

# JANUS HENDERSON GLOBAL DIVIDEND INDEX

Janus Henderson  
—KNOWLEDGE. SHARED—

Edition 23  
August 2019



# CONTENTS

---

Executive summary	2-3
Dividends break a new record, but growth slows	4-5
Underlying and headline growth*	6
Regions and countries	7-11
Industries and sectors	12
Top payers	13
Conclusion and outlook	14
Methodology	15
Glossary	15
Appendix	16-19
Frequently Asked Questions	20

# INTRODUCTION

---

**JANUS HENDERSON IS AN  
ASSET MANAGER INVESTING  
IN GLOBAL EQUITY MARKETS  
ON BEHALF OF ITS CLIENTS  
THROUGHOUT THE WORLD  
FOR OVER 80 YEARS.**

Formed in 2017 from the merger between Janus Capital Group and Henderson Global Investors, we are committed to adding value through active management. For us, active is more than our investment approach – it is the way we translate ideas into action, how we communicate our views and the partnerships we build in order to create the best outcomes for clients.

We take pride in what we do and care passionately about the quality of our products and the services we provide. While our investment managers have the flexibility to follow approaches best suited to their areas of expertise, overall our people come together as a team. This is reflected in our Knowledge. Shared ethos, which informs the dialogue across the business and drives our commitment to empowering clients to make better investment and business decisions.

We are proud to offer a highly diversified range of products, harnessing the intellectual capital of some of the industry's most innovative and formative thinkers. Our expertise encompasses the major asset classes, we have investment teams situated around the world, and we serve individual and institutional investors globally. We have US\$359.8 billion in assets under management, more than 2,000 employees and offices in 28 cities worldwide\*. Headquartered in London, we are an independent asset manager that is dual-listed on the New York Stock Exchange and the Australian Securities Exchange.

## **What is the Janus Henderson Global Dividend Index?**

The Janus Henderson Global Dividend Index (JHGDII) 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.

\*As at 30 June 2019

# EXECUTIVE SUMMARY

## BY REGION

### Overview

- Total dividends reached \$513.8 billion in Q2, up 1.1% compared to a year ago
- This was a new Q2 record, although the rate of growth has slowed, impacted by a stronger dollar
- Underlying growth was a more encouraging 4.6%, in line with our forecast
- Japan, Canada, France and Indonesia broke all-time records
- Janus Henderson Global Dividend Index rose to a record 191.0\*\*

### North America

- North American dividends broke a new record of \$132.9 billion, thanks to ongoing double-digit growth in Canada
- U.S. dividend growth slowed to 3.9% on a headline basis (5.3% underlying), the smallest increase for two years
- Despite a slowdown in growth in the U.S., more than four-fifths of U.S. companies raised payouts, a higher proportion than in many other large countries

FRANCE IS  
EUROPE'S  
LARGEST PAYER,  
AND SAW  
UNDERLYING  
GROWTH OF  
5.1%, WITH THE  
TOTAL PAID  
REACHING  
**A NEW \$51.0  
BILLION  
RECORD**

### Europe ex UK

- Q2 marks Europe's seasonal high point for dividends
- European dividend growth continued to lag well behind the global average
- Exchange-rate factors pushed the total paid down 5.3% in headline terms, but underlying growth was only 2.6%
- France is Europe's largest payer, and saw underlying growth of 5.1%, with the total paid reaching a new \$51.0 billion record
- German dividends rose in line with the European average, but saw a number of companies cutting payouts
- Spain grew strongly on an underlying basis, and the Netherlands, Italy and Switzerland also beat the regional average
- Belgium, Sweden, Denmark, and Finland all saw declines



Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility\*. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

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

\* Please refer to the glossary of terms found on Page 15.

## UK

- UK dividends were flattered by a very large special dividend from Rio Tinto
- Underlying growth of 5.3% was in line with the global average

## Asia Pacific ex Japan

- Q2 saw Asia Pacific lag the rest of the world, with underlying growth of 2.2%; headline dividends fell owing mainly to weaker exchange rates
- Lower special dividends\* in Hong Kong meant the total paid fell year-on-year, with a number of companies cutting payouts; underlying growth of 2.5% was led by financials

## Japan

- Japanese dividends rose to a new record, up 6.8% on an underlying basis
- Japan has reversed a period of underperformance; its dividend growth now matches the best-performing regions in the world since 2009

JAPANESE  
DIVIDENDS  
ROSE TO A NEW  
RECORD, UP  
**6.8%** ON AN  
UNDERLYING  
BASIS

TOTAL  
DIVIDENDS  
REACHED  
**\$513.8 BILLION**  
IN Q2, UP 1.1%  
COMPARED TO  
A YEAR AGO

## Emerging Markets

- Russia and Colombia drove rapid growth from emerging markets, while Indonesian payouts hit a new record

## Industries & Sectors

- Financials and energy recorded the fastest growth, but technology and consumer basics dividends fell

## Outlook

- Dividend growth is slowing, but this is in line with our expectations for 2019
- We leave our forecast for the year unchanged at \$1.43 trillion, an increase of 4.2% on a headline basis, or 5.5% on an underlying basis



References made to individual securities should not constitute or form part of any offer or solicitation to issue, sell, subscribe or purchase the security.

\* Please refer to the glossary of terms found on page 15.



# DIVIDENDS BREAK A NEW RECORD, BUT GROWTH SLOWS

The deceleration in the world economy, and its associated impact on corporate profits, has begun to make an impact on dividends. The total paid to shareholders broke a new record of \$513.8 billion in the second quarter, but the rate of increase was the slowest for more than two years. In headline terms, payouts were 1.1% higher, held back by the strength of the U.S. dollar. Underlying growth of 4.6% is objectively a good figure but is nonetheless weaker than the growth seen over the last couple of years. This slowdown was in line with our forecast, which has already factored in a lower rate of growth this year.

## \$513.8 BILLION

THE TOTAL PAID TO  
SHAREHOLDERS  
BROKE A NEW  
RECORD OF  
\$513.8 BILLION  
IN THE SECOND  
QUARTER

With slower growth comes fewer records. Japan, Canada, France and Indonesia were the only countries to set records in the second quarter. Emerging markets saw the fastest growth, propelled higher by Russia and Colombia, while Japan registered the best performance among the developed regions. The rest of Asia Pacific and Europe ex UK underperformed the global average, while the U.S. came in a touch weaker than we anticipated. Dividends from financials and energy stocks saw the fastest increases, but technology and consumer basics lagged.

The Janus Henderson Global Dividend Index rose to a record 191.0.

## ANNUAL DIVIDENDS BY REGION (US\$ BILLIONS)

Region	2015	%†	2016	%†	2017	%†	2018	%†	Q2 2018	%†	Q2 2019	%†
Emerging Markets	\$114.1	-10%	\$88.7	-22%	\$104.2	18%	\$122.5	17.5%	\$31.8	19.0%	\$35.8	12.6%
Europe ex UK	\$213.4	-10%	\$223.2	5%	\$225.1	1%	\$256.1	13.8%	\$179.0	20.9%	\$169.5	-5.3%
Japan	\$52.6	5%	\$64.7	23%	\$70.0	8%	\$79.1	13.0%	\$35.9	14.2%	\$39.6	10.1%
North America	\$441.2	12%	\$445.0	1%	\$475.7	7%	\$509.9	7.2%	\$127.3	5.1%	\$132.9	4.4%
Asia Pacific	\$113.8	-6%	\$117.8	3%	\$141.6	20%	\$150.1	6.0%	\$44.5	29.1%	\$43.2	-2.9%
UK	\$96.2	-22%	\$93.0	-3%	\$95.7	3%	\$99.6	4.1%	\$32.2	-1.0%	\$35.0	8.6%
Total	\$1,031.2	-2%	\$1,032.4	0%	\$1,112.2	8%	\$1,217.2	9.4%	\$450.9	14.3%	\$456.0	1.1%
Divs outside top 1,200	\$130.8	0%	\$131.0	0%	\$141.1	8%	\$154.4	9.4%	\$57.2	14.3%	\$57.9	1.1%
Grand total	\$1,162.1	-2%	\$1,163.4	0%	\$1,253.4	8%	\$1,371.6	9.4%	\$508.1	14.3%	\$513.8	1.1%

