UK dividend outlook

Dividend Forecasting

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Clara Besson, Sr. Research Analyst

Deborah Idowu, Research Analyst

UK dividends on track to reach prepandemic level next year [1]

Basic Resources companies lead to a surge in the FTSE All-Share[2] aggregate dividend payout, but the pace of recovery varies across sectors.

- The aggregate dividend fell 43% in 2020, from **GBP111 billion** in 2019 to **GBP63 billion**. The 45% rebound in 2021 remains below its precrisis level, undermined by weaker sectors such as Oil & Gas, Banks, and Travel & Leisure.

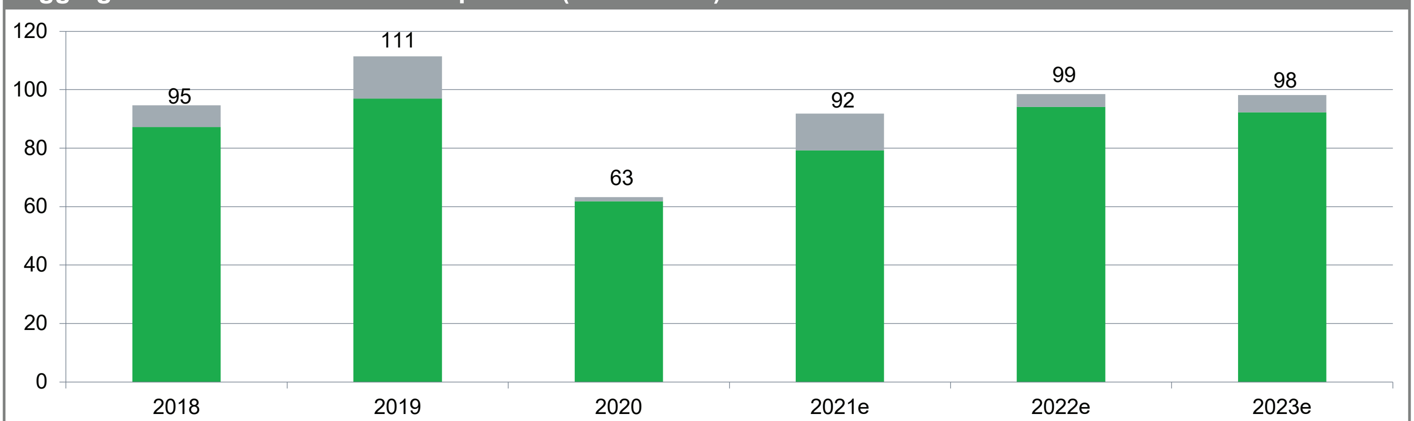
- Basic Resources are set to make the largest comeback with a **GBP13-billion** increase in the dividend from 2020 to 2021, followed by Banks and Industrials with **GBP6 billion** and **GBP2 billion**, respectively.

- Despite some health-crisis disruptions, **HSBC**, **Shell**, and **BP** remained part of the top dividend payers this year, along with **Rio Tinto**, **Tesco**, **British American Tobacco**, and **BHP**. In 2021, the top 15 should represent more than 60% of the total index aggregate payout.

- With remaining risks coming from unannounced dividends by **Ferrexpo**, **Tesco** and **Kingfisher**, 2021 is not over yet. Moreover, the dividend tax hike of 1.25% could also see companies push payment dates to fall before the new tax year begins in April 2022.

UK aggregate dividends struggle to surpass prepandemic levels

Aggregate dividends from UK companies* (GBP billion)



Note: * FTSE All-Share (excl. Investment Trust)
Source: IHS Markit

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1. Data as of 7 September 2021.

2. FTSE All-Share excluding Investment Trust.

Contacts

Clara Besson, Sr. Research Analyst - EMEA Dividend Research Lead · clara.besson@ihsmarkit.com
Deborah Idowu, Research Analyst · deborah.idowu@ihsmarkit.com

