







JANUS HENDERSON GLOBAL DIVIDEND INDEX

Janus Henderson
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What is the Janus Henderson Global Dividend Index?

The Janus Henderson Global Dividend Index (JHGDI) is a long-term study into global dividend trends. It measures the progress global firms are making in paying their investors an income on their capital using 2009 as a base year (index value 100). The index is calculated in U.S. dollars and can be broken down into regions, industries and sectors. It enables readers to easily compare the dividend performance of countries like the U.S., which provides a large proportion of global dividends, with smaller nations, such as the Netherlands.

The report aims to help readers better understand the world of income investing.



Global Dividends Surge Higher

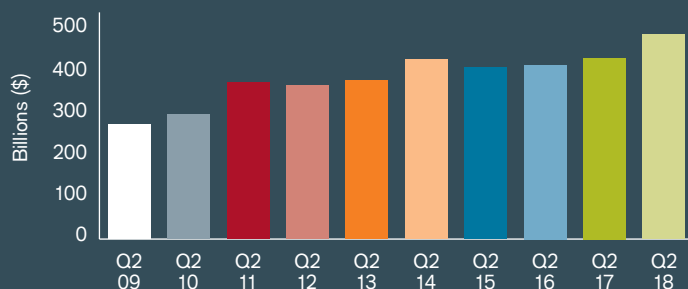
In a sign of continued economic strength, global dividend payouts soared to new highs in the second quarter.

- ▶ Global dividend payouts soared 12.9% year-over-year in the second quarter – reflecting healthy corporate balance sheets and upbeat manager outlooks
- ▶ Twelve countries saw record payouts, including France, Japan and the United States
- ▶ Looking ahead, dividend payouts are poised to continue improving for the foreseeable future even in the face of possible tariffs and other uncertainties

Reading the headlines in the financial press, investors might assume that times are tough and getting tougher. Trade wars, political uncertainty and an aging U.S. bull market are among the common themes of late.

Dividend payouts paint a far more upbeat picture, one of strong corporate balance sheets, continued management confidence and, consequently, significant dividend growth. In the second quarter, the Janus Henderson Global Dividend Index surged 12.9% to \$497.4 billion – exceeding the previous high and our expectations.

Global Dividends (U.S.\$)



Second quarter payouts were especially notable for their breadth across every global region (with the exception of the UK, which was held back by technical factors) and a wide swath of sectors. Underlying dividend growth, which accounts for any currency changes and special dividends, improved 9.5% year-over-year, marking the greatest increase in three years.

Continuing its upward path, the U.S. saw payouts rise 4.5% year-over-year to a record \$117.1 billion. After factoring in lower special dividends and index changes, underlying growth swelled 7.8%, the fastest expansion in two years.

While this showing is remarkable, it was overshadowed by high double-digit headline gains in other regions. In Europe, markets have been under a cloud of negative sentiment, and yet the real economy is expanding at a healthy clip. The region, which is home

to proverbial top payers Nestlé and Daimler, saw year-over-year dividends surge 18.7% in dollar terms and 7.5% on an underlying basis. Meanwhile, in the Asia-Pacific region, dividends soared 29.2%, thanks in part to extraordinarily large special dividends in Hong Kong and Singapore.

Among sectors, financials were the largest contributor to income for the quarter – contributing to roughly a quarter of all dividends – and nearly every sector contributed to overall improvements. Technology, mining, consumer cyclicals and energy all posted double-digit improvements last quarter.

Outlook

Looking ahead, changes in U.S. corporate tax law may bolster dividends in the quarters to come. Faced with smaller tax burdens, domestically focused U.S. companies may well opt to return some of that windfall to shareholders in the form of higher dividends. Although escalating tariff battles could weigh on corporate profits, we are still optimistic that aggregate earnings can continue to improve – and with that, so should global payouts.

Putting it all together, a strong second quarter suggests that 2018 overall will be even better than we expected going into the year. Our forecast now calls for 7.4% underlying dividend growth, bringing the total for the year to \$1.36 trillion.

Companies don't have a long-term crystal ball, but when management opts to increase dividend payouts, it is a positive signal, both of the health of their balance sheets and their outlooks for the near future. If dividends are an indication, managers believe companies are better positioned today than they were a year ago.

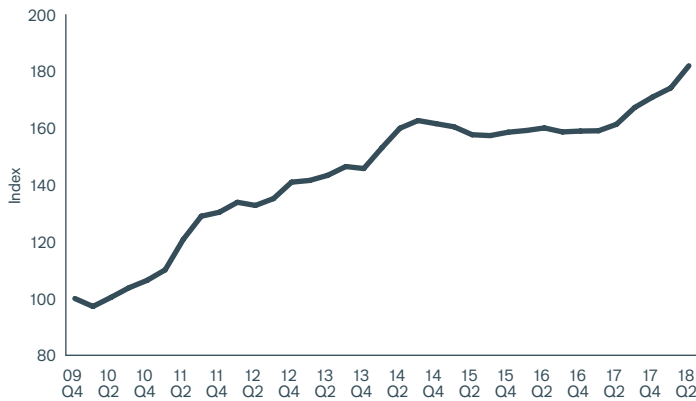


Ben Lofthouse, CFA
Head of Global Equity Income

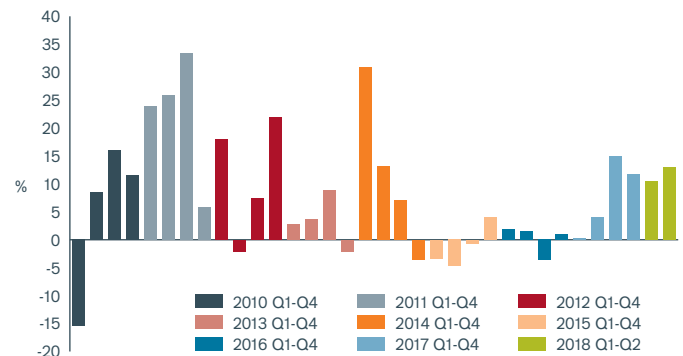


Global dividends surge higher

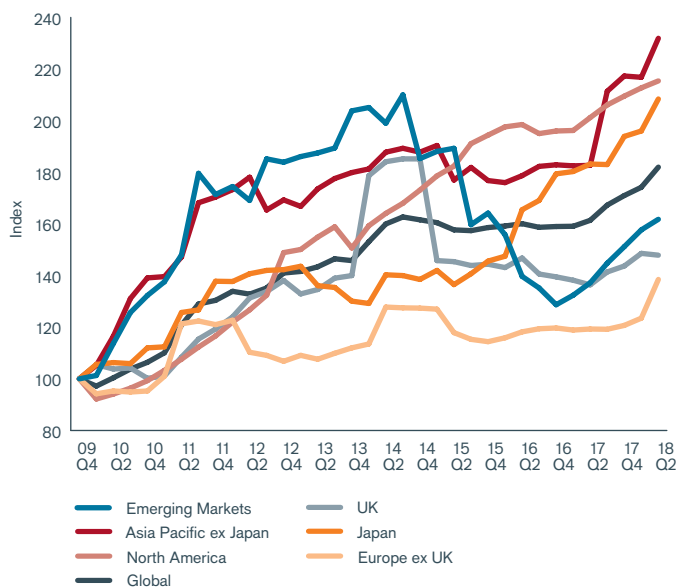
JHGDI



Total Dividends, Annual Growth Per Quarter



JHGDI – by Region



Annual Dividends by Region (US\$ billions)

