

# JANUS HENDERSON GLOBAL DIVIDEND INDEX

**Edition 18**  
**May 2018**



# Contents

 Introduction .....	1
 Global Dividends Make a Strong Start for 2018 .....	2
 Weakening Dollar Boosts the Contribution from Companies outside the U.S. ....	3
 Executive Summary – By Region .....	4-5
 Regions and Countries .....	6-9
 Industries and Sectors .....	10
 Top Payers .....	11
 Methodology .....	12
 Glossary .....	12
 Appendices .....	13-16

## 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 Make a Strong Start for 2018



**Ben Lofthouse, CFA**  
Head of Global Equity Income

Equity markets in 2018 have been characterized by the return of volatility. But while investors question the impact of rising rates and fate of this market cycle, dividends tell quite a different story – one of stable earnings, synchronous global growth and improving corporate confidence.

After a stellar showing in 2017, worldwide dividends continued to gain ground in early 2018. On a headline basis, payouts increased 10.2% to nearly \$245 billion for the first quarter, a record improvement since we launched the Janus Henderson Global Dividend Index in 2009.

The results are not entirely surprising: When earnings rise, as they have across a broad swath of sectors in most regions in the world, dividends follow. Because the index is based on U.S. dollars, a weakening greenback further bolstered results; this accounted for about three percentage points of headline growth. It's worth noting, however, that underlying growth did not disappoint. On the contrary, it lined up perfectly with our forecast of a 5.9% year-over-year improvement.

All told, nearly every region in the world hit a high-water mark for the first quarter. The only exception – Asia Pacific ex Japan – saw a decline in dividends because of stock-specific issues in Australia and lower special dividends in Hong Kong, not because of deteriorating fundamentals overall.

North American dividends, up 6.1% during the quarter, made no small contribution to overall results. The \$123 billion paid out over the quarter represents the region's highest tally for the history of the index. While Canada represents just \$10 billion of this figure, the

country carried more than its weight last quarter, with payouts surging more than 16.6%, or about twice that of the U.S.

Individual companies with the highest payouts are no strangers to the leader board: Exxon, Microsoft and Apple contributed one dollar for every nine in the U.S. total. That said, shareholders enjoyed pay raises across the board: Eight out of 10 U.S. companies we track posted year-over-year improvements. And while the full impact of tax reform has yet to funnel down to dividends, recent payout increases may reflect an early vote of confidence from U.S. companies poised to benefit from tax cuts or distribute repatriated cash.

A declining U.S. dollar was a big factor in Europe's 13.7% increase for the first quarter. After factoring for currency differences, that figure is a more modest 3.9%. That said, our outlook for Europe in the second quarter and beyond is for continued growth. The economy is, by most measures, a few steps behind the U.S., suggesting that there may be more room for companies to increase dividends. The next quarter, moreover, should be a better representation, as nearly two thirds of European dividend payments are made during that period.

Looking ahead, earnings surprises may come fewer and farther between as companies begin to face tough comps on last year's performance. Nevertheless, we think dividends will continue to move higher in regions around the world. We're now calling for dividends to rise 8.5% in headline terms for the full year, for a total of \$1.358 trillion.

## Annual Dividends by Region (US\$ billions)

Region	2014	% change	2015	% change	2016	% change	2017	% change	Q1 2017	% change	Q1 2018	% change
<b>Emerging Markets</b>	\$126.60	-9.10%	\$112.20	-11.40%	\$87.90	-21.60%	\$102.60	16.70%	\$12.50	25.70%	\$17.00	35.30%
<b>Europe ex UK</b>	\$237.50	13.70%	\$213.40	-10.10%	\$223.20	4.60%	\$226.80	1.60%	\$36.00	-3.00%	\$40.90	13.70%
<b>Japan</b>	\$50.00	6.40%	\$52.60	5.20%	\$64.70	23.20%	\$70.00	8.10%	\$4.50	7.70%	\$5.20	16.80%
<b>North America</b>	\$392.90	14.80%	\$441.20	12.30%	\$445.00	0.90%	\$475.60	6.90%	\$116.10	0.40%	\$123.10	6.10%
<b>Asia Pacific</b>	\$120.90	4.40%	\$113.80	-5.90%	\$117.80	3.50%	\$139.90	18.80%	\$12.50	-2.00%	\$12.20	2.40%
<b>UK</b>	\$123.30	32.30%	\$96.20	-22.00%	\$93.00	-3.30%	\$95.70	3.00%	\$15.40	-5.70%	\$18.70	21.10%
<b>Total</b>	\$1,051.20	11.10%	\$1,029.30	-2.10%	\$1,031.60	0.20%	\$1,110.60	7.70%	\$197.00	0.50%	\$217.10	10.20%
<b>Divs outside top 1,200</b>	\$130.40	8.60%	\$130.60	0.20%	\$130.90	0.20%	\$140.90	7.70%	\$25.00	0.50%	\$27.50	10.20%
<b>Grand Total</b>	\$1,181.60	10.80%	\$1,159.90	-1.80%	\$1,162.50	0.20%	\$1,251.60	7.70%	\$222.00	0.50%	\$244.70	10.20%

