



Dividend Forecasting Bi-weekly Brief

27th September 2022

APAC what to watch

ASX 200: Flat dividends expected in Q3 for major banks along with stable performance

In November, all eyes will again turn to the earnings season for Australian banks. Based on the Q3 FY2022 trading updates, we expect the banks to maintain a steady payout trend in short term and flat amounts compared with the interim dividends. For NAB, WBC and ANZ, we are expecting them to pay AUD 0.73, AUD 0.61 and AUD 0.72 per share for the upcoming dividends. Banks have disclosed different amount of financial information in the Q3 trading updates. NAB's cash earning increased by 2% as compared with the quarterly average of 1H FY2022; ANZ's revenue up by 5% on the same basis; WBC did not disclose any figures. However, the bank indicated its CET1 ratio slid from 11.33% previously to 10.75%, weighing on the potentials to increase dividends.

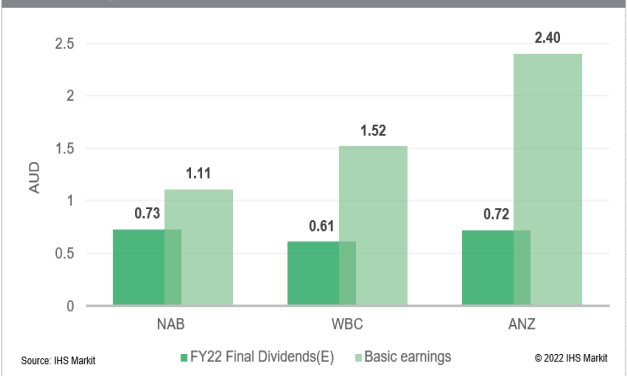
CSI 300: Muted performance for steel industry with dividend cut expected in FY22

Outlook for China's steel demand and prices remains muted this year owing to the slowed economic growth and struggling real estate sector, affecting the prospects of company such as Baoshan Iron & Steel Co. The company's 1H FY2022 profit plunged by around 48% on year-on-year basis, primarily due to the softened steel prices and high raw material costs. The company almost halved its 1H FY2022 interim dividend. Going forward, we expect the company to continue to pay a dividend less than last year.

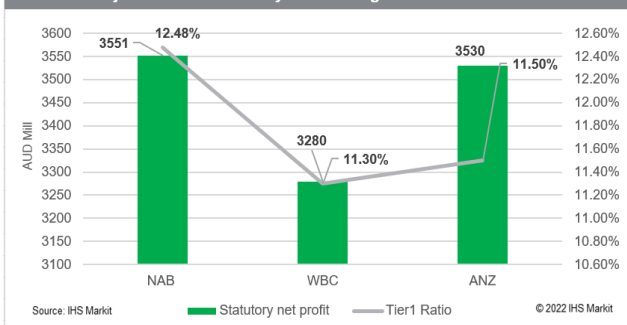
Nikkei 225: Dividends outlook on risk as Toshiba restructuring plans throw into questions

The fate of Toshiba takes a twist as Japan Industrial Partners (JIP) calls for a coalition of Japanese companies to join the battle for the buyout of once the consumer electronics icon of Japan against foreign contenders. Regardless of who emerges as the winner, dividend behavior of Toshiba will likely change significantly. Current activist hedge fund owners had been exerting immense pressure on Toshiba for shareholder returns, which has manifested as a form of special dividend that can be as much as or more than the ordinary 30% payout ratio portion. JIP, if victorious, will likely not be so much engrossed with short-term cashing out through dividend. Other contenders like CVC Capital Partners have plans to privatize Toshiba.

Australia major banks dividend and EPS outlook



Australia major banks 1HFY22 key financial figures



APAC special reports



Forecast dividend yield strategy outperforms - Hong Kong SAR

Focusing on one of the most active dividend paying markets Hong Kong SAR, we test two forecast dividend factors (HFDY&HFDG) using the S&P Global Market Intelligence estimates and compare their performances.

[Read More](#)



Top Attractive Dividend Stocks in Asia Pacific

We regularly review our core-coverage stocks and short listed the top 15-20 stocks that are expected to continue demonstrating progressive dividend growth in a financially sustainable manner.

[Read More](#)

Any questions?

Learn more about our products today.

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

Asia Pacific: +656 805 7030

Email: dividendsupport@ihsmarkit.com