Region	2014	% change	2015	% change	2016	% change	2017	% change	Q1 2017	% change	Q1 2018	% change
Emerging Markets	\$126.60	-9%	\$112.20	11%	\$87.90	-22%	\$103.30	18%	\$24.00	18%	\$26.80	11.5%
Europe ex UK	\$237.50	14%	\$213.40	-10%	\$223.20	5%	\$225.10	1%	\$148.60	0.5%	\$176.50	18.7%
Japan	\$50.00	6%	\$52.60	5%	\$64.70	23%	\$70.00	8%	\$31.50	3.6%	\$35.90	14.2%
North America	\$392.90	15%	\$441.20	12%	\$445.00	1%	\$475.60	7%	\$121.10	10.3%	\$127.30	5.1%
Asia Pacific	\$120.90	4%	\$113.80	-6%	\$117.80	3%	\$139.90	19%	\$33.10	0.2%	\$42.80	29.2%
UK	\$123.30	32%	\$96.20	-22%	\$93.00	-3%	\$95.70	3%	\$32.50	-3.5%	\$32.10	-1.4%
Total	\$1,051.20	11%	\$1,029.30	-2%	\$1,031.60	0%	\$1,109.70	8%	\$390.90	4.1%	\$441.10	12.9%
Divs outside top 1,200	\$130.40	9%	\$130.60	0%	\$130.90	0%	\$140.90	8%	\$49.60	4.1%	\$56.00	12.9%
Grand Total	\$1,181.60	11%	\$1,159.90	-2%	\$1,162.50	0%	\$1,250.50	8%	\$440.50	4.1%	\$497.40	12.9%



Exchange rates boost headline growth

We calculate an underlying growth rate to provide a clean measure of how successfully companies are able to raise dividends.

Headline growth describes the change in the actual dollar value of payments made each quarter. It is affected principally by volatile special dividends and ever-moving exchange rates and to a lesser extent by changes in the list of companies in the Janus Henderson global top 1,200 and the impact of individual companies shifting payments from one quarter to another. Underlying growth adjusts for all these factors.

Even though the dollar has been climbing steadily recently, it was still weaker in the second quarter against most currencies compared to

the same period in 2017. Payments made in other currencies were therefore translated at more favorable exchange rates, and this flattered the headline growth rate by 3.5 percentage points. The biggest impact in Q2 was in Europe and the UK. On current trends, this effect is likely to reverse in the third quarter.

Special dividends made a large impact in the UK and Asia-Pacific ex Japan but at the global level served to boost headline growth by just 0.4 percentage points. Index and timing effects cancelled each other out at the global level, though they made a greater impact in individual countries.

Q2 2018 Annual Growth Rate – Adjustments From Underlying To Headline Growth

Region	Underlying growth	Special dividends	Currency effects	Index changes	Timing effects [†]	Headline dividend growth
Emerging Markets	16.1%	-0.7%	0.5%	1.8%	-6.2%	11.5%
Europe ex UK	7.5%	1.8%	7.3%	0.9%	-1.3%	18.7%
Japan	12.3%	0.8%	1.6%	-0.5%	0.0%	14.2%
North America	8.0%	-0.9%	0.3%	-2.3%	0.0%	5.1%
Asia Pacific ex Japan	13.5%	11.1%	2.2%	2.4%	0.0%	29.2%
UK	13.1%	-11.3%	3.5%	-2.0%	-4.7%	-1.4%
Global	9.5%	0.4%	3.5%	-0.3%	0.3%	12.9%

[†] Timing effects are not significant on an annual basis.

* Please refer to glossary found on page 12



Executive Summary – By Region

Overview

- Global dividends surged 12.9% in Q2 to a record \$497.4B
- Underlying growth was 9.5%, the fastest in three years
- Twelve countries saw record payouts
- Q2 was dominated by Europe ex UK dividend payments

North America

- U.S. payouts rose 4.5% to a record \$117.1B, up 7.8% in underlying terms, the fastest expansion in two years
- Growth was driven by technology and financials, the two largest dividend-paying sectors
- Only one company in 50 in the U.S. cut its per-share dividend, the largest being GE
- Canadian dividends rose 10.6% to \$10.2B; underlying growth was 9.0%

Europe ex UK

- European dividends reached a record \$176.5B, up 18.7% year-on-year
- Underlying growth was 7.5% after exchange-rate and other minor factors
- Records were broken in France, Germany, Switzerland, the Netherlands, Belgium, Denmark and Ireland
- Growth was broadly spread across countries and sectors, and very few companies in the index cut payments

UK

- UK dividends fell 1.4% to \$32.1B, though the headline rate was affected by lower special dividends and the timing of a large payment from British American Tobacco
- Underlying growth was 13.1%, pushed higher by rebounding mining dividends

12 countries
SAW RECORD PAYOUTS

EUROPEAN DIVIDENDS
dominated Q2

FASTEST DIVIDEND
GROWTH CAME FROM
the mining sector

* Please refer to the glossary found on page 12.

** This is a statistical measure of change in the Janus Henderson Global Dividend Index.



Executive Summary – By Region (continued)

Asia Pacific ex Japan

- Asia's dividends jumped 29.2% to \$42.8B, boosted by special dividends in Hong Kong and Singapore, though underlying growth was also healthy at 13.5%
- Singapore's payouts grew fastest
- Q2 is seasonally quiet in Australia, and growth varied widely from sector to sector

Japan

- Q2 is seasonally important in Japan, so strong 14.2% headline growth (12.3% underlying) made a very positive impact on the global total
- Over 90% of Japanese companies raised per-share payouts
- Low payout ratios in Japan mean there is scope for further growth

Emerging Markets

- Dividends broke a record in Indonesia, but China made the largest contribution to growth

Industries & Sectors

- Mining dividends grew fastest, but technology, energy and consumer cyclicals also saw double-digit increases
- Consumer basics and utilities lagged behind

Outlook

- Q2 exceeded expectations in every region of the globe
- Our forecast for underlying dividend growth in 2018 is now 7.4%, upgraded from 6.0%
- We expect total dividends of \$1.358 trillion in 2018, equivalent to growth of 8.6% in headline terms

Q2 exceeded expectations

**IN EVERY REGION
OF THE GLOBE**

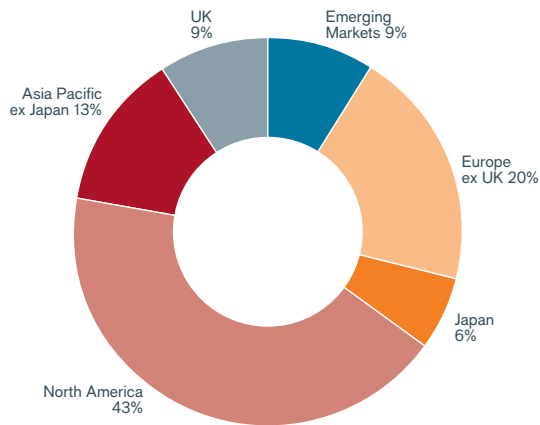
**GLOBAL DIVIDENDS
SURGED 12.9% IN Q2 TO**

a record \$497.4B



Regions and Countries

2017 Dividends by Region



North America

North American dividends rose 5.1% year-over-year to a record \$127.3B. Underlying growth was 8.0%.