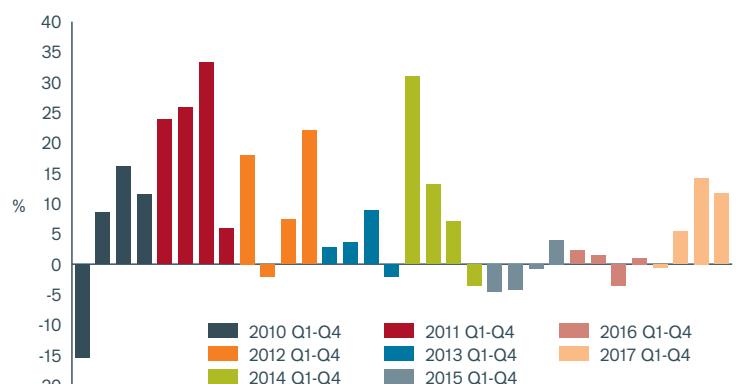


# Global Dividends Make a Strong Start for 2018

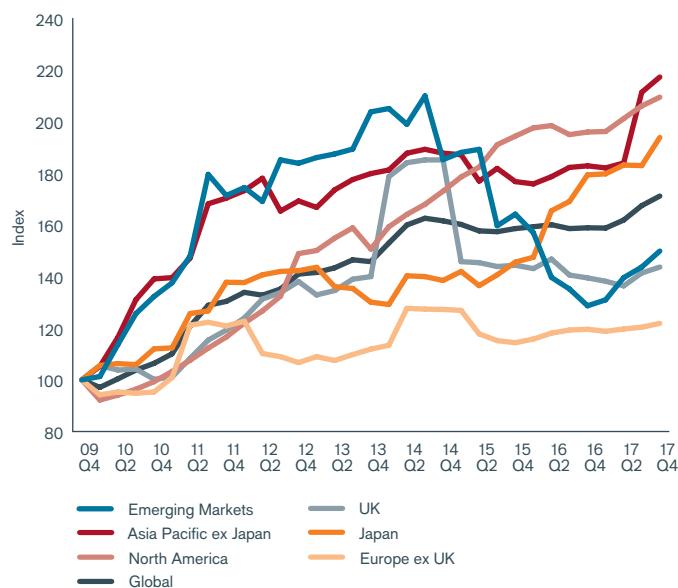
JHGDI



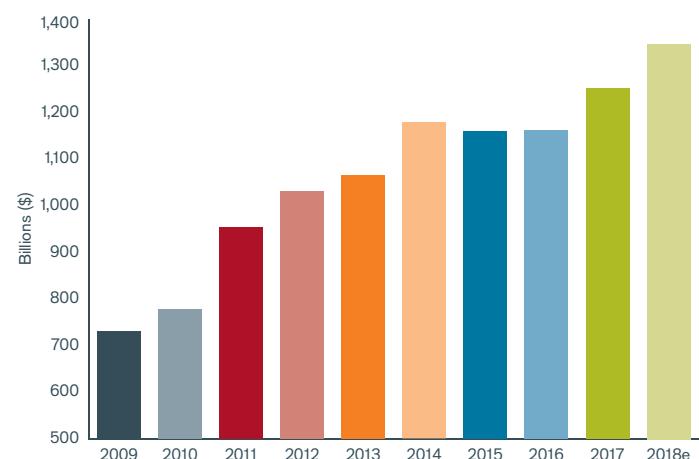
Total Dividends, Annual Growth Per Quarter



JHGDI – by Region



Global Dividends (U.S.\$)





# Weakening Dollar Boosts the Contribution from Companies outside the U.S.

The headline growth rate considers the change in the U.S. dollar value of dividends paid around the world. To understand the core trends, we calculate an underlying rate. That adjusts for four key factors: exchange rate movements, unpredictable one-off special dividends, changes in the list of companies featuring in the global top 1,200, and changes in the timing of payments (when companies shift a dividend from one quarter to another).

The U.S. dollar extended its losses against almost all the world's currencies in the first quarter. That pushed up the dollar value of the world's dividends, boosting the Q1 headline growth rate by almost three percentage points, and accounting for over a quarter of the headline rate of expansion.

There was a significant timing effect in the UK as British American Tobacco moved to quarterly payouts, having previously paid half-yearly. This one company was responsible for most of the 0.8 percentage point boost to the Q1 global headline growth rate, and will likely cause an offsetting reduction in the second quarter. The overall impact of special dividends was similar, adding 0.6 percentage points to the global headline rate, though they had a greater impact in some parts of the world, in particular in Asia and emerging markets.

Finally, some U.S. companies left the Janus Henderson index, mainly because exchange rate movements increased the dollar value of companies outside the U.S., promoting them to the global top 1,200 instead. At a global level, index changes netted off completely, which is what we would expect on average.

**Q1 2018 Annual Growth Rate – Adjustments From Underlying To Headline Growth**

Region	Underlying growth	Special dividends	Currency effects	Index changes	Timing effects <sup>†</sup>	Headline dividend growth
Emerging Markets	2.0%	7.8%	2.5%	17.2%	5.8%	35.3%
Europe ex UK	3.9%	0.0%	11.0%	0.4%	-1.5%	13.7%
Japan	8.2%	2.9%	5.7%	0.0%	0.0%	16.8%
North America	8.0%	0.3%	0.3%	-2.6%	0.0%	6.1%
Asia Pacific ex Japan	-3.1%	-4.4%	0.9%	4.2%	0.0%	-2.4%
UK	4.2%	1.5%	4.9%	1.5%	9.0%	21.1%
Global	5.9%	0.6%	2.9%	0.0%	0.8%	10.2%

<sup>†</sup> Timing effects are not significant on an annual basis.



# Executive Summary – By Region

## Overview

- 2018 began strongly for global dividends, which rose 10.2% to \$244.7 billion on a headline basis\*, a record for the first quarter
- The weak dollar flattered the headline growth rate but underlying growth was still 5.9%, continuing the encouraging pace set in 2017
- Canada and the U.S. broke all-time records, while a quarter of countries broke Q1 records
- The JHGDI rose to 174.2\*\*, meaning global dividend payments have risen by three-quarters since 2009

## North America

- Payouts rose 6.1% on a headline basis to \$123.1 billion, though underlying growth\* was much faster at 8.0%
- Canadian dividends soared to a new quarterly record, with underlying growth of 13.8% the fastest among major countries, and almost double the U.S. pace of expansion
- U.S. underlying growth of 7.6% was very encouraging, pushed higher by technology, financial and health care stocks

CANADA AND  
THE U.S. BROKE

all-time records

JHGDI ROSE TO  
**174.2**  
MEANING DIVIDENDS  
HAVE RISEN BY ALMOST  
THREE-QUARTERS  
SINCE 2009

## Europe ex UK

- European dividends were propelled 13.7% higher to \$40.9 billion by the strength of the euro and other European currencies
- Underlying growth of 3.9% was more modest
- Health Care, which customarily dominates the first quarter, saw lower payouts on a constant-currency basis
- Solid dividend growth in the region's major economies bodes well for the crucial second quarter when almost two-thirds of European dividend payments for the year are made

## UK

- Headline growth of 21.1% was distorted by a large timing change from tobacco giant BAT, which moved to quarterly distributions, and by the stronger pound
- Underlying growth was a more modest 4.2%

EUROPEAN DIVIDENDS  
PROPELLED

**13.7%**  
UPWARD

\* Please refer to the glossary found on page 12.