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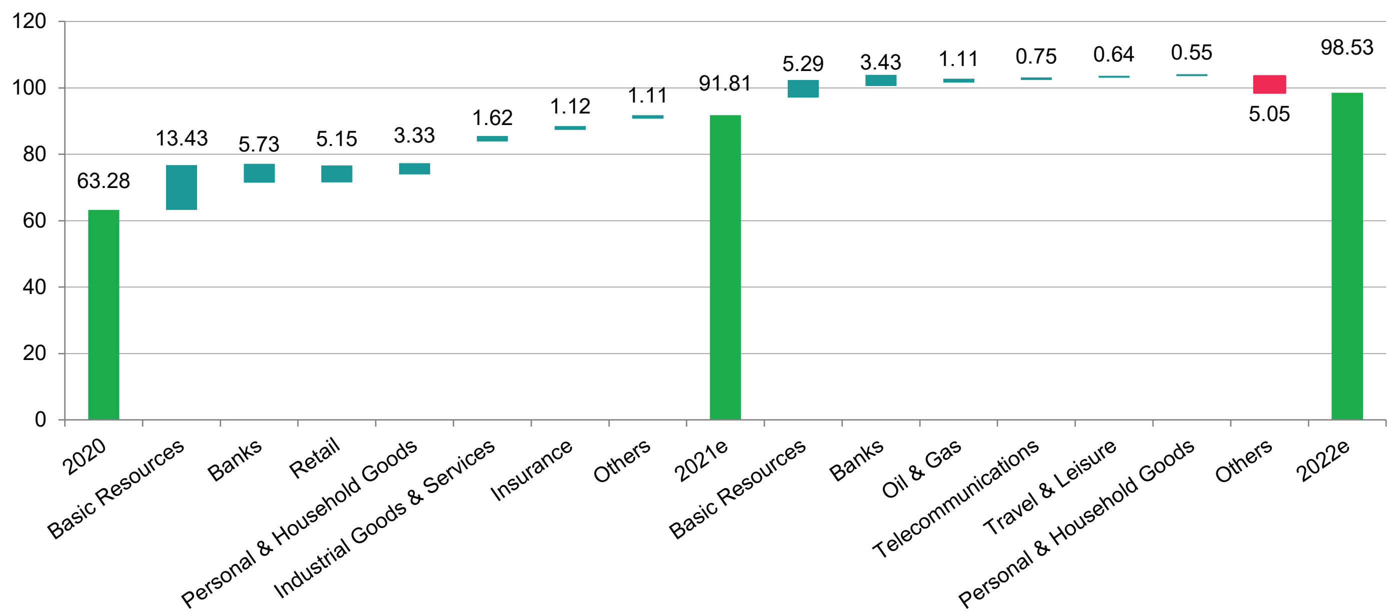
In 2019, the aggregate dividend paid by UK companies stood at **GBP111 billion**, but the resulting hardships brought on by the pandemic sunk that amount to **GBP63 billion** in 2020. Despite vaccine progress and the reopening of the UK economy, the total dividend is still not expected to reach its 2019 level this year, remaining 18% lower. Its languishing is largely due to the decline in the Banking sector, despite resumptions in dividends, new dividend policies, and rebased amounts meaning moderate increases expected from the Banks sector. Other sectors, such as Travel and Leisure, are set to experience a delayed recovery as continuing COVID-19 effects are expected to hamper profits past 2022.

Although UK dividends have not fully recovered, the UK aggregate dividend payout should jump from **GBP63 billion** to **GBP92 billion** in 2021. This **GBP29-billion** rebound (including one-off payments) predominately came from Basic Resources' performances, banks' dividend resumptions, and Tesco's extra payments of **GBP5 billion**. Looking forward, IHS Markit anticipates Oil & Gas as well as Telecommunications companies to be part of the growth drivers for next year.

Top sector growth contributors (GBP billion)



Note: Includes one-offs.
Source: IHS Markit

The COVID-19 crisis reshuffled the cards on UK sectors' levels

Sector ranking

Sectors	**Ranking 2019**	**Ranking 2020**	**Ranking 2021e**	**Ranking 2022e**	**Ranking 2023e**
Basic Resources	3	3	**1**	1	1
Personal & Household Goods	4	2	**2**	2	2
Oil & Gas	1	1	**3**	4	4
Retail	13	10	**4**	12	12
Health Care	5	4	**5**	5	5
Banks	2	18	**6**	3	3
Industrial Goods & Services	6	7	**7**	6	6
Insurance	7	8	**8**	7	7
Utilities	9	6	**9**	9	9
Financial Services	12	5	**10**	8	8
Food & Beverage	11	11	**11**	11	11
Telecommunications	10	9	**12**	10	10
Real Estate	15	12	**13**	13	14
Media	14	13	**14**	14	13
Construction & Materials	17	15	**15**	15	16
Technology	16	16	**16**	17	17
Chemicals	18	17	**17**	18	18
Travel & Leisure	8	14	**18**	16	15
Automobiles & Parts	19	19	**19**	19	19

Source: IHS Markit

Soaring commodity prices pushed Basic Resources into the pole position

After experiencing a large fall in 2020, Basic Resources companies managed to keep their third-place position among sectors with **GBP8 billion**, down 48% compared with 2019. In 2020, **Ferrexpo**, **Kenmare**, and **Polymetal** were the only companies in the sector that increased their dividends, because of a commodity prices surge.

Ferrexpo has raised its dividend from **USD0.264** in 2019 to **USD0.33** in 2020 with it continuing to grow in 2021 to **USD1.452**, including a special dividend of **USD0.924**. This further special dividend is supported by a 45% increase in net cash flows from operations to **USD687 million** and healthy iron ore prices[3]. **Polymetal**, mainly focused on gold and silver mining, also received favorable results on the back of strong commodity prices. In addition, stable cost performance underpinned a significant increase in the group's cash flow, allowing for a 100% increase in dividends in 2020, with them up 53% in 2021. Same for **Kenmare**, which following the completion of development projects, is generating a stronger free cash flow. There is an opportunity to deliver increased shareholder returns, as the company is targeting a dividend payout of 25% of profit after tax in 2021, up from the previous 20% minimum policy.

High commodity price levels have marked a turning point for the sector, enabling companies to record a **GBP13-billion** increase to about **GBP22 billion** expected for 2021 (including one-offs), well above the precrisis level of **GBP16 billion**. Large increases in dividends from **Anglo American**, **Rio Tinto**, and **BHP**, alongside a recovery from **Glencore**, will push Basic Resources to the top of the ranking in 2021.

3. 05 September 2021: USD 144.83 per Dry Metric Ton.

