

# Seven key dividend forecasts for 2026

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# About us

S&P Global Market Intelligence's Dividend Forecasting team provides timely data, insights and commentary to help financial institutions price instruments, enhance investment decisions and manage risks. Our global team of over 50 analysts maintain precise forecasts on the size and timing of payments based on bottom-up fundamental research as well as a proprietary advanced analytics model. We pride ourselves in an unmatched coverage that spans over 40,000+ securities including stocks, American depositary receipts (ADRs) and exchange-traded funds (ETFs) across the globe. Our analysts also stand ready to engage in discussion and address users' queries.

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# Introduction

S&P Global Market Intelligence Dividend Forecasting projects global aggregate dividends to grow by 2.9% in 2026, reaching US\$2,471 billion. While this represents a significant deceleration compared with the 4.7% growth observed in 2025, it aligns with longer-term trends. Since the post-COVID-19 pandemic rebound, dividend growth has been moderating, reflecting a return to normalized levels of shareholder returns.

Macroeconomic uncertainties, including trade tensions, fluctuating interest rates, currency volatility and geopolitical conflicts, continue to weigh on corporate earnings and, by extension, dividend growth. The robust 4.7% payout growth in 2025 — far surpassing the initial forecast of 0.3% — was primarily driven by an unexpected surge in dividend payouts across Asia-Pacific. However, this pattern is unlikely to be replicated in 2026, and the moderating pace of dividend growth reflects broader market sentiment and economic conditions.

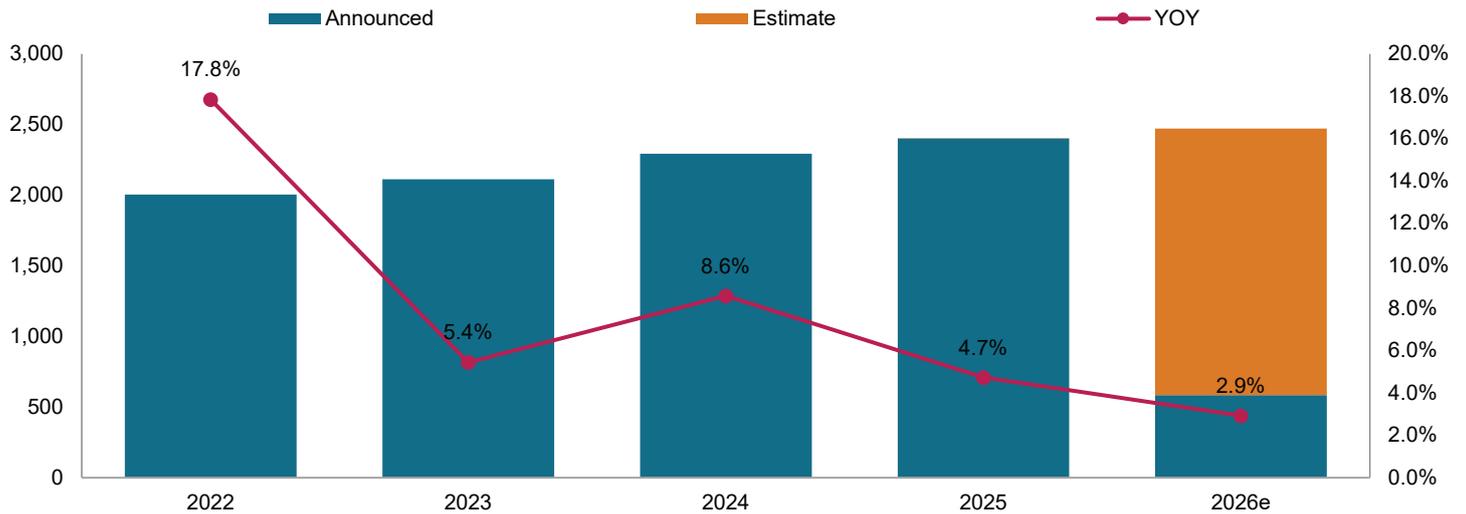
Continuing our annual series, we highlight seven key forecasts in the dividend landscape for institutional investors to monitor in the new year.

## Key takeaways

1. S&P 500 dividends will surge by 6.4% in 2026, outpacing global growth of 2.9% and signaling US market strength.
2. Europe's outlook splits: Optimism in Italy and Spain, caution in France and Germany, and steady 3.8% growth for the UK.
3. Developed Asia-Pacific faces flat payouts, with no uplift from Japan and Hong Kong, while Australia is bracing for a 10% contraction.
4. Developing Asia-Pacific sees diverging trends: Mainland China's dividends dip 3% on distribution timing shifts, Taiwan's dividends slow to 8.6% with AI-driven gains, and India's dividends rise by 7.3% on robust economic momentum.
5. The materials sector is set for a breakout, powered by metal and gold miners' dividend growth.
6. Marine transportation faces a more than 40% payout cut, but container, dry bulk and specialized carriers require a nuanced view.
7. A growing number of companies are paying dividends more frequently, hinting at a strategic shift in shareholder returns even as overall growth moderates.

## Global dividend payment in 2026 to continue to grow but at moderate pace

US\$B, calendar year



Data compiled Dec. 22, 2025.

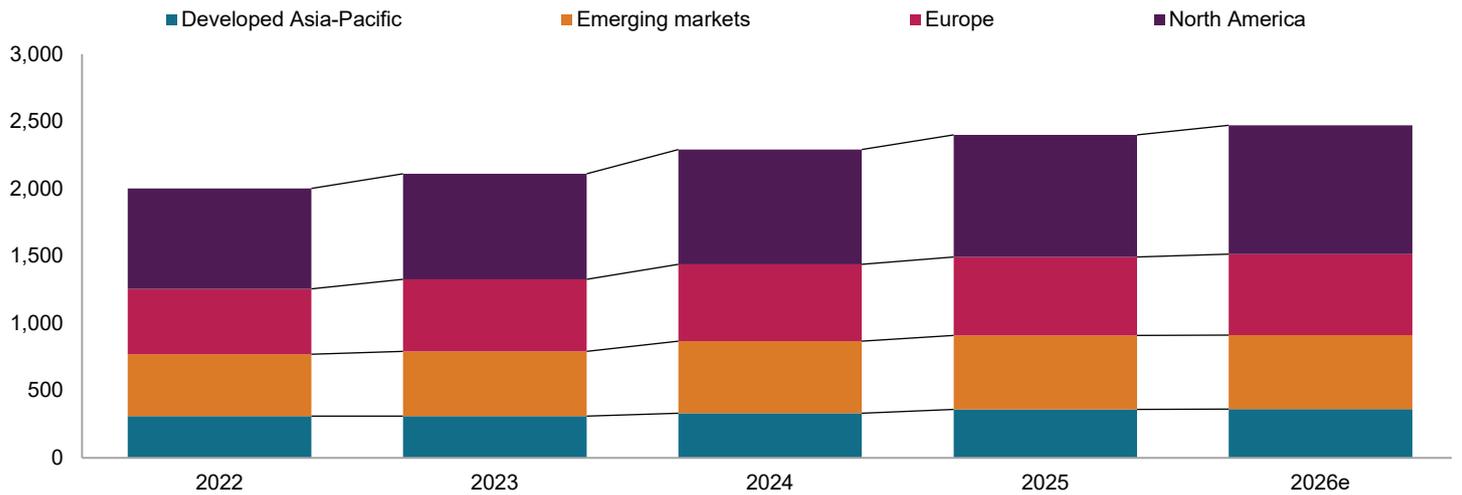
e = estimate.

Source: S&P Global Market Intelligence.