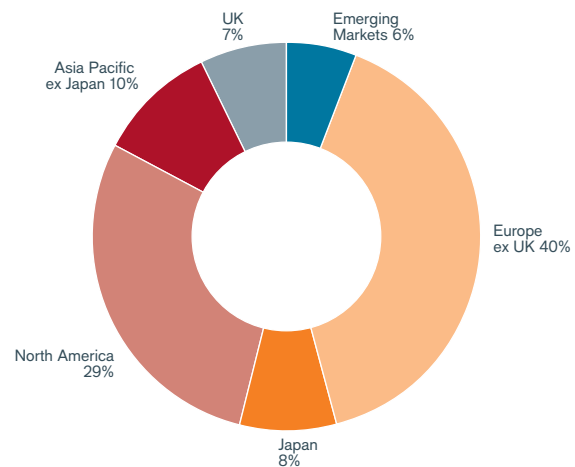
The U.S. saw payouts rise 4.5% to a record \$117.1B. Underlying growth was 7.8%, the fastest expansion in two years, after lower special dividends and index changes were taken into account. An increase this large would normally see it among the best performers, but dividends around the world are growing even more strongly at present. Nevertheless, U.S. companies have shown steadier growth than any other country in our index, declining in only four quarters over the last 10 years.

U.S. growth was fastest in the technology and financial sectors, which together make up one-third of all U.S. payouts. Solid increases at Apple, Microsoft, JP Morgan and Bank of America made the largest contribution to growth in these sectors. Abbvie, the pharmaceutical company, saw the biggest jump among the largest U.S. companies. Its blockbuster anti-inflammatory, Humira, is the world's top-selling drug and is driving cash flow for the company. Abbvie also referenced U.S. tax reform as a contributing factor behind the 50% year-on-year hike in its payout, a factor which is supporting earnings and dividends for a number of U.S. companies.

Only one company in 10 in our U.S. index saw the total amount they paid in dividends decline year-on-year, mainly owing to lower share counts caused by buyback programs. Approximately 60% of companies in our U.S. index are conducting share buybacks, compared to around 20% in the rest of the world, so the impact of buybacks on returns is much greater here.

Just one U.S. company in 50 cut its per-share dividend outright. The largest of these was General Electric, which halved its quarterly payout from January as it commenced a restructuring

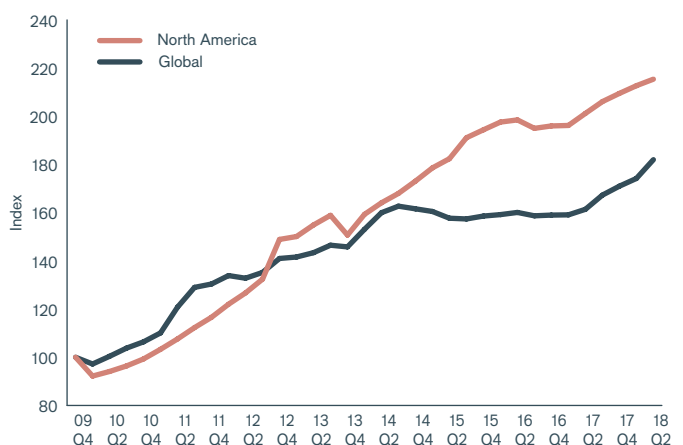
2018 Q2 Dividends by Region



program and attempted to reduce its debts. The General Electric effect was enough to reduce the underlying U.S. dividend growth rate by one-tenth.

Canada once again outpaced the U.S., with dividends rising 10.6% to a record \$10.2B. Underlying growth was 9.0%. Approximately ninety percent of Canadian companies in our index increased their total dividends, with larger payers raising them the fastest. Among these, Enbridge contributed the most to growth as sharply higher oil prices boosted profits; fellow oil companies Pembina Pipeline, Canadian Natural Resources and others followed suit. The oil sector accounted for approximately 40% of Canada's dividend growth. The dominant financial sector made up most of the remainder. Among those whose payouts fell, only one, Teck Resources, actually cut its per-share payout year-on-year. Buybacks affected the others with lower totals. Approximately half of Canadian companies in our index are buying back shares.

JHGDI – North America





Regions and Countries (continued)

Europe ex UK

The second quarter is Europe's most important. European companies in our index paid a record \$176.5B, an increase of 18.7% year-on-year, as higher corporate profits in 2017 flowed into dividends. Underlying growth of 7.5% closely matched that of the U.S. once the strength of European currencies compared to Q2 last year, along with other lesser factors, were accounted for. France, Germany, Switzerland, the Netherlands, Belgium, Denmark and Ireland all broke records.

Record German dividends of \$43.1B were 26.5% higher year-on-year, boosted by special dividend and the stronger euro. Underlying growth was an impressive 9.2%. Over the last couple of years, steep cuts from one or two big companies have masked better performance elsewhere. In Q2, only Deutsche Bank cut its payout in per-share terms. The bank's dividend is down around 80% since 2014 as it has struggled to rectify structural weaknesses. Other large dividend cutters have bounced back. Volkswagen, for example, almost doubled its payout as it recovered from the emissions scandal, while E.ON SE, the power company, raised its dividend by around 60%. Daimler, BMW and SAP also achieved double-digit increases in underlying terms. Between them, these five companies contributed almost half the growth in German dividends.

Investors in French companies also enjoyed record payouts of \$50.9B, an increase of 23.6%. Underlying growth was 6.1%. Total has repeatedly tweaked the timing of its payments in recent years, causing some volatility for French dividends overall. This made a significant impact in the second quarter as well. This factor, the higher euro and higher special dividend all flattered the headline rate. Only two French companies in our index, utilities Engie and EDF, cut their dividends year-on-year as each underwent restructuring to save costs. EDF's dividend has been in decline since 2014. More positively, Engie has recently announced an increase for the year ahead. BNP, LVMH and Axa made the largest contribution to the increase in French payouts, but growth was broadly spread.

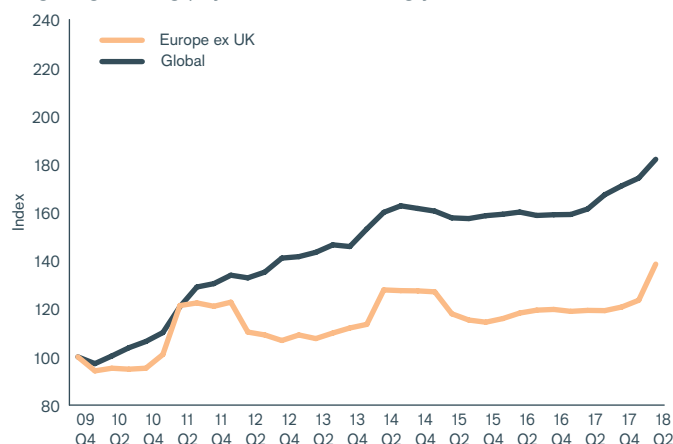
Spanish dividends jumped 25.3% to \$7.9B, the headline growth rate flattered by exchange-rate effects. Underlying growth was 17.9%. Aviation company Aena made the biggest contribution to growth, raising its payout by two-thirds year-on-year, but almost all the Spanish companies in our index made double-digit increases in underlying terms. Telefonica and Ferrovial stood out for holding their distributions flat.