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



# Executive Summary – By Region (continued)

## Asia Pacific ex Japan

- Asia was the only region to see lower payouts, both in headline and underlying terms
- Hong Kong dividends dropped sharply, owing to lower special dividends\*, and were up only modestly on an underlying basis, while Singapore payouts were flat on an underlying basis
- Australian dividends were hit hard in a quiet quarter by steep cuts at telecommunications company Telstra and QBE Insurance Group

## Japan

- Q1 is seasonally quiet for Japan
- Dividend growth was strong, up 8.2% on an underlying basis

## Emerging Markets

- Emerging-market payouts were characteristically volatile
- India dominated the quarter and saw lower payouts in underlying terms, along with Russia, but Brazil was strong

## Industries & Sectors

- Oil & gas, technology and financials showed the strongest growth, while telecoms lagged behind
- Eight out of 10 sector groupings saw rising dividends in underlying terms

## Outlook

- Economic growth will likely continue to propel profit growth, and therefore higher dividends
- We forecast underlying dividend growth of 6.0% for 2018, unchanged from last quarter
- The headline growth forecast has been raised slightly due to the impact of a weaker dollar
- We now expect total dividends of \$1.358 trillion, \$10 billion more than our initial forecast and equivalent to a year-on-year increase of 8.5% in headline terms

ECONOMIC GROWTH WILL  
LIKELY CONTINUE TO PROPEL  
**profit growth**  
AND THEREFORE  
HIGHER DIVIDENDS

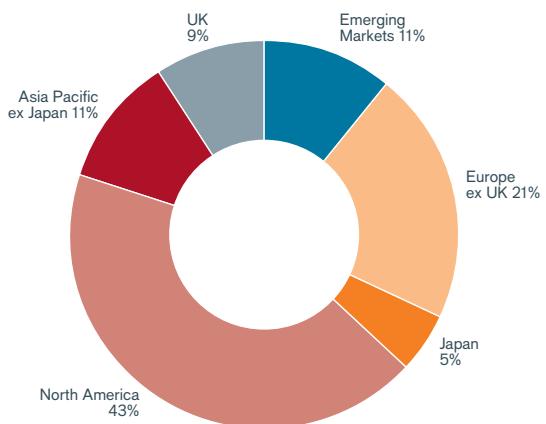
GLOBAL DIVIDENDS ROSE  
10.2% TO  
**\$244.7 billion**  
A Q1 RECORD

\* See Glossary on page 12.

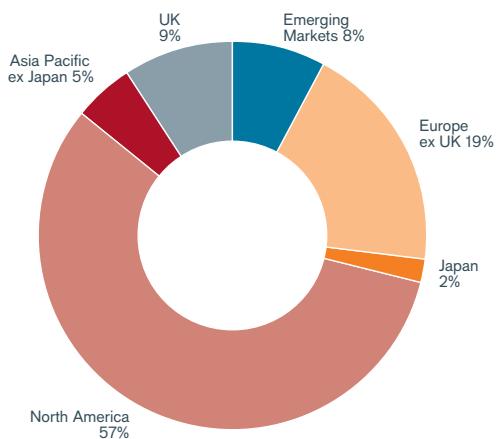


# Regions and Countries

## 2017 Dividends by Region



## 2018 Q1 Dividends by Region



## North America

Seasonal patterns in dividend payments give North America a greater share of global payouts in Q1, as almost every company makes regular quarterly distributions to investors. North American dividends were 6.1% higher on a headline basis at \$123.1 billion, the highest quarterly total ever for the region, thanks mainly to a stellar performance from Canada. After adjusting for companies leaving the index, and other smaller factors, underlying growth was an impressive 8.0%, faster than our expectations.

Although Canada only makes up a tenth of the region's total dividends, it grew much more rapidly than the U.S. Headline growth of 16.6% took Canadian payouts to an all-time quarterly record of \$10.1 billion. The two largest sectors, financials and oils, both saw particularly strong growth. Every Canadian company in our index increased its dividend or held it constant, even after accounting for the stronger Canadian dollar, which pushed up the headline growth rate by almost five percentage points. Underlying growth of 13.8% was the fastest among the world's major dividend-paying economies, and was almost double that of its larger neighbor.

Even so, underlying growth in the U.S. was a healthy 7.6%. The total \$113.0 billion paid was 5.2% higher than Q1 2017 in headline terms, despite having fewer companies in the index, and was also an all-time quarterly record. Tech stocks delivered the fastest increases, but financials and health care also did well. Utilities were hit by energy supplier PG&E, which canceled its payout as it absorbed the costs incurred by California's most destructive ever wildfire season late last year. Overall, almost eight in 10 U.S. companies paid out more in dividends year-on-year. The top three, Exxon, Microsoft and Apple, contributed one dollar in every nine to the U.S. total.

## JHGDI – North America





# Regions and Countries (continued)

## Europe ex UK

The European economy is growing more strongly than at any time since the financial crisis, and that has pushed the region's exchange rates markedly higher against the U.S. dollar. The 13.7% jump in dividends in headline terms, which took the European total to a first-quarter record of \$40.9 billion, was largely down to the dollar's weakness. Without the exchange-rate effect, underlying growth was a more modest 3.9%. The first quarter sees relatively few dividends paid, however, so a few companies can make a significant impact. Moreover, the mix of sectors and countries that make up first-quarter dividends is very different from the full-year mix.

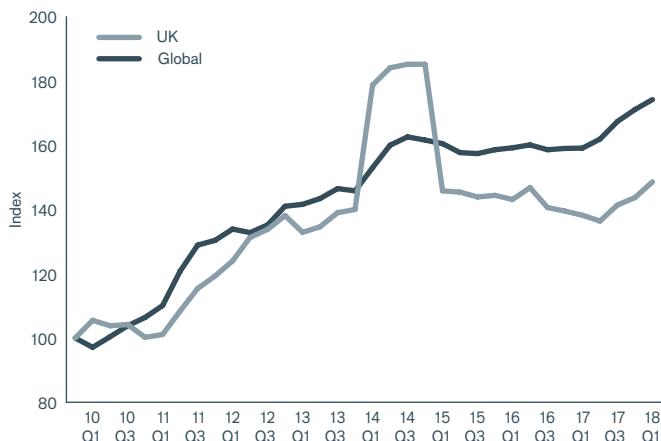
Health Care, particularly in Switzerland, dominated Q1, accounting for more than a third of European dividends paid, compared to just one-tenth of the annual figure. Swiss Novartis and Roche, the two largest payers in the world in Q1, only made very small increases. Meanwhile Israel's Teva, the world's largest maker of generic drugs, canceled its first-quarter payout altogether, while it focused on the restructuring of its business. Teva's impact alone knocked a percentage point off the entire European growth rate. With the overall health care total down on a constant-currency basis, and making up such a disproportionate share of the overall European figure, Europe's relatively slow rate of Q1 underlying growth is easy to understand.

