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Emerging market dividend outlook

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About us

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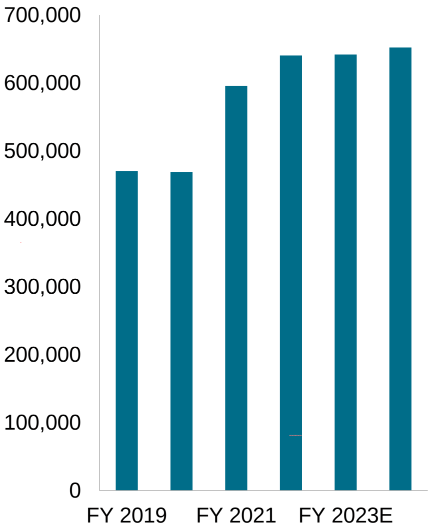
Key takeaways

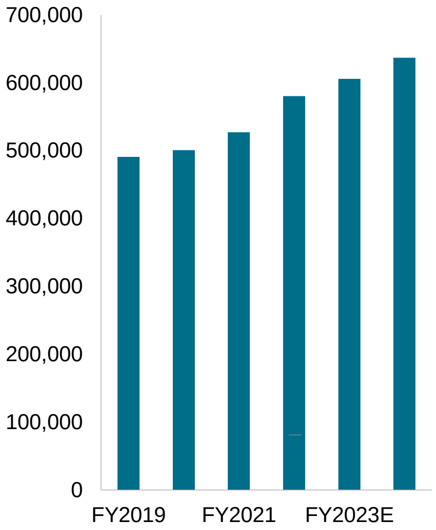
- Despite the gradual recovery of the economy, we anticipate a slower growth in aggregate dividend within MSCI Emerging Markets (EM) index with a 1.07% year-over-year increase projected for fiscal year 2023, amounted to US$619 billion. The annual dividend growth will accelerate to 2.86% in fiscal year 2024, but remains significantly lower than double-digit rate of the recent past years.
- Energy and banking sectors, the largest two payers of the index, are expected to grow slower in aggregate dividends for fiscal year 2023 and fiscal year 2024. Mainland China banks are impacted by the decreasing loan prime rate while India and Saudi Arabia banks are projected with double-digit increase, benefited from the surging capitalization and boosted economic activities.
- Technology sector is expected to maintain flat dividend payout in 2024 amid the decelerated semiconductor demands while automobile sector is projected with continued robust growth driven by increasing EV demands and export from mainland China giant participants.
- Retail, travel &leisure and healthcare sectors are expected to lead the list with double-digit growth, owning to the resumption of business activities. Real estate, basic resource, chemicals are expected to log double-digit contraction amid softened metal prices and muted consumer demands.

MSCI EAFE aggregate dividend trend (US$, million)



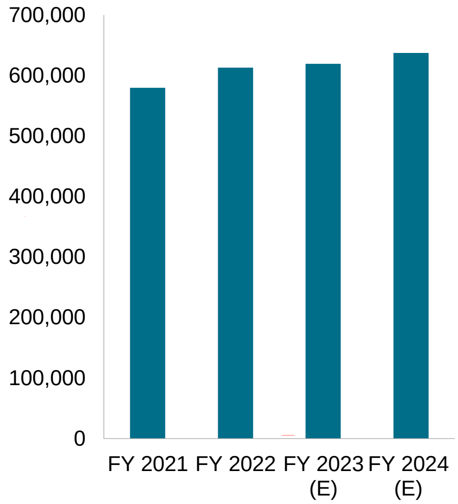
Data compiled Dec. 15, 2023.
Source: S&P Global Market Intelligence.

S&P 500 aggregate dividend trend (US$, million)



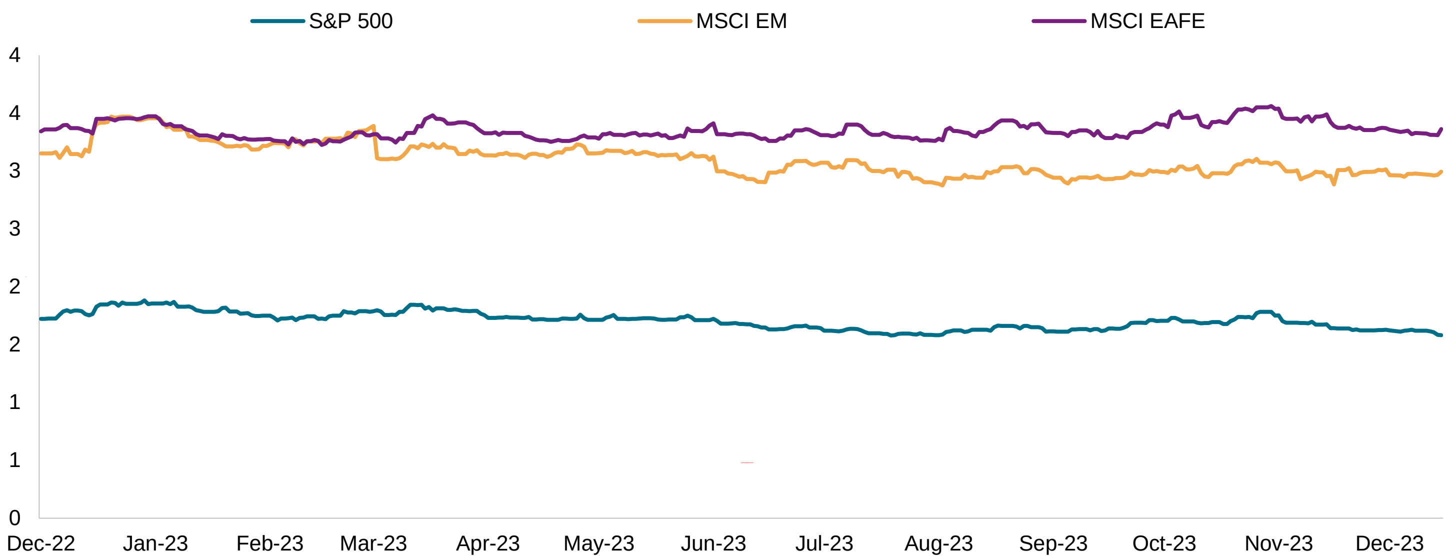
Data compiled Dec. 15, 2023.
Source: S&P Global Market Intelligence.