The Netherlands broke another record, with a total of \$9.4B in payouts, up 14.2% (11.0% on an underlying basis). ABN Amro, which beat market expectations with excellent profits for 2017, almost doubled its payout year-on-year and accounted for a third of the Dutch increase. Akzo Nobel made a fairly significant

contribution, increasing its payout by half. Belgium joined its neighbor with record payouts, though it managed an increase of only 1.5% in underlying terms, mainly because Anheuser-Busch, which accounts for two-thirds of all Belgian dividends, did not increase its payout.

Swiss dividends also broke a new record, though like Belgium, only just. They rose 1.0% (0.7% on an underlying basis) to \$23.4B. Only one company in our index, Credit Suisse, cut its payout, but the impact was enough to offset the growth from almost every other Swiss company.

Among the larger countries, Italy saw the strongest growth, up 20.1% in underlying terms to \$10.1B. This was thanks mainly to Unicredit, which had skipped a dividend last year due to long-standing concerns over a weak balance sheet. Under new management, it has issued new equity, is restructuring and is now targeting a rising payout ratio in coming years.



JHGDI – Europe ex UK

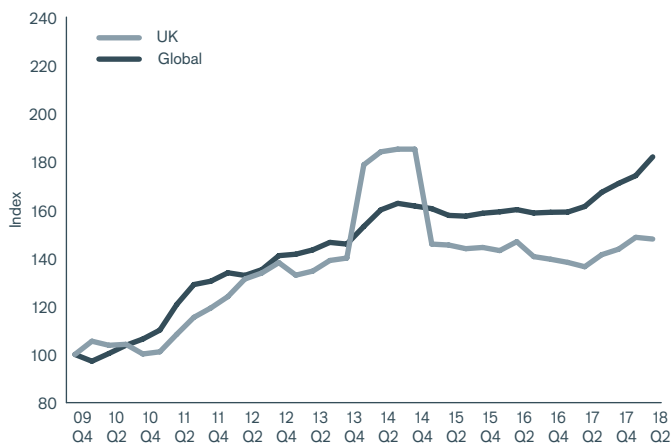


Regions and Countries (continued)

UK

UK companies in our index distributed \$32.1B in the second quarter, 1.4% lower year-on-year in headline terms. The decline was due to much lower special dividends and timing factors. Last year, energy infrastructure company National Grid paid a very large special dividend following the disposal of non-core assets, and this year, tobacco giant BAT switched to quarterly payouts following its acquisition of Reynolds in the U.S., so its dividend payments are now more evenly spread across the year than in the past. In underlying terms, growth in the UK was ahead of the global average at 13.1%, thanks in particular to the big global mining groups listed in London, which have rapidly raised dividends on the back of improving profits.

JHGD – UK



Asia Pacific ex Japan

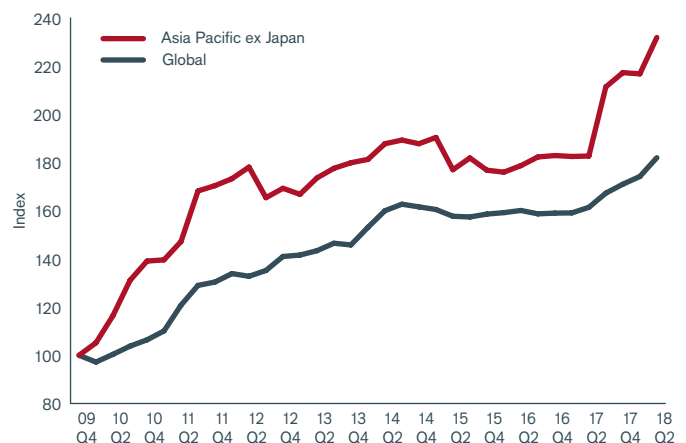
Dividends in Asia Pacific jumped 29.2% to \$42.8B, boosted by very large special dividends in Hong Kong and Singapore. Underlying growth was an impressive 13.5%.

Singapore's payouts more than doubled year-on-year. DBS, the banking group, doubled its regular dividend and paid an almost equally large special dividend. The finalization of Basel capital requirements made it possible for the bank to optimize its balance sheet, and profits also performed well. That meant significant surplus cash for shareholders. Of the 46.9% underlying growth, more than half was contributed by DBS.

The second quarter is relatively quiet for Hong Kong's dividends, but China Mobile made a notable impact, increasing its payout by a quarter. Along with a big special dividend from Power Assets, these two accounted for two-thirds of the growth in Hong Kong's payouts. No company in our Hong Kong index cut its dividend.

Australia's big dividend season begins in Q3, so Q2 is something of a sideshow. Headline growth of 10% to \$8.8B was equivalent to an underlying increase of 5.9%. Commonwealth Bank accounted for approximately 40% of the Q2 total and is only increasing its dividend very slowly, which masked better growth elsewhere. Even so, the performance of Australian companies varied widely. For example, a big increase from Rio Tinto and South32 was mostly offset by a sharp cut from Fortescue Metals, which bucked the trend of rising mining dividends owing to a fall in iron ore prices.

JHGD – Asia Pacific ex Japan 2017





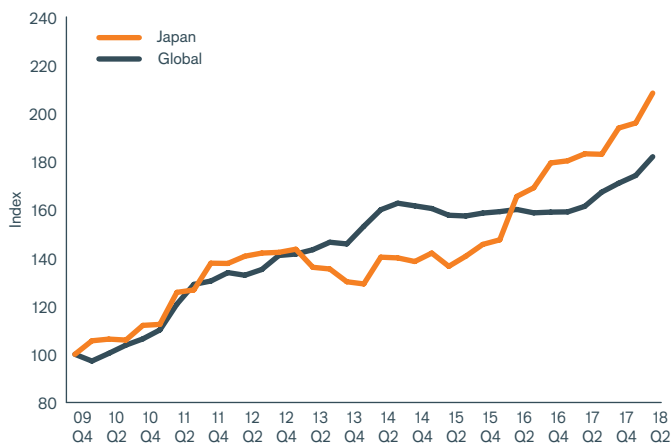
Regions and Countries (continued)

Japan

The second quarter is seasonally important for Japan, so strong growth at this time makes a significant impact on the global total. In headline terms, Japanese payouts jumped 14.2% to a record \$35.9B; underlying growth was a similar 12.3%. Over 90% of Japanese companies raised their payouts in per-share terms, with larger firms tending to make bigger increases. Among the largest payers, companies as diverse as NTT DoCoMo, Nippon Telegraph and Mitsubishi Corp. all increased their dividends close to 25%. Toyota Motor, the largest of all and accounting for a tenth of the total paid in Japan in Q2, raised its payout 9%.

