HENDERSON GLOBAL DIVIDEND INDEX

Henderson
GLOBAL INVESTORS
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#HGDI
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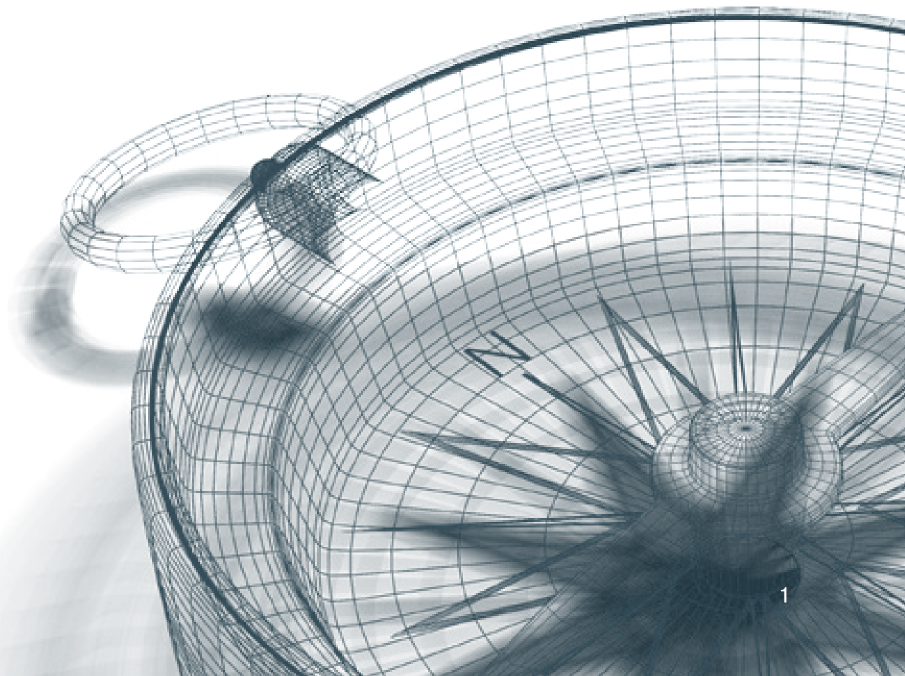
CONTENTS

Introduction

Henderson Global Investors is an asset manager that has invested in global markets on behalf of its clients throughout the world for 80 years.

In contrast to the first quarter, when North American dividends predominate, the second quarter sees the seasonal peak in payments from Europe, where many companies make a single annual distribution. The news has equally been dominated by European events, particularly those surrounding Greece, bringing further volatility* to global exchange rates and asset prices. Whilst there has been some short-term volatility, equity investing is a long-term undertaking and equities remain a very attractive source of income for investors in many markets. In addition, over the long term, dividends and dividend growth provide a significant proportion of an investors' total return, and a compelling basis for valuing companies.

The Henderson Global Dividend Index (HGDI) is a long-term study into global dividend trends, and is the first of its kind. It is not an investable index like the S&P 500 or the Hang Seng, 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 100). The index breaks down by region, industry and sector, in US dollar terms. It enables readers to easily compare the dividend performance of countries like the US, which provides a large proportion of global dividends, alongside smaller nations such as the Netherlands. The report aims to help readers better understand the world of income investing.



Nothing in this document should be construed as advice.

* Please refer to the glossary of services found on page 11.

Executive summary

Overview

- Global dividends fell 6.7% year on year to $404.9bn, a decline of $29.1bn
- This is the third consecutive quarterly decline, mainly due to falls in global currencies against the US dollar
- The euro, yen and Australian dollar were all a fifth weaker year on year; sterling was down a tenth
- At negative $52.2bn the exchange rate effect this quarter was the largest in any period on HGDI record
- Underlying dividend growth*, adjusting for exchange rates, timing, index effects and taking out the change in special dividends*, was 8.9% year on year
- Q2 is dominated by Europe ex UK, so trends in that region heavily influenced the global results this quarter; underlying European growth was strong, though headline dividends were hit by the weak euro versus the dollar
- The HGDI ended the second quarter at 155.1**, down 4% from the 161.5 peak in Q3 2014

Europe Ex UK

- Q2 accounts for two thirds of Europe's annual dividends
- Europe dominates the global distribution in Q2, making up two fifths of the total
- European dividends fell 14.3% (headline) to $133.7bn, with most countries seeing double digit declines largely due to lower exchange rates versus the US dollar.
- Underlying dividend growth at 8.6% was encouraging, and faster than we expected
- Financials, the largest European sector, were particularly strong on an underlying basis as the sector returned slowly to normality
- Italy, the Netherlands and Belgium enjoyed some of the strongest growth
- Germany, Spain and Switzerland ranked in the middle
- France saw a slowdown, with weakness at Orange and GDF Suez affecting growth
- Denmark's Moller Maersk paid a large $5.3bn special dividend, a Danish record
- Europe ex UK HGDI dropped back to 112.5, meaning headline dividends* are up just 12.5% in US dollar terms since 2009

North America

- Once again, US companies are the current engine of global dividend growth
- Headline growth* was 10.0% to $98.6bn, the sixth consecutive quarter of double digit increases
- Underlying growth was 9.3%
- The US HGDI reached a record 186.0, meaning headline dividends are up 86% since 2009
- All sectors in the US saw growth, except for mining and oil
- As with Europe, US financials performed strongly
- Dividends from Canada were 3.7% lower year on year, owing mainly to the lower Canadian dollar. Underlying growth was 10.7%

UK

- UK dividends fell 1.7% headline to $34.2bn as sterling fell less against the dollar than other world currencies have
- Underlying dividends* rose an encouraging 7.9%
- Lloyds Bank paid a dividend for the first time since the financial crisis

Japan

- Q2 is important for Japan, contributing almost half the annual total dividend payments
- At $23.4bn, headline dividends fell 7.1% on the weaker yen
- Underlying growth was impressive at 16.8%
- Rising payout ratios in Japan are combining with higher profitability to deliver rapid dividend growth

Asia Pacific ex Japan

- Dividends fell 24.0% at a headline level to $29.8bn; underlying growth was 9.5%
- Currency was less of a factor than in Europe and Japan, with only the Australian dollar making a significant impact
- Hong Kong figures were distorted by lower special dividends and timing effects
- South Korea saw impressive increases, up 15.6% on a headline basis, and a dramatic 37.4% underlying, driven by higher payout ratios
- The much weaker Australian dollar masked 8.9% underlying growth; headline dividends fell 15.0% to $7.7bn

Emerging Markets

- Emerging market dividends fell 1.1% on a headline basis to $30.7bn, and only rose 2.9% on an underlying basis
- Russia, which has an unpredictable dividend market, saw dramatic increases year on year after a strong first quarter
- Oil companies did poorly with Petrobras (Brazil) and Ecopetrol (Columbia) slashing payouts
- India and Turkey delivered growth while South Africa stagnated

Industries & sectors

- Technology dividends grew fastest in the second quarter, up 15.9% year on year on a headline basis, with particular strength in South Korea and the United States
- The technology HGDI reached 267.9, far ahead of the global average of 155.1
- Financial dividends were the second strongest sector, growing 0.3% headline year on year despite the negative currency impact, far outperforming the 6.7% global headline decline
- Financials accounted for a quarter of annual global dividends, so increasing dividend payments in the sector are important for income investors

Outlook

- For the full year we upgrade our forecast for underlying growth to 7.8% after such a strong second quarter
- We expect global dividends of $1.16 trillion this year, down just 1.2% at a headline level

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Past performance is no guarantee of future results. International investing involves certain risks and increased volatility* not associated with investing solely in the UK. These risks included currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavourable political or legal developments.