Basic Resources										
Company	CCY	DPS FY 2020	DPS FY 2021e	DPS FY 2022e	Next payment type	Upcoming DPS	Upcoming XD	Sustainability score	12-mth fwd. yield
Rio Tinto	USD	5.57	11.81	8.56	FIN	5.700	3-Mar-22	HIGH	12.7%
Glencore	USD	0.06	0.25	0.30	CR (2)	0.150	28-Apr-22	HIGH	6.5%
BHP	USD	1.20	3.01	4.05	INT	2.430	3-Mar-22	HIGH	12.9%
Evraz	USD	0.50	1.70	1.50	3rd INT	0.400	25-Nov-21	HIGH	20.6%
Anglo American	USD	1.00	5.54	3.46	FIN	1.430	17-Mar-22	HIGH	11.2%
Mondi	EUR	0.60	0.63	0.67	FIN	0.430	7-Apr-22	HIGH	2.7%
Antofagasta	USD	0.55	1.41	1.36	FIN	1.174	28-Apr-22	HIGH	7.1%
Fresnillo	USD	0.26	0.43	0.52	FIN	0.330	21-Apr-22	HIGH	4.2%
Polymetal	USD	1.29	1.39	1.70	FIN	0.940	5-May-22	HIGH	6.8%
Centamin	USD	0.15	0.09	0.10	FIN	0.050	19-May-22	HIGH	6.6%
Ferrexpo	USD	0.86	1.98	1.32	SPEC	0.396	23-Sep-21	HIGH	37.7%
Hochschild Mining	USD	0.06	0.06	0.10	FIN	0.040	5-May-22	HIGH	5.0%
Kenmare Resources	USD	0.10	0.26	0.30	FIN	0.189	14-Apr-22	HIGH	4.4%
Petropavlovsk	GBP	0.00	0.01	0.01	FIN	0.006	23-Jun-22	MEDIUM	2.9%

Source: IHS Markit ©2021 IHS Markit

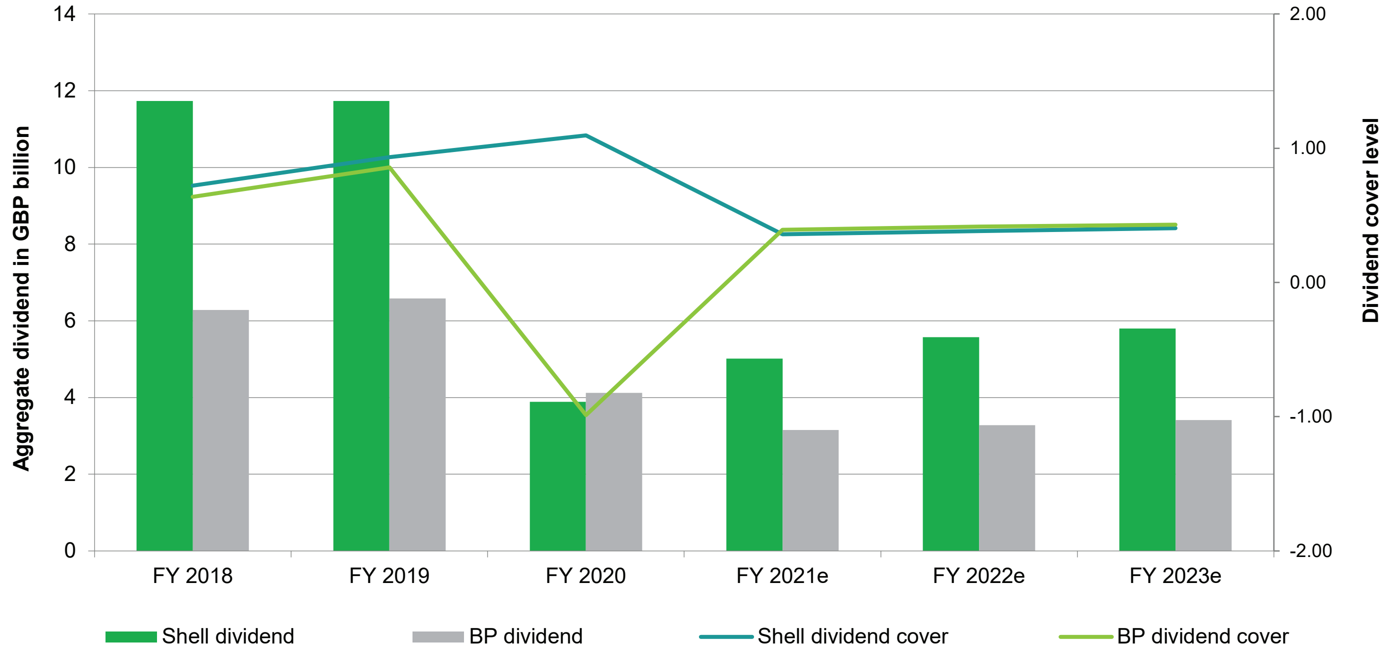
Oil & Gas relegated to third place

Contrary to the previous year, the Oil & Gas sector is not expected to be the top dividend payer in 2021, affected by an expected decline of **GBP3 million** in the aggregate dividend. This move is partly due to the anticipated reduction in the dividend of large contributors **BP** and **Royal Dutch Shell** this year. The coronavirus crisis has been devastating for the petroleum industry, with the oil price hitting an all-time low.

