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PROFITABILITY, INSTITUTIONAL OWNERSHIP, AND IPO RETURNS: THE MODERATING ROLE OF UNDERWRITER REPUTATION IN INDONESIA

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Abstract

This study examines how profitability and institutional ownership are associated with the aftermarket returns of firms undertaking initial public offerings (IPOs) on the Indonesia Stock Exchange between 2021 and September 2025, and whether underwriter reputation moderates these relationships. The source study reports 256 initially identified issuers and estimates separate interaction regressions for cumulative returns from the offer price to the first trading day, approximately one week, and approximately one month. Reported mean returns are 17.21%, 44.74%, and 75.01%, respectively. On the first day, return on assets ($p = 0.0688$), institutional ownership ($p = 0.0015$), and both interactions with underwriter reputation ($p = 0.0404$ and $p = 0.0429$) meet the stated 10% threshold. No individual regressor meets that threshold after one week; after one month, institutional ownership remains significant ($p = 0.0060$), whereas return on assets does not ($p = 0.1018$). The results suggest horizon-dependent associations, but missing coefficient tables and replication data limit directional and causal interpretations. The analysis highlights the distinction between institutional shareholding, actual ownership transparency, and market investability.

Keywords: IPO underpricing; initial returns; profitability; institutional ownership; underwriter reputation; Indonesia; MSCI.

Abstrak

Penelitian ini menganalisis hubungan profitabilitas dan kepemilikan institusional dengan return saham setelah penawaran umum perdana (IPO) di Bursa Efek Indonesia selama 2021–September 2025, serta peran moderasi reputasi penjamin emisi. Naskah sumber melaporkan 256 emiten yang teridentifikasi pada tahap awal dan menggunakan regresi interaksi secara terpisah untuk return kumulatif dari harga penawaran hingga hari perdagangan pertama, sekitar satu minggu, dan sekitar satu bulan. Rata-rata return yang dilaporkan masing-masing 17,21%, 44,74%, dan 75,01%. Pada hari pertama, return on assets ($p = 0{,}0688$), kepemilikan institusional ($p = 0{,}0015$), dan kedua variabel interaksi dengan reputasi penjamin emisi ($p = 0{,}0404$ dan $p = 0{,}0429$) memenuhi batas signifikansi 10%. Tidak terdapat koefisien individual yang signifikan pada satu minggu; pada satu bulan, kepemilikan institusional signifikan ($p = 0{,}0060$), sedangkan profitabilitas tidak ($p = 0{,}1018$). Hasil menunjukkan hubungan yang berbeda menurut horizon, tetapi ketiadaan tabel koefisien lengkap dan data replikasi membatasi interpretasi arah serta hubungan sebab-akibat. Kajian ini menegaskan perbedaan antara proporsi kepemilikan institusional, transparansi kepemilikan sebenarnya, dan investabilitas pasar.

Kata kunci: IPO; initial return; profitabilitas; kepemilikan institusional; reputasi penjamin emisi; Indonesia; MSCI.

I. INTRODUCTION

Initial public offerings (IPOs) expose a distinctive informational problem: the offer price is set before the issuer develops a public trading history, while prospective investors must evaluate a business whose disclosures may be less extensively tested by the market. Classic explanations of first-day underpricing emphasize information asymmetry, allocation risk, and uncertainty concerning the offer's value (Ibbotson 1975; Rock 1986; Ritter and Welch 2002). The return between the IPO offer price and the first closing price is therefore informative, but it is not synonymous with either persistent mispricing or market manipulation. Negative first-day returns can also occur, as recent international evidence on IPO overpricing demonstrates (Rossovski, Lucey, and Helbing 2025).

An assessment limited to the first trading day risks overlooking the subsequent price-discovery process. The performance of newly listed equities depends on how new information, market liquidity, and investor demand interact after listing (Ritter 1991; Guo, Li, and Zhong 2025). A comparison of cumulative returns at one day, one week, and one month permits a descriptive assessment of different horizons, although those measures are all anchored to the offer price and cannot, by themselves, establish an intervening price correction. Recent international research further finds that institutional participants can contribute disproportionately to price discovery because of the informational content of their trades (Wu, Westerholm, and Akhtar 2026).