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## North America to lead growth, followed by Europe; developed APAC and emerging markets to stay flat in 2026

US\$B, calendar year



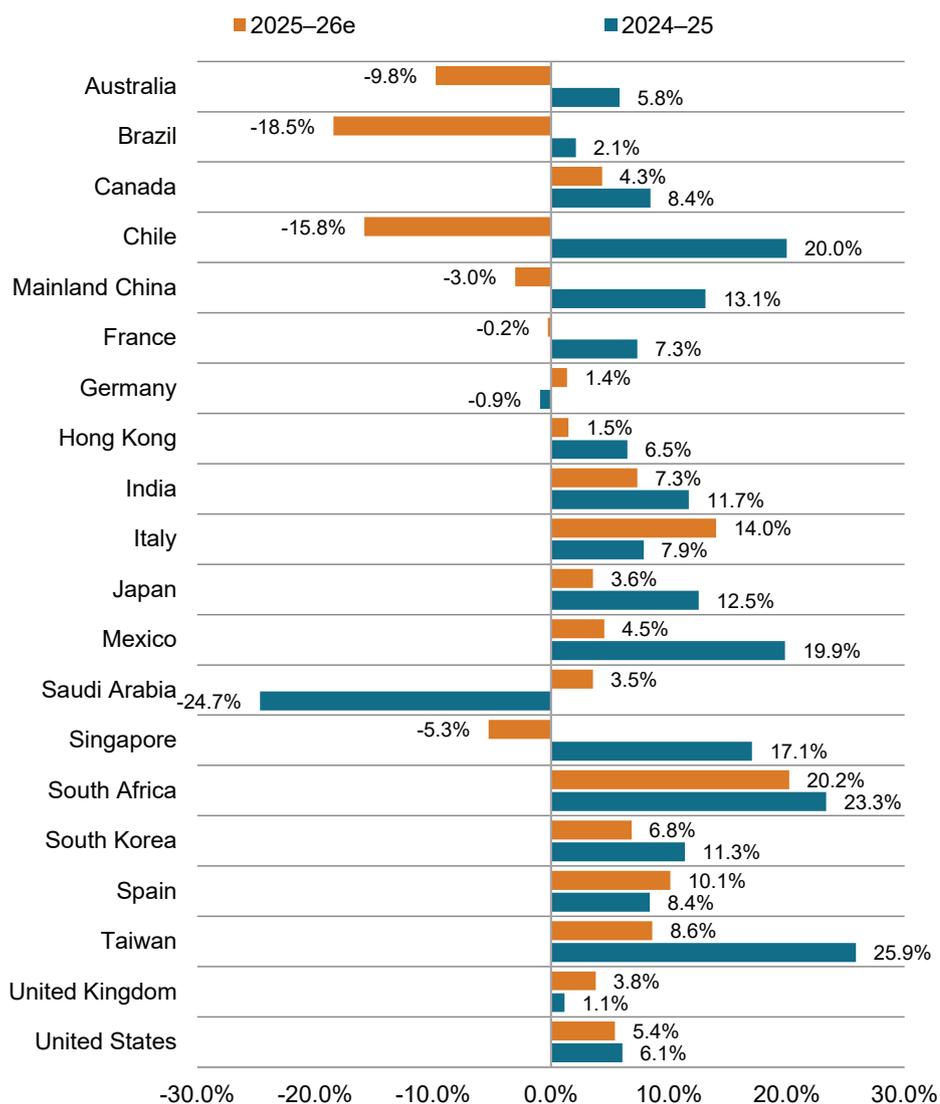
Data compiled Dec. 22, 2025.

e = estimate.

Source: S&P Global Market Intelligence.

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## YOY dividend growth by market



Data compiled Dec. 22, 2025.

e = estimate.

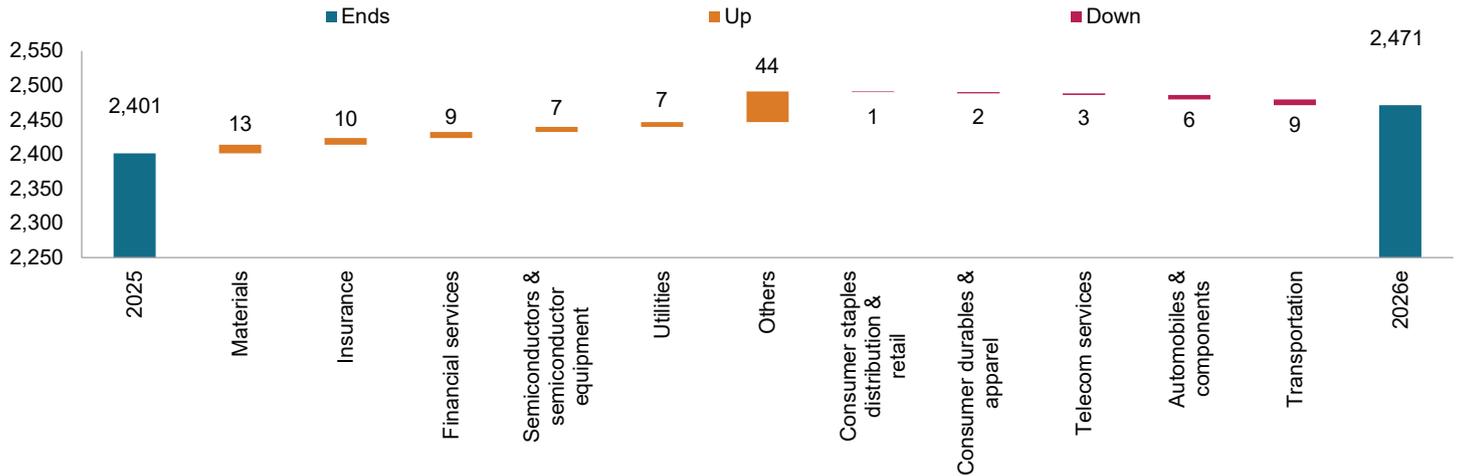
The year-over-year percentage is measured based on the total dividend aggregated in US dollar, which includes the foreign exchange impact.

Source: S&P Global Market Intelligence.

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## Dividend payment change in 2026e by sector

US\$B, calendar year



Data compiled Dec. 22, 2025.

e = estimate.

Top five growth and top five decline sectors.

Source: S&P Global Market Intelligence.

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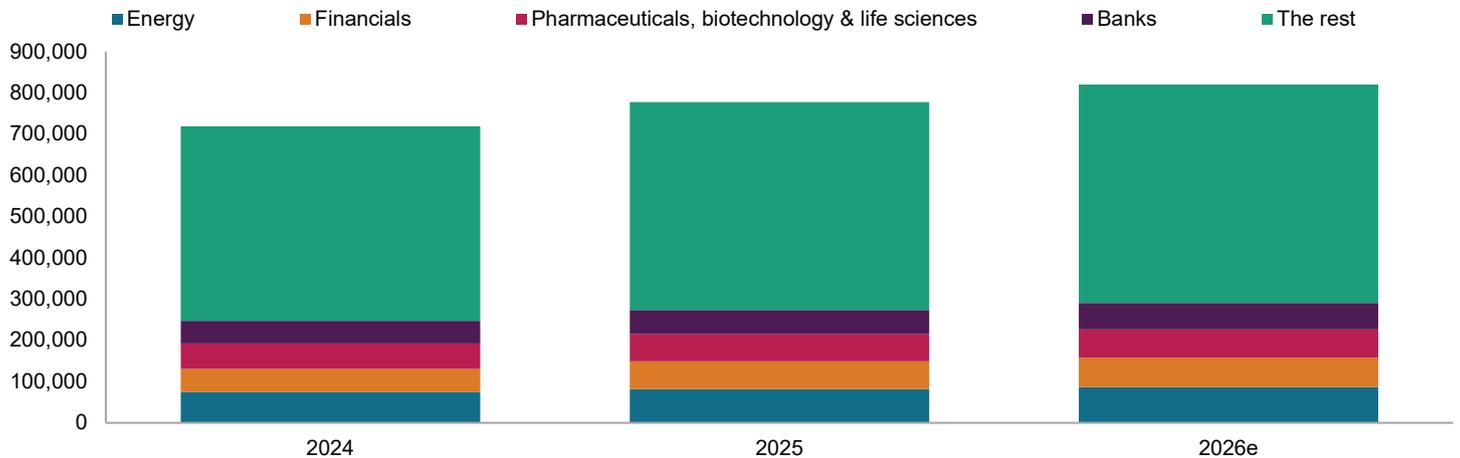
## 1. US

US market dividends are expected to continue their upward trajectory, with growth traditionally driven by S&P 500 constituents. Total US market dividend payouts are projected to increase by 5.4% to approximately US\$820 billion in 2026, while dividends from S&P 500 companies are expected to grow at a faster pace of 6.4%, reaching US\$725 billion.

