

S&P/NZX Index Insights

Diversifying the Property Benchmark

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S&P DJI have confirmed that no constituent changes will be made to the benchmark S&P/NZX 50 indices at the March 2021 quarterly index review. At a sector level NZ Rural Land Company (NZL) will enter the S&P/NZX All Real Estate index following on from listing in December 2020. Changes from the quarterly review are effective close of market, Friday, 19 March 2021.

An addition for the S&P/ NZX All Real Estate index

Follow its listing on 21 December 2020, NZL is now included in the S&P/NZX All index and has therefore entered the appropriate sector index, namely the S&P/NZX All Real Estate (Property), with an approximate weighting of 0.44% and subsequently increasing the number of constituents from nine to ten. As expected, there were no changes to the headline S&P/NZX 50 indices and we do not foresee any constituent changes in the near to medium term.

Figure 1. March 2021 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		
S&P/NZX All Real Estate	NZL	n/a	0.44% (10)

Source: Forsyth Barr analysis, S&P DJI

Quarterly re-weightings confirmed

As with each quarterly index review, S&P updated index shares along with Adjustable and Investible Weighting Factors (AWF & IWFs) for index constituents. The companies with the largest re-weightings are presented in Figure 2.

Figure 2. March 2021 review: Major reweighting changes expected

Index	Current Weight	Expected Weight	Total Change
S&P/NZX 50 Portfolio Index			
ATM	3.44%	4.80%	+1.36%
MEL	4.18%	5.24%	+1.07%
AIA	4.67%	5.24%	+0.57%
FPH	4.59%	4.94%	+0.35%
RYM	5.37%	5.02%	-0.35%
MFT	5.53%	4.90%	-0.63%
FBU	5.85%	5.13%	-0.72%
S&P/NZX All Real Estate Index			
SPG	8.54%	8.90%	+0.36%
NZL		0.44%	+0.44%

Source: Forsyth Barr analysis, S&P DJI

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