possible; -: improvements needed

8.2.3 Frontier Markets

	Advanced Frontier Markets					Frontier Markets - EMEA					
	Estonia	Latvia	Lithuania	Romania	Slovenia	Bahrain	Croatia	Iceland	Jordan	Kazakhstan	Kenya
Openness to foreign ownership											
Investor qualification requirement	++	++	++	++	++	++	++	++	++	++	++
Foreign ownership limit (FOL) level	++	++	++	++	++	++	++	-	++	++	++
Foreign room level	++	++	++	++	++	++	++	-	++	++	++
Equal rights to foreign investors	++	++	++	++	++	++	++	++	+	++	++
Ease of capital inflows / outflows											
Capital flow restriction level	++	++	++	++	++	++	++	++	++	++	++
Foreign exchange market liberalization level	++	++	++	++	++	++	++	-	++	-	-
Efficiency of the operational framework											
Market entry											
Investor registration & account set up	++	++	++	++	++	+	-	+	++	+	+
Market organization											
Market regulations	++	++	++	++	++	++	++	++	++	++	++
Information flow	++	++	++	++	++	-	+	++	+	+	++
Market infrastructure											
Clearing and Settlement	++	++	++	+	++	+	++	++	-	+	-
Custody	++	++	++	++	++	+	++	++	++	++	++
Registry / Depository	++	++	++	++	++	++	++	++	++	++	+
Trading	++	++	++	++	+	++	+	++	+	++	-
Transferability	++	++	++	+	++	-	++	++	-	+	-
Stock lending	-	-	-	-	-	-	-	-	-	-	-
Short selling	-	-	-	-	-	-	-	-	-	-	-
Availability of Investment Instruments	++	++	++	++	++	++	++	++	++	++	++
Stability of institutional framework	++	++	++	++	++	+	++	++	+	+	+

++: no issues; +: no major issues, improvements possible; -: improvements needed

	Frontier Markets - EMEA						Frontier Markets - Asia Pacific			
	Mauritius	Morocco	Oman	Serbia	Tunisia	WAEMU	Bangladesh	Pakistan	Sri Lanka	Vietnam
Openness to foreign ownership										
Investor qualification requirement	++	++	++	++	++	++	++	++	+	++
Foreign ownership limit (FOL) level	++	++	++	++	++	++	++	++	++	-
Foreign room level	++	++	++	++	++	++	++	++	++	-
Equal rights to foreign investors	++	+	+	+	+	+	++	++	++	-
Ease of capital inflows / outflows										
Capital flow restriction level	++	+	++	+	++	++	+	++	++	++
Foreign exchange market liberalization level	-	+	++	+	+	+	-	-	-	-
Efficiency of the operational framework										
Market entry										
Investor registration & account set up	++	++	+	-	++	+	-	+	-	+
Market organization										
Market regulations	++	+	++	++	+	+	+	+	++	+
Information flow	++	+	++	+	-	-	++	++	++	-
Market infrastructure										
Clearing and Settlement	+	-	+	+	-	-	-	-	+	-
Custody	++	++	++	++	+	++	++	++	++	++
Registry / Depository	++	++	++	++	++	++	++	++	++	++
Trading	-	+	++	+	-	-	-	++	-	++
Transferability	-	-	-	-	-	-	+	++	-	+
Stock lending	-	-	-	-	-	-	-	-	-	-
Short selling	-	-	-	-	-	-	-	-	-	-
Availability of Investment Instruments	++	++	++	++	++	++	++	++	++	++
Stability of institutional framework	+	+	+	+	-	-	-	-	+	+