MSCI EM aggregate dividend trend (US$, million)



Data compiled Dec. 11, 2023.
EM = emerging markets
Source: S&P Global Market Intelligence/MSCI Inc.

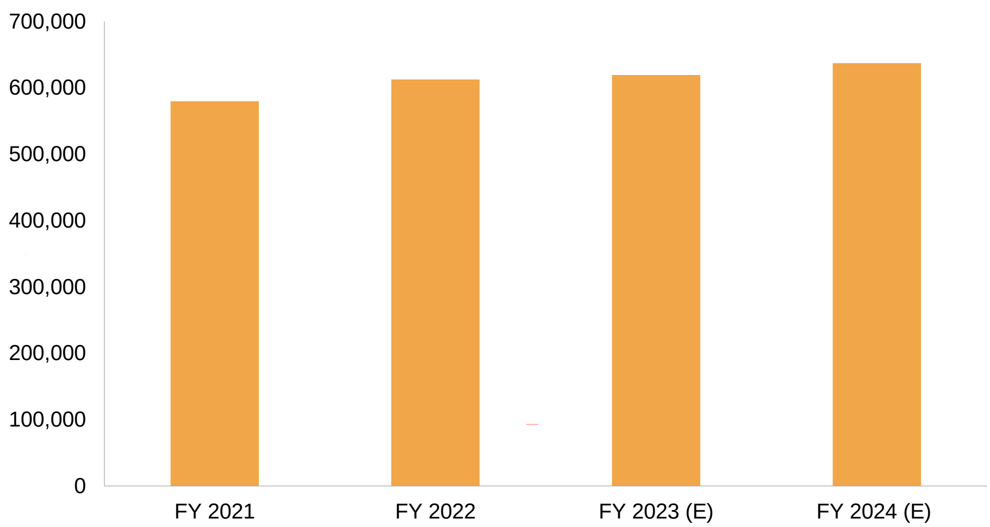
S&P 500, MSCI EM and MSCI EAFE forward yield comparison



Data compiled Dec. 15, 2023.
Source: S&P Global Market Intelligence.

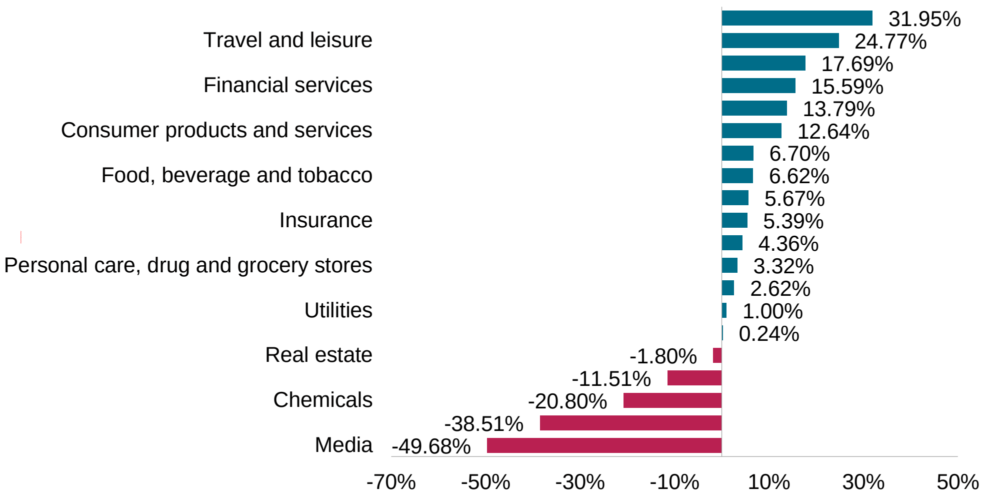
Fiscal year 2023: Slower growth expected for MSCI EM dividend

MSCI EM aggregate dividend trend (US$, million)



Data compiled Dec. 11, 2023.
Source: S&P Global Market Intelligence; MSCI Inc.

MSCI EM aggregate dividend sector trends in 2024

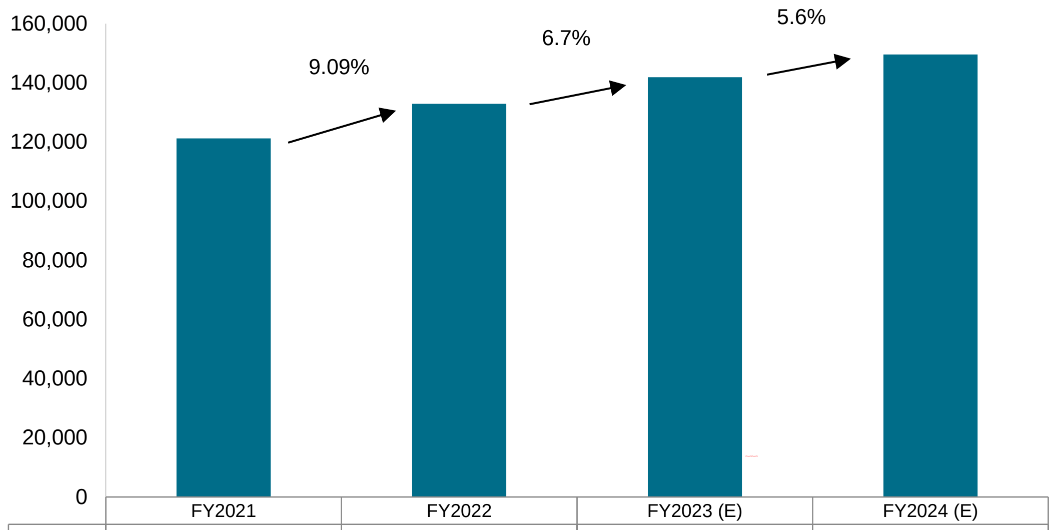


Data compiled Dec. 13, 2023.
Source: S&P Global Market Intelligence.