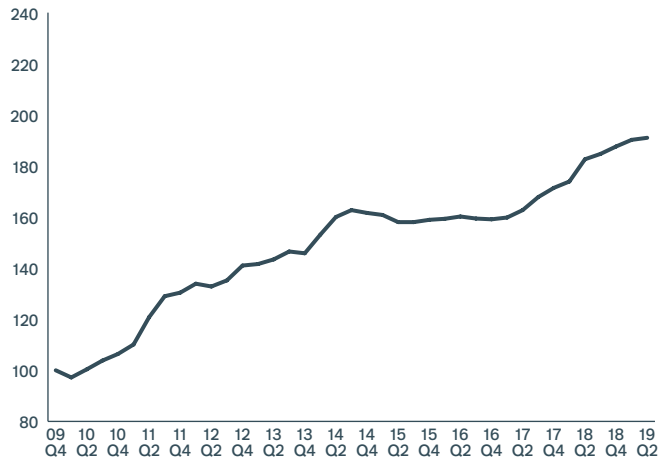
†% change

Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

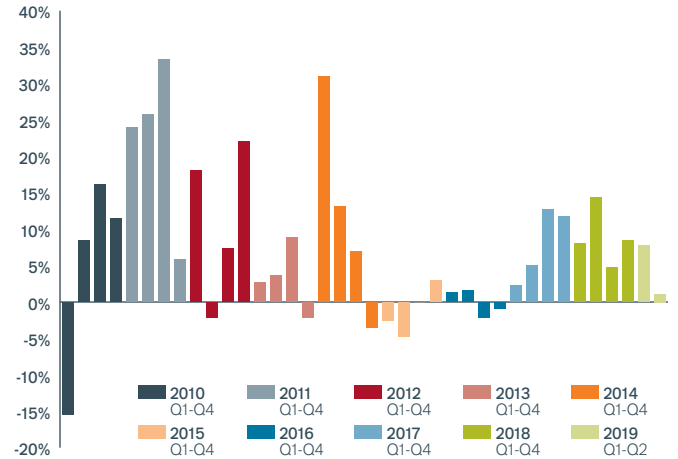
Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

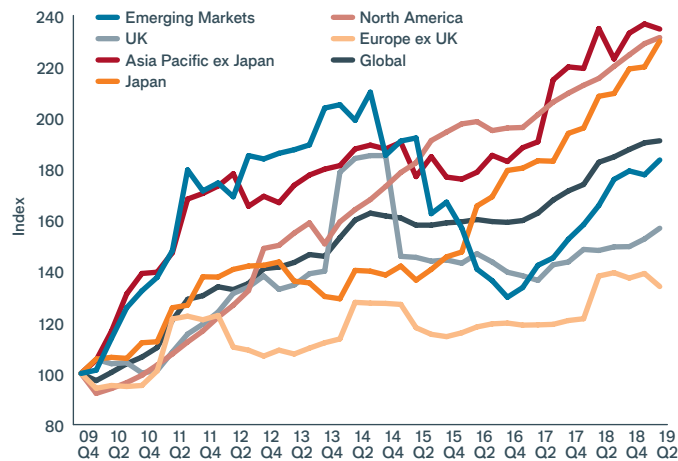
## JHEDI (INDEX)



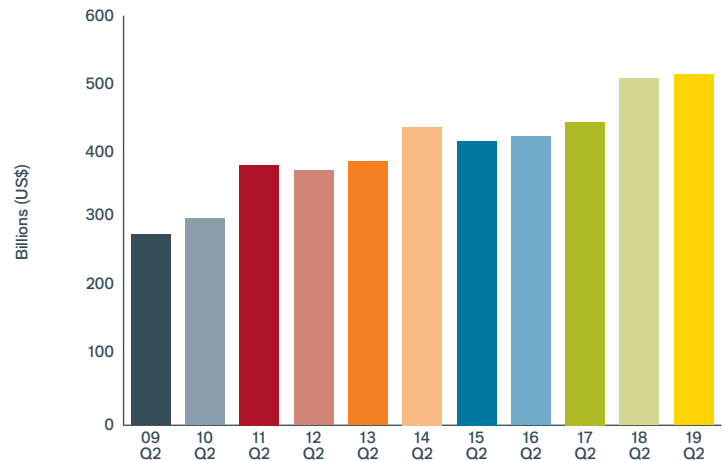
## TOTAL DIVIDENDS, ANNUAL GROWTH PER QUARTER (%)



## JHEDI BY REGION



## GLOBAL DIVIDENDS



Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

# A STRONG DOLLAR DAMPENS GROWTH IN GLOBAL DIVIDENDS

The headline growth rate is an unadjusted comparison of the U.S. dollar amount paid by companies in our index each quarter. We calculate an underlying growth rate to account for exchange rates and volatile special dividends, as well as two technical factors related to the timing of dividend payments and changes in the constituents of our index.

In the second quarter, exchange rates made the biggest impact, as the dollar strengthened against most global currencies. This meant the dollar value of dividends paid in most parts of the world was translated at less favorable exchange rates. The biggest impact was in Europe, while Japan bucked the trend as the yen was stronger year-on-year against the greenback. The overall exchange-rate

THE BIGGEST  
IMPACT WAS IN  
EUROPE, WHILE  
JAPAN BUCKED THE  
TREND AS THE YEN  
WAS STRONGER  
YEAR-ON-YEAR  
AGAINST THE  
GREENBACK

effect was to reduce headline growth by 2.9 percentage points. Over the longer term, exchange-rate effects have proven to be negligible as gains one year are offset by losses the next.

Special dividends were a touch higher year-on-year, flattering the headline growth rate by 0.6 percentage points. The effect was particularly pronounced in the UK. At the regional level, only North America saw lower specials year-on-year.

There was no timing effect at the global level, but index changes deducted 1.2 percentage points from the headline growth rate. Over the course of a full year, both timing changes and index changes tend to be very small.

## Q2 2019 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	12.7%	1.0%	-3.8%	0.1%	2.6%	12.6%
Europe ex UK	2.6%	0.2%	-5.6%	-2.3%	-0.2%	-5.3%
Japan	6.8%	0.9%	1.8%	0.6%	0.0%	10.1%
North America	5.6%	-0.8%	-0.2%	-0.2%	0.0%	4.4%
Asia Pacific ex Japan	2.2%	0.0%	-3.1%	-0.5%	-1.4%	-2.9%
UK	5.3%	9.1%	-2.7%	-3.1%	0.0%	8.6%
Global	4.6%	0.6%	-2.9%	-1.2%	0.0%	1.1%

Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

† Timing effects are not significant on an annual basis.

\* Please refer to the glossary of terms found on page 15.



# REGIONS AND COUNTRIES

## North America

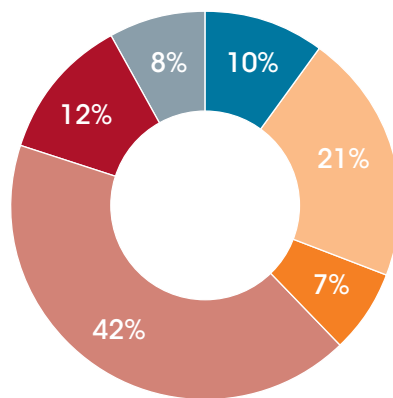
North American dividends rose 4.4% in the second quarter, beating the first quarter by a small margin to reach a new record of \$132.0 billion. Underlying growth was 5.6%. Canada was responsible for the region's record high. It achieved a fourth successive quarter of double-digit growth, and continued to outgrow its larger neighbor, driven principally by energy companies.

U.S. dividends rose at their slowest pace in two years, up 3.9% on a headline basis (+5.3% underlying), to \$121.7 billion. This was a little slower than we expected, and the total was a touch lower than in Q1. Special dividends were less than a quarter of their long-run quarterly average, and this held back the headline total; a cut from General Electric made a significant impact.

The pace of dividend growth in the U.S. slowed across a range of sectors with most seeing single-digit increases. Share buybacks are making a noticeable impact, as they reduce the number of shares in issue and therefore the total cash value of dividends paid rises more slowly than does the per share dividend; the capital, of course, merely reaches shareholders via a different route. Some U.S. companies continue to prioritize share buybacks as a way of returning cash to shareholders when compared to the other major regions. More than four-fifths of companies raised their payouts, keeping the U.S. near the top of the international rankings. Even so come one in seven U.S. companies held its payout steady in per share terms year-on-year, a larger proportion than in recent quarters, and a handful made outright cuts.