++: no issues; +: no major issues, improvements possible; -: improvements needed

8.2.4 Standalone Markets

	Americas				EMEA							
	Argentina	Jamaica	Panama	Trinidad & Tobago	Bosnia and Herzegovina	Bulgaria	Lebanon	Malta	Nigeria	Palestine	Ukraine	Zimbabwe
Openness to foreign ownership												
Investor qualification requirement	++	++	++	++	++	++	+	++	++	++	++	++
Foreign ownership limit (FOL) level	++	++	++	++	++	++	++	++	++	++	++	-
Foreign room level	++	++	++	++	++	++	++	++	++	++	++	++
Equal rights to foreign investors	+	++	+	++	+	++	+	++	+	+	+	+
Ease of capital inflows / outflows												
Capital flow restriction level	-	++	++	++	++	++	-	++	+	++	+	-
Foreign exchange market liberalization level	-	++	++	-	+	++	-	++	-	-	-	-
Efficiency of the operational framework												
Market entry												
Investor registration & account set up	+	++	+	-	++	+	-	++	++	+	-	++
Market organization												
Market regulations	+	++	+	++	+	++	+	++	+	++	-	+
Information flow	+	++	-	+	-	+	+	++	-	+	-	+
Market infrastructure												
Clearing and Settlement	-	-	+	-	-	++	-	++	++	-	-	-
Custody	++	-	-	-	++	+	-	++	++	+	-	+
Registry / Depository	++	+	+	+	++	++	-	++	+	++	+	+
Trading	+	-	+	-	-	++	++	++	-	+	-	-
Transferability	+	+	-	-	-	++	-	++	-	-	+	-
Stock lending	-	-	-	-	-	-	-	-	-	-	-	-
Short selling	-	-	-	-	-	-	-	-	-	-	-	-
Availability of Investment Instruments	-	++	++	++	++	++	++	++	++	++	++	++
Stability of institutional framework	-	+	+	+	+	+	-	++	-	-	-	-

++: no issues; +: no major issues, improvements possible; -: improvements needed

8.3 Appendix III: Market Accessibility Measures

	Definition
Openness to foreign ownership	
Investor qualification requirement	Existence of qualifying conditions for international investors. Existence of a level playing field for all international investors.
Foreign ownership limit (FOL) level	Proportion of the market being accessible to non-domestic investors.
Foreign room level	Proportion of shares still available for non-domestic investors. Existence of a foreign board where non-domestic investors could trade with each other.
Equal rights to foreign investors	Equal economic and voting rights as well as availability of information in English. Equal rights for minority shareholders.
Ease of capital inflows / outflows	
Capital flow restriction level	Existence of restriction on inflows and outflows of foreign capital to/from the local stock market (excluding foreign currency exchange restrictions).
Foreign exchange market liberalization level	Existence of a developed onshore and offshore foreign exchange market.
Efficiency of the operational framework	
Market entry	
Investor registration & account set up	Existence/level of complexity of registration requirements for international investors such as Tax IDs as well as ease/complexity for setting up local accounts (e.g., documents to be provided, approvals required). The time to complete the process includes the preparation of the documents.
Market organization	
Market regulations	Level of advancement of the legal and regulatory framework governing the financial market, the stock exchange and the various other entities involved in the financial markets, an important weight is assigned to: ease of access (including in English), lack of ambiguity and prompt enforcement of laws and regulations, as well as consistency over time.
Information flow	Timely disclosure of complete stock market information items (e.g., stock exchange alerts, corporate news, float information, dividend information) in English and under reasonable commercial terms.
Market infrastructure	
Clearing and Settlement	Well functioning clearing and settlement system based on the broad framework published by the Bank for International Settlements including Delivery Versus Payment (DVP), the absence of pre-funding requirements/practices and the possibility to use overdrafts. Availability of real omnibus structures.
Custody	Level of competition amongst local custodian banks as well as the presence of global custodian banks. Existence of an efficient mechanism that prevents brokers to have unlimited access to the investor's accounts and guarantees the safekeeping of its assets.
Registry / Depository	Well functioning central registry or independent registrars and a central depository.
Trading	Level of competition amongst brokers ensuring high quality services (e.g., cost efficient trading, ability to execute grouped trades at the same price for the various accounts of a fund manager).
Transferability	Possibility of off-exchange transactions and "in-kind" transfers.
Stock lending	Existence of a regulatory framework as well as an efficient mechanism allowing extensive use of stock lending.
Short selling	Existence of a regulatory and practical framework allowing short selling.
Availability of Investment Instruments	Existence of restrictions on access to derived stock exchange information, data and products that prevents the creation of investment instruments.
Stability of institutional framework	Basic institutional principles such as the rule of law and its enforcement as well as the stability of the "free-market" economic system. Track record of government intervention with regards to foreign investors.

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