Oil payouts are also growing relatively slowly, and they too make up a larger share of the Q1 mix than they do for the full year, while financials, which have been in recovery mode, are underrepresented. Furthermore, solid underlying growth in France, Spain and the Netherlands, all key contributors, bodes well for the crucial second-quarter European dividend season. German dividend growth of 3.9% was in line with the underlying average for the quarter.

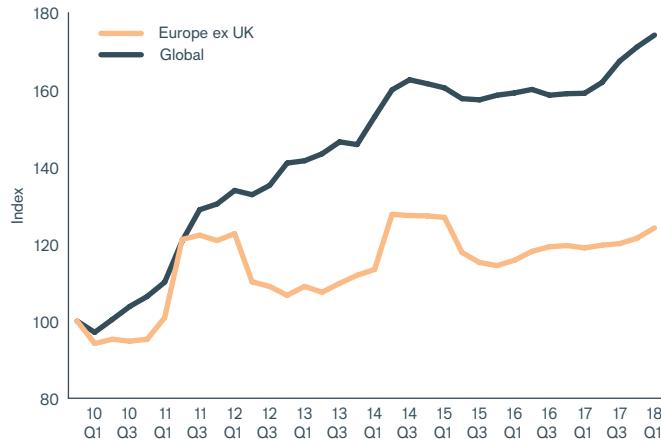
## UK

A sharp 21.1% headline increase in UK dividends to \$18.7 billion was significantly distorted by British American Tobacco, which paid its first ever quarterly dividend in February. The company made the switch from semiannual payments following its acquisition of Reynolds American last year, which brought with it a large contingent of U.S. shareholders accustomed to quarterly income. The impact of the change boosted the first-quarter total by nine percentage points, and will likely be offset in the second quarter. A stronger pound, the addition of UK companies to the index and a special dividend from Sky, which is involved in a takeover battle, each added a further boost to the headline figure. Underlying growth was a more modest 4.2%, with BHP Billiton one of the largest contributors to the increase, continuing the resurgence in mining dividends over the last year.

## JHGDI – UK



## JHGDI – Europe ex UK





## Regions and Countries (continued)

### Asia Pacific ex Japan

Asia Pacific ex Japan was the laggard during Q1. Payouts dropped year-on-year in both headline (-2.4%) and underlying terms (-3.1%), though the dip is likely to prove temporary.

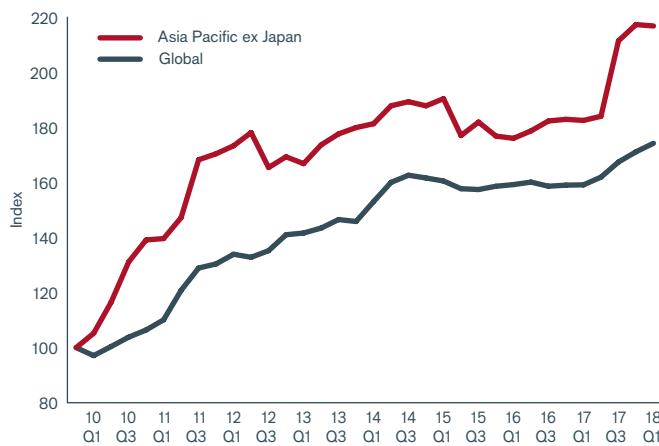
Sharply lower special dividends in Hong Kong, where companies use special dividends more readily than most other major dividend-paying countries, caused payouts to fall by a quarter in headline terms. In reality, most companies held payouts or raised them modestly. Dividends in Singapore were flat, once a special from Singapore Telecom was accounted for.

Australian dividends fell 1.2% on a headline basis to \$7.7 billion, but were 6.6% lower in underlying terms, mainly owing to Telstra.

Telstra has been one of Australia's dividend stalwarts, consistently ranking in the top six payers until now. Slow profit growth and a need to preserve cash for investment led to the telecom's first dividend cut in 20 years. Its new dividend policy targets a much less generous, but more realistic, payout ratio range of 70% to 90%. QBE Insurance Group cut its dividend by 90% after warning in January that it had made a loss.

Excluding the impact of QBE and Telstra, Australian dividends rose encouragingly year-on-year, with a particular boost from mining group BHP Billiton.

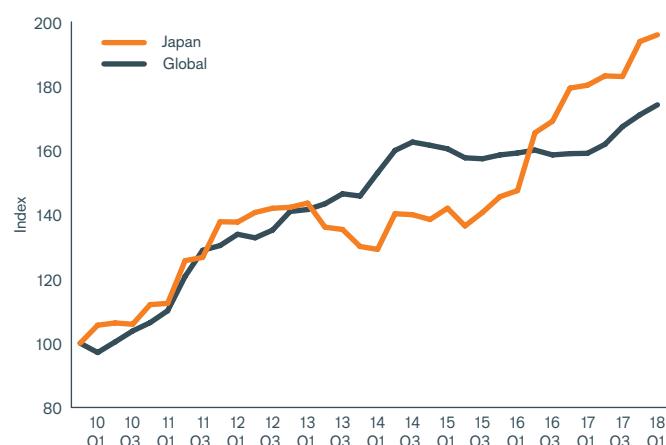
### Asia Pacific ex Japan 2017



### Japan

Japanese payouts jumped by a sixth on a headline basis, boosted by special dividends and a stronger yen. The total \$5.2 billion was a first-quarter Japanese record, and was 8.2% higher in underlying terms. Most Japanese companies pay dividends during Q2 and Q4. The Q1 total is so small – typically only accounting for about 6% of the annual total – that it is unwise to consider it offers a clear indication of the result for later quarters, but it suggests our expectations are realistic for 2018.