The price has since recovered as **BP** expects to be able to deliver buybacks of around **USD1 billion** per quarter (based on a price environment above **USD60** per barrel) and to have capacity for an annual increase in the dividend per ordinary share of around 4%, through 2025. In aggregate, across 2021–25, the management expects to deliver per-share distribution of **USD0.10** per quarter (including buybacks) at around **USD55** (Brent oil price). In line with the policy and near-term Brent oil price outlook, IHS Markit expects the company to pay a flat quarterly dividend of **USD0.0546** for the remaining two quarters of fiscal year (FY) 2021. **Shell** announced a 66% cut in its dividend in April 2020 and has since rebased its dividend. Following the dividend rebasing to **USD0.24** per quarter, Shell intends to increase the dividend by around 4% per year. The cash allocation framework includes a target to distribute a total of 20–30% of cash flow from operations to shareholders through a combination of dividend and buybacks with net debt below **USD65 billion**. For the second half of 2021, the share buyback will be **USD2 billion**. In line with the latest rebasing, we predict a quarterly dividend of **USD0.24**. Going forward, we follow the guidance of a 4% annual increase.

Smaller contributors such as P**haros Energy**, **Petrofac**, **Woods (John)**, and **Tullow Oil** suspended their dividends entirely and are not expected to return them until 2023. Both **Petrofac** and **Woods Group** are not expected to resume until 2022 as their overall outlook for 2021 of lower activity remains unchanged. **Pharos Energy** is anticipated to resume in 2023, and the **Tullow Oil** dividend will continue to be suspended until it has further reduced debt and strengthened its balance sheet.

Shell vs. BP dividend payouts evolution



Note: Fiscal years; includes one-offs.
Source: IHS Markit

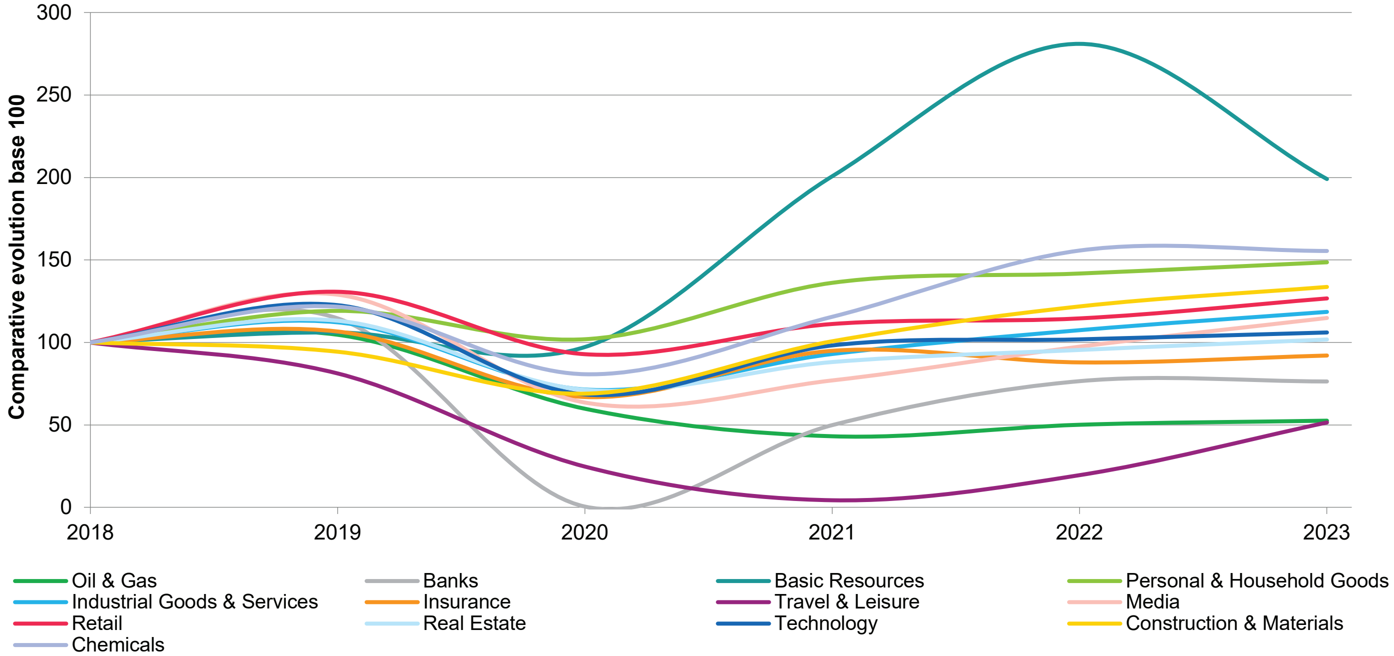
Personal & Household Goods stable in second place

On the other hand, the **Personal and Household Goods** sector is expected to surpass its prepandemic level by **GBP1 billion** in 2021. It is driven by dividend resumptions at higher projected levels than in 2019 and steady payments from **Unilever** and **British American Tobacco**. Housebuilders within the sector have produced a variety of results, however.

