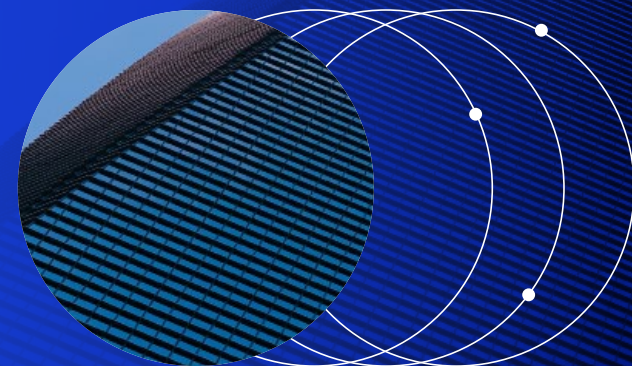


# Insights from MSCI May 2026 Index Review

On May 12, 2026, we communicated that 208 securities will be added and 209 securities will be removed from the MSCI ACWI Investable Market Index (IMI), MSCI's flagship global equity index. The MSCI ACWI IMI is designed to represent the performance of the investment universe of large/mid and small cap companies across developed and emerging markets. It covers approximately 99% of the global equity investment opportunity by free float-adjusted market capitalization.



## Further granularity

Our methodology applies a [building block approach across geographies and company sizes](#). This enables investors to assess [how the global investable opportunity has changed at a more granular level](#). In this review, the majority of additions and deletions were driven by activity in MSCI China, where additions reflected securities meeting the final free float-adjusted market capitalization requirements or upward size migrations and deletions were largely driven by securities failing those requirements. EM EMEA and EM Latin America saw limited change.

In the MSCI World Index, most of the additions were driven by upward size migrations from the MSCI USA, MSCI Israel and MSCI Japan indexes, with a smaller number of new entries reflecting recent IPOs and securities meeting final free float-adjusted market capitalization requirements. Deletions were largely driven by downward size migrations, and a few by securities failing the final free float-adjusted market capitalization requirements.

In the MSCI Emerging Markets Index the majority of additions and deletions were driven by activity in MSCI China, where additions reflected securities meeting the final free float-adjusted market capitalization requirements or upward size migrations and deletions were largely driven by securities failing those requirements. EM EMEA and EM Latin America saw limited change.



## Impact on the indexes

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

MSCI ACWI  
IMI turnover:

1.3%

MSCI World  
IMI turnover:

1.2%

MSCI EM  
IMI turnover:

2.3%

Index turnover is influenced by the number and size of securities added or deleted as well as other changes impacting security index market capitalization, such as free float updates. The May 2026 Index Review reflects the first implementation of the enhanced free float rounding methodology, which has contributed to higher turnover compared to recent reviews.

## Additional Highlights

- MSCI implemented the enhanced free float rounding methodology starting with the May 2026 Index Review. This change refines rounding intervals and buffers across the High (>25%), Low (5–25%), and Very Low (<5%) free float buckets and is the primary driver of the higher number of free float updates and elevated turnover observed at this review.
- For the May 2026 Index Review, MSCI continues to maintain current index treatment for digital asset treasury companies (DATCOs) whose digital asset holdings represent 50% or more of total assets—NOS/FIF/DIF increases are not implemented and additions or size-segment migrations are deferred. MSCI intends to launch a broader consultation on the treatment of non-operating companies.

## What happens next?

June 1, 2026 – the effective date for the index changes.

While the index changes were announced on May 12, 2026, they will be implemented for the market cap indexes as of the close of May 29, 2026. MSCI's standard practice is to announce the results of the review and provide sufficient lead time before implementation, allowing the market and market participants to adjust to the information.

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