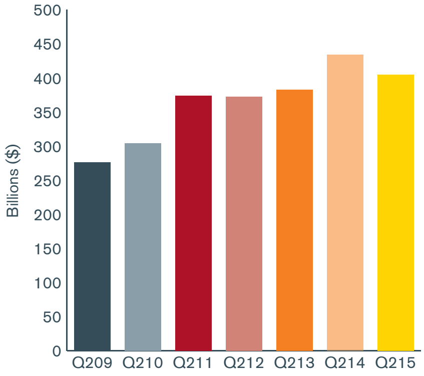
The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

* Please refer to the glossary of services found on page 11.

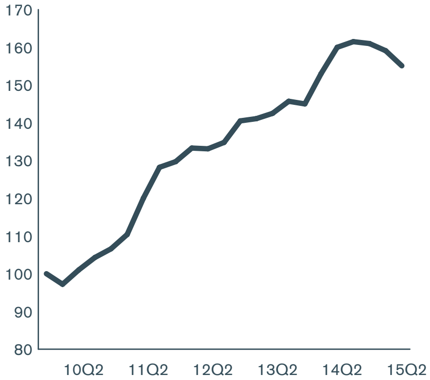
** This is a statistical measure of change of the Henderson Global Dividend Index.

Weaker euro drags global dividends lower, concealing underlying strength

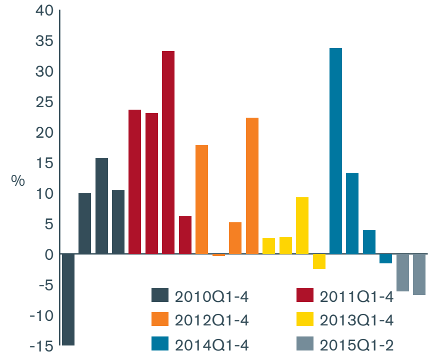
Global dividends (US$)



HGDI



Total dividends, growth per quarter

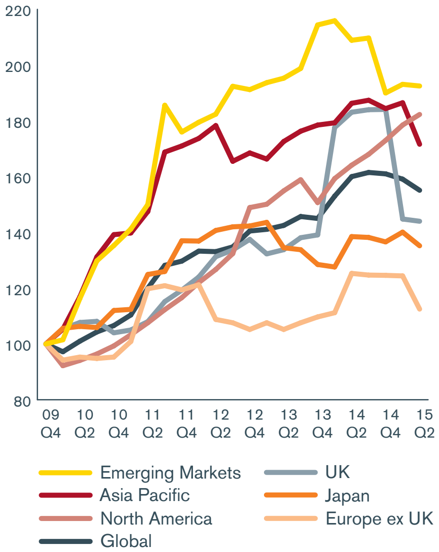


Global dividends fell 6.7% year on year to $404.9bn in the second quarter of 2015, a decline of $29.1bn on a headline basis. This was the third consecutive quarterly decline, and it pushed the HGDI down to 155.1 from a peak of 161.5 at the end of the third quarter of 2014.

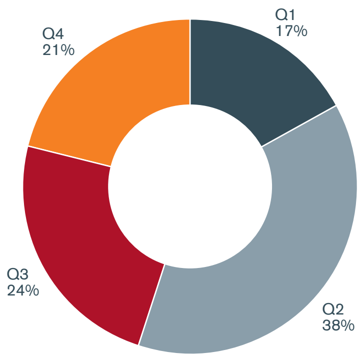
The second quarter is seasonally the most important, making up over a third of the annual total paid by the world's listed companies. This is mainly because most European dividends are paid between April and June. They accounted for almost two fifths of the global total in Q2, so trends in that region had a particularly large impact during the period. Given the seasonal importance of European dividends at a time of significant euro weakness, it is encouraging that the overall headline decline in dividends was in line with the first quarter. This hints at an improving underlying global picture.

Many other currencies were also weak against the dollar. Indeed, underlying global growth, which strips out special dividends, currency movements, changes in the index, and changes in the timing of payments, was in fact an impressive 8.9%.

HGDI – by region



Quarterly distribution of dividends 2009-2014



Annual dividends by region in USD billions

Region	2011	% change	2012	% change	2013	% change	2014	% change	Q214	% change	Q215	% change
Emerging Markets	$106.9	30.1%	$116.1	8.6%	$130.2	12.1%	$115.4	-11%	$31.0	-12.0%	$30.7	-1.1%
Europe ex UK	$222.8	25.3%	$196.4	-11.9%	$204.7	4.2%	$232.5	14%	$156.0	20.2%	$133.7	-14.3%
Japan	$49.5	22.3%	$51.3	3.8%	$46.4	-9.6%	$49.3	6%	$25.2	18.5%	$23.4	-7.1%
North America	$264.8	17.5%	$337.9	27.6%	$342.1	1.2%	$392.8	15%	$98.9	12.2%	$107.5	8.7%
Asia Pacific	$107.6	22.8%	$106.0	-1.4%	$112.3	5.9%	$116.0	3%	$39.2	12.7%	$29.8	-24.0%
UK	$88.4	14.8%	$101.9	15.2%	$103.1	1.2%	$136.5	32%	$34.8	13.3%	$34.2	-1.7%
TOTAL	**$840.0**	**21.7%**	**$909.6**	8.3%	**$938.8**	3.2%	**$1,042.5**	**11%**	**$385.1**	**13.3%**	**$359.3**	**-6.7%**
Divs outside top 1200	$106.6	21.7%	$115.5	8.3%	$119.2	3.2%	$132.3	11%	$48.9	13.3%	$45.6	-6.7%
GRAND TOTAL	**$946.6**	21.7%	**$1,025.1**	8.3%	**$1,058.0**	3.2%	$1,174.8	11%	$434.0	13.3%	$404.9	-6.7%

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Underlying v. headline growth

Exchange rate movements were the largest factor pushing headline global dividends lower. Over the longer term, changes in exchange rates tend to even out, meaning investors have been able to disregard them. In the short term, however, the moves can be significant. This is certainly the case at present. The euro, yen, Australian dollar, and some emerging market currencies were all around a fifth lower against the US dollar during the second quarter compared to the same period in 2014. Sterling was down 10% against the US dollar.

Currencies in Asia, many of which are linked to the US dollar, moved little or not at all. Overall, currency deducted 12 percentage points* from the growth rate in Q2. This amounted to $52.2bn, and was by far the largest exchange rate effect the HGDI has recorded to date in any quarter.

Changes in the list of companies that constitute the global top 1,200 for 2015 have little or no effect on the index over the course of a full year at a global level, but there can be a pronounced effect in any one quarter or any single region. It is the same with timing differences, which occur when a company shifts a payment from one quarter to another. Each of these factors deducted two percentage points from the headline growth rate in the second quarter. Special dividends were very similar at a global level year on year, so they made no global impact this time. The table above shows the contribution each factor makes to regional growth rates around the world.

