

S&P/NZX Index Insights

A Final Tidy Up, Before the Family Arrives for Xmas

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S&P DJI have confirmed that no constituent changes will be made to the benchmark indices at the December 2020 quarterly index review. There are a number of changes to indexed shares and Float Adjustment Weighting Factors (AWF). Changes are effective close of market, Friday 18 December 2020.

No constituent changes

As expected, the S&P/NZX index review for December 2020 contained no constituent changes for the benchmark indices. We do not foresee any constituent changes over the near to medium term. Hallenstein Glasson (HLG) remains the largest non-member currently eligible for inclusion, should a current member drop out.

Figure 1. December 2020 Review: Confirmed changes

Index	Enter	Exit	Expected Weight (rank)
S&P/NZX 10	no changes		
S&P/NZX 20	no changes		
S&P/NZX 50	no changes		
S&P/NZX 50 Portfolio	no changes		

Source: Forsyth Barr analysis, S&P DJI

A catch-up for share placements

As with each quarterly review, indexed shares, Investible Weighting Factors (IWF's) and AWF's are also updated. There were a number of share placements during the quarter (including SKO, SML, SPG & VHP) that did not qualify for accelerated implementation, which will now be implemented. The companies with the largest re-weightings are presented in Figure 2.

Figure 2. December 2020 Review: Major re-weighting changes expected

Index	Current Weight	Expected Weight	Total Change
S&P/NZX 50 Index			
SPG	0.61%	0.74%	+0.14%
VHP	0.78%	0.87%	+0.10%
S&P/NZX 50 Portfolio Index			
ATM	3.45%	5.03%	+1.59%
SPK	4.15%	4.98%	+0.83%
FPH	4.36%	5.17%	+0.81%
IFT	5.33%	4.98%	-0.35%
MFT	5.36%	4.99%	-0.37%
CEN	5.57%	4.89%	-0.67%
MEL	5.95%	4.68%	-1.27%
S&P/NZX All Real Estate Index			
SPG	6.90%	8.25%	+1.35%
VHP	8.81%	9.70%	+0.89%
KPG	16.10%	15.64%	-0.46%
PCT	16.11%	15.66%	-0.46%
GMT	22.26%	21.63%	-0.63%

Source: Forsyth Barr analysis, S&P DJI

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