Across the broader US market, nearly half of the projected dividend growth (2.1 percentage points) is expected to be generated by four key sectors: energy, banks, financial services and capital goods. Each of these sectors is forecast to grow dividends at a rate of approximately 6%-7% year over year.

### US market's regular dividend trend

US\$M



Data compiled Dec. 1, 2025.

e = estimate.

Source: S&P Global Market Intelligence.

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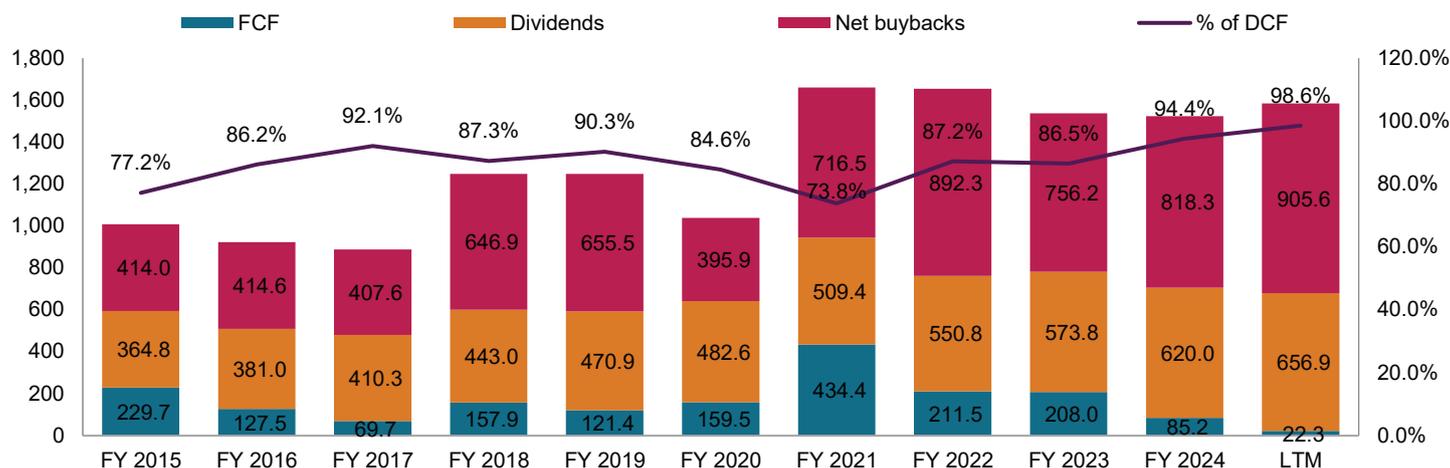
Within the S&P 500, sector dynamics differ from those observed in the broader US market. The four largest contributors to dividend growth are expected to be insurance; software and services; energy; and pharmaceuticals, biotechnology and life sciences. Together, these sectors account for approximately 2.4 percentage points of the total dividend growth.

At a more granular sector level, the strongest dividend growth is anticipated in semiconductors, where payouts are expected to increase by approximately 11% annually. Media and professional services are also forecast to deliver solid dividend growth, with annual increases of about 8%.

Behind the upward momentum is its trajectory of economic exceptionalism, supported by projected GDP growth of approximately 2%. In 2026, capital allocation strategies among US-based companies are likely to be influenced by anticipated interest rate cuts, a gradual reduction in tariff-related uncertainties and continued investment in AI-driven infrastructure. While corporate earnings have remained resilient, profitability may face pressure as companies continue to reshape and diversify global supply chains.

Corporate margins could also be affected by persistent inflationary pressures. Although inflation has moderated from recent peaks, achieving the US Federal Reserve's 2% target appears increasingly challenging, with markets potentially adjusting to a higher equilibrium closer to 3%. Elevated production costs and pricing pressures may constrain free cash flow generation, particularly within the consumer discretionary and other cyclical sectors.

### S&P 500 distribution trend (dividends and net buybacks in US\$B)



Data compiled Dec. 18, 2025.

LTM = last-12-months; FCF = free cash flow calculated by cash flow from operations less capital allocations; DCF = distributed cash flow calculated by sum of dividends and net buybacks.

% of DCF is calculated by  $(\text{Dividends} + \text{Net buybacks}) / (\text{FCF} + \text{Dividends} + \text{Net buybacks})$ .

Data excludes real estate investment trusts.

Source: S&P Global Market Intelligence.

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From a capital return perspective, share buybacks are expected to remain a significant — and in many cases dominant — component of shareholder distributions. As illustrated in the chart above, total shareholder returns over the trailing-12-month period were 8.6% higher for S&P 500 constituents compared with full-year 2024 results. This improvement reflects a 10% increase in share repurchases, alongside a 6% rise in dividend payouts.

## 2. Europe

The developed European region delivered 1.8% cash distribution growth, surpassing the 3.4% contraction we projected in late 2024. We expect combined growth of 3.3% (or 2% measured in euro) in 2026 with a split narrative among the key markets.

### Italy

After registering a 7.9% rise in aggregate dividends in 2025, Italy is expected to distribute about US\$55 billion in 2026, implying growth of 14.0% year over year. Payouts remain highly concentrated in banks (estimated at 45% in 2026), followed by utilities (18%) and energy (10%). Dividend growth in 2026 is mainly driven by Banca Monte dei Paschi di Siena SpA (Banca MPS) and BPER Banca SpA, partly offset by an expected slump from Stellantis NV.

Two themes dominated Italian banks in 2025: changes in payment frequency and ongoing M&A. Banca MPS is expected to introduce an interim dividend in November 2026 following its consolidation with Mediobanca SpA. BPER Banca already paid its first interim dividend in 2025 after acquiring Banca Popolare di Sondrio SpA (BPSO), although at a limited level due to share exchanges. From 2026, we expect BPSO to approach a more balanced interim/final split, in line with peers such as UniCredit SpA and Intesa Sanpaolo SpA.

On the downside, Stellantis is the key risk. We have cut our forecasts following the company's profit warnings linked to US tariffs and soft demand, now projecting a fiscal year 2025 dividend of €0.15 per share (-80% versus the fiscal year 2024 level). We nevertheless expect the company's management to adjust for one-offs when setting shareholder returns and to preserve dividend continuity.

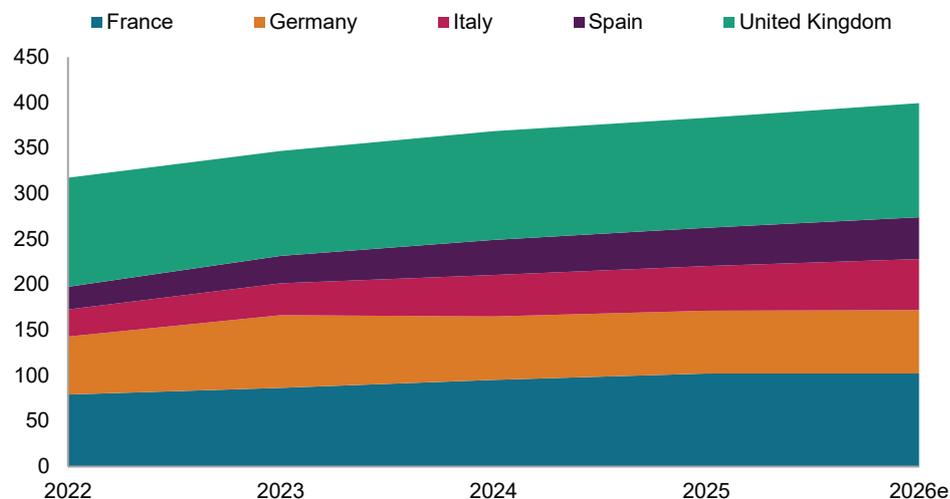
### UK

The UK is expected to deliver about 3.8% dividend growth in 2026, with aggregate payouts reaching US\$123 billion. Major payers remain resilient, led by HSBC Holdings PLC (more than US\$12 billion), followed by Shell PLC, British American Tobacco PLC and Unilever PLC. Among banks, National Westminster Bank PLC (NatWest) stands out after lifting its payout ratio to 50%, while Lloyds Bank PLC continues to prioritize dividends, now well ahead of Barclays PLC, which remains more focused on buybacks.