Q2 Annual Growth Rate – adjustments from underlying to headline

Region	Underlying Growth	Special dividends	Currency	Index changes	Timing effects	Headline Growth
Emerging Markets	2.9%	6%	-20%	4%	6%	-1.1%
Europe ex UK	8.6%	3%	-19%	-3%	-4%	-14.3%
Japan	16.8%	-1%	-20%	0%	-3%	-7.1%
North America	9.4%	0%	-1%	0%	0%	8.7%
Asia Pacific	9.5%	-16%	-6%	-7%	-5%	-24.0%
UK	7.9%	0%	-7%	-3%	0%	-1.7%
Global	**8.9%**	**0%**	**-12%**	**-2%**	**-2%**	**-6.7%**

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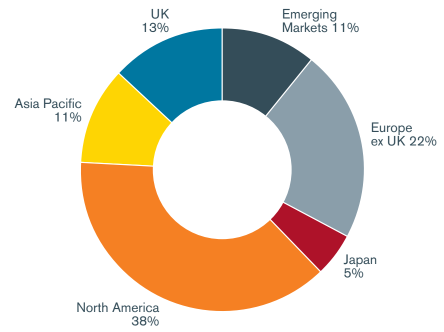
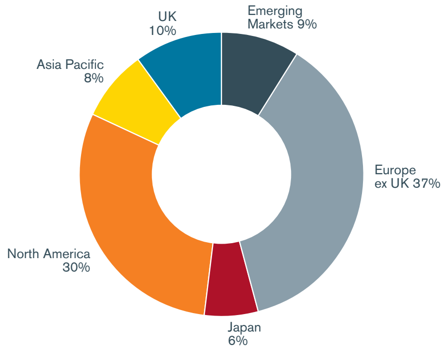
Regions and countries

2014 dividends by region



Q2 2015 dividends by region

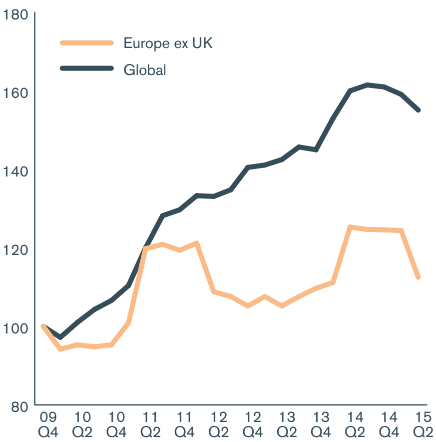


Europe ex UK

Many European companies pay one dividend per year, so the second quarter is very important for this region. For global investors it is unfortunate it has coincided with a much lower euro exchange rate against the US dollar. Headline dividends fell sharply year on year in Europe ex UK, down 14.3% to $133.7bn, a fall of $22.3bn, with most countries seeing double digit declines owing to the weakness of the euro and other European currencies. Underlying dividend growth at 8.6% was much more encouraging. Financials, the largest European sector, were particularly strong on an underlying basis, as the sector started to slowly return towards higher dividend levels.

France, Europe ex UK's largest dividend payer, saw dividends fall 20.2% on a headline basis to $33.0bn. The lower euro accounted for most of the decline. Unlike the effect of the weaker currency, the impact of Total's $1.6bn payment slipping into the third quarter, along with other smaller timing effects, is merely a short-term technical factor, and will not affect France's annual US dollar total. Nevertheless, underlying growth of 2.3% was slower than France's recent record, with sharp cuts from Orange and GDF Suez contributing to the slowdown.

HGDI – Europe ex UK



Dividends in Germany, the second largest payer in Europe, fell 16.0% to $29.9bn. This translated into underlying growth of 6.6%, after adjusting for the euro and for a small negative index effect which saw a handful of German stocks leave the global top 1,200. This is still relatively modest, but is better on an underlying basis than Germany's performance in recent quarters. Allianz was among an encouraging minority of companies whose dividends rose even in dollar terms. Last year, the company announced it would increase its payout ratio, which led to a 29% increase per share in euro terms. At $3.5bn, it was comfortably Germany's largest payer.

Italy surprised on the upside, with a mere 3.8% headline decline to $9.1bn translating into an impressive 23.5% underlying rise: its best on the HGDI record. Intesa Sanpaolo, Snam, and Luxottica all posted increases large enough even to overcome the fall in the euro, meaning they rose in dollar terms too. Many other Italian companies made large euro increases.

Spanish dividends declined 24.4% on a headline basis. This mainly reflected the fall in the euro, but also a lower level of special dividends. Total Spanish dividends rose 6.0% on an underlying basis. In other countries, there was strong growth from the Netherlands where KPN and ING restarted dividend payments, the latter after the end of its bailout programme, and from Belgium, thanks to a large increase from KBC.

In Switzerland, the third largest European payer in the second quarter, headline dividends fell 2.4% to $17.0bn. The slightly lower Swiss franc accounted for most of the decline, and underlying dividends rose 5.9%. UBS made a large increase in its dividend payment.

Danish shipping conglomerate, Moller Maersk, made a huge $6.3bn distribution, comfortably a record for that country, of which $5.3bn was a special dividend. Austria was among those doing less well, as Erste Bank cancelled its payout, bucking the trend of strength from European financials.

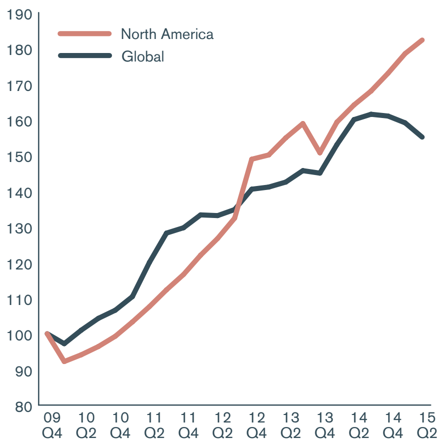
North America

Once again, US companies proved they are presently the major engine of global dividend growth. They raised headline payouts by 10.0% to $98.6bn, taking the US HGDI to a record 186.0. This impressive performance marked the sixth consecutive quarter of double digit increases. Underlying growth was 9.3%.

Every sector in the US grew payouts, with just two exceptions. These were mining and oil companies, each suffering lower prices for their commodities. Oil producers comprise the largest sector, paying $8.0bn in Q2, but this was a touch lower ($140m) than the previous year. Chevron, for example, held its per share dividend flat year on year, while some smaller producers reduced their payouts. In common with financial groups elsewhere around the world there was strong growth from the US banking sector, which raised distributions 22%. Bank of America and Citigroup, for example, each quintupled their dividend, albeit from a low level.

Dividends from Canada were 3.7% lower year on year, owing mainly to the lower Canadian dollar. Underlying growth was 10.7%.

