



DIVIDEND FORECASTING

Quarter Ahead Dividend Preview(Q3 2022)

What to watch in APAC

We highlight the latest market news that could potentially or have already affected our dividend forecasts for the upcoming quarter.

Mainland China

▲ Q3 dividends from **Consumer Products & Material** sector is expected to surge due to interim dividend expected from Gree Electric Appliance. As the company released its profit distribution plan for 2022-2024 in which semi-annual payout frequency is explicitly stated, we expect div from this company to trigger large dividends growth.

▼ **Financial Services** sector is expected to fall mainly due to high base in last year when investment firms benefitted from favorable market environment and high-volume trading activities.

South Korea

▲ Significant 91% boost for interim dividends from Korean **Energy** sector is anticipated, mainly due to the resumption of payment by SK Innovation expected. The company foresees a dramatic recovery to net profit of KRW2.3tn this year from KRW2.2tn net loss in FY20. We caution however that SK Innovation has yet to issue definitive signal on the resumption.

▼ The weakening KRW is rendering the dividend payout in local currency to be less attractive. It also poses uncertainty to earnings outlook of heavily industrial economy which has a significant exposure to raw material import.

Australia

▲ Dividends from **Energy** sector to grow by over 150%, as high energy price environment amid continued geopolitical tension to boost earnings of energy players. Woodside Energy's FY end Jun 2022 final DPS to up by 260% while Whitehaven Coal resuming DPS at record-high.

▼ Most of other sectors – including **Banks** and **Basic Resources** – are expected to declare lower dividends in 2022 Q3, with **Health Care** sector to see the most notable decline primarily due to lower dividend from Ramsay Health Care.

Japan

▲ **Consumer products and services** sector is expected to log a 18% YoY growth for Q3 announced dividends. Most notable contributors to the growth are Nexon (+100%), Asics (+33%) and Shiseido (+25%). **F&B** sector is expected to grow by a modest rate of 11% as its largest dividend payor, Japan Tobacco, has guided 15% raise to its interim dividend.

▼ Similar **FX risks** as Korea market expects.

Hong Kong SAR

▲ Dividends for **Telecom** industry is expected to surge due to government's support on high-technology data industry development, led by China Mobile's hiking payout ratio to 70% or above. **Real Estate** participants are expected to maintain stable to increasing div payments with gradual easing on quarantine policy and housing demand recovery with five-year LPR cut to 4.45%.

▼ **Banking** sector is expected to grow in a loser pace on dividend payments, led by Hang Seng Bank's 36% yoy cut on its second interim due to two years of net profit decrease.

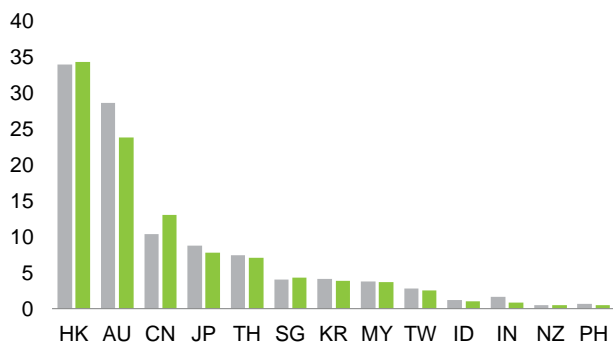
Malaysia

▲ **Basic Resources** sector is projected to outshine in the third quarter, led by Press Metals Aluminums Holdings enhancing its interim dividend by 50% q/q, due to expanded production volume and increased average aluminum prices were the driving forces behind this.

Thailand

▲ **Energy** sector continues to be the top dividend contributor with PTT Public and PTT exploration and production leading the queue. The performance is majorly driven by higher selling prices and demand recovery for petroleum and petrochemicals. The overall outlook for this year remains robust on the back of soaring oil prices.

Market breakdown of aggregate dividend to be announced in 2022 Q3 (in USD billion)

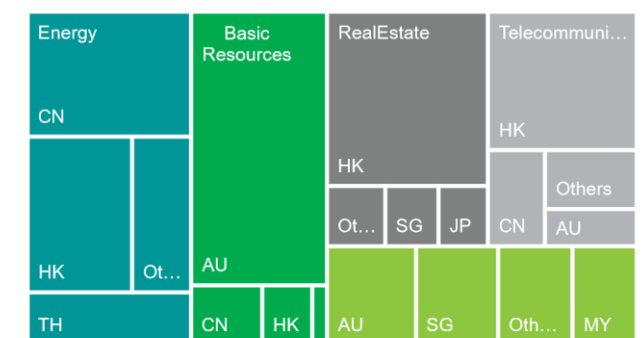


Note: Data as of 2022-07-01

■ 2021 ■ 2022

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Sector breakdown of aggregate dividend to be announced in 2022 Q3 (in USD billion)