Dividends in Japan are coming from a relatively low base, and there is room for companies to increase payout ratios over the longer term. The current healthy state of Japanese profits, combined with higher payout ratios, could create a powerful contributor to global dividend growth in the future.

JHGD – Japan

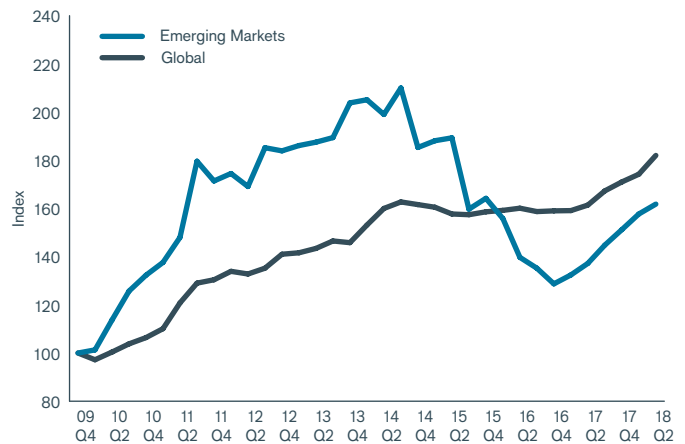


Emerging Markets

Emerging market dividends performed well. The \$26.8B total was 11.5% higher on a headline basis, equivalent to underlying growth of 16.1%. Among those countries where dividend payments are significant in the second quarter, Indonesia and China stood out. Indonesian payouts jumped 17.9% in underlying terms to a new record, thanks in particular to the banks, whose profits and loan quality have rapidly improved. China made the largest contribution to growth, however. Payouts there jumped 56.2% in underlying terms, mainly due to Sinopec, the world's largest oil refiner, whose refining margins have improved both on higher volumes and a better sales mix. Profits rose around 10%, but its dividend almost tripled to a record for the company.

From the other big payers, there was rapid headline growth in South Africa as a result of a stronger rand and higher special dividends, and in Thailand, where the baht was higher year-on-year and new companies entered our index. On an underlying basis, dividends in these countries grew more modestly, however, but still at a creditable 7.9% and 6.8%, respectively.

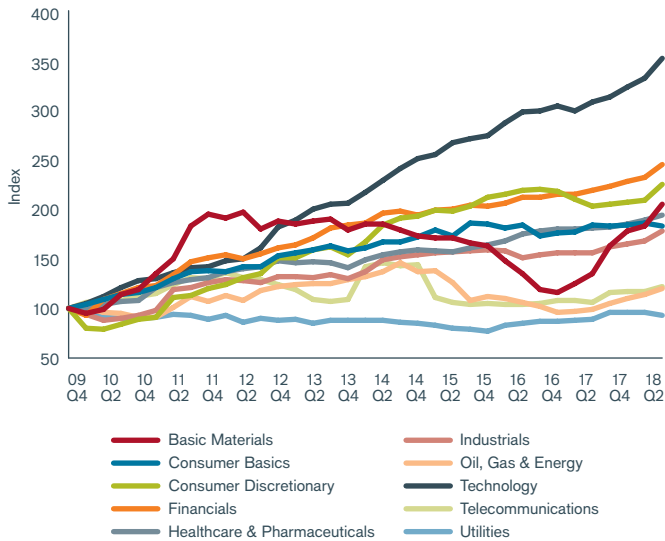
JHGD – Emerging Markets





Industries and Sectors

JHGGDI – Total Dividends by Industry



Financials accounted for a quarter of all the dividends paid in the second quarter. They grew 9.6% in underlying terms and showed similar levels of growth in all regions of the world. Mining, though small in the global mix, delivered 20.7% underlying growth as the sector returned to health. Meanwhile, technology, energy and consumer cyclicals all saw double-digit increases while consumer basics and utilities lagged behind.



Top Payers

World's Biggest Dividend Payers

Rank	12Q2	13Q2	14Q2	15Q2	16Q2	17Q2	18Q2
1	Nestlé SA	Nestlé SA	Nestlé SA	Nestlé SA	Nestlé SA	Nestlé SA	Nestlé SA
2	Sanofi	Sanofi	Ecopetrol SA	Sanofi	Sanofi	Zurich Insurance Group AG Ltd.	Daimler AG
3	China Mobile Limited	China Mobile Limited	Sanofi	HSBC Holdings Plc	HSBC Holdings Plc	HSBC Holdings Plc	Samsung Electronics
4	Deutsche Telekom AG	Deutsche Telekom AG	Hutchison Whampoa Ltd.	China Mobile Limited	Daimler AG	Sanofi	Sanofi
5	Statoil ASA	Commonwealth Bank of Australia	China Mobile Limited	Anheuser-Busch InBev	Allianz SE	Royal Dutch Shell Plc	BNP Paribas
6	Commonwealth Bank of Australia	Statoil ASA	Commonwealth Bank of Australia	Allianz SE	Commonwealth Bank of Australia	Allianz SE	Allianz SE
7	Telefonica	Anheuser-Busch InBev	Statoil ASA	Commonwealth Bank of Australia	Anheuser-Busch InBev	BNP Paribas	HSBC Holdings plc
8	Daimler AG	HSBC Holdings Plc	HSBC Holdings Plc	Toyota Motor Corporation	Toyota Motor Corporation	National Grid Plc	China Mobile Limited
9	Basf SE	Wal-Mart Stores, Inc.	Basf SE	Wal-Mart Stores, Inc.	Total S.A.	Anheuser-Busch InBev SA/NV	Anheuser-Busch InBev SA/NV
10	Ecopetrol SA	Basf SE	Toyota Motor Corporation	A.P. Moller – Maersk AS	BNP Paribas	Daimler AG	Royal Dutch Shell Plc
Subtotal \$B	\$38.80	\$41.10	\$45.50	\$39.50	\$41.10	\$42.30	\$46.5
% of Total	10%	11%	10%	9%	10%	10%	9%
11	Zurich Insurance Group AG Ltd.	Daimler AG	Allianz SE	A.p. Moller - Maersk AS	Wal-Mart Stores, Inc.	Commonwealth Bank of Australia	Total S.A.
12	British American Tobacco	E. On SE	Daimler AG	Exxon Mobil Corp.	China Mobile Limited	Samsung Electronics	Commonwealth Bank of Australia
13	Wal-Mart Stores, Inc.	Apple Inc.	Anheuser-Busch InBev	Vivendi	British American Tobacco	Costco Wholesale Corp.	Intesa Sanpaolo Spa
14	Exxon Mobil Corp.	Exxon Mobil Corp.	British American Tobacco	Apple Inc.	Apple Inc.	Apple Inc.	Axa
15	Eni Spa	Allianz SE	Wal-Mart Stores, Inc.	Basf SE	Exxon Mobil Corp.	Exxon Mobil Corp.	Deutsche Telekom AG
16	Allianz SE	British American Tobacco	Deutsche Telekom AG	British American Tobacco	Basf SE	China Mobile Limited	Apple Inc
17	Orange	Zurich Insurance Group AG Ltd.	Exxon Mobil Corp.	Daimler AG	Axa	Toyota Motor Corporation	Toyota Motor Corporation
18	E. On SE	Eni Spa	Cheung Kong (Holdings) Ltd.	Zurich Insurance Group AG Ltd.	Glaxosmithkline Plc	Deutsche Telekom AG	Exxon Mobil Corp.
19	Banco Santander S.a.	BNP Paribas	Zurich Insurance Group AG Ltd.	Axa	AT&T, Inc.	Intesa Sanpaolo Spa	Basf SE
20	AT&T, Inc.	AT&T, Inc.	Apple Inc.	Samsung Electronics	Deutsche Telekom AG	Wal-Mart Stores, Inc.	Microsoft Corporation
Subtotal \$B	\$26.70	\$27.00	\$30.80	\$28.70	\$30.60	\$32.90	\$36.1
Grand Total \$B	\$65.50	\$68.10	\$76.30	\$68.20	\$71.70	\$75.20	\$82.5
% of Total	18%	18%	17%	16%	17%	17%	17%