HGDI – North America



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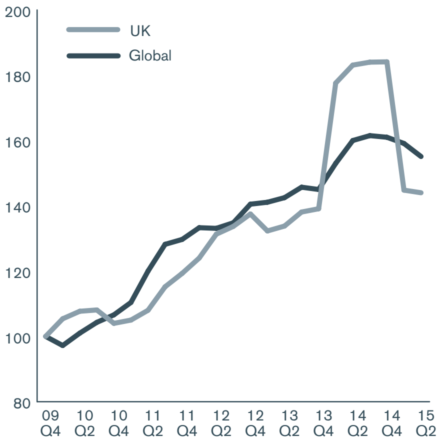
Regions and countries (continued)

UK

UK dividends fell 1.7% on a headline basis to $34.2bn, though they rose 7.9% on an underlying basis. Most of the headline decline was due to the fall in sterling against the dollar. The developed world improvement in financial dividends also occurred in the UK: Lloyds Bank made its first dividend payment since the financial crisis. At $922m, the amount was far less than its former dividend firepower, but it is an important sign of improvement in the sector.

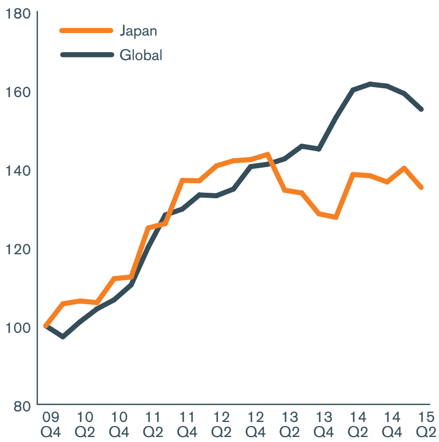
HGDI – UK



Japan

The Japanese yen was sharply lower on average in the second quarter compared to Q2 2014, and deducted 20% from the headline growth rate. Headline dividends nevertheless fell only 7.1% year on year to $23.4bn as Japanese companies continued to rapidly increase the yen amount they paid to their shareholders. Underlying growth was very impressive at 16.8%. Even if, as we cautioned in our last report, growth could not match the breakneck speed of the first quarter, the much larger seasonal importance of the second quarter makes this level of growth more meaningful. Toyota Motor is a good case in point. The largest payer in Japan this quarter, it raised its yen payout by 25% and so also managed an increase in dollar terms. This pattern was repeated across a wide range of sectors and companies in Japan as managers respond to calls to increase Japanese payout ratios from their low base by developed market standards. Sony and Toshiba bucked the positive trend, however, each cancelling their dividends.

HGDI – Japan



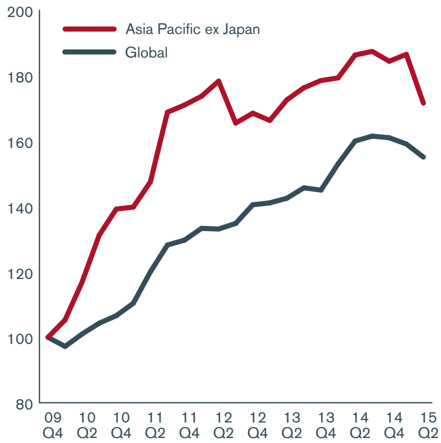
Asia Pacific ex Japan

The Asia Pacific ex Japan region presented a rather misleading picture in the second quarter. Dividends fell 24.0% at a headline level to $29.8bn. Underlying growth, however, was 9.5%. Unlike other regions, exchange rates were not the principal factor explaining the headline decline, apart from Australia where there was a significant impact. Most of the adjustments were in Hong Kong where there were much lower special dividends compared to a year ago, and Sands China and BOC both allowed their large payments to slip into July, just missing the second quarter. Despite a sharp headline fall, there was modest underlying growth in Hong Kong (+1.3%) after taking these one-off factors into account.

Income investors in South Korea saw an impressive increase in payouts from a low base, up 15.6% on a headline basis, but a dramatic 37.4% on an underlying basis (the difference mainly due to index changes). South Korean companies paid $6.9bn to their shareholders, with eye-catching increases from Samsung Electronics (South Korea's largest payer) and Hyundai Motor among others.

This is a relatively small quarter for Australian dividends. The much weaker Australian dollar masked creditable 8.9% underlying growth there. Among the few companies which pay in Q2, Commonwealth Bank was by far the largest, making up a little under half the country total. Headline dividends fell 15.0% to $7.7bn.

HGDI – Asia-Pacific ex Japan



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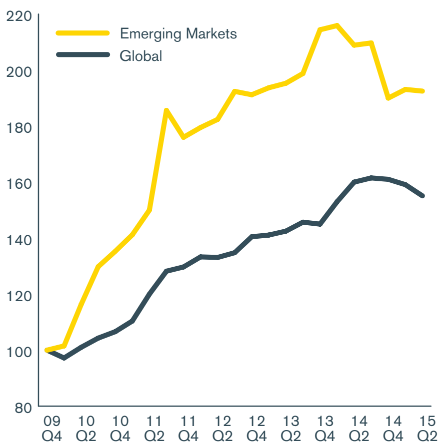
Regions and countries (continued)

Emerging Markets

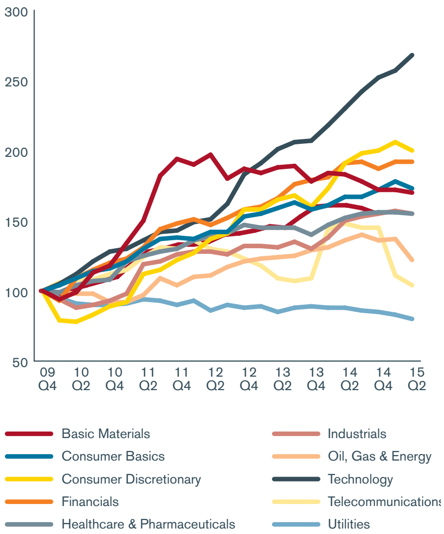
Emerging market dividends fell 1.1% on a headline basis to $30.7bn, and only rose 2.9% on an underlying basis. These less developed regions usually show a lot of dividend variability, but the large adjustments for lower exchange rates, special dividends, timing and index changes broadly cancelled each other out. Russia has an unpredictable dividend market. Having almost contributed nothing in Q2 2014, it was the largest contributor in Q2 2015, delivering $3.9bn, mainly as a result of Norilsk Nickel and Rosneft making large payments. The difficulties facing other emerging market oil companies were clear: Petrobras of Brazil paid nothing, and Ecopetrol of Columbia cut its payment back significantly. The combined effect was to reduce the total by $5.2bn. Meanwhile, India made up some of the ground lost in Q1, while South Africa saw only modest underlying growth of 3.4%. There was good news for investors in Turkey as Turkcell restarted paying dividends.

HGDI – Emerging Markets



Industries and sectors

HGDI – Total dividends by industry



Technology dividends grew fastest in the second quarter, up 15.9% year on year on a headline basis, with particular strength in South Korea and the United States. The sector is continuing the trend towards higher dividend payout ratios as companies mature. Technology has shown comfortably the fastest dividend growth in recent years, with the technology HGDI reaching 267.9, far ahead of the global average 155.1.

The more interesting story is the burgeoning growth coming from the financial industry. In many regions of the world, as we have discussed, financial companies are growing in confidence, and are starting to increase dividend returns to their shareholders. This is not to say the industry is heading rapidly back to pre-crisis payout levels, but the process of normalisation is accelerating. Financial dividends rose 0.3% at a headline level year on year, far outperforming the 6.7% global headline decline. Financials account for roughly a quarter of annual global dividends, so improvements in this industry can make a real difference to the total.