The year 2023 was significant for many emerging market participants. Despite turbulence in the form of interest rate hikes, inflation and geopolitical tensions, major MSCI EM countries strived to maintain a stable GDP growth. The International Monetary Fund raised the GDP growth projection to 6.3% for India in October, an increase from an earlier projection of 6.1%. This was mainly attributed to the increased consumption, infrastructure spending and surging business activities. Amid the drop of pandemic controls and domestic rebound, the IMF also revised up the GDP growth projection for mainland China to 5.4% from 5% earlier. However, the subdued property sector and export demand remains thorny issues to the economy rebound. This was also reflected in the aggregate dividend projections for the emerging market. We project a slower growth rate of a 1.07% year-over-year increase for the aggregate dividend of MSCI EM index, amounting to US$619.383 billion in fiscal year 2023. Along with the further rebound of the economic environment, we project a 2.86% year-over-year surge for the aggregate dividend in fiscal year 2024, amounted to US$637.132 billion.

Banking

MSCI EM banking sector aggregate dividend trend (US$, million)

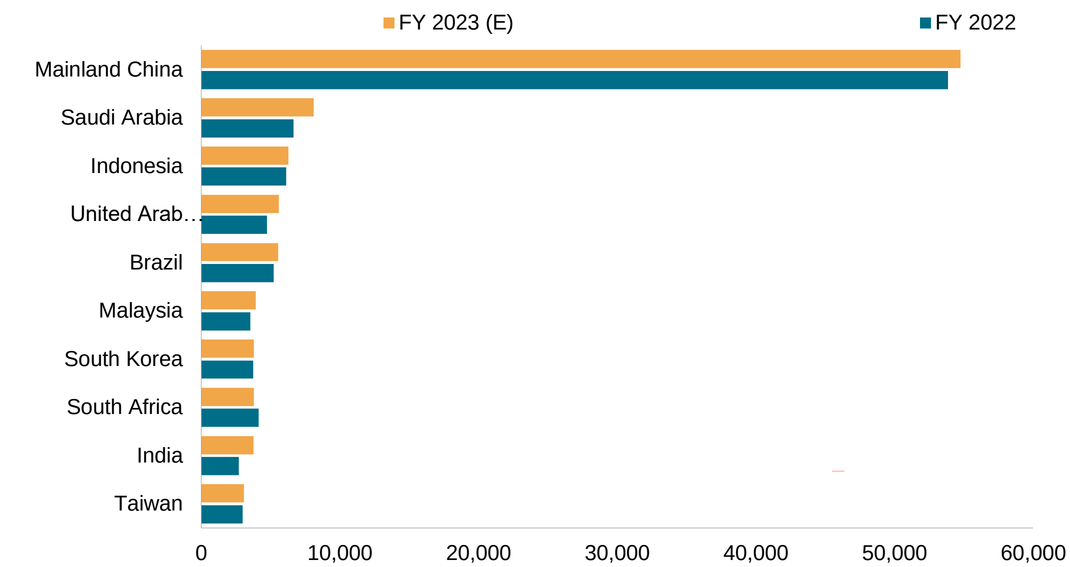


	FY2021	FY2022	FY2023 (E)	FY2024 (E)
series 1	121271	132963	141876	149633

S&P MI DF project a slower growth trend for aggregate dividend of banking sector outlook for fiscal year 2023 and fiscal year 2024

Data compiled Dec. 11, 2023.
Source: S&P Global Market Intelligence/MSCI Inc.

MSCI EM banks' top aggregate dividend contributor by market (US$,million)



Mainland China banks lead the aggregate dividend contributor list with a 2% year-over-year surge expected for next year

Saudi Arabia and India banks are projected to achieve double-digit growth owning to the high interest rate environment and the boosted economic activities.

Data compiled Dec. 13, 2023.
Source: S&P Global Market Intelligence/MSCI Inc.

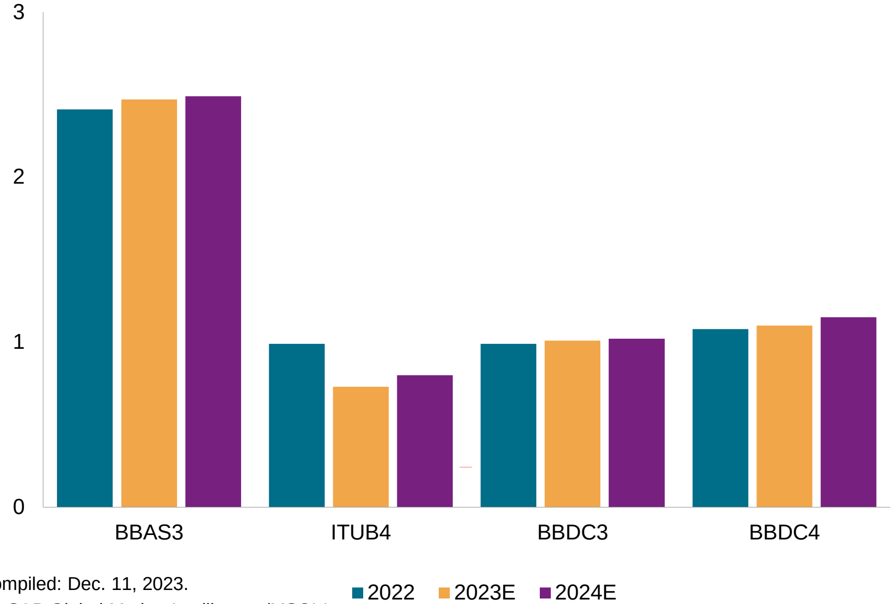
Brazil

Marked by an unstable economic environment, Brazilian banks could suffer as recession remains high globally, along with uncertainty regarding the timing and extent of the central bank's tightening policies. The country's major risks include its political gridlock, which could bring down business sentiment and exacerbate inflationary pressures, as well as high level of indebtedness and increasing debt servicing costs.

Brazil's state-owned banks, which own approximately 40% of the sector's total assets, have displayed higher levels of credit growth, suggesting a weaker credit risk profile when compared to the rest of the sector. Having accumulated significant credit risk, given past lending strategies led by the government's policy of providing countercyclical credit stimulus to the economy, Banco Do Brasil tight structural liquidity has led to the bank's deep reliance on wholesale funding, a factor that could negatively impact the company's dividend growth potential going forward.