Appendices

Methodology

Each year Janus Henderson analyzes dividends paid by the 1,200 largest firms by market capitalization (as of Dec. 31, before the start of the new year). Dividends are included in the model on the date they are paid. Dividends are calculated gross, using the share count prevailing on the pay date (this is an approximation because companies in practice fix the exchange rate a little before the pay date), and converted to USD using the prevailing exchange rate. Where a scrip dividend is offered, investors are assumed to opt 100% for cash. This will slightly overstate the cash paid out, but we believe this is the most proactive approach to treat scrip dividends. In most markets it makes no material difference, though in some, particularly European markets, the effect is greater. Spain is a particular case in point. The model takes no account of free floats since it is aiming to capture the dividend-paying capacity of the world's largest listed companies without regard for their shareholder base. We have estimated dividends for stocks outside the top 1,200 using the average value of these payments compared to the large-cap dividends over the five-year period (sourced from quoted yield data). This means they are estimated at a fixed proportion of 12.7% of total global dividends from the top 1,200, and therefore in our model grow at the same rate. This means we do not need to make unsubstantiated assumptions about the rate of growth of these smaller company dividends. All raw data was provided by Exchange Data International with analysis conducted by Janus Henderson Investors.

Glossary

Commodities – A raw material or primary agricultural product that can be bought and sold, such as copper or oil.

Equity dividend yields – A financial ratio that shows how much a company pays out in dividends each year relative to its share price.

Free floats – A method by which the market capitalization of an index's underlying companies is calculated.

Government bond yields – The rate of return derived from government debt.

Headline dividends – The sum total of all dividends received.

Headline growth – Change in total gross dividends.

Percentage points – One percentage point equals 1/100.

Scrip dividend – An issue of additional shares to investors in proportion to the shares already held.

Special dividends – Typically, one-off payouts made by companies to shareholders that are declared to be separate from their regular dividend cycle.

Timing effects – Adjustments made to the index based upon if companies pay dividends in different quarters than they have in prior years.

Underlying dividend growth – Headline dividend growth adjusted for special dividends, change in currency, timing effects and index changes.

Underlying dividends – Headline dividends adjusted for special dividends, change in currency, timing effects and index changes.

Volatility – The rate and extent at which the price of a security or market index, for example, moves up and down. If the price swings up and down with large movements, it has high volatility. If the price moves more slowly and to a lesser extent, it has lower volatility. Used as a measure of risk.



Appendices (continued)

Annual Dividends by Country (US\$ billions)								
Region	Country	12Q2	13Q2	14Q2	15Q2	16Q2	17Q2	18Q2
Emerging Markets	Brazil	\$7.50	\$4.50	\$5.30	\$3.20	\$0.30	\$1.30	\$0.40
	Chile	\$1.70	\$0.90	\$1.60	\$1.60	\$0.70	\$0.80	\$1.40
	China	\$1.30	\$2.80	\$1.30	\$1.60	\$1.50	\$2.60	\$4.10
	Colombia	\$2.90	\$2.00	\$5.60	\$2.20	\$0.00	\$0.30	\$0.70
	Czech Republic	\$0.00	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Egypt	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Hungary	\$0.20	\$0.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	India	\$1.60	\$2.60	\$1.60	\$2.00	\$2.30	\$2.30	\$2.00
	Indonesia	\$2.80	\$3.50	\$2.60	\$2.70	\$3.00	\$3.90	\$5.00
	Malaysia	\$2.50	\$3.50	\$2.80	\$1.70	\$1.60	\$0.50	\$0.70
	Mexico	\$2.20	\$2.40	\$1.60	\$2.00	\$1.70	\$2.70	\$1.50
	Morocco	\$0.90	\$0.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Peru	\$0.30	\$0.30	\$0.20	\$0.20	\$0.00	\$0.40	\$0.40
	Philippines	\$0.70	\$0.80	\$0.90	\$0.80	\$0.60	\$0.40	\$0.50
	Poland	\$0.50	\$0.00	\$0.30	\$0.00	\$0.00	\$0.00	\$0.00
	Russia	\$0.00	\$0.20	\$0.20	\$3.90	\$1.30	\$0.40	\$0.90
	South Africa	\$4.40	\$3.40	\$2.70	\$2.30	\$2.30	\$3.00	\$3.70
	Thailand	\$2.70	\$3.70	\$3.10	\$2.90	\$1.80	\$2.40	\$3.50
	Turkey	\$2.10	\$3.30	\$1.30	\$3.10	\$0.70	\$0.60	\$0.60
	United Arab Emirates	\$0.00	\$0.00	\$0.00	\$1.60	\$3.00	\$2.50	\$1.60
Europe ex UK	Austria	\$0.60	\$0.80	\$0.70	\$0.50	\$0.60	\$0.90	\$1.20
	Belgium	\$4.30	\$5.90	\$5.60	\$5.90	\$5.70	\$5.90	\$6.20
	Denmark	\$0.80	\$0.90	\$1.10	\$6.40	\$1.40	\$1.00	\$1.00
	Finland	\$3.00	\$2.10	\$2.60	\$3.00	\$4.00	\$4.40	\$5.50
	France	\$32.40	\$31.90	\$41.40	\$36.20	\$41.00	\$41.20	\$50.90
	Germany	\$31.00	\$32.40	\$35.60	\$29.90	\$31.60	\$34.10	\$43.10
	Greece	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Ireland	\$0.40	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$1.00
	Israel	\$0.70	\$0.70	\$0.50	\$0.40	\$0.30	\$0.30	\$0.00
	Italy	\$8.80	\$9.00	\$9.50	\$9.40	\$10.30	\$8.30	\$10.10
	Luxembourg	\$0.40	\$0.50	\$0.50	\$0.40	\$0.40	\$0.30	\$0.30
	Netherlands	\$5.30	\$4.40	\$4.90	\$5.30	\$7.60	\$8.20	\$9.40
	Norway	\$6.90	\$7.60	\$8.50	\$3.10	\$2.80	\$3.50	\$4.50
	Portugal	\$1.10	\$1.10	\$1.20	\$0.60	\$0.80	\$1.40	\$1.60
	Spain	\$8.90	\$5.90	\$10.30	\$7.80	\$6.80	\$6.30	\$7.90
	Sweden	\$14.30	\$11.70	\$15.60	\$12.40	\$11.20	\$9.00	\$10.50
	Switzerland	\$17.90	\$18.50	\$22.10	\$22.00	\$22.90	\$23.10	\$23.40
Japan	Japan	\$24.60	\$21.80	\$25.90	\$23.90	\$30.40	\$31.50	\$35.90
North America	Canada	\$9.20	\$9.60	\$9.30	\$9.00	\$7.90	\$9.10	\$10.20
	United States	\$68.10	\$78.60	\$89.60	\$98.70	\$101.90	\$112.10	\$117.10
Asia Pacific ex Japan	Australia	\$7.60	\$9.80	\$9.70	\$8.00	\$7.40	\$8.00	\$8.80
	Hong Kong	\$15.20	\$16.50	\$20.60	\$13.00	\$13.50	\$12.60	\$17.00
	Singapore	\$3.00	\$3.50	\$3.50	\$3.20	\$2.30	\$1.90	\$4.30
	South Korea	\$5.40	\$5.90	\$6.10	\$7.10	\$9.80	\$10.60	\$12.70
UK	United Kingdom	\$26.80	\$27.90	\$31.50	\$31.20	\$33.70	\$32.50	\$32.10
Total		\$331.10	\$342.90	\$387.90	\$369.60	\$375.60	\$390.90	\$441.40
Outside Top 1,200		\$42.00	\$43.50	\$49.20	\$46.90	\$47.70	\$49.60	\$56.00
Grand Total		\$373.10	\$386.40	\$437.10	\$416.50	\$423.30	\$440.50	\$497.40