Imperial Brands PLC's shift to equal quarterly dividends implies a one-off 7% year-over-year decline in 2026. By contrast, miners are set for a strong rebound, led by Anglo American PLC (+73%), Antofagasta PLC (+47%), Fresnillo PLC (+33%) and Glencore

### Developed Europe's dividend trend

US\$B, payment in calendar year



Data compiled Dec. 22, 2025.

e = estimate.

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PLC (+8%). Downside risks are stock-specific, with WPP PLC facing a sharp dividend cut following its fiscal year 2025 interim reduction. After a record fiscal year 2024, Associated British Foods PLC did not repeat a special dividend in fiscal year 2025, making the 2026 dividends appear lower on a comparative basis. However, we expect underlying dividend growth to remain supported by strong capital generation and earnings momentum.

## France

For 2026, France's aggregate dividends are projected to slip by 0.2% to US\$102 billion. Increases from Crédit Agricole Group, Vinci SA, Safran SA and TotalEnergies SE are counterbalanced by declines from BNP Paribas, Hermès International SA, Engie SA and Kering SA.

Among the banks, dividend changes are largely attributable to shifts in payment frequency. Crédit Agricole is expected to introduce an interim dividend in 2026, temporarily boosting aggregate payouts for the year. In contrast, BNP Paribas and Société Générale SA paid interim dividends in 2025, resulting in a year-over-year decrease in 2026's aggregate distributions.

In the luxury sector, Hermès continues to outperform owing to strong demand for its high-end products, while Kering has reduced dividends amid ongoing challenges in sales. The capital goods sector has been driven by sustained growth from construction business Vinci and defense company Safran.

Hermès and Airbus SE paid special dividends in 2025, leading to a comparative decrease in aggregate forecasts for 2026. Excluding special dividends, they both showed steady year-over-year growth.

Meanwhile, TotalEnergies has reaffirmed its commitment to prioritizing dividends and maintaining at least 40% of cash flow from operations for shareholder returns, even as the oil and gas market softens, although it has reduced its buyback program.

Looking ahead, French banks could face pressure from potential interest rate cuts. The luxury sector remains vulnerable in an uncertain macroeconomic environment, although there are early signs of recovery. Additionally, political risks persist, underscored by ongoing disputes over the national budget.

## Spain

Aggregate dividends in Spain are projected to rise by 10.1% in 2026, reaching US\$46 billion. The increase is primarily driven by higher payouts from Banco de Sabadell SA, Banco Bilbao Vizcaya Argentaria SA (BBVA), Iberdrola SA and Cellnex Telecom SA. Conversely, the largest decreases are expected from Telefónica SA and Elecnor SA.

Banco de Sabadell's payout for 2026 is set to be boosted by a special dividend, following the sale of its UK banking arm TSB Banking Group PLC. BBVA's dividend growth is underpinned by record profits, supported by robust lending and strong core revenues. Iberdrola is set for consistent increases, with profits fueled by expanded investments in the UK and US. Cellnex has boosted its capital allocation as part of its new strategic direction.

On the downside, the most notable cuts reflect company-specific decisions by major players rather than broader market trends. Telefónica is projected to halve its dividend, prioritizing investment over shareholder returns. Elecnor's dividends are expected

to normalize in 2026, following a significant increase in 2025 driven by the sale of a business line.

The greatest uncertainty remains in the banking sector, where dividends may be impacted by changing interest rates, M&A activity or further adjustments in payment frequency.

### Germany

The aggregate dividend payout from Germany is expected to nudge up by 1.4% year over year in 2026, reaching an estimated US\$69 billion. The slight growth conceals significant sectoral shifts. In 2026, German automakers are anticipated to drive the largest declines in dividend payments, reflecting ongoing sector challenges. However, this is expected to be offset by interest rate-led strong growth in the financial services sector, led by companies such as Allianz SE, Munich Re Group, Hannover Rück SE, Deutsche Bank AG and Commerzbank AG. Additionally, the profit-led initiation of dividend payments by Siemens Energy AG is projected to contribute significantly to the 2026 total.

Looking ahead to 2027, dividend growth in Germany is projected to accelerate sharply to about 13% year over year, as automakers rebound from recent troughs. German banks are also expected to continue their growth trajectory on the back of strong capital buffers. Strong dividend increases from Siemens Energy and Bayer AG are anticipated to further boost this growth.

Special dividends are expected to have a negligible impact on overall dividend growth during 2025–27. Notably, approximately 80% of the aggregate dividend payments in Germany for 2026 have confirmed ex-dates, positioning Germany as the European market with the lowest risk of dividend timing changes.

## 3. Developed Asia-Pacific

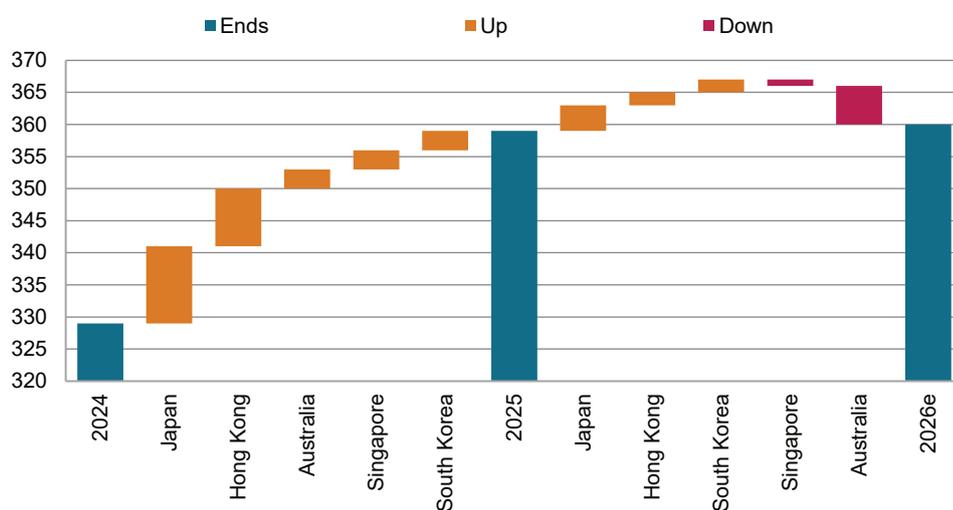
Developed Asia-Pacific’s 2025 dividend payment surged by 9.2%. The lift came from Japan, where double-digit annual payout growth continued for consecutive years during 2023–25. In 2026, we project the developed Asia-Pacific scene to see a flat move of +0.3%, with Japan’s dividend growth normalizing and Hong Kong’s losing steam.

### Japan

We expect the pace of cash distribution growth to normalize in 2026 to 3.6%. A notable contributor to dividend growth is Nintendo Co. Ltd., within the media and entertainment sector. The company revised its dividend policy to a higher-payout framework, reflecting

### Developed APAC's yearly dividend change

US\$B, payment in calendar year



Data compiled Dec. 22, 2025.  
e = estimate.  
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improved financial strength and earnings visibility. This decision was supported by strong demand following the launch of the Switch 2 console, prompting an upward revision to full-year hardware sales expectations.