ITAU Unibanco and Banco Bradesco, two of the largest private-sector banks in Latin America, play a major role as Brazilian funding agents, with a special focus in corporate credit and retail lending. Having a well-diversified loan portfolio, ITUB4 has also displayed adequate levels of capitalization, with its tier 1 ratio increasing 8.9% year-over-year and its revenue expected to increase by 6.8% for fiscal year 2024. From a dividend standpoint, the company's projected earnings can cover dividends 3.55 times, all while replenishing its capital through retained earnings given its return on average assets ratio (ROAA) reached a high of 1.5% over the last year. Banco Bradesco has demonstrated high levels of profitability because of higher financial margins, with its return on assets (ROA) reaching 0.93%, a strong indicator to support capital rebuilding if needed. Not only has the bank's structural liquidity position improved since 2016, but, in the event of a crisis, expectations are that the government would provide support given the bank's funding diversification, easing pressure and facilitating the bank's dividend paying capability.

Brazilian banks: FY 2022–24 aggregate payout (US$, billion)



Data compiled: Dec. 11, 2023.
Source: S&P Global Market Intelligence/MSCI Inc.

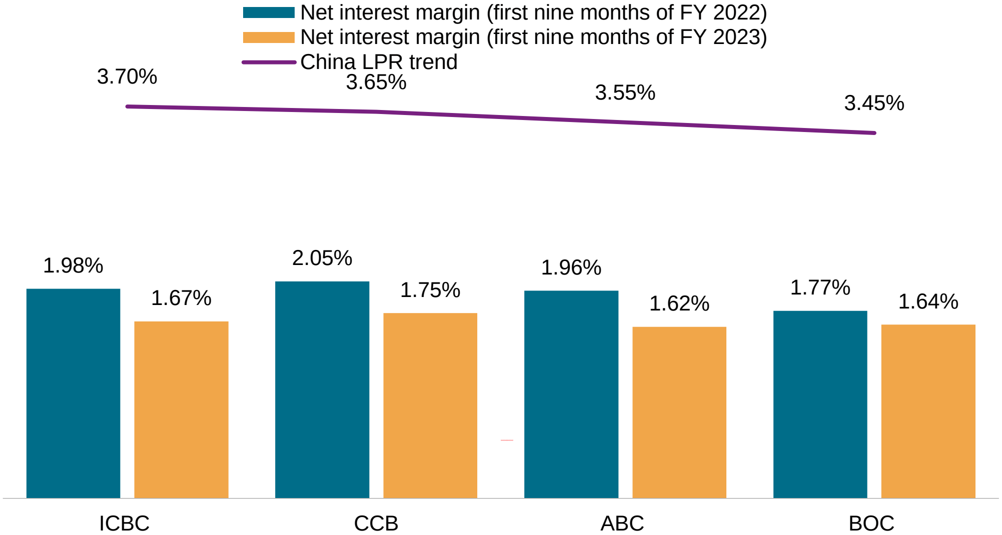
Saudi Arabia

The Saudi banking sector, displaying robust capitalization and resilient earnings capacity across economic cycles, has seen a complete recovery to pre-pandemic ROA levels, recording 1.7%. Despite substantial credit growth, capital levels have remained strong. We anticipate Al Rajhi Bank's return to pre-pandemic dividend payouts. The bank had adopted a singular dividend approach since the COVID-19 period, distributed an interim dividend of 1.15 riyals in August. We expect the bank to pay an additional final dividend of 0.7 riyal in April, constituting a 48% increase in fiscal year 2023 dividends. We exercise caution in forecasting the resumption of semi-annual payments, keeping the payout ratio below pre-pandemic levels.

Mainland China

The mainland Chinese market with its "big four" banks has been the largest dividend contributor of the emerging markets banking sector since its existence. Latest economic data shows that China's gross domestic product grew 4.9% year over year in third quarter 2023, beating market expectations as the government stepped up support for the world's second-biggest economy. To achieve the 5% year over year GDP growth target, the Chinese government introduced a series of plans this year to support the gloomy real estate sector which accounts for a quarter of China's GDP. One of the major measures is to encourage Chinese banks to lower the loan prime rate (LPR) to stimulate the weak housing demands. The outcome of the policy was reflected in the major banks' latest financial reports. According to the banks' nine-month reports of this year, three out of four major banks including China Construction Bank, Industrial and Commercial Bank of China and Agricultural Bank of China all reported single-digit decline in operating income. The muted performance was mainly due to a 3% to 4% decrease in net interest income, resulting from the lower LPR rate. Contrary to the net interest income performance, both deposit and loan book increased by double digits, ranging from 11% y/y to 15% year over year. As a result, all major four banks showed resiliency in net profit attributable to shareholders' equity, which only increased in the single digits. Taking all factors into consideration, despite the less-than-expected nine-month financial results, we expect major Chinese banks to maintain their normal pattern of resiliency in dividend payments for the upcoming earnings season in calendar year 2024. We forecast the single-digit decline in operating income will have limited impact to the major banks' final dividend declaration.

Mainland China big four banks first nine months of FY 2023 net interest margin comparison (%)



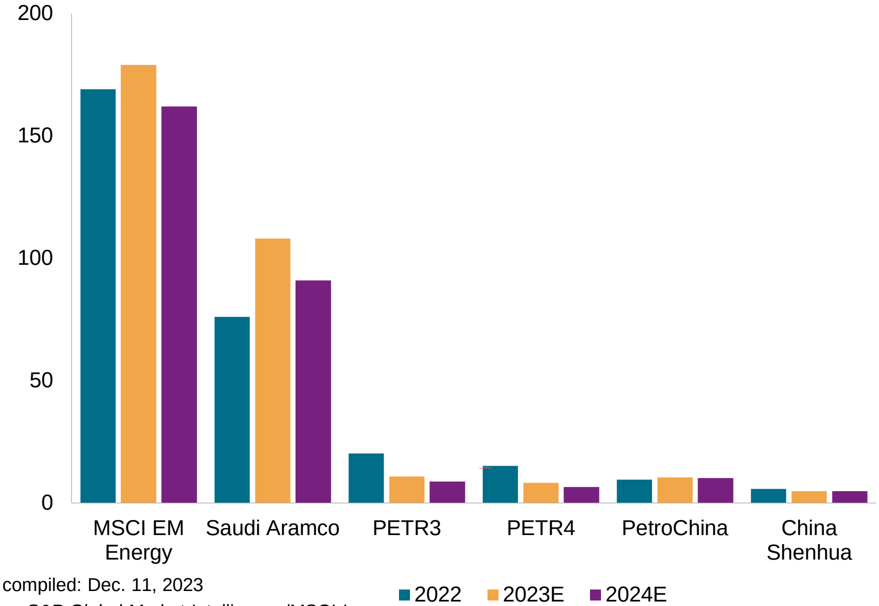
Data compiled: Dec. 11, 2023.