Among housebuilders, **Barratt**, **Persimmon**, **Taylor Wimpey**, and **Bellway** cut their dividends in 2020 in response to the pandemic significantly reducing completion volumes, increasing costs, and impacting profit. Only **Berkeley Group** increased its 2020 dividend, from **GBP0.27** to **GBP2.00**, and a further increase to **GBP3.80** will be paid in 2021. Its FY 2020 results were driven by progress of its long-term brownfield regeneration sites, yielding net cash of **GBP1.14 billion**, up 17% and increased estimated gross profit in its land holdings to **GBP6.4 billion**. FY 2021 saw revenue of **GBP2.2 billion** in the year (2020: **GBP1.9 billion**) primarily from the sale of new homes, and added visibility allowed the company to reaffirm a commitment to shareholder returns of **GBP281 million** per year up to 30 September 2025.

Growth vulnerability in the short run amid global uncertainties

Top sector evolution from 2018 to 2023e



Note: Excludes one-off payments.
Source: IHS Markit

Sectors 2020 to 2021e

GBP million

Sectors	2019	2020	2021e	2020–21e	2019–21e
Basic Resources	8,761	8,034	16,597	107%	89%
Personal & Household Goods	11,580	9,904	13,237	34%	14%
Oil & Gas	18,966	10,835	7,812	-28%	-59%
Health Care	7,308	7,346	7,411	1%	1%
Banks	13,274	60	5,786	9505%	-56%
Industrial Goods & Services	5,379	3,426	4,459	30%	-17%
Insurance	4,915	3,081	4,376	42%	-11%
Financial Services	2,922	3,414	3,572	5%	22%
Utilities	4,155	3,493	3,415	-2%	-18%
Retail	2,725	1,935	2,318	20%	-15%
Telecommunications	3,788	2,749	2,316	-16%	-39%
Food & Beverage	2,399	2,199	2,155	-2%	-10%
Real Estate	2,521	1,589	1,964	24%	-22%
Media	2,717	1,337	1,621	21%	-40%
Construction & Materials	828	605	883	46%	7%
Technology	871	486	698	43%	-20%
Chemicals	423	281	402	43%	-5%
Travel & Leisure	3,419	1,041	182	-82%	-95%
Automobiles & Parts	41	-	39	-	-4%
TOTAL	**96,991**	**61,814**	**79,242**	**28%**	**-18%**

*excluding one-off payments

Source: IHS Markit

No more regulation for banks?

The Banking sector, ordinarily one of the strongest in the FTSE All-Share index, experienced a large decline because of regulatory restriction in early 2020, with all banks suspending their dividends. Restrictions have since been lifted by the Prudential Regulation Authority (PRA), and banks are expected to bounce back with an increase of **GBP6-billion** from 2020 to 2021. However, the sector is not expected to regain its place in the top three dividend payers until 2022. Despite resumption across the board, the sector is still faced with a low interest rate environment, and coupled with the winding down of government support, the outlook for the year is conservative.

Most banks have also taken the pandemic as an opportunity to change previously unsustainable dividend policies. **Barclays** intends to initiate a share buyback of up to **GBP500 million**, which is expected to commence in third quarter 2021. **HSBC** intends to transition to a payout ratio of between 40% and 55% of reported EPS from 2022 onwards, with the flexibility to adjust EPS for noncash significant items (goodwill or intangibles impairments). Dividends could be supplemented by buybacks or special dividends over time (and not in the near term). **NatWest Group** now aims to distribute a minimum of **GBP1 billion** per year from 2021 to 2023, via a combination of ordinary and special dividends, and intends to commence an ordinary share buyback program of up to **GBP750 million** in the second half of the year (FY 2021).

Looking forward, no banks are expected to reach their prepandemic level in 2021 or 2022, with only two exceptions: **BGEO Bank** and **TBC Bank**. Despite this **HSBC** has stated that there are emerging signs of unsecured personal lending and commercial lending growth, which should translate to risk weighted assets growth.

Top 5 UK banks

Company	CCY	DPS FY 2018	DPS FY 2019	DPS FY 2021e	DPS FY 2022e	Next payment type	Upcoming DPS	Upcoming XD	Sustainability score	12-mth fwd. yield
HSBC	USD	0.51	0.30	0.23	0.29	FY 2021 FIN	0.1610	10-Mar-22	MEDIUM	5.2%
Lloyds	GBP	0.03	0.01	0.02	0.02	FY 2021 FIN	0.0135	14-Apr-22	HIGH	4.6%
Natwest	GBP	0.13	0.14	0.10	0.14	FY 2021 FIN	0.0400	24-Mar-22	MEDIUM	4.2%
						Special	0.0300	24-Mar-22		
Standard Chartered	USD	0.21	0.07	0.14	0.22	FY 2021 FIN	0.1100	3-Mar-22	MEDIUM	2.5%
Barclays	GBP	0.07	0.03	0.06	0.06	FY 2021 FIN	0.0400	24-Feb-22	MEDIUM	3.3%

Source: IHS Markit ©2021 IHS Markit

Industrial Goods & Services to surpass prepandemic level in 2023

The **Industrial** sector is on track to surpass its prepandemic dividend amount of **GBP5.6 billion**, with nearly **GBP6 billion** in 2023. This result will come after 24 companies suspended their dividend in 2020, with all but 4 resuming in 2021. **Ashtead Group** performed resiliently during the pandemic by optimizing cash flow, reducing operating costs, and strengthening its liquidity position, including reducing planned capital expenditure for the year, suspending all current and prospective M&A activity, and pausing the share buyback program. It increased its returns to shareholders from **GBP0.40** in 2020 to **GBP0.4215** in 2021. **Ferguson** exhibited a similar story; by pausing acquisitions in the early part of 2020, combined with good organic growth and a 5% rise in profit before tax, it increased its dividend for the year. It stated while the outlook for the second half of 2021 remains very uncertain, it expects to generate above-market revenue growth in good residential markets aided by increasing inflation. **Costain**, **Menzies (John)**, and **Meggitt** are not expected to resume paying dividends until 2022, after prioritizing cash preservation.