All other industry groupings saw headline dividends decline in the second quarter.

Top payers

Dividend concentration – top stocks Q2 2015

Rank	09Q2	10Q2	11Q2	12Q2	13Q2	14Q2	15Q2
1	Nestlé SA	Nestlé SA	Nestlé SA	Nestlé SA	Nestlé SA	Nestlé SA	Nestlé SA
2	Deutsche Telekom AG	Deutsche Telekom AG	Telefonica	Sanofi	Sanofi	Ecopetrol SA	A.P. Moller - Maersk AS
3	GDF Suez	Sanofi	Sanofi	China Mobile Limited	China Mobile Limited	Sanofi	HSBC Holdings plc
4	E.On SE	E.On SE	E.On SE	Deutsche Telekom AG	Deutsche Telekom AG	Hutchison Whampoa Ltd.	Sanofi
5	Sanofi	China Mobile Limited	Deutsche Telekom AG	Statoil ASA	Commonwealth Bank of Australia	China Mobile Limited	China Mobile Limited
6	Total S.A.	Telefonica	China Mobile Limited	Commonwealth Bank of Australia	Statoil ASA	HSBC Holdings plc	Anheuser-Busch InBev
7	China Mobile Limited	Total S.A.	Unibail-Rodamco	Telefonica	HSBC Holdings plc	Commonwealth Bank of Australia	Allianz SE
8	Statoil ASA	BP plc	Total S.A.	Daimler AG	Anheuser-Busch InBev	Statoil ASA	Commonwealth Bank of Australia
9	Eni Spa	Statoil ASA	Statoil ASA	British American Tobacco	Royal Dutch Shell Plc	British American Tobacco	Toyota Motor Corporation
10	General Electric Co.	Royal Dutch Shell Plc	BNP Paribas	BASF SE	Wal-Mart Stores, Inc.	BASF SE	British American Tobacco
Subtotal $bn	$38.9	$37.3	$44.3	$39.0	$41.5	$46.0	$43.1
% of total	**14%**	**12%**	**12%**	**10%**	**11%**	**11%**	**11%**
11	Telefonica	Orange.	Orange.	Royal Dutch Shell Plc	BASF SE	Toyota Motor Corporation	Wal-Mart Stores, Inc.
12	RWE AG	AT&T, Inc.	Allianz SE	Ecopetrol SA	Daimler AG	Allianz SE	Exxon Mobil Corp.
13	BP plc	Eni Spa	Royal Dutch Shell Plc	HSBC Holdings plc	British American Tobacco	Daimler AG	Apple Inc
14	Orange.	RWE AG	Commonwealth Bank of Australia	Wal-Mart Stores, Inc.	E.On SE	Royal Dutch Shell Plc	Royal Dutch Shell Plc
15	Royal Dutch Shell Plc	Banco Santander S.A.	British American Tobacco	Exxon Mobil Corp.	Apple Inc	Anheuser-Busch InBev	BASF SE
16	Banco Santander S.A.	British American Tobacco	BASF SE	Eni Spa	Exxon Mobil Corp.	Wal-Mart Stores, Inc.	Daimler AG
17	Enel Spa	Allianz SE	Banco Santander S.A.	Allianz SE	Allianz SE	Deutsche Telekom AG	Axa
18	AT&T, Inc.	Commonwealth Bank of Australia	Daimler AG	Orange.	Eni Spa	Exxon Mobil Corp.	Samsung Electronics
19	BASF SE	Wal-Mart Stores, Inc.	Eni Spa	E.On SE	BNP Paribas	Cheung Kong (Holdings) Ltd.	Deutsche Telekom AG
20	Vivendi	Zurich Insurance Group AG Ltd	RWE AG	Banco Santander S.A.	AT&T, Inc.	Apple Inc	Microsoft Corporation
Subtotal $bn	$27.5	$24.0	$28.9	$27.2	$27.7	$34.3	$31.5
GRAND TOTAL $bn	**$66.4**	**$61.3**	**$73.2**	**$66.2**	**$69.2**	**$80.2**	**$74.6**
% of TOTAL	**24%**	**20%**	**20%**	**18%**	**18%**	**18%**	**18%**

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Conclusions and outlook

The US remains the undisputed engine of global dividend growth but there are positive developments in many parts of the world. The UK looks more encouraging after an expected subdued start to the year, but Europe and Japan in particular are doing increasingly well, the former boosted by recovery among financials and better economic news. As the economy in Europe continues to strengthen, so dividend growth is likely to accelerate too. Higher payout ratios from a historically low base are a key driving force in Japan. There are, moreover, signs of gradual improvement on this front in other regions too as investors and policy makers across the world put pressure on companies to increase the capital they return to their shareholders. This means a dividend paying culture is extending into new markets, beyond those where paying an income to equity investors is deeply entrenched.

As a result we are upgrading our forecast for underlying growth this year, and are now looking for an increase of 7.8% (previously 7.5%). We now expect global dividends of $1.16 trillion this year ($1.13 trillion previously), which is down just 1.2% at a headline level (previously -3.0%). The strength of the US dollar against all major currencies explains this marginal headline decline.

“The US remains the undisputed engine of global dividend growth but there are positive developments in many parts of the world.”

“As a result we are upgrading our forecast for underlying growth this year, and are now looking for an increase of 7.8% (previously 7.5%).”

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Methodology

Each year Henderson analyse dividends paid by the 1,200 largest firms by market capitalisation (as at 31/12 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 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 Henderson Global Investors.

Glossary of terms

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.

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.

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* Please refer to the glossary of services found above.

Appendices

Appendix 1: Index Changes for 2015

The HGDI examines in detail the dividends paid by the largest 1,200 companies in the world, measured by the stock market value at the end of each year. These companies account for about 90% of global market capitalisation and a similar share of dividends. To complete the picture we make assumptions about the dividends of the remaining ten per cent. Each year, we rebase the index to include those that have joined the global top 1,200, and to exclude those that have dropped down the rankings. At a global level this change makes very little difference over the course of the year, but at a regional level, and particularly at a country level the changes are more noticeable. We adjust for this factor when we talk about the underlying growth rates.

For 2015, 132 stocks changed in our top 1,200 list, but they only account for close to half a per cent of the total market capitalisation of the top 1,200, and they will account for a similar share of dividends. The largest number of net additions is in the US.

The strength of the US dollar, which depressed the translated USD value of many non-US stocks, and a relatively strong 2014 for the US market, means that most other regions of the world now have fewer stocks in our index than in 2014. Emerging markets are an exception. They have recovered some of the ground they lost, with newcomers from India and China boosting the total.

In each quarterly report this year, we point out the effect these index changes have had at a country level.