Source: S&P Global Market Intelligence/MSCI Inc.

Energy

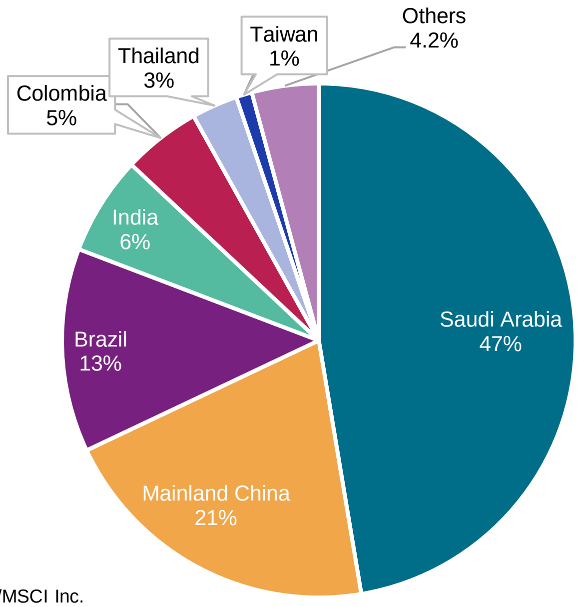
While the energy sector has been one of the largest dividend contributors to the emerging markets index, it has experienced headwinds, nonetheless. Rising long term interest rates, the Israel-Hamas war and mainland China's property and export downturns have all fueled volatility in energy prices, as well as potential supply and demand disruptions accompanied by economic uncertainties. Dividends to be paid out from energy companies of MSCI EM are expected to reach US$179 billion in fiscal year 2023, surpassing the banking sector as the biggest dividend payer in fiscal year 2023.

MSCI EM top five energy aggregate dividend payers (US$, billion)



Data compiled: Dec. 11, 2023
Source: S&P Global Market Intelligence/MSCI Inc.

MSCI EM energy sector aggregate dividend contributor by market



Data compiled Dec. 13, 2023.
Source: S&P Global Market Intelligence/MSCI Inc.

As the world's oil demand growth is expected to decelerate between 2023–25, North America leads the way for supply growth outside of OPEC+. In the Latin America region, Brazil will be the key driver, with oil giant **Petrobras** planning to expand the nation's oil production, aiming to become the fourth-largest global producer by 2030. That said, the company has shifted its focus to renewable energy, investing and aligning its shareholder distribution to the biggest international oil producers. As a result, it has curbed its dividend policy to 45% of quarterly free cash flow, down from the previous 60%, in addition to halting its upstream divestment program to focus on higher profit potential. Prior to its halt, the company's program allowed it to reduce its debt burden, allocate resources to exploration and production projects, as well as be responsible for US$20 billion of the country's upstream transactions for the last decade. With consensus earnings decreasing by 34% and net debt/EBITDA increasing by 27%, a 19% dividend decrease projection for fiscal year 2024 is expected.

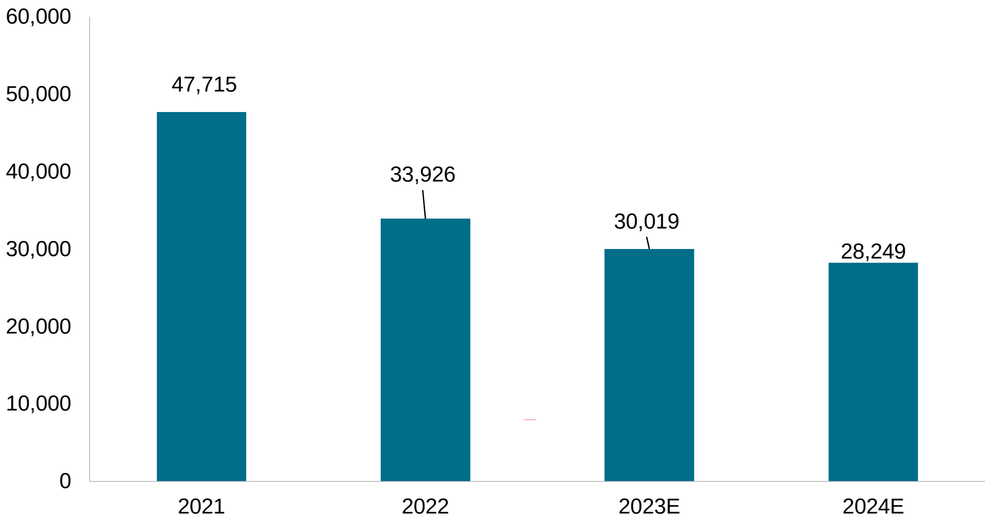
Among the highlights in the energy sector is the highest dividend payer in the world, **Saudi Aramco**, with an aggregate dividend of around US$75 billion paid in fiscal year 2022. With the introduction of its performance linked dividends in fiscal year 2023, their aggregate dividend is set to create new records. The company has always believed in increasing shareholder returns and have historically either maintained their dividends or have increased it. Aramco has already paid a staggering US$19.5 billion in ordinary dividends and US$9.9 billion bringing their aggregate dividends for fiscal year 2023 at around US$78.3 billion including the base and performance linked dividends. We expect another US$19.5 billion and US$9.9 billion as base and performance linked dividends respectively in Q4 of fiscal year 2023. The strategic expansion is also on track, marked by the approval of the initial international LNG investment and the intention to penetrate the South American market through the acquisition of downstream retail operations.

