

S&PNZX Index Insights

Waiting for Christmas

We pick that there will be no changes for the upcoming S&P/NZX December 2019 quarterly index review. Official outcomes of the review will be announced close of market, Friday, 13 December 2019, with an effective date close of market, Friday, 20 December 2019.

Our pick: No changes expected

Our calculations indicate that there will be no constituent changes to the benchmark S&P/NZX indices for the upcoming December 2019 index review.

Figure 1. December 2019 Review: The Forbar Pick

Index	Enter	Exit	Expected Weight
S&P/NZX 10		no change expected	n/a
S&P/NZX 20		no change expected	n/a
S&P/NZX 50		no change expected	n/a
S&P/NZX 50 Portfolio		no change expected	n/a

Source: Forsyth Barr analysis

The Current Status

Figure 2 outlines the current rankings for inclusion/exclusion for the S&P/NZX 50 indices. Whilst Metlifecare (MET) is currently under advisement on a non-binding and preliminary offer, we at this stage see no obvious near term changes. Restaurant Brands (RBD) is currently the lowest ranked member in the benchmark index, with Napier Port Holdings (NPH) the largest non-member eligible for inclusion (should a current member drop out).

Figure 2. Current Rankings for S&P/NZX 50 Index Inclusion/Exclusion

Ranking	Code	Status	6-mth Ave Price	6-mth Ave Market Cap
41	THL	Current NZX 50 member	\$3.82	\$465.6m
42	SKT	Current NZX 50 member	\$1.11	
43	SKL	Current NZX 50 member	\$2.34	\$428.0m
44 (entry level)	GTK	Current NZX 50 member	\$5.47	\$399.3m
45	IPL	Current NZX 50 member	\$1.88	\$391.9m
46	FSF	Current NZX 50 member	\$3.76	
47	NZR	Current NZX 50 member	\$2.08	
48	OCA	Current NZX 50 member	\$1.04	
49	NZX	Current NZX 50 member	\$1.21	
50	RBD	Current NZX 50 member	\$10.50	\$327.5m
51	NPH		\$3.21	\$288.5m
52	SKO		\$4.24	\$284.7m
53	HLG		\$5.63	\$268.5m
54	TWR		\$0.72	\$241.2m
55	TLT		\$2.70	\$190.1m
56 (exit level)	WHS		\$2.36	\$188.2m
57	BGP		\$3.55	\$181.5m
58	ERD		\$3.02	\$163.0m

Source: Forsyth Barr analysis, ranking 44: automatic entry level, ranking 56: automatic exit level, S&P DJI restricts publication of index constituent information to 10% for any given index.



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