### JHGDI – Japan





## Regions and Countries (continued)

### Emerging Markets

Emerging-market dividends showed much of their characteristic volatility, leaping more than a third in headline terms to a first-quarter record of \$17.0 billion. New companies joining the index accounted for half the increase, the largest of these being Indian Oil Corp. Special dividends in the United Arab Emirates and Brazil and an early payment by Brazilian miner Vale flattered the headline rate, meaning underlying growth was a more modest 2.0%. Brazil grew rapidly, but a cut from Coal India pushed Indian dividends down year-on-year, while unpredictable Russian payouts were also lower. India made the largest contribution (almost one-third of the emerging-market Q1 total), so lower payouts there made a significant impact on the emerging-market whole.

China is severely underrepresented in the first quarter for seasonal reasons. It is comfortably the largest emerging-market payer, and has shown flat or falling dividends over the last three years. Its performance for 2018 is likely to be better, and will be crucial for the overall emerging-market total.

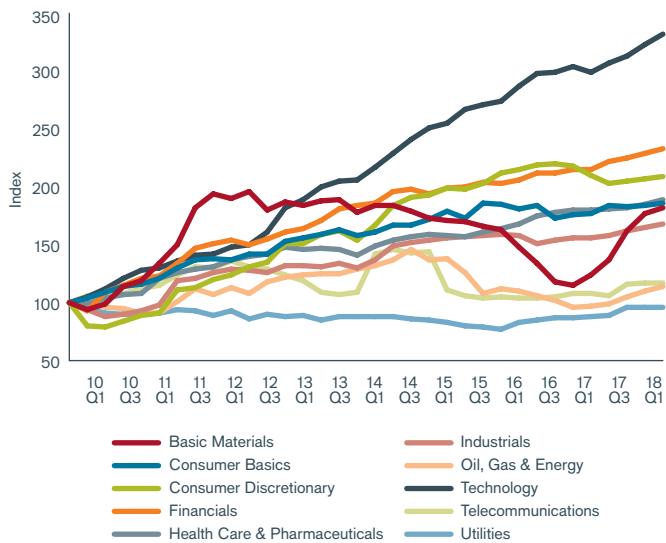
### JHGDI – Emerging Markets





# Industries and Sectors

## JHGDI – Total Dividends by Industry



Oil & gas, technology and financials showed the strongest underlying growth from an industry perspective. Oil dividends were boosted in particular by Russia where Tatneft made one of its unpredictable distributions, and by Canada. Technology growth was mainly a U.S. and Japanese story, while the contribution to dividend growth from financials came in particular from North American banks. Telecoms was the only industry grouping to see a decline, mainly owing to the Telstra cut in Australia. At the more detailed sector level, eight out of 10 groupings saw rising dividends in underlying terms.



# Top Payers

World's Biggest Dividend Payers							
Rank	12Q1	13Q1	14Q1	15Q1	16Q1	17Q1	18Q1
1	Novartis AG	Novartis AG	Vodafone Group plc	Novartis AG	Novartis AG	Novartis AG	Novartis AG
2	Vodafone Group plc	Roche Holding AG	Novartis AG	Roche Holding AG	Roche Holding AG	Roche Holding AG	Roche Holding AG
3	Roche Holding AG	Siemens AG	Roche Holding AG	Siemens AG	Royal Dutch Shell Plc	Royal Dutch Shell Plc	Royal Dutch Shell Plc
4	Siemens AG	Royal Dutch Shell Plc	Siemens AG	Royal Dutch Shell Plc	Siemens AG	Siemens AG	Siemens AG
5	Telstra Corporation	BHP Billiton Limited	Coal India Limited	ExxonMobil Corp.	Equity Residential Properties Trust	ExxonMobil Corp.	Nordea Bank AB
6	Royal Dutch Shell Plc	Vodafone Group plc	Royal Dutch Shell Plc	BHP Billiton Limited	ExxonMobil Corp.	Microsoft Corporation	ExxonMobil Corp.
7	AT&T, Inc.	Telstra Corporation	BHP Billiton Limited	Apple Inc.	AT&T, Inc.	AT&T, Inc.	Microsoft Corporation
8	Astrazeneca plc	AT&T, Inc.	ExxonMobil Corp.	Nordea Bank AB	Nordea Bank AB	Apple Inc.	Apple Inc.
9	BHP Billiton Limited	ExxonMobil Corp.	Apple Inc.	Microsoft Corporation	Apple Inc.	Nordea Bank AB	AT&T, Inc.
10	ExxonMobil Corp.	Apple Inc.	Astrazeneca plc	AT&T, Inc.	Microsoft Corporation	Astrazeneca plc	BHP Billiton Limited
<b>Subtotal \$B</b>	<b>\$36.38</b>	<b>\$33.71</b>	<b>\$59.93</b>	<b>\$35.33</b>	<b>\$37.87</b>	<b>\$37.42</b>	<b>\$40.36</b>
<b>% of total</b>	<b>22%</b>	<b>20%</b>	<b>27%</b>	<b>16%</b>	<b>17%</b>	<b>17%</b>	<b>16%</b>
11	General Electric Co.	Astrazeneca plc	AT&T, Inc.	Astrazeneca plc	Symantec Corp.	Verizon Communications Inc	Verizon Communications Inc
12	Total S.A.	Banco Santander S.A.	Telstra Corporation	Costco Wholesale Corp	Coal India Limited	Johnson & Johnson	Astrazeneca plc
13	Pfizer Inc.	General Electric Co.	Banco Santander S.A.	General Electric Co.	Cheung Kong Infrastructure Holdings Ltd.	Pepsico Inc.	Pepsico Inc.
14	Microsoft Corporation	Microsoft Corporation	Microsoft Corporation	Verizon Communications Inc	Astrazeneca plc	General Electric Co.	Johnson & Johnson
15	Pepsico Inc.	Total S.A.	General Electric Co.	First Gulf Bank	General Electric Co.	Chevron Corp.	Chevron Corp.
16	HSBC Holdings plc	Nordea Bank AB	Total S.A.	Banco Santander S.A.	Verizon Communications Inc	BP plc	First Abu Dhabi Bank
17	Chevron Corp.	Pfizer Inc.	Chevron Corp.	Coal India Limited	Johnson & Johnson	Pfizer Inc.	Pfizer Inc.
18	Johnson & Johnson	Chevron Corp.	Johnson & Johnson	Chevron Corp.	Pepsico Inc.	Wells Fargo & Co.	BP plc
19	BP plc	BP plc	Novo Nordisk	Pepsico Inc.	Chevron Corp.	Coal India Limited	JPMorgan Chase & Co.
20	Procter & Gamble Co.	Johnson & Johnson	Swedbank AB	Walt Disney Co.	Novo Nordisk	BHP Billiton Limited	Wells Fargo & Co.
<b>Subtotal \$B</b>	<b>\$16.29</b>	<b>\$18.96</b>	<b>\$21.01</b>	<b>\$21.55</b>	<b>\$22.87</b>	<b>\$20.39</b>	<b>\$21.45</b>
<b>Grand total \$B</b>	<b>\$52.68</b>	<b>\$52.67</b>	<b>\$80.94</b>	<b>\$56.88</b>	<b>\$60.73</b>	<b>\$57.81</b>	<b>\$61.82</b>
<b>% of total</b>	<b>32%</b>	<b>31%</b>	<b>36%</b>	<b>26%</b>	<b>28%</b>	<b>26%</b>	<b>25%</b>