This article considers two issuer characteristics—return on assets (ROA) and institutional shareholding—and one intermediary attribute, underwriter reputation. Profitability is a potentially observable signal of operating efficiency. Institutional ownership may be associated with oversight and the allocation of control rights, but neither a higher institutional stake nor its disclosure necessarily reveals the identity of ultimate beneficial owners (Jensen and Meckling 1976; Brennan and Franks 1997; Cheng and Wang 2021). Underwriters can provide certification and assist in establishing offer prices, although their observed association with underpricing may vary with the institutional setting and offer characteristics (Carter and Manaster 1990; Zhang and Neupane 2024; Huang et al. 2024).

Indonesia provides a timely setting for this question. Existing local studies have reported heterogeneous associations between IPO characteristics, underwriter reputation, ownership measures, and initial returns. A study covering Indonesian IPOs from 2017 to 2021 found underwriter reputation positively associated with first-day underpricing but not later-window returns, while another investigation spanning 2016–2024 reported context-dependent negative associations between underwriter reputation and underpricing (Darmawan and Bustaman 2024; Ariyani and Gumanti 2025). More recent analysis of IPOs from 2018–2023 similarly linked more reputable underwriters to lower underpricing, showing why the certification proposition should be tested rather than presumed (Kuswandi, Lubis, and Viverita 2025).

The policy relevance became more visible after the sample period. In its June 23, 2026 market-classification review, MSCI identified investor concerns about ownership transparency and suspected coordinated trading. It subsequently retained index-related restrictions, including controls involving high shareholding concentration and the use of shareholder information for free-float estimates (MSCI 2026a; MSCI 2026b). On October 15, 2026, MSCI opened a

consultation proposing a change in Indonesia's classification from Emerging Market to Standalone Market, citing concerns regarding market functioning, ownership opacity, and evidence of enforcement. The proposal remains subject to consultation until April 30, 2027, with a final decision expected by June 30, 2027 (MSCI 2026c). These announcements are official assessments and reported concerns, not judicial findings that specific IPOs were manipulated.

The present study asks whether profitability and institutional ownership are associated with the cumulative IPO returns recorded at three short horizons and whether underwriter reputation changes those associations. Its contribution is twofold: to preserve a horizon-specific interpretation of the available IPO estimates, and to situate those estimates within the later governance debate without retrospectively claiming that a 2021–2025 IPO model identifies the causes of MSCI's 2026 consultation. This distinction is central to evidence-based managerial and regulatory inference.

II. THEORETICAL FRAMEWORK AND HYPOTHESES

2.1. Signaling, profitability, and IPO valuation

Signaling theory considers how informed parties communicate otherwise difficult-to-observe attributes to less informed counterparties (Spence 1973; Ross 1977). In an IPO, accounting profitability may influence investors' assessment of expected cash flows and managerial efficiency. However, even a credible financial signal need not produce a positive aftermarket return: if the information is already capitalized into the offer price, a higher ROA may coincide with a smaller subsequent price increase. Broader cross-country IPO evidence confirms that the relationship between financial fundamentals and underpricing is sensitive to uncertainty and institutional context (Zhang and Neupane 2024; Pan, Liu, and Tao 2024). Accordingly, the relationship is treated as non-directional.

Hypothesis H1: Profitability, proxied by ROA, is associated with cumulative IPO returns at each observation horizon.

2.2. Institutional ownership, monitoring, and control

Agency theory links ownership and governance to divergent managerial and investor incentives (Jensen and Meckling 1976). Institutional investors may exert monitoring pressure and process company information more effectively than dispersed retail shareholders. Yet concentration and control introduce a competing mechanism: an IPO can alter allocations of voting power, affect dispersion, and shape liquidity (Booth and Chua 1996; Brennan and Franks 1997). International evidence associates equity ownership patterns with corporate transparency, but demonstrates the importance of investor protection and enforcement in interpreting these relationships (Cheng and Wang 2021).

Crucially, the institutional ownership proportion in a prospectus is not equivalent to ultimate beneficial ownership transparency or the fraction of shares genuinely available to trade. Recent research on beneficial ownership registries finds that disclosure and enforcement can reshape investment behaviour, while formal compliance remains a distinct empirical challenge (Amberger, Wilde, and Wu 2025). Evidence on price synchronicity and liquidity also indicates that market functioning depends on institutional conditions, not merely an ownership label (Brockman, Dang, and Pham 2024). These distinctions matter when considering MSCI's concerns, which concern market-wide disclosure reliability and investability rather than a single issuer-level institutional holding ratio.