Appendices (continued)

Annual Dividends by Industry (US\$ billions)

Industry	12Q2	13Q2	14Q2	15Q2	16Q2	17Q2	18Q2
Basic Materials	\$21.30	\$22.60	\$22.60	\$22.50	\$17.90	\$21.20	\$28.40
Consumer Basics	\$40.30	\$42.80	\$46.70	\$43.10	\$45.10	\$50.10	\$47.80
Consumer Discretionary	\$29.10	\$32.50	\$40.20	\$39.90	\$41.60	\$38.30	\$45.00
Financials	\$74.70	\$84.40	\$97.20	\$97.70	\$105.40	\$111.40	\$128.20
Healthcare & Pharmaceuticals	\$20.80	\$20.90	\$23.40	\$22.70	\$26.30	\$26.60	\$29.40
Industrials	\$33.00	\$32.70	\$39.80	\$40.60	\$36.50	\$36.90	\$43.00
Oil, Gas & Energy	\$35.30	\$36.80	\$41.50	\$29.30	\$24.70	\$26.60	\$32.50
Technology	\$14.70	\$18.00	\$21.70	\$25.20	\$28.80	\$31.50	\$37.50
Telecommunications	\$38.80	\$31.40	\$34.10	\$29.70	\$29.70	\$28.20	\$31.50
Utilities	\$23.20	\$20.80	\$20.60	\$18.80	\$19.60	\$20.10	\$18.10
Total	\$331.10	\$342.90	\$387.90	\$369.60	\$375.60	\$390.90	\$441.40
Outside Top 1,200	\$42.00	\$43.50	\$49.20	\$46.90	\$47.70	\$49.60	\$56.00
Grand Total	\$373.10	\$386.40	\$437.10	\$416.50	\$423.30	\$440.50	\$497.40

Annual Dividends by Sector (US\$ billions)

Industry	Sector	12Q2	13Q2	14Q2	15Q2	16Q2	17Q2	18Q2
Basic Materials	Building Materials	\$1.00	\$1.00	\$1.50	\$1.80	\$1.40	\$2.20	\$2.50
	Chemicals	\$10.20	\$11.80	\$11.60	\$10.50	\$11.80	\$11.70	\$14.00
	Metals & Mining	\$9.90	\$9.60	\$9.30	\$10.00	\$3.80	\$6.20	\$9.80
	Paper & Packaging	\$0.20	\$0.20	\$0.20	\$0.20	\$0.90	\$1.00	\$2.00
	Beverages	\$7.50	\$8.10	\$8.30	\$8.90	\$8.70	\$8.50	\$10.00
Consumer Basics	Food	\$11.10	\$11.70	\$12.80	\$11.30	\$11.80	\$12.20	\$12.80
	Food & Drug Retail	\$8.60	\$10.10	\$10.80	\$8.80	\$8.60	\$13.00	\$9.40
	Household & Personal Products	\$6.30	\$6.60	\$6.90	\$7.40	\$8.10	\$8.30	\$9.50
	Tobacco	\$6.80	\$6.30	\$7.90	\$6.70	\$7.90	\$8.10	\$6.30
	Consumer Durables & Clothing	\$3.30	\$3.20	\$5.30	\$4.90	\$5.50	\$5.60	\$7.50
Consumer Discretionary	General Retail	\$6.50	\$6.20	\$6.30	\$6.20	\$6.50	\$5.70	\$5.80
	Leisure	\$2.90	\$4.30	\$5.30	\$4.00	\$5.50	\$4.40	\$5.60
	Media	\$4.40	\$4.60	\$5.80	\$7.10	\$5.50	\$3.00	\$2.90
	Other Consumer Services	\$0.00	\$0.00	\$0.00	\$0.10	\$0.00	\$0.00	\$0.00
	Vehicles & Parts	\$11.80	\$14.20	\$17.50	\$17.70	\$18.60	\$19.60	\$23.30
Financials	Banks	\$39.10	\$42.90	\$49.10	\$52.10	\$53.60	\$55.40	\$66.90
	General Financials	\$7.20	\$8.80	\$10.50	\$11.60	\$11.20	\$14.10	\$16.60
	Insurance	\$21.60	\$23.00	\$27.50	\$26.00	\$29.90	\$29.90	\$32.90
	Real Estate	\$6.90	\$9.70	\$10.10	\$8.00	\$10.60	\$12.10	\$11.80
Healthcare & Pharmaceuticals	Health Care Equipment & Services	\$2.50	\$2.90	\$3.70	\$3.90	\$4.40	\$5.80	\$6.50
	Pharmaceuticals & Biotech	\$18.30	\$17.90	\$19.70	\$18.80	\$21.90	\$20.90	\$22.80
Industrials	Aerospace & Defense	\$3.20	\$4.00	\$4.80	\$4.90	\$5.30	\$5.10	\$6.40
	Construction, Engineering & Materials	\$6.60	\$5.40	\$5.40	\$4.80	\$5.90	\$6.40	\$7.10
	Electrical Equipment	\$4.00	\$4.30	\$4.90	\$4.40	\$4.60	\$4.90	\$5.40
	General Industrials	\$11.50	\$11.70	\$15.90	\$12.00	\$10.80	\$10.10	\$12.00
	Support Services	\$1.40	\$1.70	\$2.10	\$2.10	\$2.10	\$2.80	\$2.80
Oil, Gas & Energy	Transport	\$6.30	\$5.60	\$6.80	\$12.50	\$7.90	\$7.60	\$9.40
	Energy - non-oil	\$0.30	\$0.10	\$0.10	\$0.00	\$0.00	\$0.00	\$0.00
	Oil & Gas Equipment & Distribution	\$2.40	\$3.20	\$3.10	\$3.60	\$3.00	\$4.20	\$4.40
	Oil & Gas Producers	\$32.60	\$33.50	\$38.40	\$25.80	\$21.80	\$22.40	\$28.10
	IT Hardware & Electronics	\$4.60	\$6.80	\$7.40	\$10.80	\$11.80	\$12.20	\$14.50
Technology	Semiconductors & Equipment	\$2.90	\$4.10	\$5.30	\$3.80	\$4.50	\$5.20	\$6.90
	Software & Services	\$7.20	\$7.10	\$9.00	\$10.60	\$12.50	\$14.00	\$16.10
Telecommunications	Fixed Line Telecommunications	\$25.90	\$19.70	\$23.70	\$19.40	\$20.50	\$19.50	\$21.00
	Mobile Telecommunications	\$13.00	\$11.70	\$10.40	\$10.30	\$9.20	\$8.70	\$10.50
Utilities	Utilities	\$23.20	\$20.80	\$20.60	\$18.80	\$19.60	\$20.10	\$18.10
Total		\$331.10	\$342.90	\$387.90	\$369.60	\$375.60	\$390.90	\$441.40
Outside Top 1,200		\$42.00	\$43.50	\$49.20	\$46.90	\$47.70	\$49.60	\$56.00
Grand Total		\$373.10	\$386.40	\$437.10	\$416.50	\$423.30	\$440.50	\$497.40