The end of PRA's recommendations, a relief for insurers' shareholders

Following the easing of the national authority restrictions, UK insurers were back to dividend growth with almost **GBP5 billion** in dividends expected to be paid in 2021 (including one-offs). However, the COVID-19 crisis has left its mark, as some, like **Aviva**, **Prudential**, and **Direct Line**, are struggling to return to their original levels.

Top 10 insurers
GBP million

Company	2019	2020	2021e	2022e	change 2019–21e	12-mth fwd. yield
Aviva	1,185	236	1,112	883	7%	5.5%
Legal & General	999	1,048	1,064	1,142	-6%	7.1%
Admiral	376	434	734	536	-49%	4.9%
Prudential	1,290	665	307	332	320%	0.8%
Phoenix Group	338	403	482	482	-30%	7.7%
St.James's Place	256	107	330	264	-22%	3.1%
Direct Line	406	297	301	297	35%	7.1%
Hiscox	96	-	29	88	233%	2.7%
Lancashire	24	26	26	27	-10%	1.7%
Beazley	63	43	0	66	-	3%

Source: IHS Markit ©2021 IHS Markit

Retail led by GBP5-billion extra payment from Tesco

The **Retail** sector increased 20% in 2021(excluding one-offs) as **Kingfisher** resumed its dividend payments, after suspending them because of the effects of the coronavirus. It has now announced a new dividend policy of a target cover range of 2.25 to 2.75 times, based on adjusted basic earnings per share (previously 2.0 to 2.5 times). The new policy will be applied from FY 2021/22. **Tesco** also provided a boost after paying a special dividend of **GBP0.5093** in 2021, following the sale of its businesses in Thailand and Malaysia. It expects retail operating profit for 2021/22 to recover to a similar level of 2019/20, with group sales already up 1% like-for-like (LFL) in the first quarter of FY 2021/22. The sector is due to increase a further 142% in 2022, as more resumptions roll in and companies begin to return to prepandemic levels.

Strong dividend resumptions within the Construction and Materials sector

In 2020, only four companies paid dividends in the Construction and Materials sector, with three of them decreasing the dividend, except **CRH Plc**. Those who did suspend the dividend in 2020 are all expected to resume in 2021, hence the 46% projected increase. **CRH Plc** provided a 25% increase on the 2019 full-year dividend, despite total revenue falling 14% in 2020, across all geographic markets. **Norcros**, **Morgan Sindall**, and **Keller Group**, the three companies decreasing their dividends in 2020, are expected to surpass their prepandemic levels in 2022.

Bottom of the pile for recovery

Resumption timing from COVID-19 suspensions
GBP million

Company	Pre-suspension level (2019)	Expected resumption year	Expected resumption level	Sector
Entain	195.5	2022	222.1	Travel & Leisure
ITV	322.0	2022	209.3	Media
Centrica	575.9	2022	158.8	Utilities
Flutter Entertainment	153.7	2022	114.0	Travel & Leisure
Meggitt	131.3	2022	80.5	Industrial Goods & Services
Informa	280.4	2022	68.4	Media
Wood Group (John)	189.1	2022	64.4	Oil & Gas
Intercontinental Hotels	555.4	2022	33.2	Travel & Leisure
National Express	78.4	2022	21.5	Travel & Leisure
Elementis	38.6	2022	19.2	Chemicals
Wetherspoon (J.D.)	12.6	2022	15.5	Travel & Leisure
Virgin Money UK	44.3	2022	14.4	Banks
Arrow Global	23.2	2022	13.3	Financial Services
IWG	58.1	2022	11.5	Industrial Goods & Services
Menzies (John)	17.3	2022	8.8	Industrial Goods & Services
Costain	14.0	2022	8.8	Construction & Materials
Ascential	23.0	2022	6.4	Media
Pendragon	9.8	2022	6.0	Retail
Petrofac	103.0	2022	5.8	Oil & Gas
Card Factory	48.8	2022	5.3	Retail
Spire Healthcare	15.2	2022	4.7	Health Care
Kin and Carta	3.2	2022	3.4	Industrial Goods & Services
Photo-Me International	31.9	2022	3.3	Personal & Household Goods
PPHE Hotel	15.3	2022	2.1	Travel & Leisure
Senior	31.5	2022	1.9	Industrial Goods & Services
Gym Group	1.9	2022	0.5	Travel & Leisure
Whitbread	137.6	2023	108.8	Travel & Leisure
Pharos Energy	21.9	2023	17.6	Oil & Gas
Restaurant Group	17.4	2023	9.0	Travel & Leisure
Ted Baker	21.6	2023	2.9	Personal & Household Goods
Hostelworld Group	10.9	2023	2.5	Travel & Leisure
Saga	352.5	2023	1.4	Travel & Leisure
International Consolidated Airlines	770.7	2024	216.6	Travel & Leisure
Lookers	15.9	2024	8.8	Retail

