

January 12, 2026

## Morningstar Indexes General Equity Index Consultation: Q1 2026

Morningstar Indexes is considering a few methodology adjustments pertaining to the treatment of nonmandatory share and float changes and spinoffs.

### Nonmandatory Share and Float Changes

Material Share and Float changes resulting from Nonmandatory Corporate Actions are announced on Friday and implemented on the following Thursday. Morningstar Indexes is considering changing the effective date of these actions to provide more advance notice when there are non-trading days between the announcement and implementation dates of such actions.

### Spinoff Child Security Retention

When a spun-off security is added to the Morningstar Indexes, it is removed after two days of regular trading or 40 days of no trading (60 days for Indian spinoffs). Morningstar Indexes is considering retaining new spun-off securities until the next quarterly review to reduce turnover.

These changes would take effect on April 6, 2026.

We are soliciting client feedback on these proposals.

## Submit your responses and questions

Responses to this consultation can be submitted [here](#).

General questions about the consultation may also be sent to [indexes@morningstar.com](mailto:indexes@morningstar.com).

### Key dates

- **Consultation:** The consultation will be open for response from January 12, 2026, to February 13, 2026.
- **Decision announcement:** Final decisions will be announced by March 6, 2026.
- **Proposed implementation:** April 6, 2026.

## Questions

1. Should Morningstar Indexes move the effective date of Nonmandatory Share and Float changes if a security is known to be non-trading on the Wednesday prior to the Thursday effective date?

- a. Yes, push the effective date to the next available trading day after the Thursday effective date.
  - b. Yes, move the effective date to the earliest trading day that provides a full two trading days' notice, prior to the Thursday effective date.
  - c. No, stick to the current rule and keep the effective date as Thursday regardless of market holidays.
  - d. Other, please explain.
- 2. Should Morningstar Indexes move the effective date of Nonmandatory Share and Float changes if there are fewer than two trading days between the announcement and effective dates?
  - a. Yes, please push out the effective date to after the Thursday effective date, so as to provide at least 2 trading days between the announcement and effective dates.
  - b. No, keep the current treatment as long as there is one trading day between the announcement and effective dates.
  - c. Other, please explain.
- 3. Should Morningstar Indexes move the effective date of Nonmandatory Share and Float changes if a security becomes suspended after the announcement date, through the Thursday effective date?
  - a. Yes, postpone the change and implement on the next available trading day after giving two days' notice following resumption of trade.
  - b. Yes, cancel the change and evaluate the share and float change at the next weekly implementation, following resumption of trade.
  - c. No, keep the original effective date of the action.
  - d. Other, please explain.
- 4. Should Morningstar Indexes retain new spun-off securities in the index until they are evaluated at the following quarterly rebalance?
  - a. Yes, retain newly created securities
  - b. No, keep the current rule of dropping all new spun-off securities after 2 regular trading days or 40 days of no trading
  - c. Other, please explain.
- 5. If Morningstar Indexes retains new spun-off securities, as outlined in question 4, should this treatment apply to all Morningstar equity indexes, or only to broad market cap weighted (beta) indexes?
  - a. Apply the same treatment to all equity indexes
  - b. Only retain new spun-off securities in the equity beta indexes
  - c. Other, please explain.
- 6. What other factors should Morningstar Indexes consider in making these decisions?

### About Morningstar Indexes

Morningstar Indexes was built to keep up with the evolving needs of investors—and to be a leading-edge advocate for them. Our rich heritage as a transparent, investor-focused leader in data and research uniquely equips us to support individuals, institutions, wealth managers and advisors in navigating investment opportunities across major asset

classes, styles, and strategies. From traditional benchmarks and unique IP-driven indexes to index design, calculation and distribution services, our solutions span an investment landscape as diverse as investors themselves.

Please visit [indexes.morningstar.com](http://indexes.morningstar.com) for more information.

### **Contact Us**

[MorningstarIndexesAlerts@morningstar.com](mailto:MorningstarIndexesAlerts@morningstar.com) is a no-reply email address. For questions concerning this notification, please contact us at [Indexes@morningstar.com](mailto:Indexes@morningstar.com).

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