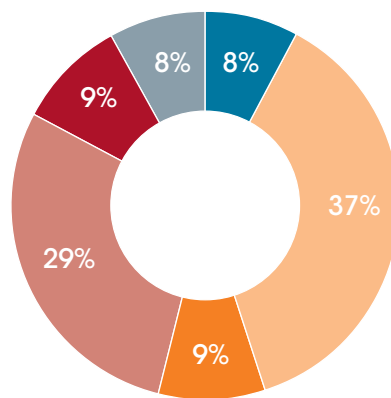
Once again, the largest contribution to growth came from the U.S. banking sector.

## 2018 DIVIDENDS BY REGION



NORTH AMERICAN DIVIDENDS ROSE 4.4% IN THE SECOND QUARTER, BEATING THE FIRST QUARTER BY A SMALL MARGIN TO REACH A NEW RECORD OF \$132.0 BILLION

## 2019 Q2 DIVIDENDS BY REGION



Acquisitions also played a role. For example, Dominion Energy's takeover of Scana and AT&T's purchase of Time Warner meant the newly enlarged companies, with more shares in issue, distributed significantly more cash to their shareholders. In AT&T's case, the increase in the per-share dividend was, however, just 2%. Among the weaker sectors, General Electric's cut hit industrial dividends, while a cut from Kraft-Heinz impacted food producers. Vehicle producers all held their dividends flat year-on-year, reflecting growing global structural challenges for the sector.

## Europe ex UK

Most European companies pay a single annual dividend in the second quarter, so investors receive seven-tenths of their European dividend income for the year during the period. Growth in Europe has lagged behind the rest of the world over the last few years, and the second quarter of 2019 was no exception. The global economic slowdown is especially apparent in Europe, which is impacting profits, and in

References made to individual securities should not constitute or form part of any offer or solicitation to issue, sell, subscribe or purchase the security.

Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

## REGIONS AND COUNTRIES (CONTINUED)

turn, limiting European companies' ability to grow their dividends. Since many also follow a dividend policy that distributes a fixed proportion of profits, European dividends are more closely correlated to profits than in some other parts of the world, such as the UK or U.S. Softening profit growth therefore shows up quickly in dividends. Economic weakness in Europe has also affected the euro and other European currencies. Weak dividend growth, combined with falling exchange rates, pushed payouts down 5.3% year-on-year on a headline basis, and took our index for Europe to 134.0, its lowest level in over a year. In underlying terms, European payouts were just 2.6% higher. A small number of big dividend cuts held back the total, but the proportion of companies raising payouts is also in decline.

France, comfortably Europe's largest dividend payer, saw dividends rise 3.1% on a headline basis to \$51.0 billion in Q2, a new record high. After adjusting for large special dividends from Natixis and Engie, as well as the lower exchange rate, underlying growth in France was 5.1%, comfortably ahead of the European average. Booming profits at luxury group Kering, owner of brands such as Gucci, meant it was the largest contributor to growth. Three-quarters of French companies in our index raised their dividends year-on-year, and only EDF made a cut.

German dividends performed less well. Half the 10.7% headline decline was due to the weaker euro, and lower special dividends also made a significant impact. The \$38.5 billion total was 2.4% higher on an underlying basis, in line with the European average. A relatively low three-fifths of German companies raised their payouts, with the largest contribution to growth coming from Deutsche Telekom, though

# 3.1%

FRANCE,  
COMFORTABLY  
EUROPE'S LARGEST  
DIVIDEND PAYER,  
SAW DIVIDENDS  
RISE 3.1% ON A  
HEADLINE BASIS TO  
\$51.0 BILLION IN Q2

others such as Adidas grew faster. The car industry put in the weakest performance, with outright cuts from BMW and Daimler. An industry downturn exacerbated by global trade tensions and the switch to electric vehicles is hitting profits hard. In common with France, three-quarters of Swiss companies raised their dividends, but there were no cuts. On a total of \$23.9 billion, underlying growth was 4.5%, once a negative exchange-rate effect and other minor factors were considered. In headline terms, dividends were 1.4% lower. Swiss insurers made the largest contribution to growth.

Growth in Spain was 8.0% on an underlying basis, the fastest increase among the larger European countries. The headline total was 4.3% lower at \$7.3 billion, thanks to a large exchange-rate effect and index changes. Unlike its European neighbors, Spain's dividends are spread quite evenly across the year, putting it some way down the rankings in Q2, though it is the fourth-largest payer in Europe on a full-year basis. Spain had a very strong 2018 and continued to outperform the European average in the first half of this year. No Spanish companies in our index cut their dividends in the second quarter. Retailer Inditex was the biggest payer and made the largest contribution to growth, raising its payout 17.3% in euro terms.

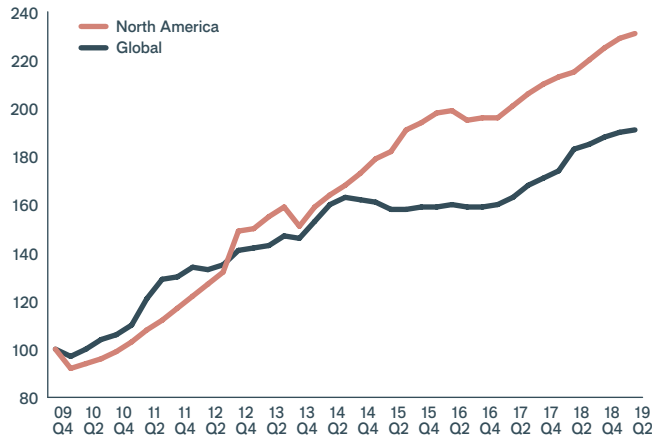
Belgium's dividends dropped by over a quarter on an underlying basis, owing to a halving of Anheuser-Busch InBev's payout. The brewing giant took on huge borrowings to finance its acquisition of SABMiller and is now taking steps to improve its balance sheet. Even after the cut, AB InBev still accounted for almost half the total from Belgium. Across the border in the Netherlands, payouts were 7.2% higher on an underlying basis, though

Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

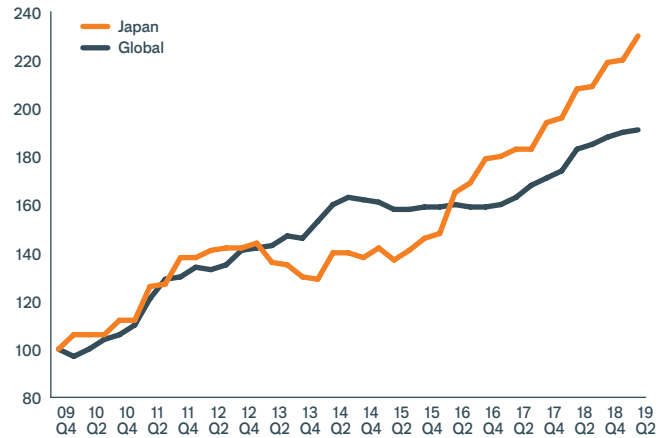
Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