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Appendix 2

Dividends by country in USD billions

Region	Country US$ bn	09Q2	10Q2	11Q2	12Q2	13Q2	14Q2	15Q2
Emerging Markets	Brazil	$2.2	$6.5	$7.1	$7.5	$4.5	$5.2	$2.5
	Chile	$1.1	$1.5	$2.4	$1.7	$0.9	$1.6	$1.6
	China	$3.9	$5.4	$2.6	$1.3	$2.8	$1.3	$1.6
	Colombia	$1.3	$0.7	$1.2	$2.9	$2.0	$5.6	$2.2
	Czech Republic	$0.0	$0.3	$0.6	$0.0	$0.4	$0.0	$0.0
	Egypt	$0.4	$0.2	$0.2	$0.0	$0.0	$0.0	$0.0
	Hungary	$0.0	$0.0	$0.0	$0.2	$0.2	$0.0	$0.0
	India	$0.4	$1.5	$2.1	$1.6	$2.6	$1.6	$2.0
	Indonesia	$0.2	$0.4	$1.7	$2.8	$3.5	$2.6	$2.7
	Malaysia	$0.3	$0.6	$1.4	$2.5	$3.5	$2.8	$1.7
	Mexico	$0.7	$1.3	$2.1	$2.2	$2.4	$1.6	$2.0
	Morocco	$1.2	$1.0	$1.2	$0.9	$0.8	$0.0	$0.0
	Peru	$0.0	$0.0	$0.2	$0.3	$0.3	$0.2	$0.2
	Philippines	$0.5	$0.6	$0.6	$0.7	$0.8	$0.9	$0.8
	Poland	$0.0	$0.2	$0.6	$0.5	$0.0	$0.3	$0.0
	Russia	$1.1	$0.0	$0.0	$0.0	$0.2	$0.2	$3.9
	South Africa	$2.4	$1.7	$2.7	$4.4	$3.4	$2.7	$2.3
	Thailand	$0.7	$1.9	$2.0	$2.7	$3.7	$3.1	$2.9
	Turkey	$2.0	$3.4	$3.9	$2.1	$3.3	$1.3	$3.1
	United Arab Emirates	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$1.0
Europe Ex UK	Austria	$1.8	$1.3	$0.9	$0.6	$0.8	$0.7	$0.0
	Belgium	$2.7	$3.0	$3.9	$4.3	$5.9	$5.6	$5.9
	Denmark	$0.5	$0.3	$0.8	$0.8	$0.9	$1.1	$6.6
	Finland	$4.0	$3.9	$5.4	$3.0	$2.1	$2.6	$3.0
	France	$37.2	$34.4	$46.4	$32.4	$31.9	$41.4	$33.0
	Germany	$25.8	$23.5	$33.4	$31.0	$32.4	$35.6	$29.9
	Greece	$0.6	$0.4	$0.0	$0.0	$0.0	$0.0	$0.0
	Ireland	$0.4	$0.4	$0.5	$0.4	$0.5	$0.5	$0.5
	Israel	$0.6	$1.7	$1.1	$0.7	$0.7	$0.5	$0.4
	Italy	$11.3	$10.7	$12.0	$8.8	$9.0	$9.5	$9.1
	Luxembourg	$0.4	$0.8	$0.4	$0.4	$0.5	$0.5	$0.4
	Netherlands	$4.8	$4.5	$5.4	$5.3	$4.4	$4.9	$5.1
	Norway	$4.2	$4.8	$7.4	$6.9	$7.6	$8.5	$3.1
	Portugal	$1.6	$1.8	$2.7	$1.1	$1.1	$1.2	$0.6
	Spain	$7.8	$8.7	$9.8	$8.9	$5.9	$10.3	$7.8
	Sweden	$7.2	$8.6	$14.8	$14.3	$11.7	$15.6	$11.3
	Switzerland	$9.2	$13.4	$12.4	$15.2	$14.3	$17.5	$17.0
Japan	Japan	$18.4	$18.7	$23.2	$24.6	$21.3	$25.2	$23.4
North America	Canada	$5.8	$6.9	$8.3	$9.2	$9.6	$9.3	$9.0
	United States	$46.9	$49.9	$58.4	$68.1	$78.6	$89.6	$98.6
Asia Pacific	Australia	$3.4	$4.7	$6.5	$7.1	$8.9	$9.1	$7.7
	Hong Kong	$10.2	$12.2	$12.9	$15.2	$16.5	$20.6	$12.0
	Singapore	$2.0	$2.1	$2.9	$3.0	$3.5	$3.5	$3.2
	South Korea	$0.1	$4.1	$5.6	$5.4	$5.9	$6.0	$6.9
	Taiwan	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
UK	United Kingdom	$20.2	$21.9	$24.2	$29.6	$30.7	$34.8	$34.2
TOTAL		$245.3	$269.8	$331.8	$330.6	$339.9	$385.1	$359.3
Outside top 1,200		$31.1	$34.3	$42.1	$42.0	$43.2	$48.9	$45.6
Grand Total		**$276.5**	**$304.1**	**$373.9**	**$372.6**	**$383.1**	**$434.0**	**$404.9**

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Appendices (continued)

Quarterly dividends by sector in USD billions

Industry	Sector US$bn	09Q2	10Q2	11Q2	12Q2	13Q2	14Q2	14Q2
Basic Materials	Building Materials	$0.5	$1.0	$1.2	$1.0	$1.0	$1.5	$1.8
	Chemicals	$7.7	$7.6	$8.9	$10.2	$11.8	$11.6	$10.5
	Metals & Mining	$3.9	$5.2	$8.3	$10.0	$9.8	$9.2	$9.4
	Paper & Packaging	$0.4	$0.1	$0.8	$0.2	$0.2	$0.2	$0.2
Consumer Basics	Beverages	$3.5	$4.2	$5.9	$7.5	$8.1	$8.3	$9.1
	Food	$9.2	$8.5	$10.6	$11.1	$11.7	$12.9	$12.4
	Food & Drug Retail	$6.9	$7.7	$8.0	$8.7	$10.1	$10.9	$8.8
	Household & Personal Products	$4.6	$5.1	$6.4	$6.4	$6.6	$7.0	$6.5
	Tobacco	$3.3	$5.3	$6.2	$7.1	$6.6	$8.3	$7.0
Consumer Discretionary	Consumer Durables & Clothing	$2.3	$2.6	$3.2	$3.3	$3.2	$5.3	$4.9
	General Retail	$4.1	$4.8	$6.5	$6.5	$6.2	$6.3	$6.3
	Leisure	$1.8	$1.3	$1.6	$2.9	$4.3	$5.4	$3.1
	Media	$3.1	$3.1	$2.8	$3.2	$3.3	$4.4	$4.5
	Other Consumer Services	$0.1	$0.0	$0.0	$0.0	$0.0	$0.0	$0.1
	Vehicles & Parts	$4.1	$3.6	$9.4	$11.8	$13.6	$16.8	$17.1
Financials	Banks	$24.1	$36.7	$41.7	$38.2	$42.1	$48.2	$50.8
	General Financials	$4.0	$7.1	$8.5	$8.0	$9.5	$11.6	$12.6
	Insurance	$13.2	$15.9	$18.2	$19.2	$19.0	$23.0	$21.8
	Real Estate	$3.7	$5.8	$8.5	$6.9	$9.7	$10.1	$7.9
Healthcare & Pharmaceuticals	Health Care Equipment & Services	$1.4	$1.7	$2.2	$2.3	$2.7	$3.5	$3.7
	Pharmaceuticals & Biotech	$12.8	$15.4	$17.1	$18.6	$18.2	$19.9	$19.0
Industrials	Aerospace & Defence	$3.4	$3.2	$3.4	$3.3	$4.1	$4.8	$5.0
	Construction, Engineering & Materials	$3.9	$3.6	$7.8	$6.6	$5.4	$5.4	$4.8
	Electrical Equipment	$2.4	$2.0	$4.0	$4.0	$4.3	$4.9	$4.0
	General Industrials	$8.5	$7.4	$10.8	$11.5	$11.7	$16.0	$11.0
	Support Services	$1.4	$1.0	$1.4	$1.4	$1.7	$2.1	$1.9
	Transport	$4.9	$4.1	$6.1	$6.4	$5.6	$6.8	$12.5
Oil, Gas & Energy	Energy - non-oil	$0.3	$0.1	$1.0	$0.3	$0.1	$0.1	$0.0
	Oil & Gas Equipment & Distribution	$1.6	$1.8	$2.3	$2.4	$3.2	$3.1	$3.6
	Oil & Gas Producers	$28.9	$27.8	$32.2	$33.0	$33.6	$39.1	$24.0
Technology	IT Hardware & Electronics	$4.0	$4.6	$5.9	$4.8	$7.5	$8.3	$11.8
	Semiconductors & Equipment	$1.2	$2.3	$2.5	$2.9	$3.5	$4.6	$3.1
	Software & Services	$5.2	$5.6	$5.9	$7.2	$7.1	$9.0	$10.6
Telecommunications	Fixed Line Telecommunications	$29.5	$28.6	$33.0	$27.5	$21.4	$25.5	$20.9
	Mobile Telecommunications	$7.3	$9.6	$12.0	$13.0	$11.7	$10.4	$10.3
Utilities	Utilities	$28.1	$25.6	$27.4	$23.3	$20.9	$20.7	$18.5
TOTAL		**$245.3**	**$269.8**	**$331.8**	**$330.6**	**$339.9**	**$385.1**	**$359.3**
Outside Top 1,200		$31.1	$34.3	$42.1	$42.0	$43.2	$48.9	$45.6
GRAND TOTAL		**$276.5**	**$304.1**	**$373.9**	**$372.6**	**$383.1**	**$434.0**	**$404.9**