# 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.
- 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	12Q1	13Q1	14Q1	15Q1	16Q1	17Q1	18Q1
Emerging Markets	Brazil	\$3.25	\$4.01	\$3.73	\$3.66	\$2.06	\$2.46	\$3.48
	Chile	\$0.80	\$0.77	\$0.77	\$0.63	\$0.60	\$0.43	\$0.57
	China	\$-	\$-	\$-	\$0.08	\$0.13	\$0.13	\$0.05
	Colombia	\$0.06	\$0.07	\$0.02	\$0.02	\$-	\$-	\$-
	India	\$3.54	\$3.03	\$4.35	\$2.65	\$3.75	\$3.56	\$5.24
	Indonesia	\$-	\$-	\$-	\$-	\$-	\$-	\$-
	Malaysia	\$1.10	\$0.77	\$1.25	\$1.49	\$1.17	\$0.67	\$0.74
	Mexico	\$0.03	\$0.51	\$0.15	\$0.05	\$0.42	\$0.40	\$0.36
	Philippines	\$-	\$0.05	\$-	\$0.25	\$0.11	\$0.04	\$0.07
	Russia	\$0.70	\$2.99	\$1.26	\$2.88	\$0.21	\$2.46	\$2.90
Europe ex UK	South Africa	\$1.79	\$0.62	\$2.18	\$1.71	\$0.25	\$0.25	\$0.27
	Thailand	\$-	\$-	\$-	\$0.15	\$0.20	\$0.28	\$0.39
	United Arab Emirates	\$-	\$-	\$-	\$2.12	\$1.06	\$1.87	\$2.90
	Belgium	\$0.13	\$0.14	\$0.15	\$0.13	\$0.16	\$0.15	\$0.18
	Denmark	\$1.38	\$1.64	\$2.51	\$2.80	\$3.73	\$3.46	\$4.49
	Finland	\$0.41	\$0.77	\$0.90	\$0.60	\$0.96	\$0.74	\$1.09
	France	\$2.08	\$2.39	\$2.70	\$2.92	\$4.42	\$2.98	\$3.87
	Germany	\$4.04	\$3.69	\$3.79	\$3.94	\$4.05	\$3.98	\$4.37
	Ireland	\$-	\$-	\$-	\$0.58	\$-	\$-	\$-
	Israel	\$0.25	\$0.30	\$0.83	\$0.32	\$0.35	\$0.35	\$-
Asia Pacific ex Japan	Italy	\$-	\$-	\$0.40	\$-	\$-	\$0.98	\$1.70
	Netherlands	\$0.50	\$0.57	\$0.64	\$0.52	\$0.57	\$0.58	\$0.76
	Norway	\$0.38	\$-	\$0.46	\$0.75	\$0.70	\$0.72	\$0.73
	Portugal	\$0.25	\$-	\$-	\$-	\$-	\$-	\$-
	Spain	\$5.23	\$5.46	\$5.75	\$4.64	\$4.88	\$4.85	\$4.99
	Sweden	\$-	\$4.28	\$1.77	\$2.72	\$2.93	\$2.86	\$3.43
	Switzerland	\$13.15	\$12.97	\$15.10	\$14.42	\$14.35	\$14.32	\$15.30
	Japan	\$2.10	\$2.58	\$2.22	\$3.49	\$4.16	\$4.48	\$5.23
	North America	\$8.90	\$9.88	\$9.24	\$8.83	\$7.77	\$8.65	\$10.09
	United States	\$64.68	\$66.43	\$86.64	\$99.54	\$107.87	\$107.43	\$113.04
UK	Australia	\$8.39	\$8.08	\$7.91	\$8.41	\$5.96	\$7.83	\$7.74
	Hong Kong	\$2.30	\$1.11	\$2.57	\$3.58	\$5.79	\$3.86	\$2.88
	Singapore	\$1.00	\$1.03	\$0.92	\$0.91	\$0.98	\$0.78	\$1.20
	South Korea	\$0.57	\$0.41	\$0.16	\$0.33	\$-	\$-	\$0.35
UK	United Kingdom	\$21.14	\$17.65	\$43.45	\$17.23	\$16.37	\$15.44	\$18.70
<b>Total</b>		<b>\$148.16</b>	<b>\$152.19</b>	<b>\$201.83</b>	<b>\$192.33</b>	<b>\$195.97</b>	<b>\$196.98</b>	<b>\$217.10</b>
<b>Outside top 1,200</b>		<b>\$18.80</b>	<b>\$19.31</b>	<b>\$22.64</b>	<b>\$24.40</b>	<b>\$24.86</b>	<b>\$24.99</b>	<b>\$27.55</b>
<b>Grand Total</b>		<b>\$166.96</b>	<b>\$171.50</b>	<b>\$224.47</b>	<b>\$216.73</b>	<b>\$220.83</b>	<b>\$221.98</b>	<b>\$244.64</b>