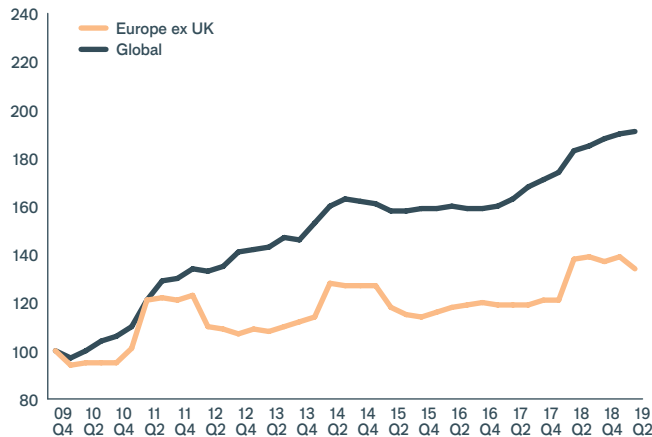
## JHGDI – NORTH AMERICA



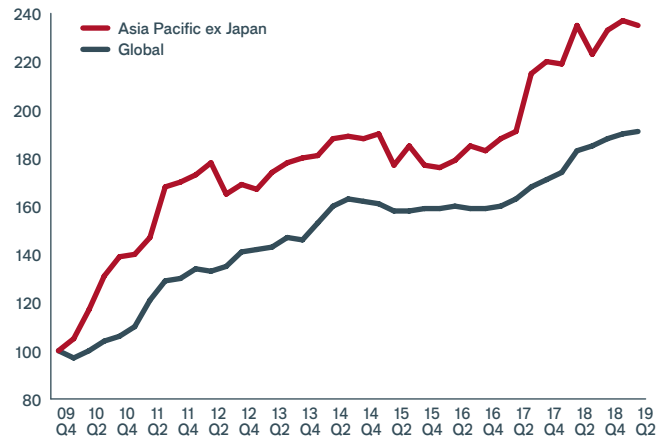
## JHGDI – JAPAN



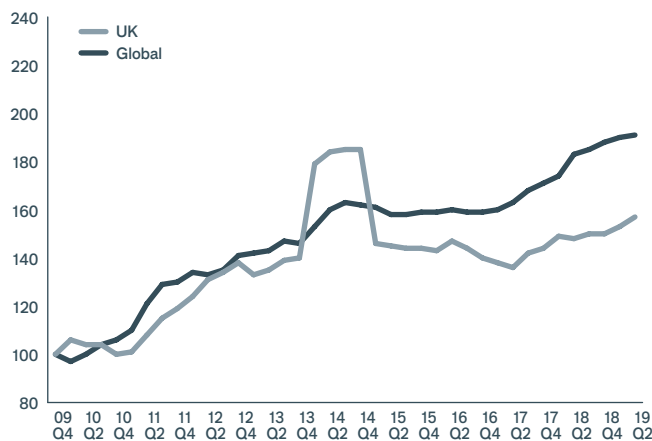
## JHGDI – EUROPE EX UK



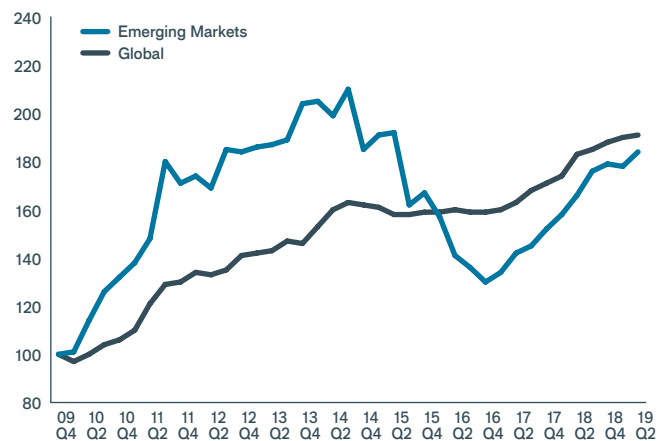
## JHGDI – ASIA PACIFIC EX JAPAN



## JHGDI – UK



## JHGDI – EMERGING MARKETS



Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

## REGIONS AND COUNTRIES (CONTINUED)

exchange rates and index changes meant the headline total was lower year-on-year. There were no dividend cuts among Dutch companies, if we exclude Akzo Nobel, which recently paid a very large special dividend following the sale of its specialty chemical business. In consequence it is a smaller company and is in any case returning further capital via a share buyback. The Netherlands remains Europe's top dividend performer, with a JHGD of 266.2 at the end of June. Luxembourg's dividends were unchanged.

Elsewhere in Europe, Italy saw 6.3% underlying growth, though this was influenced strongly by Atlantia which has recently acquired Spain's Albertis, and which had canceled its interim payment late last year. Elsewhere, growth in Italy was more subdued. Other than Belgium, Sweden, Denmark and Finland were the only countries to see lower payouts year-on-year, the last of these due to a deep cut at Nokia.

### UK

UK dividends rose 8.6% on a headline basis to quarterly record of \$35.0 billion. The total was boosted by \$4.2 billion in special dividends from Rio Tinto and Royal Bank of Scotland, the former distributing the disposal proceeds of copper and coal assets. Underlying growth was 5.3%, in line with the global average. The largest contribution to underlying growth came from the banking sector, thanks to RBS, which restored its regular dividend, and Barclays, which doubled its payout. Strong capital ratios and improving profits are enabling the banks to return more cash to shareholders. Almost three-quarters of the companies in our UK index raised their payouts, year-on-year, but there were small cuts from Anglo-American, Antofagasta and Smith & Nephew.

**\$35.0  
BILLION**

UK DIVIDENDS ROSE  
8.6% ON A  
HEADLINE BASIS TO  
QUARTERLY  
RECORD OF  
\$35.0 BILLION

### Asia Pacific ex Japan

Asia Pacific ex Japan lagged behind the rest of the world in the second quarter, with the total \$43.2 billion distributed 2.2% higher on an underlying basis, once weaker exchange rates (principally in Australia and South Korea) were considered, along with other technical factors. In headline terms, dividends fell 2.9%.

For seasonal reasons, Hong Kong dominates the second quarter each year. In headline terms, the \$18.0 billion total was lower year-on-year, mainly because large special dividends paid last year were not repeated. Underlying growth was just 2.5% and a quarter of Hong Kong companies in our index cut their dividends, including Guangzhou Auto and Wynn Macau. This is a much larger proportion than in all the other large markets, reflecting a slowing Chinese economy. The biggest impact came from China Mobile, which cut its final dividend to maintain its payout ratio steady after profits in the second half underperformed. China Unicom, whose earnings jumped on soaring subscriber numbers, offset much of this decline, however. Elsewhere, Hong Kong's large property and financial sector led payouts higher.

In South Korea, dividends fell 5.8% on an underlying basis. Samsung is easily Korea's largest payer, and has contributed most to growth from the country in recent years. It made no per-share increase year-on-year, as it combats lower chip prices and slack demand for smartphone components. A share buy-back program means it is also now employing an alternative means of returning cash to shareholders. In a seasonally quiet Australia, dividends jumped just over a fifth on the back of Rio Tinto's very large special, but only rose 5.7% on an underlying basis. The rise was down to just one company, QBE Insurance,

Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

whose rebounding profits enabled a big increase in its dividend, which is now almost back to levels last seen two years ago. Banking group Westpac held its dividend flat for the eighth consecutive quarter.

## Japan

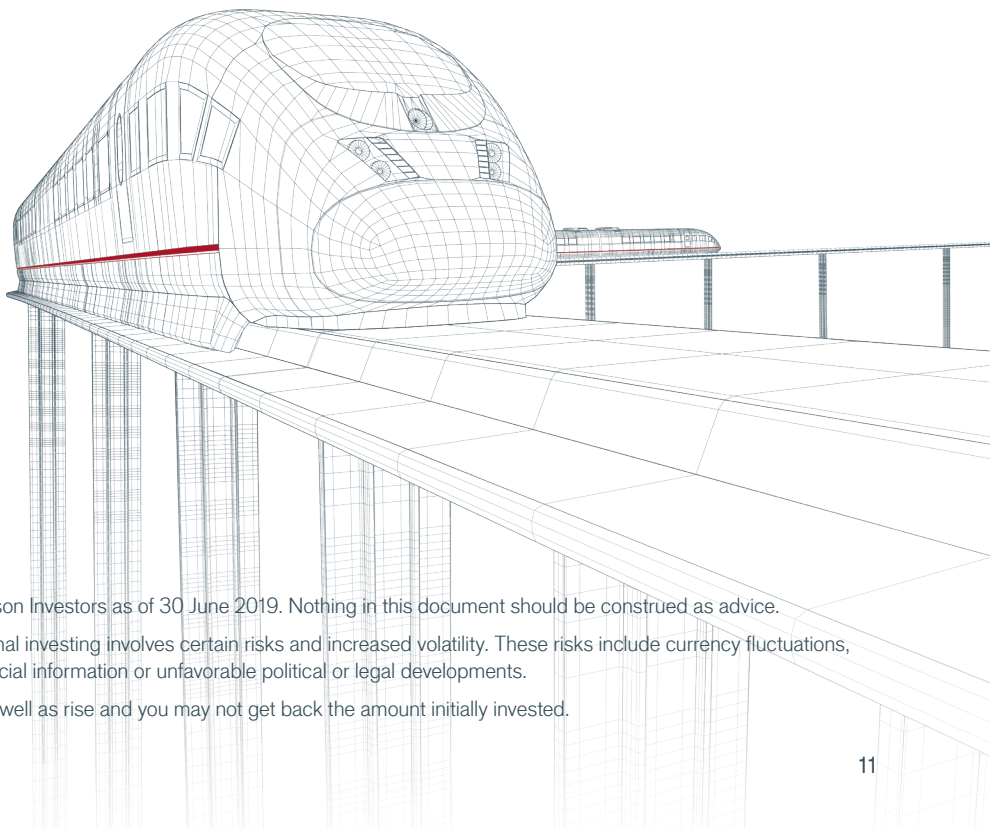
The majority of Japanese dividends are paid in the second and fourth quarters. An increase of 10.1% in Q2 on a headline basis, or 6.8% on an underlying basis once the effect of a stronger yen and other minor factors are accounted for, will therefore have a significant and positive impact for the full year. The total \$39.6 billion was a new record for Japan, reflecting rising profitability and expanding payout ratios. Almost three quarters of companies raised their dividends, with the largest contribution to growth coming from pharma group Takeda, now a larger company following its acquisition of Shire in the UK. Another cut from Nomura, following poor trading overseas, made the largest negative impact; it was among the one in 10 Japanese companies in our index to cut its dividend. Japanese dividend growth has been outperforming the rest of the world for four years, reversing a long period of relative stagnation. Japanese dividends have now caught up with Asia Pacific and North America, the two fastest-growing regions in the world, with all three having seen payouts rise close to 130% since the end of 2009.