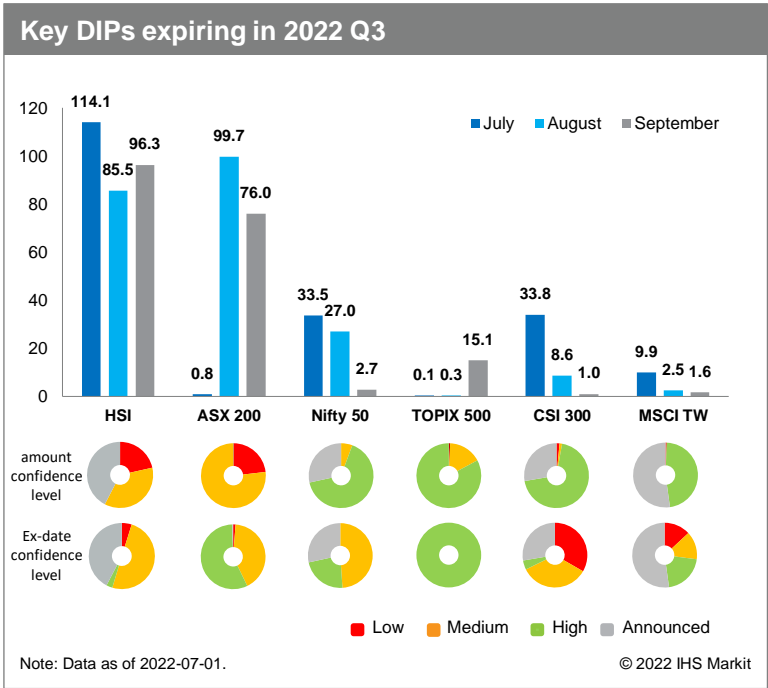
Note: Data as of 2022-07-01.

Source: S&P Global Market Intelligence

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Dividend Index Points to Focus in APAC

Mainland China, Hong Kong, Australia, Japan, India and Taiwan to enter peak season in Q3.



Nifty 50 is expected to witness a spike in DIPs in the upcoming quarter, mainly attributable to the Bank, Industrials and Energy sectors with ICICI Bank (ICBK.NS), Reliance Industries (RELI.NS), Larsen & Toubro (LART.NS) and JSW Steel (JSTL.NS) as top dividend contributors.

MSCI Taiwan Index is expected to embrace its peak DIPs season in the upcoming quarter, mainly attributable to the Technology, Industrials and Chemical sectors with TSMC (2330.TW), Hon Hai Precision (2317.TW), China Steel (2002.TW), and Nan Ya Plastics (1303.TW) as top dividend contributors.

We label high ex-dividend date risks for a few names (2474.TW, 2105.TW, 2890.TW and 1101.TW) as their AGM date deviate from historical pattern significantly. But the overall impact on DIPs for MSCI Taiwan Index is limited.

Key Amount Alerts

Please find stock-level comments at <https://ebs.ihsmarkit.com/>

Notable payout initiations/increases expected in 2022 Q3

ISIN	Name	FY end	Type	Announcement Date (E)	CCY	DPS (E)	yoy %	Amount confidence level
KR7000660001	SK Hynix Inc	2022	Q2	29-Jul-22	KRW	300.0000	Initiation	High
KR7105560007	KB Financial Group Inc	2022	Q2	22-Jul-22	KRW	500.0000	Initiation	High
CNE1000002V2	China Telecom – H	2022	INT	08-Oct-22	CNY	0.1150	Initiation	Low
CNE100004QG0	China Telecom – A	2022	INT	08-Oct-22	CNY	0.1150	Initiation	Low
CNE1000055G1	China Mobile – H	2022	INT	08-Dec-22	CNY	1.5250	Initiation	Medium
AU0000224040	Woodside Energy Group	2022	INT	18-Aug-22	USD	1.2000	300.0%	Low
AU000000S320	South32	2022	FIN	25-Aug-22	USD	0.1200	242.9%	Low
JP3924800000	DMG Mori Co	2022	INT	08-May-22	JPY	30.0000	200.0%	High
TH0002010Z06	Berli Jucker Plc	2022	INT	08-Oct-22	THB	0.4000	166.7%	Medium
AU000000STO6	Santos	2022	INT	17-Aug-22	USD	0.1300	136.4%	Low