Key macro-linked risks for Japan include monetary policy normalization and currency volatility. The Bank of Japan has begun a gradual shift away from ultra-accommodative monetary policy following sustained inflation and improving wage dynamics. Further tightening, if inflation proves persistent, could increase corporate financing costs and weigh on earnings momentum. Currency risk remains relevant, as yen volatility can create earnings dispersion.

Uncertainty is higher in the automotive sector, where manufacturers face rising labor costs, elevated input prices, and global trade and tariff-related risks, especially in key export markets, combined with intense global competition and high investment requirements for electrification.

## **Hong Kong SAR**

Hong Kong's aggregate dividend is projected to reach US\$140.93 billion in the payment year of 2026, reflecting a modest 1.5% year-over-year climb, down from a 6.5% year-over-year surge in the last payment year.

Major banks such as Industrial and Commercial Bank of China (ICBC), Bank of China Ltd. and China Construction Bank Corp. announced reductions in their interim results for the first time in 2025, a move that underscores the challenges posed by softer half-year results. Bank of China lowered its payout ratio from 33% to 30%, reflecting ongoing earnings pressures amid a low-interest-rate environment. Although net interest margins (NIMs) stabilized in the third quarter of 2025, overall bank dividends are expected to remain flat.

We project that the NIMs will continue to be the major factor for the banks' earnings ability and will need to be monitored closely in 2026. If the NIMs continue to slide, it is possible for major banks to cut their payout ratios to maintain adequate capital reserves. Deposit rates, property-related loans and local government financing vehicle debts also contribute to the earnings uncertainties. We consider that the joint-stock banks are facing greater volatility in income streams compared with the major banks. In summary, the balance between the monetary policy bottom line and economy fundamentals is crucial for mainland Chinese banks' earnings sustainability in 2026 and will impact dividend payouts in the end.

Semiconductors, materials and financial services (mainly securities firms) are projected to become the key dividend growth drivers for the market. Noticeably, due to the gold price rally, companies such as Zhaojin Mining Industry Co. Ltd. (1818.HK) and Zijin Mining Group Co. Ltd. (2899.HK) announced significant double-digit growth in net profit attributable to shareholders' equity in their latest third-quarter 2025 reports. Gold prices rallied by more than 50% throughout the year and repeatedly hit new historical highs. Gold retailers are benefiting from the recent surge in gold prices and strong consumer demand. Laopu Gold Co. Ltd. (6181.HK) also reported a more than 200% year-over-year boost in gross profit. We expect a dividend boost for these companies in the payment year of 2026.

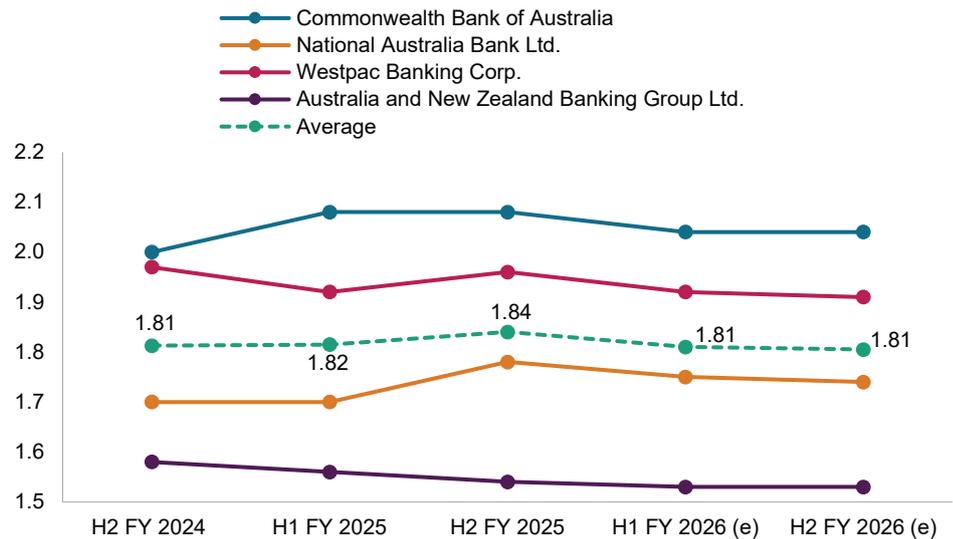
## Australia

Aggregate dividend payouts from Australian companies are projected to decline by 9.8% in 2026, reversing the 5.8% growth observed in 2025. This marks a significant shift in the dividend trajectory, underscoring the volatility in payout trends driven by energy and commodity price fluctuations. Despite the anticipated decrease, the banking sector is expected to retain its position as the top-paying sector, with dividends reaching US\$16 billion. However, growth in the sector is expected to slow to 1.3%, reflecting a challenging macroeconomic environment. Meanwhile, the materials sector is forecast to achieve 5.7% growth in aggregate dividends, although the sector will likely experience heightened volatility throughout the year.

The dividend growth potential for Australia's banking sector remains largely muted heading into 2026. Several factors contribute to this subdued outlook. Banks continue to face margin pressures due to intense competition in the loan markets as well as higher operating costs. In the recent Mid-Year Economic and Fiscal Outlook (MYEFO), the Australian Treasury revised inflation forecasts upward to 3.75% for the fiscal year ending June 2026, reflecting the surge in prices. This inflationary environment is expected to prompt interest rate hikes in the coming year as the government seeks to curb inflation. While these hikes may provide some relief to interest margins, they are unlikely to significantly offset the mortgage competition and inflationary pressures in the short term. The sector faces a flattish profit outlook for 2026, driven by a tug of war between the margin expansion from rate hikes and the deceleration of loan book growth. This restrained profitability is expected to translate into low dividend growth, aligning with broader market dynamics.

The materials sector is poised for volatility in dividend payouts throughout 2026, shaped by commodity price movements and economic uncertainties. Within the sector, gold and iron ore are expected to be the key drivers of performance. Gold continues to be a wildcard for the materials sector. In 2025, Australian gold producers benefited from record-high prices fueled by global economic uncertainties, resulting in substantial dividend increases. However, the sustainability of this bullish trend will be critical in determining the sector's outlook for 2026. Any reversal in gold prices could introduce heightened volatility to payouts. The outlook for iron ore remains mixed. Mainland China, the largest consumer of Australian iron ore, is facing a property market slowdown, which has dampened domestic demand. However, mainland China's recent steel exports remain robust, offering some supportive factors for the iron ore market. Despite these positive signals, the overall sluggishness in the iron ore market underscores the need for careful monitoring of operational metrics reported by key

### Australia's Big 4 banks' net interest margin trend (%)



Data compiled Dec. 19, 2025.

(e) refers to estimate data.

Source: S&P Global Market Intelligence.

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Australian iron ore players. Their performance will be pivotal in shaping the payout potential for the sector.

## **Singapore**

Aggregate dividends from Singaporean companies surged by 17.1% in 2025, reflecting robust growth driven primarily by special dividends and capital returns from key players in the banking and telecommunications sectors. The banking trio — DBS Group (DBS), United Overseas Bank Ltd. (UOB) and Oversea-Chinese Banking Corporation Ltd. (OCBC) — played a pivotal role in the increase, alongside Singapore Telecommunications Ltd. (Singtel) from the telecommunications sector. These special payouts significantly boosted shareholder returns, marking high double-digit growth in dividends for the year.

Looking ahead to 2026, dividends are expected to decline by 5.3%, largely due to the absence of special dividends observed in 2025. The decrease will likely stem from profit pressures, particularly for Singaporean banks, as their earnings are impacted by falling interest rates that compress margins. While banks continue to benefit from their diversified portfolios, which cushion the downside through non-interest income, the overall environment for earnings per share (EPS) remains subdued. The EPS is projected to remain flat or slightly decline in 2025 and 2026 compared with the record year of 2024. At the aggregate level, dividends are anticipated to decrease by 4.7%, reflecting the challenges in sustaining the elevated payout levels achieved in 2025.