**\$39.6  
BILLION**

THE TOTAL  
\$39.6 BILLION WAS  
A NEW RECORD  
FOR JAPAN,  
REFLECTING RISING  
PROFITABILITY AND  
EXPANDING  
PAYOUT RATIOS

## Emerging Markets

The second quarter is seasonally the second largest for emerging market dividends. The total paid rose 12.6% on a headline basis (12.7% underlying) to \$35.8 billion and was spread across a wide range of countries. The largest payer was Russia, which made up a fifth of the total, and whose companies tend to pay dividends at unpredictable intervals. 37% underlying growth here reflects a big increase from Sberbank in particular, but all the Russian companies in our index raised payouts. More growth is likely for the rest of the year, with a large increase already announced by Gazprom, once again Russia's largest company by stock market value. The fastest growth came from Colombia, where Ecopetrol hiked its payout by 2.5x, thanks to rising profits and a sharply higher payout ratio, now back at the 80% level not seen since before oil prices fell sharply in 2015. Among the larger payers, growth in banking dividends propelled the Indonesian total a tenth higher, but Thai and South African payouts were flat, and those from India fell, as Oil India did not repeat the exceptionally large distributions of 2018.



Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

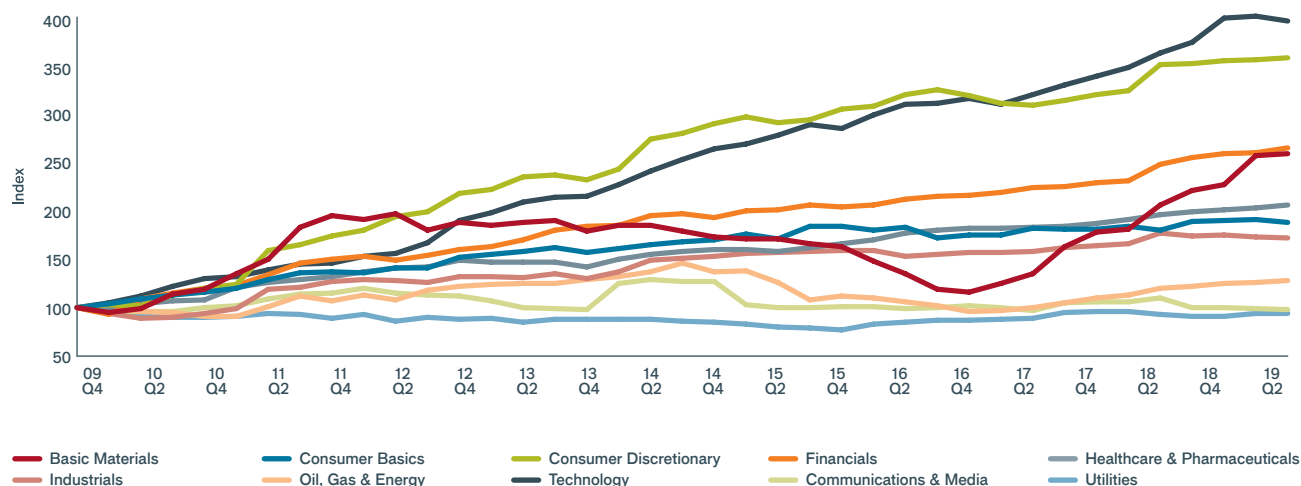
# INDUSTRIES AND SECTORS

The world's two largest dividend-paying sectors, financials and energy, both saw the fastest growth on an underlying basis in the second quarter, with payouts rising 9.9% and 6.0%, respectively. Among the financials, the fastest growth was in Asia and emerging markets, with European and Japanese financials lagging behind. The rise in energy dividends was more consistent around the world, except for Asia Pacific, where energy companies are in any case less prominent. The consistency reflects the global nature of oil prices.

Technology dividends, which have tripled over the last 10 years, easily making them the fastest-growing sector, experienced a rare decline, dragged lower by Nokia and Samsung in particular. Consumer basics, whose dividends have risen most closely in line with the overall average, also fell, thanks to the Anheuser-Busch Inbev's cut.

AMONG THE FINANCIALS, THE FASTEST GROWTH WAS IN ASIA AND EMERGING MARKETS, WITH EUROPEAN AND JAPANESE FINANCIALS LAGGING BEHIND

## JHEDI – TOTAL DIVIDENDS BY INDUSTRY



Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.



# TOP PAYERS

## WORLD'S BIGGEST DIVIDEND PAYERS

Rank	13Q2	14Q2	15Q2	16Q2	17Q2	18Q2	19Q2
1	Nestlé SA	Nestlé SA	Nestlé SA	Nestlé SA	Nestlé SA	Nestlé SA	Rio Tinto
2	Sanofi	Ecopetrol SA	Sanofi	Sanofi	Zurich Insurance Group AG Ltd	Daimler AG	Nestlé SA
3	China Mobile Limited	Sanofi	HSBC Holdings plc	HSBC Holdings plc	HSBC Holdings plc	Samsung Electronics	Sberbank of Russia
4	Deutsche Telekom AG	Hutchison Whampoa Ltd.	China Mobile Limited	Daimler AG	Sanofi	Sanofi	Sanofi
5	Commonwealth Bank of Australia	China Mobile Limited	Anheuser-Busch InBev	Allianz SE	Royal Dutch Shell Plc	BNP Paribas	Allianz SE
6	Statoil ASA	Commonwealth Bank of Australia	Allianz SE	Commonwealth Bank of Australia	Allianz SE	Allianz SE	BNP Paribas
7	Anheuser-Busch InBev	Statoil ASA	Commonwealth Bank of Australia	Anheuser-Busch InBev	BNP Paribas	HSBC Holdings plc	HSBC Holdings plc
8	HSBC Holdings plc	HSBC Holdings plc	Toyota Motor Corporation	Toyota Motor Corporation	National Grid Plc	China Mobile Limited	Daimler AG
9	Wal-Mart Stores, Inc.	Basf SE	Wal-Mart Stores, Inc.	Total S.A.	Anheuser-Busch In Bev SA/NV	Anheuser-Busch In Bev SA/NV	Intesa Sanpaolo Spa
10	Basf SE	Toyota Motor Corporation	A.P. Moller - Maersk AS	BNP Paribas	Daimler AG	Royal Dutch Shell Plc	Total S.A.
<b>Subtotal \$bn</b>	<b>\$41.1</b>	<b>\$45.5</b>	<b>\$39.5</b>	<b>\$41.1</b>	<b>\$42.3</b>	<b>\$46.5</b>	<b>\$49.1</b>
<b>% of total</b>	<b>11%</b>	<b>10%</b>	<b>9%</b>	<b>10%</b>	<b>10%</b>	<b>9%</b>	<b>10%</b>
11	Daimler AG	Allianz SE	A.P. Moller - Maersk AS	Wal-Mart Stores, Inc.	Commonwealth Bank of Australia	Total S.A.	Royal Dutch Shell Plc
12	E. On SE	Daimler AG	Exxon Mobil Corp.	China Mobile Limited	Samsung Electronics	Commonwealth Bank of Australia	Deutsche Telekom AG
13	Apple Inc	Anheuser-Busch InBev	Vivendi	British American Tobacco	Costco Wholesale Corp	Intesa Sanpaolo Spa	AT&T, Inc.
14	Exxon Mobil Corp.	British American Tobacco	Apple Inc	Apple Inc	Apple Inc	Axa	Exxon Mobil Corp.
15	Allianz SE	Wal-Mart Stores, Inc.	Basf SE	Exxon Mobil Corp.	Exxon Mobil Corp.	Deutsche Telekom AG	China Mobile Limited
16	British American Tobacco	Deutsche Telekom AG	British American Tobacco	Basf SE	China Mobile Limited	Apple Inc	Axa
17	Zurich Insurance Group AG Ltd	Exxon Mobil Corp.	Daimler AG	Axa	Toyota Motor Corporation	Toyota Motor Corporation	Samsung Electronics
18	Eni Spa	Cheung Kong (Holdings) Ltd.	Zurich Insurance Group AG Ltd	Glaxosmithkline plc	Deutsche Telekom AG	Exxon Mobil Corp.	Toyota Motor Corporation
19	BNP Paribas	Zurich Insurance Group AG Ltd	Axa	AT&T, Inc.	Intesa Sanpaolo Spa	Basf SE	Apple Inc
20	AT&T, Inc.	Apple Inc	Samsung Electronics	Deutsche Telekom AG	Wal-Mart Stores, Inc.	Microsoft Corporation	Microsoft Corporation
<b>Subtotal \$bn</b>	<b>\$27.0</b>	<b>\$30.8</b>	<b>\$28.7</b>	<b>\$30.6</b>	<b>\$32.9</b>	<b>\$36.1</b>	<b>\$38.7</b>
<b>Grand total \$bn</b>	<b>\$68.1</b>	<b>\$76.3</b>	<b>\$68.2</b>	<b>\$71.7</b>	<b>\$75.2</b>	<b>\$82.5</b>	<b>\$87.9</b>
<b>% of total</b>	<b>18%</b>	<b>17%</b>	<b>16%</b>	<b>17%</b>	<b>17%</b>	<b>16%</b>	<b>17%</b>

Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

# CONCLUSION AND OUTLOOK

---

The Q2 figures were broadly in line with our expectations not just at the global level, but also in each region: we had already factored in a slowdown in dividend growth for 2019, after two years of rapid progress. At this late stage in the economic cycle, we are seeing a moderation of dividend increases across a broad range of companies, and the number of cuts is on the rise too.

**\$1.43  
TRILLION**

WE ARE THEREFORE  
COMFORTABLE WITH  
OUR \$1.43 TRILLION  
FORECAST FOR  
DIVIDENDS,  
EQUIVALENT TO 4.2%  
GROWTH ON A  
HEADLINE BASIS,  
AND 5.5% IN  
UNDERLYING TERMS

The outlook for the rest of the year is still good, and for the second consecutive quarter we are making no change in our forecast. The market consensus for earnings growth may still be a little too high, but not only are dividends more stable than profits, but we have already allowed for slowing momentum in the world economy.

We are therefore comfortable with our \$1.43 trillion forecast for dividends, equivalent to 4.2% growth on a headline basis, and 5.5% in underlying terms. This income can provide a significant opportunity for investors in the current low interest rate environment.



Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

# METHODOLOGY

---

Each year Janus Henderson analyzes dividends paid by the 1,200 largest firms by market capitalization (as of 12/31 before the start of each 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 US\$ 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.

\* Please see the glossary of terms above.

Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

# 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

## QUARTERLY DIVIDENDS BY COUNTRY IN USD BILLIONS

Region	Country US\$ bn	13Q2	14Q2	15Q2	16Q2	17Q2	18Q2	19Q2
<b>Emerging Markets</b>	Brazil	\$4.5	\$5.3	\$3.2	\$0.3	\$1.3	\$0.4	\$0.8
	Chile	\$0.9	\$1.6	\$1.6	\$0.7	\$0.8	\$1.3	\$1.4
	China	\$2.8	\$1.3	\$1.6	\$1.5	\$1.8	\$3.2	\$2.6
	Colombia	\$2.0	\$5.6	\$2.2	\$0.0	\$0.3	\$0.7	\$2.9
	Czech Republic	\$0.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
	Hungary	\$0.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
	India	\$2.6	\$1.6	\$2.0	\$2.3	\$2.8	\$3.4	\$2.3
	Indonesia	\$3.5	\$2.6	\$2.7	\$3.0	\$3.9	\$5.0	\$5.5
	Malaysia	\$3.5	\$2.8	\$1.7	\$1.6	\$1.2	\$1.6	\$1.5
	Mexico	\$2.4	\$1.6	\$2.0	\$1.7	\$2.7	\$1.5	\$2.1
	Morocco	\$0.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
	Peru	\$0.3	\$0.2	\$0.2	\$0.0	\$0.4	\$0.4	\$0.6
	Philippines	\$0.8	\$0.9	\$0.8	\$0.6	\$0.4	\$0.4	\$0.5
	Russia	\$0.2	\$0.2	\$3.9	\$1.3	\$2.6	\$4.7	\$7.0
	South Africa	\$3.4	\$2.7	\$2.3	\$2.3	\$3.0	\$3.7	\$3.1
	Thailand	\$3.7	\$3.1	\$2.9	\$1.8	\$2.4	\$3.5	\$3.6
	Turkey	\$3.3	\$1.3	\$3.1	\$0.7	\$0.6	\$0.6	\$0.0
	United Arab Emirates	\$0.0	\$0.0	\$1.6	\$3.0	\$2.5	\$1.6	\$2.0
<b>Europe ex UK</b>	Austria	\$0.8	\$0.7	\$0.5	\$0.6	\$0.9	\$1.2	\$1.5
	Belgium	\$5.9	\$5.6	\$5.9	\$5.7	\$5.9	\$6.2	\$4.2
	Denmark	\$0.9	\$1.1	\$6.4	\$1.4	\$1.0	\$1.0	\$0.9
	Finland	\$2.1	\$2.6	\$3.0	\$4.0	\$4.4	\$5.5	\$4.3
	France	\$31.9	\$41.4	\$36.2	\$41.0	\$40.6	\$49.5	\$51.0
	Germany	\$32.4	\$35.6	\$29.9	\$31.6	\$34.1	\$43.1	\$38.5
	Ireland	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$1.0	\$1.1
	Israel	\$0.7	\$0.5	\$0.4	\$0.3	\$0.3	\$0.0	\$0.0
	Italy	\$9.0	\$9.5	\$9.4	\$10.3	\$8.3	\$10.1	\$10.3
	Luxembourg	\$0.5	\$0.5	\$0.4	\$0.4	\$0.3	\$0.3	\$0.3
	Netherlands	\$4.4	\$4.9	\$5.3	\$7.6	\$8.2	\$9.4	\$8.7
	Norway	\$7.6	\$8.5	\$3.1	\$2.8	\$3.5	\$4.5	\$3.5
	Portugal	\$1.1	\$1.2	\$0.6	\$0.8	\$1.4	\$1.6	\$1.1
	Spain	\$5.9	\$10.3	\$7.8	\$6.8	\$6.3	\$7.6	\$7.3
	Sweden	\$11.7	\$15.6	\$12.4	\$11.2	\$9.0	\$13.9	\$13.0
	Switzerland	\$18.5	\$22.1	\$22.0	\$22.9	\$23.1	\$24.2	\$23.9
<b>Japan</b>	Japan	\$21.8	\$25.9	\$23.9	\$30.4	\$31.5	\$35.9	\$39.6
<b>North America</b>	Canada	\$9.6	\$9.3	\$9.0	\$7.9	\$9.1	\$10.2	\$11.1
	United States	\$78.6	\$89.6	\$98.7	\$101.9	\$112.1	\$117.1	\$121.7
<b>Asia Pacific ex Japan</b>	Australia	\$9.8	\$9.7	\$8.0	\$7.4	\$7.7	\$8.5	\$10.4
	Hong Kong	\$16.5	\$20.6	\$13.0	\$13.5	\$13.5	\$19.0	\$18.0
	Singapore	\$3.5	\$3.5	\$3.2	\$2.3	\$1.9	\$4.3	\$3.8
	South Korea	\$5.9	\$6.1	\$7.1	\$9.8	\$11.4	\$12.7	\$11.0
<b>UK</b>	United Kingdom	\$27.9	\$31.5	\$31.2	\$33.7	\$32.5	\$32.2	\$35.0
<b>Total</b>		<b>\$342.9</b>	<b>\$387.9</b>	<b>\$369.6</b>	<b>\$375.6</b>	<b>\$394.4</b>	<b>\$450.9</b>	<b>\$456.0</b>
<b>Outside top 1,200</b>		<b>\$43.5</b>	<b>\$49.2</b>	<b>\$46.9</b>	<b>\$47.7</b>	<b>\$50.0</b>	<b>\$57.2</b>	<b>\$57.9</b>
<b>Grand Total</b>		<b>\$386.4</b>	<b>\$437.1</b>	<b>\$416.5</b>	<b>\$423.3</b>	<b>\$444.5</b>	<b>\$508.1</b>	<b>\$513.8</b>

Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

# APPENDICES (CONTINUED)

## QUARTERLY DIVIDENDS BY INDUSTRY IN USD BILLIONS

Industry US\$ bn	13Q2	14Q2	15Q2	16Q2	17Q2	18Q2	19Q2
Basic Materials	\$22.6	\$22.6	\$22.5	\$17.9	\$21.2	\$29.5	\$30.1
Consumer Basics	\$42.5	\$45.1	\$41.6	\$43.5	\$48.3	\$46.1	\$44.1
Consumer Discretionary	\$27.9	\$35.7	\$34.0	\$37.2	\$36.5	\$43.3	\$43.8
Financials	\$84.1	\$97.1	\$97.7	\$105.5	\$112.8	\$134.5	\$141.2
Healthcare & Pharmaceuticals	\$21.1	\$23.7	\$23.1	\$26.8	\$27.1	\$29.9	\$31.0
Industrials	\$33.0	\$40.1	\$40.9	\$37.4	\$38.0	\$44.5	\$43.8
Oil, Gas & Energy	\$36.8	\$41.5	\$29.3	\$24.7	\$27.2	\$33.9	\$35.6
Technology	\$17.1	\$21.2	\$23.9	\$27.1	\$30.1	\$34.5	\$33.0
Communications & Media	\$36.9	\$40.3	\$37.9	\$35.9	\$33.0	\$36.6	\$35.5
Utilities	\$20.8	\$20.6	\$18.8	\$19.6	\$20.1	\$18.1	\$17.8
<b>Total</b>	<b>\$342.9</b>	<b>\$387.9</b>	<b>\$369.6</b>	<b>\$375.6</b>	<b>\$394.4</b>	<b>\$450.9</b>	<b>\$456.0</b>
<b>Outside Top 1,200</b>	<b>\$43.5</b>	<b>\$49.2</b>	<b>\$46.9</b>	<b>\$47.7</b>	<b>\$50.0</b>	<b>\$57.2</b>	<b>\$57.9</b>
<b>Grand total</b>	<b>\$386.4</b>	<b>\$437.1</b>	<b>\$416.5</b>	<b>\$423.3</b>	<b>\$444.5</b>	<b>\$508.1</b>	<b>\$513.8</b>

## QUARTERLY DIVIDENDS BY SECTOR IN USD BILLIONS

Industry	Sector US\$bn	13Q2	14Q2	15Q2	16Q2	17Q2	18Q2	19Q2
<b>Basic Materials</b>	Building Materials	\$1.0	\$1.5	\$1.8	\$1.4	\$2.2	\$2.5	\$2.6
	Chemicals	\$11.8	\$11.6	\$10.5	\$11.8	\$11.7	\$14.6	\$11.9
	Metals & Mining	\$9.6	\$9.3	\$10.0	\$3.8	\$6.2	\$10.0	\$13.9
	Paper & Packaging	\$0.2	\$0.2	\$0.2	\$0.9	\$1.0	\$2.4	\$1.7
<b>Consumer Basics</b>	Beverages	\$8.1	\$8.3	\$8.9	\$8.7	\$8.5	\$10.0	\$7.5
	Food	\$11.7	\$12.8	\$11.3	\$11.8	\$12.2	\$12.8	\$12.8
	Food & Drug Retail	\$9.8	\$9.2	\$7.4	\$7.0	\$11.2	\$7.6	\$8.0
	Household & Personal Products	\$6.6	\$6.9	\$7.4	\$8.1	\$8.3	\$9.5	\$9.3
<b>Consumer Discretionary</b>	Tobacco	\$6.3	\$7.9	\$6.7	\$7.9	\$8.1	\$6.3	\$6.6
	Consumer Durables & Clothing	\$3.2	\$5.3	\$4.9	\$5.5	\$5.6	\$7.5	\$8.0
	General Retail	\$6.2	\$7.6	\$7.3	\$7.6	\$7.0	\$7.0	\$8.8
	Leisure	\$4.3	\$5.3	\$4.0	\$5.5	\$4.4	\$5.6	\$5.4
<b>Financials</b>	Other Consumer Services	\$0.0	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
	Vehicles & Parts	\$14.2	\$17.5	\$17.7	\$18.6	\$19.6	\$23.3	\$21.6
	Banks	\$42.9	\$49.1	\$52.1	\$53.6	\$57.3	\$74.4	\$79.5
	General Financials	\$8.5	\$10.3	\$11.3	\$11.0	\$13.8	\$16.4	\$15.7
<b>Healthcare &amp; Pharmaceuticals</b>	Insurance	\$23.0	\$27.5	\$26.0	\$29.9	\$29.9	\$33.0	\$34.5
	Real Estate	\$9.7	\$10.2	\$8.3	\$10.9	\$11.8	\$10.8	\$11.5
	Health Care Equipment & Services	\$3.2	\$4.0	\$4.3	\$4.9	\$6.3	\$7.0	\$7.7
	Pharmaceuticals & Biotech	\$17.9	\$19.7	\$18.8	\$21.9	\$20.9	\$22.8	\$23.3
<b>Industrials</b>	Aerospace & Defence	\$4.0	\$4.8	\$4.9	\$5.3	\$5.1	\$6.4	\$6.6
	Construction, Engineering & Materials	\$5.4	\$5.4	\$4.8	\$5.9	\$6.4	\$7.1	\$7.8
	Electrical Equipment	\$4.3	\$4.9	\$4.4	\$4.6	\$4.8	\$5.4	\$5.5
	General Industrials	\$11.7	\$15.9	\$12.0	\$10.8	\$11.0	\$13.2	\$11.6
<b>Oil, Gas &amp; Energy</b>	Support Services	\$2.0	\$2.3	\$2.4	\$3.0	\$3.1	\$3.0	\$2.4
	Transport	\$5.6	\$6.8	\$12.5	\$7.9	\$7.6	\$9.4	\$10.0
	Energy - non-oil	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
	Oil & Gas Equipment & Distribution	\$3.2	\$3.1	\$3.6	\$3.0	\$4.2	\$4.4	\$5.0
<b>Technology</b>	Oil & Gas Producers	\$33.5	\$38.4	\$25.8	\$21.8	\$22.9	\$29.5	\$30.7
	IT Hardware & Electronics	\$6.8	\$7.4	\$10.8	\$11.8	\$13.1	\$14.5	\$12.4
	Semiconductors & Equipment	\$4.1	\$5.3	\$3.8	\$4.5	\$5.2	\$6.9	\$6.7
	Software & Services	\$6.3	\$8.5	\$9.2	\$10.8	\$11.8	\$13.1	\$13.8
<b>Communications &amp; Media</b>	Media	\$5.5	\$6.4	\$8.3	\$6.3	\$5.2	\$5.4	\$5.1
	Telecoms	\$31.4	\$33.9	\$29.6	\$29.6	\$27.9	\$31.2	\$30.4
<b>Utilities</b>	Utilities	\$20.8	\$20.6	\$18.8	\$19.6	\$20.1	\$18.1	\$17.8
<b>Total</b>		<b>\$342.9</b>	<b>\$387.9</b>	<b>\$369.6</b>	<b>\$375.6</b>	<b>\$394.4</b>	<b>\$450.9</b>	<b>\$456.0</b>
<b>Outside Top 1,200</b>		<b>\$43.5</b>	<b>\$49.2</b>	<b>\$46.9</b>	<b>\$47.7</b>	<b>\$50.0</b>	<b>\$57.2</b>	<b>\$57.9</b>
<b>Grand total</b>		<b>\$386.4</b>	<b>\$437.1</b>	<b>\$416.5</b>	<b>\$423.3</b>	<b>\$444.5</b>	<b>\$508.1</b>	<b>\$513.8</b>

## APPENDICES (CONTINUED)

### JHGDI – BY REGION

Region	13Q2	14Q2	15Q2	16Q2	17Q2	18Q2	19Q2
Emerging Markets	187.5	199.0	192.1	140.8	142.3	165.7	183.5
Europe ex UK	107.6	127.8	117.9	118.2	119.0	138.1	134.0
Japan	136.1	140.3	136.5	165.5	183.2	208.4	230.0
North America	154.9	164.1	182.4	198.5	201.2	215.4	231.4
Asia Pacific ex Japan	173.6	187.8	177.0	178.7	190.6	234.9	234.7
UK	134.6	184.1	145.4	146.8	136.4	148.1	156.8
<b>Global total</b>	<b>143.4</b>	<b>160.0</b>	<b>158.0</b>	<b>160.2</b>	<b>162.7</b>	<b>182.6</b>	<b>191.0</b>