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Appendices (continued)

Quarterly dividends by industry in USD billions

Industry US$ bn	09Q2	10Q2	11Q2	12Q2	13Q2	14Q2	14Q2
Basic Materials	$12.5	$13.9	$19.4	$21.4	$22.8	$22.5	$21.9
Consumer Basics	$27.3	$30.8	$37.1	$40.8	$43.3	$47.4	$43.8
Consumer Discretionary	$15.6	$15.4	$23.6	$27.8	$30.6	$38.3	$35.9
Financials	$45.0	$65.5	$76.9	$72.4	$80.3	$92.9	$93.1
Healthcare & Pharmaceuticals	$14.2	$17.0	$19.3	$20.9	$21.0	$23.4	$22.7
Industrials	$24.6	$21.2	$33.5	$33.1	$32.8	$40.0	$39.2
Oil, Gas & Energy	$30.8	$29.7	$35.5	$35.7	$37.0	$42.2	$27.6
Technology	$10.4	$12.5	$14.3	$14.8	$18.2	$21.9	$25.4
Telecommunications	$36.9	$38.1	$44.9	$40.5	$33.1	$35.9	$31.2
Utilities	$28.1	$25.6	$27.4	$23.3	$20.9	$20.7	$18.5
TOTAL	**$245.3**	**$269.8**	**$331.8**	**$330.6**	**$339.9**	**$385.1**	**$359.3**
Outside Top 1,200	$31.1	$34.3	$42.1	$42.0	$43.2	$48.9	$45.6
GRAND TOTAL	**$276.5**	**$304.1**	**$373.9**	**$372.6**	**$383.1**	**$434.0**	**$404.9**

HGDI - by region

Region	10 Q1	10 Q2	10 Q3	10 Q4	11 Q1	11 Q2	11 Q3	11 Q4	12 Q1	12 Q2	12 Q3	12 Q4	13 Q1	13 Q2	13 Q3	13 Q4	14 Q1	14 Q2	14 Q3	14 Q4	15 Q1	15 Q2
Emerging Markets	101.5	116.3	129.8	135.3	141.2	150.0	185.6	176.0	179.5	182.4	192.4	191.2	193.7	195.3	198.8	214.4	215.9	208.9	209.7	190.0	193.1	192.5
Europe ex UK	94.2	95.3	94.8	95.3	100.9	119.8	120.9	119.4	121.2	108.8	107.6	105.2	107.6	105.2	107.6	109.7	111.2	125.3	124.7	124.6	124.4	112.5
Japan	105.6	106.3	105.9	112.0	112.4	124.9	126.0	137.0	136.9	140.7	142.0	142.3	143.6	134.5	133.8	128.5	127.6	138.5	138.2	136.6	140.1	135.2
North America	92.2	94.1	96.4	99.3	103.3	107.6	112.3	116.6	122.0	126.7	132.4	148.9	150.1	154.9	158.9	150.7	159.3	164.1	168.0	173.0	178.5	182.3
Asia-Pacific	105.3	116.9	131.2	139.2	139.8	147.5	168.8	171.0	173.7	178.3	165.5	168.5	166.3	172.6	176.3	178.5	179.3	186.3	187.4	184.4	186.5	171.6
UK	105.4	107.7	108.1	104.0	105.0	108.0	115.2	119.3	124.0	131.3	133.7	137.5	132.3	133.8	138.1	139.1	177.6	183.1	184.0	184.1	144.8	144.0
GLOBAL TOTAL	**97.2**	**101.0**	**104.3**	**106.6**	**110.4**	**120.0**	**128.2**	**129.7**	**133.3**	**133.1**	**134.8**	**140.5**	**141.1**	**142.5**	**145.7**	**145.0**	**153.0**	**160.0**	**161.5**	**161.0**	**159.1**	**155.1**