## Appendices (continued)

### Annual Dividends by Industry (US\$ billions)

Industry	12Q1	13Q1	14Q1	15Q1	16Q1	17Q1	18Q1
Basic Materials	\$10.43	\$9.41	\$11.48	\$10.84	\$5.98	\$8.92	\$10.70
Consumer Basics	\$14.19	\$15.84	\$17.46	\$21.59	\$18.78	\$19.03	\$20.51
Consumer Discretionary	\$8.02	\$7.99	\$13.53	\$16.10	\$17.44	\$14.22	\$15.35
Financials	\$23.26	\$26.27	\$28.29	\$35.26	\$38.89	\$39.19	\$43.76
Health Care & Pharmaceuticals	\$26.53	\$25.67	\$29.47	\$29.29	\$31.11	\$31.13	\$33.08
Industrials	\$13.95	\$13.49	\$17.67	\$18.92	\$18.58	\$18.59	\$20.33
Oil, Gas & Energy	\$20.09	\$21.93	\$24.63	\$24.94	\$22.97	\$24.30	\$28.71
Technology	\$8.64	\$10.95	\$14.37	\$15.61	\$19.49	\$17.86	\$20.44
Telecommunications	\$15.14	\$11.88	\$36.38	\$12.42	\$11.53	\$11.63	\$12.01
Utilities	\$7.92	\$8.75	\$8.54	\$7.36	\$11.19	\$12.12	\$12.20
<b>Total</b>	<b>\$148.16</b>	<b>\$152.19</b>	<b>\$201.83</b>	<b>\$192.33</b>	<b>\$195.97</b>	<b>\$196.98</b>	<b>\$217.11</b>
<b>Outside Top 1,200</b>	<b>\$18.80</b>	<b>\$19.31</b>	<b>\$22.64</b>	<b>\$24.40</b>	<b>\$24.86</b>	<b>\$24.99</b>	<b>\$27.55</b>
<b>Grand total</b>	<b>\$166.96</b>	<b>\$171.50</b>	<b>\$224.47</b>	<b>\$216.73</b>	<b>\$220.83</b>	<b>\$221.98</b>	<b>\$244.65</b>

### Annual Dividends by Sector (US\$ billions)

Industry	Sector	12Q1	13Q1	14Q1	15Q1	16Q1	17Q1	18Q1
Basic Materials	Building Materials	\$-	\$0.02	\$-	\$-	\$0.05	\$0.06	\$0.06
	Chemicals	\$2.47	\$2.71	\$4.23	\$3.65	\$3.93	\$3.92	\$4.23
	Metals & Mining	\$7.68	\$6.30	\$6.88	\$6.79	\$1.49	\$4.43	\$5.87
Consumer Basics	Paper & Packaging	\$0.27	\$0.37	\$0.37	\$0.40	\$0.51	\$0.52	\$0.54
	Beverages	\$2.18	\$3.71	\$4.28	\$4.44	\$3.42	\$3.36	\$3.79
	Food	\$2.70	\$2.81	\$3.45	\$2.49	\$2.79	\$2.72	\$2.74
Consumer Discretionary	Food & Drug Retail	\$3.37	\$2.44	\$2.79	\$5.64	\$3.67	\$3.72	\$3.09
	Household & Personal Products	\$2.18	\$2.43	\$2.60	\$3.69	\$3.88	\$3.93	\$4.46
	Tobacco	\$3.76	\$4.44	\$4.35	\$5.33	\$5.02	\$5.30	\$6.42
Consumer Durables & Clothing	Consumer Durables & Clothing	\$0.47	\$0.41	\$1.17	\$1.56	\$1.51	\$1.60	\$1.52
	General Retail	\$1.66	\$2.10	\$2.65	\$3.31	\$3.54	\$2.81	\$2.76
	Leisure	\$2.75	\$3.12	\$4.92	\$5.39	\$4.48	\$4.35	\$5.01
Financials	Media	\$2.25	\$1.26	\$2.84	\$3.51	\$4.23	\$2.84	\$2.99
	Other Consumer Services	\$-	\$-	\$-	\$0.06	\$-	\$-	\$-
	Vehicles & Parts	\$0.88	\$1.11	\$1.94	\$2.28	\$3.69	\$2.62	\$3.06
Health Care & Pharmaceuticals	Banks	\$13.37	\$17.08	\$15.76	\$19.27	\$19.25	\$20.50	\$23.18
	General Financials	\$2.69	\$2.22	\$4.50	\$4.71	\$4.46	\$5.46	\$6.11
	Insurance	\$2.88	\$2.69	\$4.07	\$5.00	\$5.89	\$5.88	\$6.07
Health Care Equipment & Services	Real Estate	\$4.32	\$4.29	\$3.95	\$6.29	\$9.29	\$7.34	\$8.41
	Pharmaceuticals & Biotech	\$24.27	\$24.43	\$27.34	\$26.70	\$28.40	\$28.13	\$29.67
	Aerospace & Defense	\$2.14	\$2.11	\$2.86	\$3.10	\$3.14	\$2.75	\$3.14
Industrial Equipment	Construction, Engineering & Materials	\$1.47	\$0.52	\$1.30	\$1.40	\$1.57	\$1.79	\$2.11
	Electrical Equipment	\$0.64	\$0.67	\$0.65	\$0.71	\$0.69	\$0.73	\$0.76
	General Industrials	\$7.09	\$7.44	\$8.79	\$8.78	\$8.86	\$8.60	\$8.79
Transport	Support Services	\$1.00	\$0.99	\$1.11	\$1.12	\$1.18	\$1.13	\$1.21
	Transport	\$1.61	\$1.75	\$2.97	\$3.81	\$3.14	\$3.58	\$4.32
	Energy - non-oil	\$1.28	\$1.17	\$2.92	\$2.08	\$2.60	\$1.89	\$1.58
Oil, Gas & Energy	Oil & Gas Equipment & Distribution	\$1.54	\$2.14	\$2.48	\$3.12	\$2.67	\$3.15	\$3.87
	Oil & Gas Producers	\$17.27	\$18.63	\$19.23	\$19.73	\$17.70	\$19.27	\$23.27
	IT Hardware & Electronics	\$2.39	\$4.54	\$5.59	\$6.00	\$6.18	\$6.35	\$7.01
Software & Services	Semiconductors & Equipment	\$1.94	\$2.07	\$2.89	\$3.30	\$3.57	\$4.18	\$4.96
	Software & Services	\$4.31	\$4.34	\$5.89	\$6.31	\$9.74	\$7.33	\$8.48
	Fixed Line Telecommunications	\$9.04	\$8.90	\$8.56	\$9.00	\$9.49	\$9.70	\$9.55
Utilities	Mobile Telecommunications	\$6.10	\$2.98	\$27.82	\$3.42	\$2.05	\$1.92	\$2.47
	Utilities	\$7.92	\$8.75	\$8.54	\$7.36	\$11.19	\$12.12	\$12.20
<b>Total</b>		<b>\$148.16</b>	<b>\$152.19</b>	<b>\$201.83</b>	<b>\$192.33</b>	<b>\$195.97</b>	<b>\$196.98</b>	<b>\$217.11</b>
<b>Outside Top 1,200</b>		<b>\$18.80</b>	<b>\$19.31</b>	<b>\$22.64</b>	<b>\$24.40</b>	<b>\$24.86</b>	<b>\$24.99</b>	<b>\$27.55</b>
<b>Grand total</b>		<b>\$166.96</b>	<b>\$171.50</b>	<b>\$224.47</b>	<b>\$216.73</b>	<b>\$220.83</b>	<b>\$221.98</b>	<b>\$244.65</b>