Source: IHS Markit ©2021 IHS Markit

Further declines expected from Travel & Leisure and Telecommunication

Similar to Oil and Gas, for these two industries, recovery comes later. Unsurprisingly, Travel and Leisure is expected to decrease a further **82%** in 2021, because of travel and general restrictions around the globe. All companies either reduced or suspended their dividends in 2020. Stronger companies like **888 Holdings** and **Domino's Pizza Group**, which had more favorable results, were able to increase their aggregate dividends in 2021 above their prepandemic levels, after the decrease. Of the 30 companies within the sector, 15 stopped paying a dividend in 2020 and 12 are not expected to resume it until at least 2022, except **Go-Ahead Group** and **Playtech** who are projected to resume in 2021.

The decline in Telecommunication was purely driven by **BT Group**, which decreased the dividend from **GBP0.154** in 2019 to **GBP0.046** in 2020. The company will rebase future dividends to a more sustainable level and expects to resume dividend payments in 2021–22, rebased to **GBP0.077** per share. As dividends are not forecast to resume until 2022, a further decline of 16% is expected for the sector in 2021; however, growth is expected to pick up in 2022.

Prepandemic levels not in sight for Media and Technology

The Technology sector decreased dramatically in 2020, from **GBP2.3 billion** in 2019 to **GBP555 million** in 2020. It is expected to remain **GBP1.6 billion** below its prepandemic level in 2022. The decline was mostly driven by the suspension of the dividend by **Micro Focus**, which previously paid **nearly GBP2 billion** in 2019. It has since resumed its dividend to **GBP60 million** in 2021, a fraction of the previous amount. Other companies within the sector such as **Moneysupermarket**, **Sage**, and **Avast** that reduced their dividends in 2020 have surpassed their prepandemic levels of dividends. Despite the recovery in most companies, the moderate growth expected from **Micro Focus** is expected to keep the technology sector below its precrisis level until at least 2024.

Media remains below its prepandemic level after half of the companies elected to suspend dividends in 2020. The others chose to reduce their dividends, except **RELX**, which despite the disruption to the exhibitions business, provided a 3% increase in the dividend to **GBP0.47** in 2021. The largest contributors, **Informa** and **ITV**, are not expected to resume until 2022. **ITV Group** has agreed not to pay any dividend until 31 December 2021, when an amendment in the Revolving Credit Facility (RCF) is due to end. Although **Informa's** free cash flow and net debt position have since recovered, statutory revenues of first half 2021 are **GBP689 million**, and adjusted operating profit of **GBP69 million** is still below the prepandemic (FY 2019 level of **GBP933 million**); hence, we forecast their resumption for 2022.

Remaining risks from unannounced dividend in 2021

The year is not over, and 2021 could still have a few surprises in store. Indeed, some unannounced, risky dividends are expected in second half 2021. Furthermore, the recent announcement of a dividend tax hike of 1.25% could also see companies push payments to fall before the new tax year begins in April 2022.

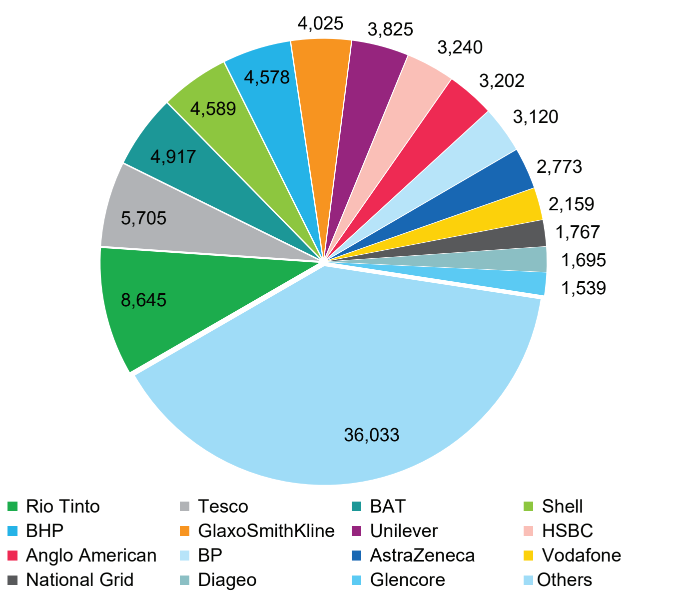
Top 15 unannounced dividends for 2021e
GBP million