Hypothesis H2: Institutional ownership is associated with cumulative IPO returns at each observation horizon.

2.3. Underwriter reputation as a contingent certification mechanism

The certification literature argues that reputable intermediaries face incentives to screen prospective issuers and protect reputational capital (Beatty and Ritter 1986; Carter and Manaster 1990). Yet the sign of the reputation–underpricing association is not universal: a reputable syndicate may help establish a less discounted offer price or facilitate greater demand for a high-quality issue. Cross-country and recent IPO research documents how syndicate design, issuer attributes, and institutional quality shape outcomes (Huang et al. 2024; Zhang and Neupane 2024; Khiar and Kooli 2026). The latter global study links institutional corruption to IPO underpricing and identifies external certification as a potentially mitigating channel, without implying that these conditions have been measured in the present Indonesian sample.

Reputation is treated here as a moderator, not as proof of price stabilization. In an interaction regression, moderation means that the estimated slope relating ROA or institutional ownership to cumulative returns differs between the underwriter reputation groups. This statistical concept differs from mediation and should not be confused with a causal guarantee of market quality (Baron and Kenny 1986).

Hypothesis H3: Underwriter reputation moderates the association between profitability and cumulative IPO returns.

Hypothesis H4: Underwriter reputation moderates the association between institutional ownership and cumulative IPO returns.

2.4. Conceptual link to market investability and the MSCI consultation

Market investability is broader than issuer fundamentals. It encompasses reliable free-float estimates, the ability to identify controlling positions, effective price discovery, and consistent enforcement. MSCI's October 2026 consultation specifically refers to persistent opacity in shareholding structures, suspected coordinated trading, shareholder disclosure above 1%, high-shareholding-concentration reporting, and a roadmap toward a 15% minimum free-float requirement (MSCI 2026c). These points support an institutional motivation for studying ownership and intermediaries. They do not establish that the IPO results in this article measure coordinated trading, beneficial-owner concealment, or the effectiveness of the announced reforms.

The conceptual bridge is therefore a sequence—not a claim of causality: issuer-level ownership and intermediary credibility may help explain differences in IPO returns; market-wide transparency and enforcement govern the reliability of ownership information and price formation; and index-provider investability evaluations reflect a broader, separately measured set of conditions. The comparison in Table 3 makes the observable and unobserved elements explicit.

III. RESEARCH METHODOLOGY

3.1. Design and data coverage

The original study employs a quantitative, observational design using secondary information on firms undertaking IPOs on the Indonesia Stock Exchange between 2021 and September 2025. The source manuscript reports 256 initially identified issuers under purposive-selection criteria

requiring an offer price, prices at the three horizons, pre-IPO financial information, ownership disclosures, and underwriter identity. However, a verified issuer list, screening log, final sample sizes for each regression, and the underlying observations were not supplied. Thus, 256 is retained as an initial reported count, not represented as an independently verified estimation sample.

The underlying sources are described as IPO prospectuses, issuer financial statements, trading records, and regulator or exchange publications. Source documents were not supplied for a record-level audit, so this revision reports the original regression summaries rather than attempting to re-estimate coefficients or fabricate missing observations.

3.2. Variables and empirical model

For horizon h, the outcome is the cumulative return from the IPO offer price: $R(h) = [(P(h) - P(offer))/P(offer)] \times 100$, where P(h) denotes the observed closing price. The horizons are the first trading day, approximately one week, and approximately one month after listing. The source does not establish whether the latter windows use trading or calendar days. Consequently, cumulative one-month return must not be described as a return earned only between week one and month one. Variable definitions and outstanding measurement details are summarised in Table 1.

Table 1. Variables, operational definitions, and verification requirements

Variable	Definition in source study	Evidence and verification requirement
Cumulative IPO return R(h)	[P(h) − P(offer)] / P(offer) × 100; horizons: day 1, week 1, month 1	Exact closing-date rule, adjustment for corporate actions, and availability of trading prices are unverified.
Profitability (ROA)	Net income divided by total assets	The pre-offer fiscal year, units, and whether any restatement was used require confirmation.
Institutional ownership (IO)	Institutional shares divided by total shares outstanding × 100	Ownership date, denominator, nominee/beneficial-owner treatment, and institutional classification require documentation.
Underwriter reputation (UR)	Binary indicator: 1 = among 20 most active underwriters; 0 = otherwise	Activity metric, reference period, ranking source, and multiple-bookrunner coding are not documented.
Moderating terms	ROA × UR and IO × UR	Interaction coefficients and standard errors are absent from the supplied summary.