For energy participants in mainland China market, despite the fluctuated international crude oil prices the overall supply and demand of crude oil is generally sufficient. International oil prices fluctuated with a downward trend during the first half this year and price rose rapidly in the third quarter**. Petro China,** the state-owned oil & gas giant reported 9.8% y/y increase for the net profit attributes to shareholders' equity for its latest 9M results, amounted to 131.651 billion yuan. The domestic crude oil output from the group amounted to 3513.7 billion cubic feet, represents an increase of 6.6% y/y. We expect a slight dividend increase (around 9% year over year) for the group with 50% payout ratio. **China Petroleum & Chemical**, another Chinese energy leading participant reported flat operating income with 7.5% y/y decline in net profit for its 9M results for fiscal year 2023. Domestic demand for refined oil products rebounded with apparent consumption up by 15.1% y/y, among which, gasoline, diesel and Kerosene consumption increased by 20.4%, 4.3% and 68.6% respectively. We expect the similar dividend increase (9% year over year) for company's fiscal year 2023 dividend payments. **Shenhua Energy,** mainly due to the slump in coal prices and increasing production cost, the new joiner of Hang Seng Index reported 16.4% y/y decline in net profit for its 9M results**.** We project modest 16% y/y dividend cut for the company's final dividend based on the muted earnings thus far.

Basic resource

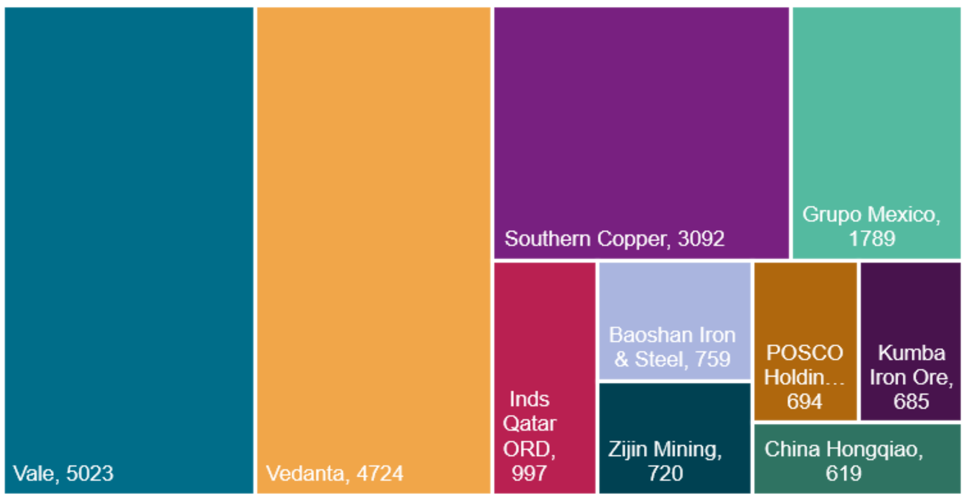
Though expectations for the Global Ferrous market were to finish 2023 in a lackluster manner, a price rebound in October and November proved the contrary. With Government stimulus measures supporting infrastructure, sentiment on the Chinese Steel market was boosted with iron ore prices hitting a peak for the year. In the United States and Europe, steel production cuts also contributed to a jump in hot-rolled coil prices, and, with macroeconomic factors likely present for the first part of 2024, there is still room for demand improvement.

MSCI EM basic resource aggregate dividend trend (US$, million)



Data compiled Dec. 19, 2023.
Source: S&P Global Market Intelligence; MSCI Inc.

MSCI EM top 10 basic resource aggregate dividend contributors (US$, million)

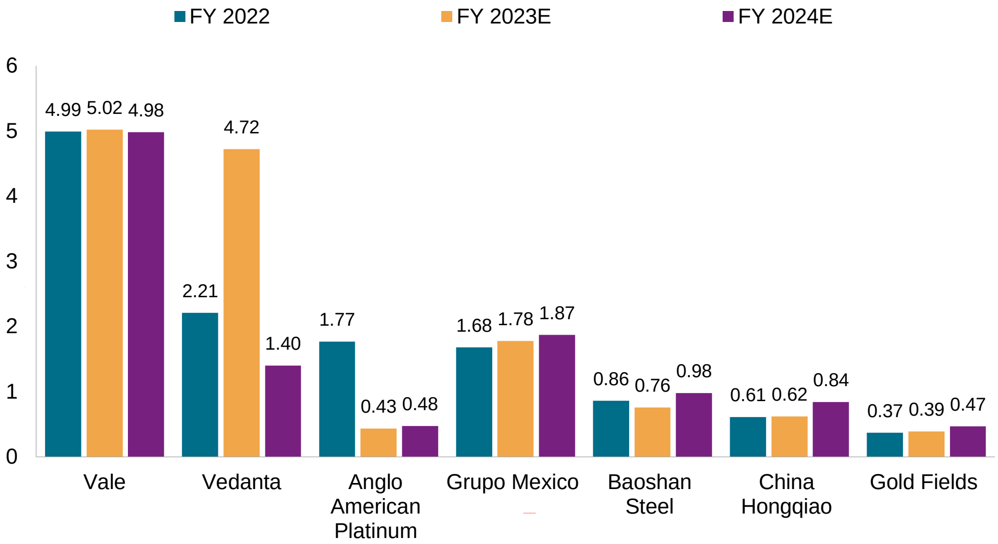


Data compiled Dec. 14, 2023.
Source: S&P Global Market Intelligence.

Chinese finished steel exports continue to climb due to a more favorable exchange rate and higher overall steel production, yet the situation differs for other regions. In Brazil, iron ore major **VALE** witnessed a small drop in exports to 25.2 million metric tons in October, as well as a 4% drop in production when compared to the same period last year. With an expected decrease in earnings of 48% for fiscal year 2023, expectations are for the company to distribute a final dividend of 1.45 reais, a 38% reduction quarter over quarter. Going forward, our outlook for fiscal year 2024 annual dividend growth is optimistic given increase in consensus free cash flow and a significant hike in mine site budgets, which led VALE to expand its exploration budget to US$320 million and positioned the company as the world's third-largest explorer in 2023.