Singapore's banking sector faces heightened risks to dividends in 2026 due to two key factors. First, the disruption in payout patterns caused by the special dividends in 2025 raises uncertainty about their continuation into 2026. Second, DBS' flexible dividend policy introduces variability, as the bank employs a mix of shareholder return strategies, including ordinary dividend increases, special dividends, capital returns and share buybacks. This dynamic approach may further influence the overall dividend trends in the coming year.

## **South Korea**

Dividend payments in South Korea are projected to rise by 6.8% in 2026, marking another year of robust growth. Notably, the market is set to surpass US\$30 billion in total payouts for the first time, even without special dividends from traditional top payers like Samsung Electronics Co. Ltd. (in fiscal year 2020) or SK Hynix Inc. (in fiscal year 2024). This signals a broadening base of dividend contributors and sustained investor confidence.

South Korea's export-driven economy remains sensitive to global risks, including trade tensions and currency fluctuations. Recent clarity on US tariffs affecting key exports — semiconductors, automobiles and ships — has improved the visibility of the outlook for these sectors. AI-related stocks, spanning semiconductors to mid-small-cap firms in cables and transmitters, are poised for strong growth. The 15% automobile tariff aligns South Korea with international peers, while shipbuilders and defense firms benefit from solid backlogs, supporting healthy dividend payouts.

On the other hand, internal risks become more pronounced. The government is actively enhancing equity market appeal, requiring companies to submit shareholder return plans and progress reports — covering ex-date adjustments, payout frequency and ratio reviews. There is also a push for increased share buybacks and cancellations. Tax reforms and regulatory changes are underway, while the KOSPI is expected to reach 6,000 in 2026 from 4,000 in 2025, potentially impacting dividend yields.

## 4. Developing Asia-Pacific

Developing Asia-Pacific's cash dividend scene is expected to see the growth nearly halting, which is unusual for a region that remained resilient during the COVID-19 pandemic.

### Mainland China

Dividends in mainland China are projected to decline by 3.0% in calendar year 2026, based on dividend payment dates. The decline is primarily attributed to shifts in payment dates observed in 2025, particularly within the banking sector, which is the largest contributor to dividends. For many mainland Chinese banks, fiscal year 2024 marks the initiation of interim dividend payouts, with the payment dates for these dividends mostly scheduled for early 2025. In contrast, the fiscal year 2025 interim dividends from mainland Chinese banks were set to be paid in December 2025, resulting in a higher dividend base for 2025 due to this timing shift.

In addition to the banking sector, we anticipate declines in dividends from the energy sector and the consumer durables and apparel sector in calendar year 2026, with reductions expected to be in the 10%-20% range. Conversely, we expect strong growth in dividend payouts from the food, beverages and tobacco; financial services; and utilities sectors.

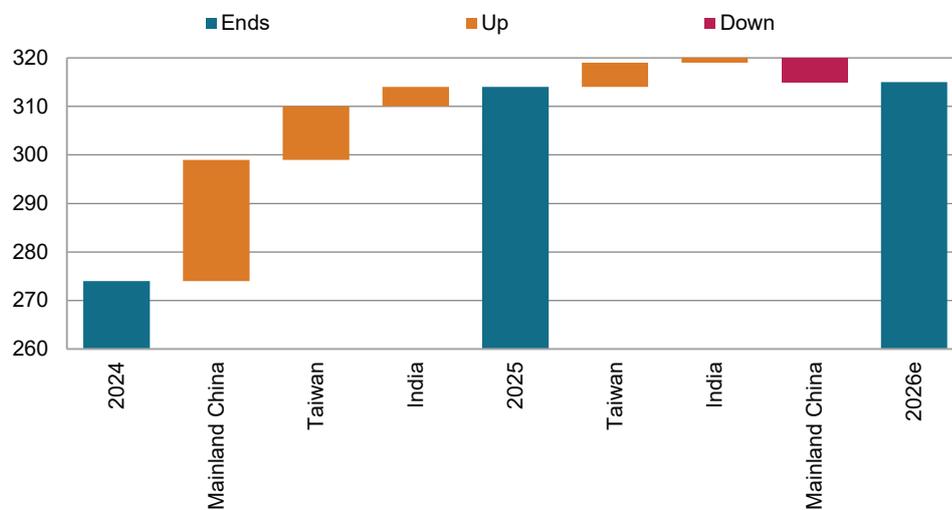
Mainland China's GDP growth has been moderating, driven by softer consumer demand, challenges in the property sector and geopolitical uncertainties. Slower economic growth indirectly influences the earnings visibility of companies and their willingness to increase dividends. However, the mainland Chinese government is encouraging companies to establish stable, predictable and growing dividend policies with improved frequencies. Therefore, from a long-term perspective, we expect aggregate dividends in this market to continue to grow, along with an increasing percentage of companies paying interim dividends in the coming years.

### Taiwan

Despite maintaining positive growth, Taiwan is expected to see a considerable slowdown in the pace of dividend growth, from 25.9% in calendar year 2025 to 8.6% in calendar year 2026.

The dividend dynamics in the new year for Taiwan's technology sector paint a clear picture of a market cleaved in two. The central thesis is that a company's position within the AI value chain has become the single most critical determinant of its capacity for

**Developing APAC's yearly dividend change**  
US\$B, payment in calendar year



Data compiled Dec. 22, 2025.  
e = estimate.  
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near-term cash generation and, consequently, its ability to reward shareholders. On one side, companies that are deeply integrated into the AI supply chain — from foundries like Taiwan Semiconductor Manufacturing Co. Ltd. (TSMC) (+37.5% year over year) and server original design manufacturers (ODMs) like Wiyynn Corp. (+29.7% year over year) to critical component suppliers like Chroma ATE Inc. (+106.7% year over year) and Aspeed Technology Inc. (+42.9% year over year) — are set for dramatic dividend growth fueled by soaring demand and high-margin business. On the other side, companies exposed to cyclical consumer markets (Novatek Microelectronics Corp. [-16.1% year over year] and Realtek Semiconductor Corp. [+2.0% year over year]), facing pricing pressures in mature nodes (United Microelectronics Corp. [-12.3% year over year]), or navigating difficult product transitions (Alchip Technologies Inc. [-9.6% year over year]) are seeing their ability to return cash to shareholders stagnate or decline. The middle ground is occupied by firms with a more balanced exposure, benefiting partially from AI while still being tethered to the broader electronics cycle.

Dividend cuts are increasingly likely for Fubon Financial Holding Co. Ltd. and Cathay Financial Holdings Co. Ltd., two major financial firms in the MSCI Taiwan Index, amid macroeconomic uncertainty. Third-quarter fiscal year 2025 reports showed double-digit net income declines for both companies, driven by the Taiwan dollar appreciation, foreign exchange losses and weaker investment returns after hedging. Fubon's securities and insurance segments saw profits fall by 18.2% and nearly 53% year over year, respectively, while Cathay Life Insurance Co. Ltd., one of the core businesses within Cathay Financial Holdings, reported a 50% drop. Interest rate and currency volatility continue to pressure earnings. Although payout ratios have historically ranged from 45% to 50%, muted earnings and ongoing macro risks point to modest dividend cuts — NT\$3.9 per share for Fubon and NT\$3.2 per share for Cathay — highlighting ongoing uncertainty for dividends in Taiwan's financial sector.

## India

Dividends in India are projected to increase by 7.3% in 2026. This reflects broad-based sector participation. The outlook reflects India's continued position as one of the fastest-growing major economies, aided by supportive monetary and fiscal conditions.

The Reserve Bank of India's cumulative interest rate cuts in 2025, bringing the policy rate to 5.25%, alongside credit growth of 11.5% (November 2025) that improved from 9% (May 2025), have improved financing conditions and corporate balance sheet strength. Fiscal measures, including an increase in the tax rebate threshold to 1.2 million Indian rupees and the rollout of Goods and Services Tax 2.0, are expected to support consumption, profitability and cash flow generation across sectors.