The source study specifies a separate moderated regression for each horizon:

$$R(h) = \alpha(h) + \beta1(h)ROA + \beta2(h)IO + \beta3(h)UR + \beta4(h)[ROA \times UR] + \beta5(h)[IO \times UR] + \varepsilon(h).$$

Here, β4(h) and β5(h) test H3 and H4. With no documented mean-centering, the main-effect coefficients are conditional on other interacting variables equalling zero. The reported decision rule uses $\alpha = 0.10$ for individual coefficients and $\alpha = 0.05$ for model F tests. These thresholds are reproduced to maintain fidelity to the underlying analysis; exact reported p-values are also given so readers can apply more conservative cut-offs.

3.3. Statistical reporting boundaries

Reported diagnostics for the first-day model include a Jarque–Bera p-value of 0.3392, a heteroskedasticity-test p-value of 0.1001, and centred variance inflation factors below two. These results do not establish that all three horizon-specific models meet every regression assumption. Details of outlier handling, transformations, specification selection, coefficient estimates, standard errors, confidence intervals, and clustering or heteroskedasticity-robust inference are unavailable. Accordingly, the statistical interpretation below is restricted to the documented summary outputs.

IV. RESULTS AND DISCUSSION

4.1. Reported descriptive statistics and model diagnostics

The source document reports mean cumulative returns of 0.1721 (17.21%) on the first trading day, 0.4474 (44.74%) after one week, and 0.7501 (75.01%) after one month. It also reports increasing dispersion at longer horizons, but does not provide the complete distribution or the underlying firm-level returns. Rising cumulative means do not show that the average IPO experienced a price correction between horizons. Instead, they indicate that average returns relative to the original offer price were higher at the later reported observations. These outcomes should be considered separately from both longer-run IPO underperformance and intraperiod volatility (Ritter 1991; Rossovski, Lucey, and Helbing 2025).

The inferential results presented in Table 2 retain the p-values and adjusted R-squared figures from the source. For the one-month ROA coefficient, the explanatory note in the source reports p = 0.1018, whereas its table rounds or truncates the figure to 0.10 and inconsistently labels it significant. The more precise value p = 0.1018 is adopted; hence this coefficient does not meet the strict 10% threshold. This is an interpretive correction, not a new regression estimate.

Table 2. Reported hypothesis tests across cumulative IPO return horizons

Regressor / statistic	Day 1	Week 1	Month 1
ROA (H1)	p = 0.0688; significant at 10%	p = 0.1330; not significant	p = 0.1018; not significant
Institutional ownership (H2)	p = 0.0015; significant	p = 0.1667; not significant	p = 0.0060; significant
Underwriter reputation (direct)	p = 0.5149; not significant	p = 0.2209; not significant	p = 0.3551; not significant
ROA × reputation (H3)	p = 0.0404; significant	p = 0.4154; not significant	p = 0.9795; not significant
Ownership × reputation (H4)	p = 0.0429; significant	p = 0.7791; not significant	p = 0.7330; not significant
Overall F test	p < 0.0001 (printed 0.0000)	p ≈ 0.0200	p ≈ 0.0010*
Adjusted R^2	0.2550	0.0507	0.1035

*The source narrative also reports a one-month F-test p-value of 0.000991; its summary table prints 0.0000. We retain the more precise narrative figure here. For the first-day F test, the value displayed as 0.0000 denotes rounding and should not be interpreted as p = 0. Note: Individual tests use α = 0.10 and F tests use α = 0.05; no coefficient magnitudes are reconstructed.

4.2. First-day results: issuer signals and reputational interactions

On day one, ROA ($p = 0.0688$) and institutional ownership ($p = 0.0015$) meet the study's 10% criterion, while the direct underwriter reputation term does not ($p = 0.5149$). Both interactions are individually significant: ROA × UR ($p = 0.0404$) and IO × UR ($p = 0.0429$). These estimates are consistent with the proposition that the relevance of issuer attributes for initial returns varies across underwriter categories, rather than implying that reputation automatically raises returns.