### JHGDI – BY INDUSTRY

Industry	13Q2	14Q2	15Q2	16Q2	17Q2	18Q2	19Q2
Basic Materials	188.3	185.0	171.1	134.6	134.7	206.3	259.2
Consumer Basics	158.3	165.4	170.9	182.6	182.2	180.3	187.9
Consumer Discretionary	234.8	273.9	290.5	320.4	308.9	350.9	358.3
Financials	170.3	195.4	201.0	212.4	224.3	248.2	264.9
Healthcare & Pharmaceuticals	147.3	155.0	158.4	176.8	183.2	196.3	205.6
Industrials	131.1	149.3	156.9	152.6	157.8	177.4	172.1
Oil, Gas & Energy	125.5	136.5	126.0	105.8	99.7	119.6	128.0
Technology	209.2	240.8	278.1	309.9	320.1	363.4	396.2
Communications & Media	99.7	129.0	100.2	98.9	97.4	109.7	97.9
Utilities	85.3	87.7	80.1	84.8	89.1	92.8	93.5
<b>Total</b>	<b>143.4</b>	<b>160.0</b>	<b>158.0</b>	<b>160.2</b>	<b>162.7</b>	<b>182.6</b>	<b>191.0</b>

Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.



## APPENDICES (CONTINUED)

### Q2 ANNUAL GROWTH RATE – ADJUSTMENTS FROM UNDERLYING TO HEADLINE

Region	Country	Underlying growth	Special dividends	Currency	Index changes	Timing effects	Headline Growth
Emerging Markets	Brazil	111.7%	-44.5%	-12.2%	41.7%	27.9%	124.5%
	Chile	8.4%	-1.5%	-6.0%	0.0%	9.2%	10.0%
	China	-10.8%	0.0%	0.2%	-8.3%	0.0%	-18.9%
	Colombia	267.4%	105.7%	-48.5%	0.0%	0.0%	324.6%
	India	-28.8%	-9.4%	-1.9%	0.9%	5.3%	-33.8%
	Indonesia	10.6%	2.8%	-2.4%	0.0%	0.0%	10.9%
	Malaysia	4.0%	0.0%	-4.9%	0.0%	0.0%	-0.9%
	Mexico	35.0%	9.2%	2.3%	0.0%	0.0%	46.5%
	Peru	40.2%	0.0%	0.0%	0.0%	0.0%	40.2%
	Philippines	12.5%	-7.3%	0.0%	0.0%	0.0%	5.2%
	Russia	36.6%	0.0%	-0.8%	6.3%	8.9%	51.0%
	South Africa	0.1%	-3.7%	-12.8%	0.0%	0.0%	-16.5%
	Thailand	0.7%	0.0%	-1.0%	2.7%	0.0%	2.3%
	United Arab Emirates	1.1%	0.0%	0.0%	24.2%	0.0%	25.3%
Europe ex UK	Austria	17.4%	0.0%	-5.7%	13.9%	0.0%	25.6%
	Belgium	-28.7%	0.0%	-4.0%	0.0%	0.0%	-32.7%
	Denmark	-7.8%	0.0%	-7.4%	0.0%	0.0%	-15.2%
	Finland	-9.3%	0.0%	-7.3%	-5.6%	0.0%	-22.3%
	France	5.1%	4.2%	-5.8%	-0.4%	0.0%	3.1%
	Germany	2.4%	-3.2%	-5.6%	-3.5%	-0.8%	-10.7%
	Ireland	20.7%	0.0%	-8.2%	0.0%	0.0%	12.5%
	Italy	6.3%	0.0%	-5.2%	1.2%	0.0%	2.3%
	Netherlands	7.2%	-0.7%	-5.7%	-7.7%	0.0%	-6.9%
	Norway	9.2%	-18.3%	-6.1%	-6.6%	0.0%	-21.8%
	Portugal	3.1%	0.0%	-3.9%	-29.4%	0.0%	-30.3%
	Spain	8.0%	0.0%	-6.8%	-5.5%	0.0%	-4.3%
	Sweden	-3.4%	3.9%	-8.4%	0.9%	0.0%	-7.0%
	Switzerland	4.5%	0.0%	-3.2%	-2.8%	0.0%	-1.4%
Japan	Japan	6.8%	0.9%	1.8%	0.6%	0.0%	10.1%
North America	Canada	10.6%	4.2%	-2.8%	-1.4%	0.0%	10.6%
	United States	5.3%	-1.3%	0.0%	-0.1%	0.0%	3.9%
Asia Pacific ex Japan	Australia	5.7%	28.8%	-6.7%	-4.4%	-1.6%	21.8%
	Hong Kong	2.5%	-8.0%	0.2%	-0.1%	0.0%	-5.4%
	Singapore	17.7%	-22.4%	-1.5%	-4.2%	0.0%	-10.4%
	South Korea	-5.8%	0.0%	-6.3%	2.5%	-3.7%	-13.3%
UK	United Kingdom	5.3%	9.1%	-2.7%	-3.1%	0.0%	8.6%

Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

# FREQUENTLY ASKED QUESTIONS

---

## What is the Janus Henderson Global Dividend Index?

The Janus Henderson Global Dividend Index (JHGDI) is a long-term study into global dividend trends, and is the first of its kind. It is a measure of the progress global firms are making in paying their investors an income on their capital. It analyzes dividends paid every quarter by the world's largest 1,200 firms by market capitalisation.

## How many companies are analysed?

The world's largest 1,200 companies by market capitalization are analyzed in detail, representing 90% of global dividends paid. The next 1,800 only represent 10%, so due to their size, their effects on the results are negligible.

## What information does JHGDI provide?

The index breaks down global payouts by region, industry and sector. It enables readers to easily compare the dividend performance of countries like the U.S. for example, that provide a large proportion of global dividends, alongside smaller nations such as the Netherlands. The report aims to explain the world of equity income investing.

## What do the charts cover?

All charts and tables are based on the analysis of the top 1,200 companies. The charts are there to help illustrate the dividend performance, regional and sector payouts.

## Why is this piece of research produced?

The hunt for income remains a major investment theme for investors, and in response to client feedback Janus Henderson has undertaken a long term study into global dividend trends with the launch of the Janus Henderson Global Dividend Index.

## How are the figures calculated?

Dividends are included in the model on the date they are paid. They are calculated gross, using the share count prevailing on the pay-date, and converted into US dollars using the prevailing exchange rate. Please see the methodology section in the JHGDI report for a more detailed answer.

## Why is the report based in dollars?

The report is produced in U.S. dollars, since the U.S. dollar is the global reserve currency, used as the standard measure for comparing cross border financial metrics.

## Is the data in the report year on year or quarter on quarter?

The report is published on a quarterly basis. Given that this is a global study of dividend income, publishing the data on a quarterly basis provides best insight on which regions and sectors pay dividends in which quarter. In each edition the data is compared with the same quarter of the previous year, e.g., Q1 2015 vs. Q1 2014.

## What is the difference between headline and underlying growth?

In the report we focus on headline growth which is how much was paid in US\$ in any quarter in relation to the same period in the previous year. Underlying growth is also calculated, but is an adjusted rate which takes currency movements, special dividends, timing changes and index changes into account.

## Can you invest in the JHGDI?

The JHGDI is not an investable index but is a measure of the progress that global firms are making in paying their investors an income on their capital, taking 2009 as a base year (index value of 100).

## Is the JHGDI linked to any of Janus Henderson's funds?

The index is not linked to any of Janus Henderson's funds, however the report is headed up by Ben Lofthouse, Head of Janus Henderson's Global Equity Income strategy, and supported by Andrew Jones and Jane Shoemake, members of the Global Equity Income team.

## Why should investors be interested in global dividend income?

Investing in companies that not only offer dividends, but increase them, has proven over time to provide both growing income and higher total return than companies that do not. Investing globally offers investors diversification across countries and sectors with the aim of reducing risk to income and capital.

Unless otherwise stated all data is sourced by Janus Henderson Investors as of 30 June 2019. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.





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 Group plc or one of its subsidiaries. © Janus Henderson Group plc.

FOR MORE INFORMATION CONTACT JANUS HENDERSON

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

C-0819-25568 05-15-20

688-15-418961 08-19