Key macro risks include Indian rupee depreciation, and uncertainty remains around the future direction of the US-India trade deal.

## 5. Notable contributor: Metal, gold miners

Our latest analysis shows that the materials sector will emerge as the largest dividend growth contributor, adding US\$12.7 billion with an 11.3% year-over-year surge. The sector is not traditionally a strong dividend-paying one — its payout size is only about 30% of banks and energy, the top two paying sectors. Its payout also lacks consistency — materials' cash dividends went through consecutive years of contraction. We believe calendar year 2026 could be a turning point, with the metal and mining players in the materials sector committing to progressive payouts.

## Materials subsectors' dividend dynamics

Payment in calendar year	2023	2024	2025	2026e
Chemicals	-11%	-6%	-11%	11%
Construction materials	-16%	23%	-5%	4%
Containers and packaging	5%	15%	21%	0%
Metals and mining	-29%	-17%	-2%	14%
Paper and forest products	-27%	22%	-19%	9%
Materials total	-21%	-9%	-5%	11%

Data compiled Dec. 22, 2025.

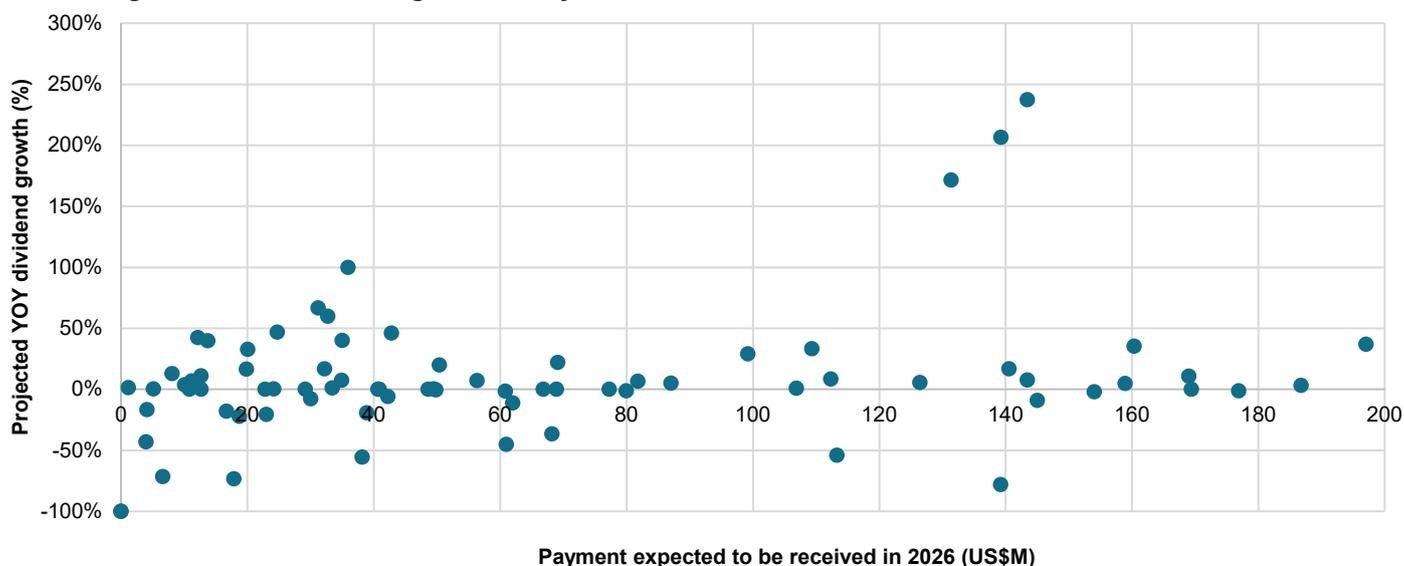
e = estimate.

Source: S&P Global Market Intelligence.

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Our analysis shows that out of 134 dividend-paying metal and mining firms, 101 firms are projected to at least maintain or increase their cash distribution in 2026 with average year-over-year growth of 27%.

## Metal and gold miners' dividend growth analysis for 2026



Data compiled Dec. 22, 2025.

Source: S&P Global Market Intelligence.

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The metals and mining subsector's superior dividend growth is directly linked to a boom in commodity prices, fueled by the global energy transition and infrastructure spending.

- Energy transition metals: Consensus data shows sustained, high prices for metals critical to decarbonization. Nickel Industries Ltd. is a direct beneficiary of the demand for high-grade nickel for electric vehicle (EV) batteries. Likewise, platinum group metals (PGMs) produced by companies like Northam Platinum Holdings Ltd. are essential for the existing auto catalysts and the emerging hydrogen economy.
- Steel and infrastructure: Strong dividend growth from steelmakers like JSW Steel Ltd. and Metalurgica Gerdau SA is supported by global infrastructure initiatives and a recovery in industrial production, which drives demand and pricing for steel.

- Windfall profits in niche commodities: The staggering growth from Ramaco Resources Inc. (a metallurgical coal producer) and Young Poong Corp. (zinc and electronics materials) points to windfall profits. High demand for metallurgical coal from steelmakers and for zinc in galvanizing and new battery chemistries has allowed these companies to return significant cash to shareholders.
- Gold miners are in an exceptionally strong position to deliver robust dividend payments, a trend directly supported by a powerful confluence of macroeconomic fundamentals. The primary driver is a historically high gold price, which reached record levels in late 2025, with prices closing above US\$4,300/oz in December. This price strength is not speculative but is anchored by several key factors: expectations of a US Fed rate cut, which lowers the opportunity cost of holding non-yielding bullion; a persistent geopolitical risk premium that fuels safe-haven demand; and sustained, large-scale accumulation by central banks looking to diversify away from the dollar. Together, these tailwinds have created a highly profitable environment for producers, generating significant free cash flow that directly funds shareholder returns.

Miners are in a prime position to reward shareholders. After companies spent years focusing on debt reduction and operational efficiency, healthy balance sheets now allow them to return a significant portion of their windfall profits. This trend of enhanced capital returns is a key theme for the sector heading into 2026, as companies balance reinvestment in growth projects with attractive dividend payouts.

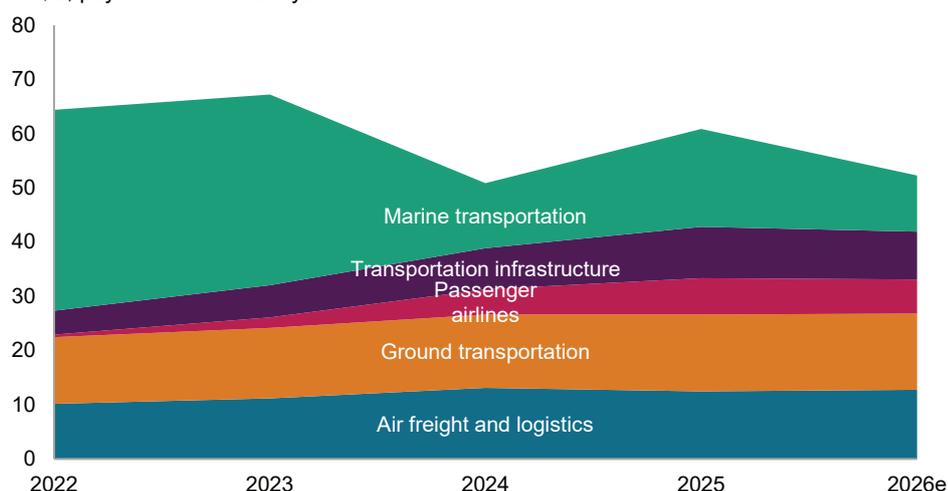
## 6. Notable detractor: Marine transportation

The sector with deepest payout cut in 2026 will be transportation, reducing global dividend payments by US\$8.6 billion. The declining trend in marine transportation is not a surprise. This subsector is highly cyclical. The payment growth achieved in 2025 (up US\$6 billion) will be negated in 2026 (down US\$8 billion), with marine transportation expected to decline sharply by more than 40% from 2025 to 2026.