The original narrative characterises both first-day interaction coefficients as negative and the direct issuer associations as positive, but the supplied file does not contain the numerical coefficient table needed to verify signs or effect sizes. The most defensible conclusion from the accessible output is therefore evidence of association and moderation at day one, conditional on the model and reported p-values. A negative interaction, if confirmed, could reflect an attenuated slope under more reputable intermediaries; it would not by itself demonstrate improved price fairness, reduced manipulation, or a stabilising intervention (Beatty and Ritter 1986; Carter and Manaster 1990; Huang et al. 2024).

The mixed international record helps explain why the result should not be oversimplified. Cross-country research found stronger pandemic-era underpricing among some firms supported by reputable underwriters, whereas evidence from Indonesian studies finds relationships that differ with market sentiment, listing board, and measurement window (Zhang and Neupane 2024; Ariyani and Gumanti 2025; Kuswandi, Lubis, and Viverita 2025). This variation supports the present article's focus on contingent reputation rather than a single universal direction of effect.

4.3. One-week and one-month horizons

At the one-week horizon, none of the five individual covariates reaches the 10% level: ROA $p = 0.1330$; institutional ownership $p = 0.1667$; reputation $p = 0.2209$; and interactions $p = 0.4154$ and 0.7791. The reported model F test nonetheless has $p \approx 0.0200$ and adjusted $R^2 = 0.0507$. Joint-model significance with individually imprecise parameters is statistically possible, especially when predictors are correlated; it does not demonstrate that unmeasured short-term trading sentiment caused the pattern. The source data do not support such attribution.

At one month, institutional ownership remains statistically associated with the cumulative IPO return ($p = 0.0060$). ROA does not pass the 10% cut-off ($p = 0.1018$); the reputation and interaction terms are likewise insignificant. Adjusted R^2 increases to 0.1035, still substantially below the first-day value of 0.2550. Consequently, the evidence suggests that the set of reported issuer-level variables has greater in-sample explanatory power at listing than at the later horizons. The relationship should not be presented as a sequence of causal market-learning stages without additional event-time data and control variables (Guo, Li, and Zhong 2025; Wu, Westerholm, and Akhtar 2026).

From a managerial perspective, the result argues against equating high first-day returns with enduring investment quality. Offer valuation, institutional ownership, and reputation need to be assessed alongside tradeable float, liquidity, the sector, broader market conditions, and subsequent firm disclosures. Theoretical and international evidence suggest that issuer quality and intermediary certification interact with institutional environments, which may matter more than any single determinant (Khiar and Kooli 2026; Darmawan and Bustaman 2024).

4.4. Contemporary relevance: MSCI's 2026 governance concerns

The 2026 MSCI developments provide an external test of the article's practical relevance, not a test of its regressions. In June 2026, MSCI documented concerns communicated by investors over transparency of shareholder structures and possible coordinated trading; it recognised Indonesian reform announcements while emphasising consistent implementation and sustained consequences (MSCI 2026a). In July, MSCI continued restrictions affecting index inclusions, share-count changes and related adjustments; it also referred to high-shareholding-concentration designations and shareholder-disclosure information used for free-float estimates (MSCI 2026b). On October 15, the provider announced a consultation on a proposed shift to Standalone Market status, noting continuing concern about market functioning and meaningful enforcement (MSCI 2026c).

Three analytical boundaries are essential. First, institutional shareholding in the present study measures a reported category of ownership; it cannot identify undisclosed ultimate controllers, determine whether the reported public float is freely tradable, or reveal common beneficial owners across nominees. Second, underwriter reputation measures a binary activity-based proxy whose construction remains unverified; it does not measure securities-market surveillance, collusive trading, or regulatory enforcement. Third, the IPO observation period ends in September 2025—before MSCI's 2026 announcements—so the reported coefficients cannot measure those announcements' market effects. Relevant international work on beneficial-ownership disclosure, information quality, and investor-led price discovery reinforces why those constructs must be measured separately (Amberger, Wilde, and Wu 2025; Cheng and Wang 2021; Wu, Westerholm, and Akhtar 2026).

The policy-aligned reading is accordingly modest but meaningful: the statistical prominence of institutional ownership at day one and month one supports the value of ownership data for IPO analysis, while early underwriter interactions suggest intermediary characteristics can condition associations. MSCI's concerns emphasize a higher-level requirement—that ownership data be traceable, market concentration be assessed properly, and enforcement outcomes be evidenced. Table 3 identifies the appropriate distinction between the source results and necessary market-governance measures.