Appendices (continued)

JHGD – by Region

Region	12Q2	13Q2	14Q2	15Q2	16Q2	17Q2	18Q2
Emerging Markets	169.1	187.5	199	189.3	139.7	137.2	161.8
Europe ex UK	110.3	107.6	127.8	117.9	118.2	119.3	138.5
Japan	140.7	136.1	140.3	136.5	165.5	183.2	208.4
North America	126.7	154.9	164.1	182.4	198.5	201.2	215.4
Asia Pacific ex Japan	178.1	173.6	187.8	177	178.7	182.7	231.9
UK	131.3	134.6	184.1	145.4	146.8	136.4	147.9
Global Total	132.8	143.4	160	157.7	160.1	161.4	182

JHGD – by Industry

Industry	12Q2	13Q2	14Q2	15Q2	16Q2	17Q2	18Q2
Basic Materials	197.3	188.3	185	171.1	134.6	134.7	205
Consumer Basics	142.5	159.5	166.8	173.2	184	184.1	182.9
Consumer Discretionary	131.2	159	183.9	198	218.8	203	224.7
Financials	150	171.1	196.1	199.7	211.8	219.5	245.2
Healthcare & Pharmaceuticals	140.3	146.6	154	156.9	175	180.9	194
Industrials	128	131.1	149.4	157.2	151.3	156.2	178
Oil, Gas & Energy	108.1	125.5	136.5	126	105.8	99.1	119.8
Technology	150.1	200.4	229.2	267	298.4	307.6	351.6
Telecommunications	131.3	109.1	145.9	105.6	104	105.7	121.6
Utilities	86.2	85.3	87.7	80.1	84.8	89.1	92.8
Total	132.8	143.4	160	157.7	160.1	161.4	182



Appendices (continued)

Q2 Annual Growth Rate – Adjustments from Underlying to Headline Growth

Region	Country	Underlying Growth	Special Dividends	Currency	Index Changes	Timing Effects	Headline Growth
Emerging Markets	Brazil	-7.60%	12.80%	-1.20%	-4.10%	-71.10%	-71.30%
	Chile	24.20%	16.80%	8.40%	18.70%	0.00%	68.00%
	China	56.20%	0.00%	-0.80%	0.00%	0.00%	55.40%
	Colombia	98.60%	0.00%	11.00%	0.00%	0.00%	109.50%
	India	-8.70%	12.80%	-4.10%	-12.40%	0.00%	-12.40%
	Indonesia	17.90%	6.20%	-5.50%	8.70%	0.00%	27.20%
	Malaysia	11.60%	0.00%	8.80%	24.90%	0.00%	45.40%
	Mexico	9.60%	-43.20%	-2.70%	-9.90%	0.00%	-46.10%
	Peru	15.40%	0.00%	0.00%	0.00%	0.00%	15.40%
	Philippines	9.50%	7.30%	-5.30%	5.70%	0.00%	17.30%
	Russia	120.40%	0.00%	-15.20%	0.00%	0.00%	105.20%
	South Africa	7.90%	4.60%	11.10%	0.00%	0.00%	23.70%
	Thailand	6.80%	0.00%	9.60%	31.00%	0.00%	47.40%
	Turkey	27.60%	0.00%	-13.60%	0.00%	0.00%	14.00%
	United Arab Emirates	0.20%	0.00%	0.00%	-14.30%	-22.90%	-37.00%
Europe ex UK	Austria	22.30%	0.00%	4.90%	0.00%	0.00%	27.20%
	Belgium	1.50%	0.00%	9.10%	-6.20%	0.00%	4.40%
	Denmark	-1.10%	-14.60%	12.30%	0.00%	0.00%	-3.30%
	Finland	5.60%	0.00%	11.90%	7.00%	0.00%	24.50%
	France	6.10%	1.50%	8.00%	2.40%	5.60%	23.60%
	Germany	9.20%	4.10%	9.30%	4.00%	0.00%	26.50%
	Ireland	6.90%	0.00%	9.10%	77.80%	0.00%	93.70%
	Israel	-100.00%	0.00%	0.00%	0.00%	0.00%	-100.00%
	Italy	20.10%	0.00%	5.20%	0.00%	-4.50%	20.80%
	Netherlands	11.00%	-0.20%	7.80%	-4.50%	0.00%	14.20%
	Norway	7.90%	23.30%	5.00%	-8.80%	0.00%	27.40%
	Portugal	2.20%	0.00%	8.80%	0.00%	0.00%	11.00%
	Spain	17.90%	0.00%	12.00%	-4.70%	0.00%	25.30%
	Sweden	10.40%	5.10%	4.90%	-3.90%	0.00%	16.50%
Japan	Switzerland	0.70%	-2.00%	2.30%	0.00%	0.00%	1.00%
	Japan	12.30%	0.80%	1.60%	-0.50%	0.00%	14.20%
North America	Canada	9.00%	0.00%	3.60%	-2.00%	0.00%	10.60%
	United States	7.80%	-1.00%	0.00%	-2.30%	0.00%	4.50%
Asia Pacific ex Japan	Australia	5.90%	2.70%	1.40%	0.00%	0.00%	10.00%
	Hong Kong	15.80%	18.00%	-0.70%	2.00%	0.00%	35.10%
	Singapore	46.90%	63.10%	5.00%	9.40%	0.00%	124.30%
	South Korea	10.60%	0.00%	5.80%	3.30%	0.00%	19.60%
UK	United Kingdom	13.10%	-11.30%	3.50%	-2.00%	-4.70%	-1.40%

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