HGDI - by industry

Industry	10 Q1	10 Q2	10 Q3	10 Q4	11 Q1	11 Q2	11 Q3	11 Q4	12 Q1	12 Q2	12 Q3	12 Q4	13 Q1	13 Q2	13 Q3	13 Q4	14 Q1	14 Q2	14 Q3	14 Q4	15 Q1	15 Q2
Basic Materials	94.4	98.7	113.4	118.3	133.8	150.1	182.4	194.4	190.5	196.7	180.1	187.0	183.7	187.7	189.4	177.7	183.9	183.1	178.0	172.3	171.9	170.0
Consumer Basics	104.1	109.3	114.4	116.4	120.5	129.9	136.8	137.8	136.8	142.3	142.3	152.9	155.4	159.2	162.6	158.3	160.7	166.8	166.7	172.2	178.1	172.8
Consumer Discretionary	78.9	78.3	83.5	89.2	92.1	111.6	114.8	121.8	126.7	136.8	140.9	157.9	157.9	164.6	167.7	159.5	172.8	190.9	198.2	200.0	206.1	200.4
Financials	93.2	109.2	115.0	120.3	122.6	131.4	143.7	147.6	150.7	147.2	151.9	158.0	160.2	166.4	176.2	179.4	180.9	190.7	191.7	186.9	191.9	192.1
Healthcare & Pharmaceuticals	98.6	104.2	107.1	108.1	121.0	125.5	128.1	130.4	136.1	139.2	140.5	146.9	145.2	145.4	145.2	140.0	147.5	152.3	155.2	156.5	155.9	154.5
Industrials	94.0	88.3	89.5	93.2	98.3	119.1	121.0	126.1	128.1	127.5	125.8	132.2	131.7	131.2	134.8	130.3	137.8	150.0	152.5	154.7	156.9	155.5
Oil, Gas & Energy	99.4	98.3	97.5	92.0	91.6	97.5	109.4	104.4	110.5	110.6	116.5	120.7	122.8	124.1	124.6	128.9	131.2	136.4	140.1	136.3	136.5	121.7
Technology	105.0	112.0	121.2	128.0	130.4	136.2	142.0	142.7	149.4	151.3	161.8	183.1	190.6	201.5	206.0	206.8	218.0	230.3	242.2	252.5	256.5	267.9
Telecommun-ications	106.0	107.6	107.7	112.2	114.7	123.5	130.7	130.3	136.2	130.4	127.8	122.9	118.2	108.7	106.8	109.1	144.2	147.8	145.0	145.1	110.6	104.5
Utilities	95.3	91.1	90.4	90.1	91.0	93.9	93.2	89.8	93.2	86.5	89.9	88.0	89.4	85.5	88.2	88.7	88.3	88.1	86.2	85.1	83.1	79.6
TOTAL	**97.2**	**101.0**	**104.3**	**106.6**	**110.4**	**120.0**	**128.2**	**129.7**	**133.3**	**133.1**	**134.8**	**140.5**	**141.1**	**142.5**	**145.7**	**145.0**	**153.0**	**160.0**	**161.5**	**161.0**	**159.1**	**155.1**

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Appendices (continued)

Q2 Annual Growth Rate - adjustments from underlying to headline

Region		Underlying Growth	Special dividends	Currency	Index changes	Timing effects	Headline Growth
Emerging Markets	Brazil	-40.4%	10.1%	-18.8%	-2.6%	0.0%	-51.6%
	Chile	-5.9%	16.1%	-8.1%	-4.0%	0.0%	-1.9%
	China	11.4%	0.0%	0.2%	4.7%	3.9%	20.3%
	Colombia	-34.4%	-12.5%	-13.7%	-0.4%	0.0%	-61.0%
	Czech Republic		0	0	0	0	
	Egypt		0	0	0	0	
	Hungary		0	0	0	0	
	India	19.8%	0.0%	-7.5%	-15.8%	28.2%	24.7%
	Indonesia	-3.3%	4.4%	-14.0%	18.2%	0.0%	5.2%
	Malaysia	-15.1%	-1.0%	-8.4%	-1.3%	-13.5%	-39.2%
	Mexico	64.0%	-15.1%	-19.9%	-3.6%	0.0%	25.4%
	Morocco		0	0	0	0	
	Peru	15.1%	0.0%	0.0%	0.0%	0.0%	15.1%
	Philippines	9.9%	-16.8%	-1.3%	0.0%	0.0%	-8.2%
	Poland	-100.0%	0.0%	0.0%	0.0%	0.0%	-100.0%
	Russia	1217.3%	1347.2%	-1317.3%	0.0%	1111.9%	2359.1%
	South Africa	3.4%	0.0%	-12.6%	0.0%	-2.7%	-11.9%
	Thailand	-10.3%	0.0%	-1.7%	6.1%	0.0%	-5.8%
	Turkey	195.1%	0.0%	-57.4%	0.0%	0.0%	137.7%
	United Arab Emirates		0	0	0	0	
Europe ex UK	Austria	-17.2%	0.0%	0.0%	-82.8%	0.0%	-100.0%
	Belgium	37.8%	0.0%	-24.1%	-8.1%	0.0%	5.6%
	Denmark	12.0%	485.3%	-27.0%	0.0%	13.7%	483.9%
	Finland	15.9%	7.2%	-30.8%	0.0%	21.8%	14.1%
	France	2.3%	2.6%	-18.2%	0.1%	-7.0%	-20.2%
	Germany	6.6%	-0.4%	-19.9%	-2.3%	0.0%	-16.0%
	Greece		0	0	0	0	
	Ireland	11.0%	0.0%	-20.0%	0.0%	0.0%	-9.0%
	Israel	-14.7%	0.0%	-8.1%	0.0%	0.0%	-22.8%
	Italy	23.5%	0.0%	-22.3%	-5.0%	0.0%	-3.8%
	Luxembourg	29.8%	0.0%	0.0%	-54.4%	0.0%	-24.6%
	Netherlands	27.4%	0.0%	-23.2%	-1.1%	0.0%	3.0%
	Norway	-0.1%	2.7%	-10.0%	-18.0%	-38.7%	-64.2%
	Portugal	0.5%	0.0%	-11.2%	-35.0%	0.0%	-45.7%
	Spain	6.0%	-15.0%	-18.2%	0.0%	2.8%	-24.4%
	Sweden	4.9%	-0.8%	-22.5%	-3.1%	-5.8%	-27.4%
	Switzerland	5.9%	0.7%	-7.0%	-2.0%	0.0%	-2.4%
Japan	Japan	16.8%	-1.1%	-19.7%	0.0%	-3.1%	-7.1%
North America	Canada	10.7%	0.0%	-12.0%	-2.4%	0.0%	-3.7%
	United States	9.3%	0.0%	0.0%	0.7%	0.0%	10.0%
Asia Pacific ex Japan	Australia	8.9%	0.0%	-18.5%	-5.1%	-0.3%	-15.0%
	Hong Kong	1.3%	-29.1%	0.0%	-4.6%	-9.6%	-42.0%
	Singapore	11.8%	-5.7%	-5.9%	-8.5%	0.0%	-8.4%
	South Korea	37.4%	0.0%	-6.1%	-15.7%	0.0%	15.6%
	Taiwan		0	0	0	0	
UK	United Kingdom	7.9%	0.2%	-6.7%	-3.3%	0.2%	-1.7%

Unless otherwise stated all data is sourced by Henderson Global Investors as at 30 June 2015. Nothing in this document should be construed as advice.

Frequently Asked Questions

What is the Henderson Global Dividend Index?

The Henderson Global Dividend Index (HGDI) 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 analyses 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 capitalisation are analysed 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 HGDI 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 US 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 pay outs.

Why is this piece of research produced?

The hunt for income remains a major investment theme for investors, and in response to client feedback Henderson has undertaken a long term study into global dividend trends with the launch of the 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 HGDI report for a more detailed answer.

Why is the report based in dollars?

The report is produced in US dollars, since the US 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 USD 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 HGDI?

The HGDI is not an investable index like the S&P 500 or FTSE 100, 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 HGDI linked to any of Henderson's funds?

The index is not linked to any of Henderson's funds, however the report is headed by Alex Crooke, Head of Global Equity Income and supported by Ben Lofthouse and Andrew Jones co-managers of Henderson's Global Equity Income strategy.

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 to reduce risk to income and capital.

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