The decline in marine transportation dividends since the peak in 2022 is a direct consequence of the container shipping boom and bust cycle. The period from late 2020 to 2022 was an unprecedented “golden age” for container lines. A surge in consumer spending on goods, coupled with severe port congestion and supply chain disruptions, caused freight rates to skyrocket to more than 10 times their pre-pandemic levels.

This environment generated historic, windfall profits for container carriers,

**Transportation subsector dividend dynamics**  
US\$B, payment in calendar year



Data compiled Dec. 22, 2025.

e = estimate.

Aggregated payout of 38 downstream car manufacturers only.

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leading to massive dividend payouts and share buybacks in 2022 and 2023. However, this was not sustainable. Since then, several factors have caused a sharp correction:

- Normalization of demand: Consumer spending has shifted back toward services, reducing the extreme demand for goods.
- Easing of congestion: Supply chain bottlenecks have largely resolved, freeing up vessel capacity.
- Influx of new vessels: A wave of new, large container ships that were ordered during the boom are now being delivered, creating an oversupply of capacity in the market.

As a result, container freight rates have fallen dramatically from their peak. The declining dividend payouts seen in 2025 for companies like A.P. Møller – Maersk A/S, Evergreen Marine Corporation Ltd. and Hapag-Lloyd AG reflect this market normalization and a return to more historically average levels of profitability. The decline is almost entirely due to the normalization of earnings for container shipping giants like Maersk (-64.5%) and COSCO Shipping Holdings Co. Ltd. (-46.3%), whose profits normalized after pandemic-era highs. Container shipping is directly and negatively impacted due to tariffs on finished goods, reducing cargo volumes and putting downward pressure on freight rates.

However, a different story is unfolding for other types of marine shipping, which are experiencing growth. Genco Shipping & Trading Ltd. (+67.9%), Pan Ocean Co. Ltd. (+45.8%) and Kawasaki Kisen Kaisha Ltd. (+9.1%) are some examples.

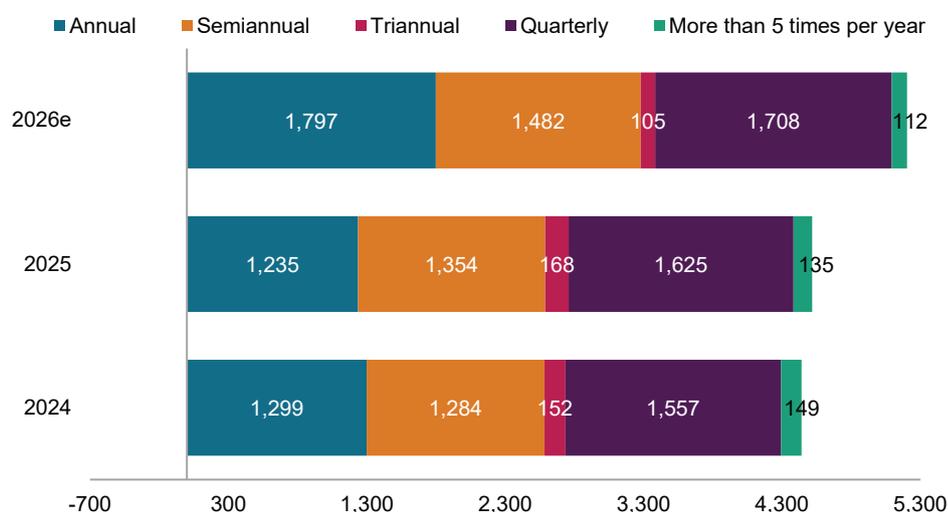
- This growth is linked to the strong fundamental performance of dry bulk and specialized carriers. Unlike container shipping, which is tied to consumer goods, the dry bulk market is driven by demand for industrial raw materials. Consensus data indicates that sustained global infrastructure spending and demand for commodities like iron ore, coal and grains are keeping charter rates for bulk carriers robust, supporting a cyclical upswing for bulk carriers.
- In contrast, dry bulk carriers face indirect and complex exposure, with tariffs on raw materials and trade route substitution creating both challenges and opportunities. Specialized carriers experience a mixed impact, with car carriers being vulnerable to targeted tariffs and tankers being affected by global economic health and geopolitical tensions. The industry's response has been a strategic reorganization of global trade, with supply chain diversification and carrier redeployment mitigating the impact of falling volumes on specific routes. As companies move manufacturing to markets like Vietnam, Mexico, India and Malaysia to bypass tariffs, new demand for shipping services is created, benefiting adaptable ports and shipping lines.

It is crucial for investors to differentiate this risk from other transport segments. While container lines face a structural downturn, other marine subsectors like dry bulk carriers and oil tankers are experiencing their own favorable cycles, driven by industrial commodity demand and geopolitical shifts.

# 7. Payout frequency increase

We observed a trend of companies adopting more frequent dividend distribution practices. Based on our analysis, 554 companies distributed at least once more than the previous calendar year in 2025. This trend is expected to grow even stronger to 978 companies in 2026. Over 2024–26, we expect dividend-paying stocks in key indexes to increase from the 4,500 level to beyond 5,200. There is a clear increase in semiannual and quarterly distributing companies.

## Dividend payout frequency trend



Data compiled Dec. 22, 2025.  
e = estimate.  
Count by ISIN; zero dividends are excluded.  
Source: S&P Global Market Intelligence.  
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## Payout frequency change trend by market

Market	Count of ISIN	Increased payout in 2025	Expected to increase payout in 2026
Australia	141	19	16
Mainland China	312	88	53
France	92	11	5
Germany	153	10	14
Hong Kong	282	57	44
India	115	22	15
Italy	94	8	8
Japan	340	22	12
Saudi Arabia	33	4	3
South Africa	31	3	3
South Korea	224	29	42
Spain	52	6	10
United Kingdom	359	32	46
United States	2,092	120	562

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- Mainland China and Hong Kong: Mainland Chinese companies are increasingly adopting more frequent dividend payout schedules, driven by government policy and a desire to attract global investors. Major government-owned enterprises in the financial, consumer staples and industrials sectors are leading this trend. Mainland Chinese companies listed in Hong Kong have also adopted semiannual distributions.
- South Korea: Under the regulatory-initiated “value-up” program, companies are looking to enhance their shareholder return policies. The trend of moving toward semiannual/quarterly payout pioneered by major banks is now spreading across the industry and market cap size. Now, we see a more frequent cash dividend return approach being adopted in other sectors. Consumer goods companies such as LG H&H Co. Ltd., Dong Suh Food Co. Ltd., Hyundai Department Store Co. Ltd. and Dongwon Industries Co. Ltd. are examples.
- Europe: We highlighted in October 2024 that a growing number of European banks and Nordic companies plan to increase their payment frequency. This trend is expected to continue. BNP Paribas, Société Générale, BPER Banca and Banco de Sabadell have already expanded beyond annual distributions. Nordic banks such as Luzerner Kantonalbank AG, Basler Kantonalbank and Nordea Bank Abp have also joined the force.
- US and UK initiations: In developed markets like the US and UK, where quarterly or semiannual payments are already common, the trend manifests in companies initiating regular payouts for the first time. Examples include PayPal Holdings Inc. and Trip.com Group in the US and the dividend resumption of International Consolidated Airlines Group SA and Greencore Group PLC in the UK.

This trend underscores a fundamental shift in corporate strategies for shareholder returns, accompanied by a moderation in cash dividend growth over recent years. Corporates are increasingly prioritizing the sustainability and quality of returns over mere growth. By increasing the frequency of dividend payments while maintaining stable total payouts, companies are effectively strengthening shareholder confidence. Against the backdrop of ongoing economic uncertainty and recessionary concerns in some regions, this approach has proven effective, enabling companies to preserve cash while maintaining investor trust.

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