## Appendices (continued)

### JHGDI – by Region

Region	12Q1	13Q1	14Q1	15Q1	16Q1	17Q1	18Q1
Emerging Markets	174.5	186.1	205.1	188.1	155.8	132.4	156.7
Europe ex UK	122.7	109.0	113.4	126.9	115.8	119.0	124.2
Japan	137.7	143.6	129.2	142.0	147.5	180.3	196.0
North America	122.0	150.1	159.3	178.6	197.6	196.2	212.6
Asia Pacific ex Japan	173.3	166.8	181.3	190.4	176.0	182.5	216.8
UK	124.0	132.9	178.7	145.8	143.1	138.2	148.6
<b>Global total</b>	<b>133.9</b>	<b>141.6</b>	<b>153.0</b>	<b>160.5</b>	<b>159.2</b>	<b>159.1</b>	<b>174.2</b>

### JHGDI – by Industry

Industry	12Q1	13Q1	14Q1	15Q1	16Q1	17Q1	18Q1
Basic Materials	189.8	183.8	184.2	170.8	147.9	124.2	182.4
Consumer Basics	136.9	155.7	160.9	178.7	181.0	176.5	186.3
Consumer Discretionary	124.2	151.1	166.5	198.6	215.1	210.5	209.5
Financials	153.7	163.6	186.0	199.3	205.8	215.1	232.8
Health Care & Pharmaceuticals	137.3	146.5	148.8	158.2	167.8	180.2	188.5
Industrials	128.7	131.5	137.2	155.9	158.4	155.5	167.5
Oil, Gas & Energy	113.3	124.0	132.0	137.7	110.2	97.3	113.8
Technology	148.2	189.4	217.0	255.5	286.7	298.9	331.7
Telecommunications	136.1	119.1	142.3	111.4	104.0	107.7	117.3
Utilities	92.9	89.2	88.1	83.1	83.4	88.2	96.3
<b>Total</b>	<b>133.9</b>	<b>141.6</b>	<b>153.0</b>	<b>160.5</b>	<b>159.2</b>	<b>159.1</b>	<b>174.2</b>



## Appendices (continued)

### Q1 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	11.9%	10%	-3%	-7%	30%	41.2%
	Chile	9.6%	0%	10%	13%	0%	32.8%
	China	-62.4%	0%	0%	0%	0%	-62.4%
	India	-2.2%	-2%	2%	50%	0%	47.3%
	Malaysia	11.4%	0%	13%	-13%	0%	11.7%
	Mexico	-16.1%	0%	6%	0%	0%	-10.2%
	Philippines	20.0%	0%	0%	70%	0%	89.6%
	Russia	-9.1%	0%	5%	22%	0%	17.9%
	South Africa	2.2%	0%	6%	0%	0%	8.1%
	Thailand	26.0%	0%	14%	0%	0%	39.7%
	United Arab Emirates	11.1%	44%	0%	0%	0%	54.9%
Europe ex UK	Belgium	4.0%	0%	16%	0%	0%	19.7%
	Denmark	7.6%	5%	15%	2%	0%	29.8%
	Finland	6.6%	0%	18%	23%	0%	47.8%
	France	7.8%	-1%	15%	8%	0%	29.7%
	Germany	3.9%	0%	15%	-9%	0%	9.7%
	Italy	16.6%	0%	18%	0%	38%	72.7%
	Netherlands	14.4%	0%	16%	0%	0%	30.0%
	Norway	1.7%	0%	0%	0%	0%	1.7%
	Spain	8.0%	0%	13%	0%	-19%	2.9%
	Sweden	4.0%	0%	16%	0%	0%	19.8%
	Switzerland	1.8%	-1%	6%	0%	0%	6.8%
Japan	Japan	8.2%	3%	6%	0%	0%	16.8%
North America	Canada	13.8%	0%	4.7%	-2%	0%	16.6%
	United States	7.6%	0%	0%	-3%	0%	5.2%
Asia Pacific ex Japan	Australia	-6.6%	6%	1%	-1%	0%	-1.2%
	Hong Kong	3.3%	-36%	-1%	8%	0%	-25.3%
	Singapore	0.0%	47%	7%	0%	0%	54.6%
UK	United Kingdom	4.2%	2%	5%	1.5%	9%	21.1%



---

For more information, please visit [janushenderson.com](http://janushenderson.com).



The opinions and views expressed are as of the date published and are subject to change without notice. They are for information purposes only and should not be used or construed as an offer to sell, a solicitation of an offer to buy, or a recommendation to buy, sell or hold any security, investment strategy or market sector. No forecasts can be guaranteed. Opinions and examples are meant as an illustration of broader themes and are not an indication of trading intent. It is not intended to indicate or imply that any illustration/example mentioned is now or was ever held in any portfolio. Janus Henderson Group plc through its subsidiaries may manage investment products with a financial interest in securities mentioned herein and any comments should not be construed as a reflection on the past or future profitability. There is no guarantee that the information supplied is accurate, complete, or timely, nor are there any warranties with regards to the results obtained from its use. Past performance is no guarantee of future results. Investing involves risk, including the possible loss of principal and fluctuation of value.

This material may not be reproduced in whole or in part in any form, or referred to in any other publication, without express written permission.

Janus Henderson is a trademark of Janus Henderson Investors. © Janus Henderson Investors. The name Janus Henderson Investors includes HGI Group Limited, Henderson Global Investors (Brand Management) Sarl and Janus International Holding LLC.

FOR MORE INFORMATION CONTACT JANUS HENDERSON

151 Detroit Street, Denver, CO 80206 / 800.668.0434 / [www.janushenderson.com](http://www.janushenderson.com)

C-0518-17056 05-15-19

688-15-410424 05-18