Table 3. Conceptual alignment of IPO findings with MSCI's 2026 investability concerns

This study: observed or reported	MSCI issue (not estimated here)	Implication for inference
Institutional ownership significant on days 1 and ~30	Opacity of shareholding chains; identification of large positions; reliable free-float estimation	Ownership ratio is not a beneficial-owner registry or an effective-free-float measure.
Day-1 interactions with underwriter reputation	Credibility of market intermediaries and formation of market prices	Activity-based underwriter rank cannot show coordinated trading or monitoring effectiveness.
Adjusted R^2 differs by horizon	Transparency, liquidity and overall market investability	Model fit is not a governance score, nor is it a causal measure of market dysfunction.
IPO observations: 2021–September 2025	MSCI review and consultation: June–October 2026	Later announcements are policy context, not within-sample events or treatment variables.

The appropriate regulatory response should be evaluated with auditable implementation metrics—such as beneficial-owner reconciliation, consistency of disclosed shareholder classifications, economically effective free float, trading-pattern alerts, case resolution, and

enforcement timing—rather than with nominal disclosure announcements alone. These are proposed evaluation indicators, not measurements undertaken in this article. The distinction accords with contemporary evidence that ownership transparency rules depend on compliance and enforcement, and that the relationship between ownership information and market prices is institutionally contingent (Amberger, Wilde, and Wu 2025; Brockman, Dang, and Pham 2024; MSCI 2026c).

V. RECOMMENDATIONS FOR FUTURE RESEARCH

A replicable study should first assemble an issuer-level IPO register, identify every exclusion from the initial count of 256 firms, define each return horizon in trading days, and disclose the estimation sample in each model. It should record the pre-IPO accounting year, the ownership snapshot date, and the underwriter ranking source used before each offer. All regression outputs should include coefficients, heteroskedasticity-robust or appropriately clustered standard errors, confidence intervals, number of observations, and specification diagnostics; alternative underwriter measures and sector–year controls would help distinguish robust relationships from coding choices.

To examine the governance issues raised by MSCI directly, subsequent work should introduce measurable beneficial-ownership discrepancies, high-shareholding-concentration indicators, effective free float, bid–ask spreads, turnover, price synchronicity, and trading-concentration anomalies. These should be assessed against transparent dates and independent reconciliation procedures. The study should not substitute institutional ownership proportions for beneficial-owner verification. Prior work on equity transparency, institutional participation in price discovery, and IPO liquidity offers testable hypotheses for these extensions (Cheng and Wang 2021; Guo, Li, and Zhong 2025; Wu, Westerholm, and Akhtar 2026).

Finally, a separate event-study design could test reactions to MSCI announcements in June, July, and October 2026, with carefully chosen windows and appropriate benchmarks. Comparing treated or highly exposed securities with credible controls would require additional design assumptions, including information-leakage checks and attention to overlapping domestic or global events. Any eventual reclassification decision, if announced in 2027, would represent a distinct event from the October 2026 proposal. These steps are recommendations for new empirical work, not retrospective claims about the present sample.

VI. CONCLUSION

The reported IPO estimates reveal a clear temporal asymmetry. At the first trading day, ROA and institutional ownership are statistically associated with returns under the original 10% decision rule, and both interactions with underwriter reputation meet that rule. At one week, no individual regressor is significant; at one month, institutional ownership remains significant, whereas ROA and both reputation interactions do not. The reported adjusted R^2 values—0.2550, 0.0507 and 0.1035—indicate higher explanatory power at the earliest horizon, not a validated model of price manipulation or market integrity.

The contemporary importance of these results lies in their connection to, rather than proof of, a broader governance problem. MSCI's October 2026 consultation raises issues that extend beyond what an IPO-level ownership ratio and a reputation dummy can capture. It highlights the need for verifiable beneficial-owner information, economically meaningful free float, credible market surveillance, and evidence of sustained enforcement. Treating the proposed

reclassification as a completed event, or attributing it to the 2021–2025 IPO regressions, would exceed the evidence (MSCI 2026c).

For investors, IPO assessment should integrate profitability, ownership disclosure, intermediary selection, and post-listing market conditions. For issuers and underwriters, transparency and documentation of the offering process can improve the interpretability of publicly available information. For regulators and infrastructure providers, reforms should be evaluated through measurable consistency and enforceability, rather than disclosure requirements in isolation. These implications are conceptual and policy-oriented; final empirical claims require the source data, full coefficient estimates, and reproducible identification choices.

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