Vedanta, the largest natural resource company in India has committed US$1.7 billion in fiscal year 2024 toward growth projects relating to expanding aluminum and zinc capacities and oil and gas operations diversifying its reserves and resources. Net debt as of Sept. 30 2023, stood at 577.710 billion rupees and net debt/EBITDA stood at 1.64x. **This could lead to a decrease in dividend payouts for fiscal year 2024 compared to fiscal year 2023.** Additionally, Vedanta has no definitive trend of maintaining dividend payout ratios. The range has fluctuated from 30%-358% over the past six fiscal years. Company has not paid final dividend since FY2016 and we project the same for the company's final dividend with medium confidence rank.

Basic resource key players aggregate dividend outlook (US$, billion)



Data compiled Dec. 13, 2023.
Source: S&P Global Market Intelligence.

In Chile, Brine-based lithium producer **Sociedad Quimica Y Minera de Chile (SQMB.SN)** has benefitted from falling lithium prices, creating an opportunity for well-heeled majors to snap up smaller companies. Totaling $990.7 million, SQMB's takeover bid for Azure Minerals Ltd in August represents the second largest lithium company deal in 2023. Additionally, while the company has reviewed its capital allocation priorities due to lower demand, it is seeking to build inventory when normal levels are achieved, and customer purchases are reactivated. That said, while S&P Global Commodity Insights expects global lithium supplies to fall into deficit by 2027 as demand more than doubles from 2023 estimates, Sociedad Quimica Y Minera de Chile's dividends will not be negatively affected as it continues managing its leverage and dividend cover.

Grupo Mexico (GMEXICOB.MX), one of the world's leading copper producers, continues benefitting from its business diversification, which also includes transportation and infrastructure projects. While the cyclicality of the mining industry and volatile copper prices pose as potential threats for the company, strong revenue growth and increased production from the company's Buenavista and Pilares mines are projected to boost financial results, supporting our fiscal year 2024 dividend growth projection of 5.3%.

Despite the decline in production, **Anglo American Platinum** delivered solid financial results, with an EBITDA margin of 42%. This was due to strong cost control and a favorable metal price environment. They anticipate a persistent platinum deficit in the coming years, fueled by heightened demand in the automotive sector resulting from the gradual replacement of palladium in gasoline catalysts. Conversely, a surplus in palladium is projected, contingent on variables such as automotive production trends and the proportion of battery electric vehicles (BEVs) within that landscape. Rhodium is foreseen to maintain a modest surplus, assuming continued disposals from the fiberglass industry.

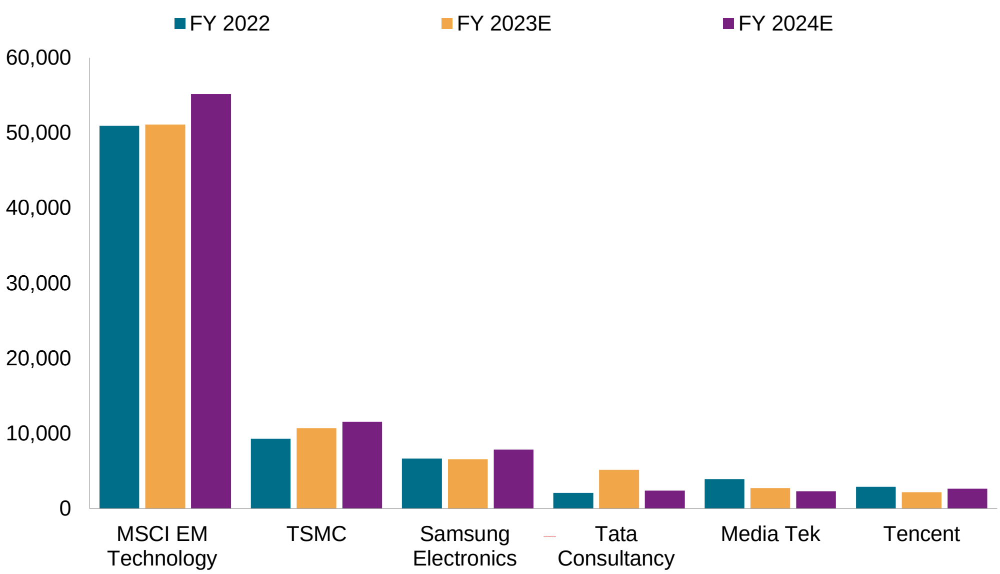
Gold Fields is projected to maintain its original production and cost estimates established in February 2023, adhering to both anticipated and guided exchange rates. The company is progressing toward realizing the production and cost targets outlined in the February 2023 guidance, factoring in both the initially provided rates and the current forecast exchange rates. In light of the operational results observed in first half 2023, adjustments to production guidance have been made at the level of individual mines, reflecting either positive or negative changes. Persistent high mining inflation rates have necessitated updates to cost guidance, also undertaken at the level of individual mines to accurately reflect the evolving operational landscape. We are projecting an equal year-over-year dividend per share increase in the final dividend at 8% as the announced interim dividend.

Mainland China's basic resource sector is expected to see a major contraction in aggregate dividend in 2024. The slowdown of the world economy has suppressed the demand for basic metals such as iron ore and aluminum, reflected in the softened prices of the metals. Major players therefore faced a double whammy from the lower revenues and higher production costs owing to the inflationary pressure. Companies such as **Baoshan Steel** and **China Hongqiao** are expected to cut the dividend further. Producers of EV metals have generated record-high profit over the past two years due to the strong demand. However, those players started to see normalization of prices this year owing to supply outpacing demand. Analysts predict lithium carbonate could fall by more than 30% by the end of this year. The slash of subsidies for EVs by Beijing has also played an important part in reducing the demand for EVs. Market data shows domestic EV car sales are forecast to grow 25% to 9.44 million units next year, slowing from annual growth of 31% and 89% in 2023 and 2022, respectively. The impacts are likely to trickle down to the companies' capability to pay high dividends going forward.