Company	Sector	Unannounced aggregate	Unannounced annualized DPS	Type	CCY	Next DPS	Next ex-date	Y/Y change
Ferrexpo	Basic Resources	169	0.29	Special	USD	0.3960	23-Sep-21	Decrease
Kingfisher	Retail	72	0.03	INT FY 2022	GBP	0.0339	7-Oct-21	Growth
Tesco	Retail	257	0.03	INT FY 2022	GBP	0.0332	14-Oct-21	Decrease
Ferguson	Industrial Goods & Services	298	1.34	FIN FY 2021	USD	1.8510	21-Oct-21	Decrease
Smiths Group	Industrial Goods & Services	103	0.26	FIN FY 2021	GBP	0.2600	21-Oct-21	Growth
Unilever	Personal & Household Goods	951	0.37	Q3 FY 2021	EUR	0.4268	4-Nov-21	Growth
BP	Oil & Gas	796	0.04	Q3 FY 2021	USD	0.0546	11-Nov-21	Growth
Royal Dutch Shell	Oil & Gas	1,351	0.35	Q3 FY 2021	USD	0.2400	11-Nov-21	Growth
Airtel Africa	Telecommunications	44	0.01	INT FY 2022	USD	0.0160	11-Nov-21	Growth
Travis Perkins	Industrial Goods & Services	79	0.35	Special	GBP	0.3500	11-Nov-21	-
Sainsbury	Retail	74	0.03	INT FY 2022	GBP	0.0318	18-Nov-21	Maintained
DCC	Industrial Goods & Services	54	0.55	INT FY 2022	GBP	0.5507	18-Nov-21	Growth
Evraz	Basic Resources	423	0.29	3rd INT FY 2021	USD	0.4000	25-Nov-21	-
Imperial Brands	Personal & Household Goods	468	0.49	3rd INT FY 2021	GBP	0.4940	25-Nov-21	Growth

Source: IHS Markit

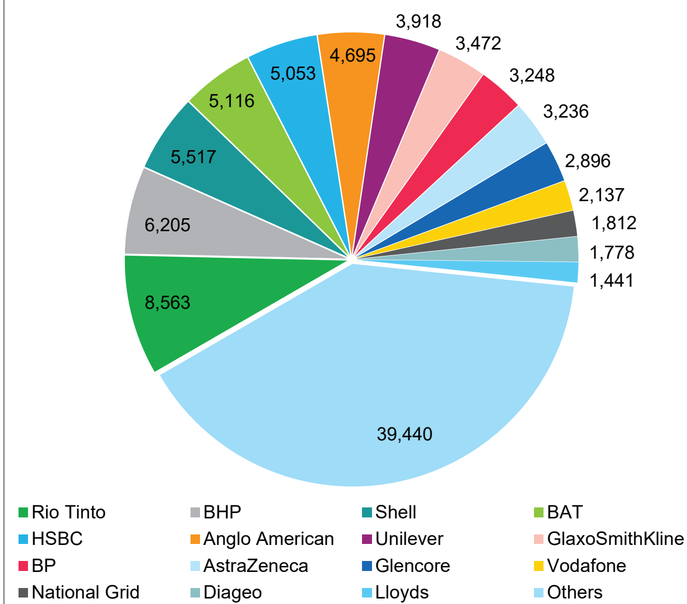
Leading companies on dividend distributions from 2021 onwards

Top 15 dividend payers in 2021e



Note: Includes one-offs.
Source: IHS Markit

Top 15 dividend payers in 2022e



Note: Includes one-offs.
Source: IHS Markit

Top 25 highest dividend yield

Aggregate GBP million, including one-offs

Company	Sector	2021e	2022e	2023e	Sustainability score	12-month fwd. yield
Ferrexpo	Basic Resources	620	845	451	HIGH	37.7%
Evraz	Basic Resources	1,522	1,376	1,376	HIGH	20.6%
BHP	Basic Resources	4,578	6,205	4,596	HIGH	12.9%
Rio Tinto	Basic Resources	8,645	8,563	6,925	HIGH	12.7%
Diversified Energy	Oil & Gas	93	112	119	MEDIUM	11.3%
Anglo American	Basic Resources	3,202	4,695	2,545	HIGH	11.2%
NewRiver REIT Plc	Real Estate	9	26	30	MEDIUM	10.8%
Regional REIT	Real Estate	28	36	37	LOW	9.5%
Imperial Brands	Personal & Household Goods	1,321	1,368	1,409	MEDIUM	9.4%
Kier	Construction & Materials	34	51	51	HIGH	8.9%
M&G	Financial Services	477	474	474	MEDIUM	8.7%
BAT	Personal & Household Goods	4,917	5,116	5,375	MEDIUM	8.2%
Persimmon	Personal & Household Goods	750	750	750	MEDIUM	8.1%
Phoenix	Insurance	482	482	500	HIGH	7.7%
AEW UK REIT	Real Estate	13	13	6	LOW	7.6%
Real Estate Credit Investments	Financial Services	28	28	21	MEDIUM	7.6%
Chesnara	Insurance	33	34	35	LOW	7.5%
DWF	Industrial Goods & Services	15	18	20	HIGH	7.2%
Antofagasta	Basic Resources	514	1,033	973	HIGH	7.1%
Direct Line	Insurance	301	297	297	HIGH	7.1%
Legal & General	Insurance	1,064	1,142	1,226	MEDIUM	7.1%
ContourGlobal	Utilities	83	91	100	MEDIUM	7.0%
Melrose Industries	Industrial Goods & Services	802	531	194	HIGH	6.9%
Polymetal	Basic Resources	458	591	591	HIGH	6.8%
Hays	Industrial Goods & Services	170	87	48	MEDIUM	6.7%

Source: IHS Markit

IHS Markit Dividend Support

Please contact our Dividend Forecasting team if you require any further information:

Europe, Middle East, and Africa: +44 (0) 20 7562 6666
Americas: +1 212 931 4949
Asia Pacific: +656 805 7030
Email: dividendsupport@ihsmarkit.com

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