February 2, 2026

Consultation Results: Morningstar Style Index Methodology

After reviewing feedback from the consultation on the Morningstar Style Index Methodology, Morningstar Indexes is proceeding with the proposed changes to the methodology for calculating the composite style scores.

These adjustments include:

- **Outlier trimming:** For each of the 10-style metrics, outliers will be trimmed at 3 standard deviations of the float market cap weighted mean. This will replace the current process where eligible stocks ranking in the top and bottom 5% by float market capitalization are trimmed.
- **Standardization:** The raw style metrics will be converted into z-scores and transformed onto a 0-100 scale. Previously, stocks were grouped into four buckets based on their distance from the mean and ranked within each bucket.
- The **weighted average growth rate** calculations will use a float-market-cap-weighted average in the z-scores for each of the growth metrics. This change replaces the current bucketing methodology that uses a simple share-weighted average.
- Style ranking and assignments will be made at the **company level**, rather than at the share class level.

These enhancements are intended to drive greater consistency with the Morningstar Style Box and ensure consistent treatment across share classes. A summary of the impacted indexes is available here.

These changes will be effective from the June reconstitution (after the close of June 19, 2026) on.

About Morningstar Indexes

Morningstar Indexes has been designing modern solutions for 20 years, but what makes us truly unique has been more than three decades in development. Our rich history began in 1984, when Morningstar was founded on a promise to empower investors with data and research that is independent and objective. Over time, our collection of data has expanded considerably—and so has its application. Today, Morningstar Indexes draws on unique IP to unlock an extensive range of emerging opportunities for investors of every kind, while providing a robust institutional beta platform for core investing.

Contact Us

morningstar-indexes@alerts-morningstar.com is a no-reply email address. For questions concerning this notification, please contact us at indexes@morningstar.com.

MORNINGSTAR Indexes