Note. Data as of 2022-07-06

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Source: IHS Markit

Notable payout suspensions/decreases expected in 2022 Q3

ISIN	Name	FY end	Type	Announcement Date (E)	CCY	DPS (E)	yoy %	Amount confidence level	Drop Probability
AU000000NCM7	Newcrest Mng	2022	FIN	19-Aug-22	USD	0.0750	-81.0%	Medium	0.35
KYG2121Q1055	China Feihe	2022	INT	18-Aug-22	HKD	0.1450	-51.2%	Medium	0.09
AU000000FMG4	Fortescue Metals Group	2022	FIN	29-Aug-22	AUD	1.1500	-46.0%	Low	0.65
AU000000RIO1	Rio Tinto	2022	SPEC	27-Jul-22	USD	1.1000	-40.5%	Low	0.14
HK0011000095	Hang Seng Bank	2022	2ND INT	02-Aug-22	HKD	0.7000	-36.4%	Low	0.32
AU000000MIN4	Mineral Resources	2022	FIN	11-Aug-22	AUD	1.1500	-34.0%	Low	0.60
HK0291001490	China Resources Beer (Holdings) Company	2022	INT	18-Aug-22	CNY	0.1780	-32.6%	Medium	0.25
KYG9828G1082	Xinyi Glass Holdings	2022	INT	02-Aug-22	HKD	0.4600	-30.3%	Medium	0.22
AU000000RIO1	Rio Tinto	2022	INT	27-Jul-22	USD	3.0000	-20.2%	Low	0.14
AU000000SUN6	Suncorp Group	2022	FIN	08-Aug-22	AUD	0.3200	-20.0%	Medium	0.41

Note. Data as of 2022-07-06

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Source: IHS Markit

Risky Ex-dates

Please find stock-level comments at <https://ebs.ihsmarkit.com/>

Key stocks with low ex-date confidence rank in 2022 Q3							XD
ISIN	Name	FY end	Type	Announcement Date (E)	Ex Date (E)	Confidence Rank	
KYG040111059	Anta Sports Products	2022	INT	24-Aug-22	05-Sep-22	Low	
KYG2108Y1052	China Resources Land	2022	INT	26-Aug-22	07-Sep-22	Low	
CNE0000001D4	Gree Electric Appliances Inc. Of Zhuhai	2022	INT	23-Aug-22	11-Nov-22	Low	
CNE1000018V8	Great Wall Motor Co - A	2022	INT	26-Aug-22	21-Oct-22	Low	
HK0291001490	China Resources Beer (Holdings) Company	2022	INT	18-Aug-22	21-Sep-22	Low	
CNE100001FR6	Longi Green Energy Technology	2022	INT	31-Aug-22	24-Oct-22	Low	
KYG2121Q1055	China Feihe	2022	INT	18-Aug-22	31-Aug-22	Low	
HK0669013440	Techntron Industries	2022	INT	17-Aug-22	06-Sep-22	Low	
KYG6427A1022	Netease Inc	2022	Q2	31-Aug-22	14-Sep-22	Low	
HK0004000045	The Wharf Holdings	2022	INT	10-Aug-22	30-Aug-22	Low	
AU0000154833	Endeavour Group	2022	FIN	26-Aug-22	01-Sep-22	Low	
KYG211501005	China Hongqiao Group	2022	INT	19-Aug-22	04-Nov-22	Low	
CNE0000018G1	China Petroleum & Chem Corp – A	2022	INT	29-Aug-22	21-Sep-22	Low	
CNE1000002Q2	China Petroleum & Chem Corp – H	2022	INT	29-Aug-22	09-Sep-22	Low	
CNE100004QG0	China Telecom Corp	2022	INT	10-Aug-22	29-Aug-22	Low	

Note. Data as of 2022-07-06

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Source: IHS Markit

APAC Special Reports & Webinars



APAC Banking Outlook

While an increasing number of APAC central banks have tightened the monetary policy to combat inflations, China and Japan continue to keep the policy loose. How would banks in APAC and their dividends perform under such conditions?

[Read more](#)



South Korea dividends: more to be discovered

Though S.Korea's dividend market has been growing at a pace faster than many of its peers, ex-date that falls before div. announcement date, compounded by high level of earnings volatility is a unique risk to the market.

[Read more](#)

Replay: Inflation & Dividends Global Outlook [Listenable]

Our expert discuss recent dividend trends in a rising price environment. We will cover how inflation has impacted major payers and the sectors that are best positioned for resilience. While global dividends are expected to grow by 11% in 2022, we assess the risks to this stable growth.



Webinar: Inflation & Dividends



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