Technology

The technology sector ranks the third-largest aggregate dividend contributor within the MSCI EM index, coming after the energy and banking sector. It is represented by giant technology leading companies in Taiwan, South Korea and India. The sector experienced robust growth in 2020; however, demand started to decline since the spread of the pandemic and geopolitical tensions. According to the latest data released by the Semiconductor Industry Association (SIA), worldwide semiconductor sales reached US$44 billion in August 2023, a 6.8% decline when compared to the sales data last year. "Global sales were down again in August compared to last year, but the year-to-year decrease was smaller than at any point since October 2022, providing optimism for continued momentum in the months ahead," according to John Neuffer, SIA president and CEO. The softened semiconductor demand was also reflected in the aggregate dividend outlook for 2024. We expect overall flat dividend payouts from the technology sector, amounting to US$51.142 billion. We also expect a gradual rebound with a 7.87% year-over-year increase in aggregate dividend in 2025 amid the boost of AI related products and EV demands.

MSCI EM Technology key players' aggregate dividend outlook (US$, million)



Data compiled Dec. 14, 2023.
Source: S&P Global Market Intelligence.

Taiwan Semiconductor Manufacturing Company (TSMC), the leading dividend contributor within the sector, reported a 14.6% year-over-year decline for its latest first nine months of fiscal year 2023 results, mainly driven by a 24% year over year decline from the automotive business. According to CEO CC Wei, the automotive demand already entered the inventory adjustment mode in second half 2023, but the company still expects a recovery in 2024 because of technology innovation in the automobile industry. The company's smartphone and internet-of-things business reported 33% and 24% year-over-year increases in revenue, respectively. For fiscal year 2023, we project TSMC will pay quarterly dividend at NT$3.5 per share (yearly dividend of NT$14.0 per share). With this level of dividend payouts, the yield is secured at around 2.44%. With its strong technology leadership and differentiation (advanced technologies led by 5 and 7-

nanometers), the company is projected to experience slight growth in 2023 and this also aligns with the management's outlook for fourth quarter 2023 with around 11.1% sequential increase in earnings. Besides TSMC, most Taiwanese semiconductor firms are expected to see dividends drop next year, mostly due to a high base previously and very limited substantial demand recovery in second half 2023 under weaker-than-expected consumer sentiment. Namely, **Media Tek** (-28.7% year over year[1]), **ASE Technology Holding** (-46.6% year over year), and **United Microelectronics** (-13.9% year over year) are all projected to cut dividends modestly.

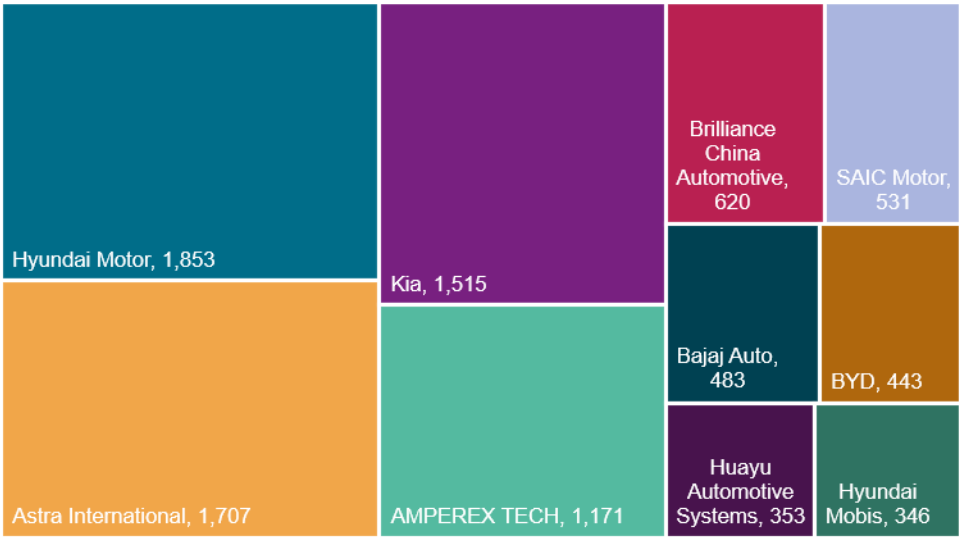
The aggregate dividend contributed by South Korean technology firms to be distributed in 2024 is expected to increase by US$1 billion, a 12.5% year-over-year climb. The majority of the growth comes from **Samsung Electronics,** as the company will be implementing a new three-year dividend plan for fiscal year 2024–26. The increment in basic quarterly distribution is under the assumption of progressive shareholder return and a buffer from electronic devices and home appliances. Otherwise, we expect companies to generally hold the payout flat through the unfavorable year as downstream demand for electronic devices and corporate investment in digital infrastructure remain low. **Tata Consultancy Service**, the largest information service company in India reported a 7.9% year-over-year increase for second quarter fiscal year 2024 revenue. The company experienced strong earnings growth and large order book in the second quarter. We project 9 rupees per share for the third interim dividend which translates to 42% of the payout ratio. Despite the double-digit increase in operating profit for **Tencent's** first half fiscal year 2023 results, we project final dividend to be HK$1.8 per share for the final dividend, a 25% year-over-year dividend cut with medium confidence rank. Payout ratio was around 10%-12% since fiscal year 2010 to fiscal year 2019 and decreased to 8.5% as the company's earnings surged by over 80% in fiscal year 2020. The ratio further decreased to 5.6% in fiscal year 2021 due to a historically high EPS of HKD 27.95. Our projection aligns with the company's normal patterns with a 10% payout ratio.

Automobile

It is quite interesting to observe the trajectory of automobile dividends, which is starkly different from other sectors such as banks and energy, where dividends experienced turbulence owing to geopolitical tensions and interest rate hikes. A silver lining exists for the automobile sector with robust growth projected until fiscal year 2024. According to S&P Global Mobility data, mainland China's light-vehicle market continued to expand in October 2023 with both the passenger vehicle market and the light commercial vehicle market witnessing sales gains. China's vehicle exports reached record levels in October with a 44.2% year-over-year surge. As of October 2023, total light-vehicle exports of automakers in mainland China jumped by 59.7% year-over-year to 3.922 million units and green energy vehicle exports hiked to 995 million units, and recorded a 99% year-over-year increase. Among the major participants, top-five vehicle exporters in October were SAIC Motor Group, Chery Auto, Geely Auto, Tesla and Great Wall Motor.

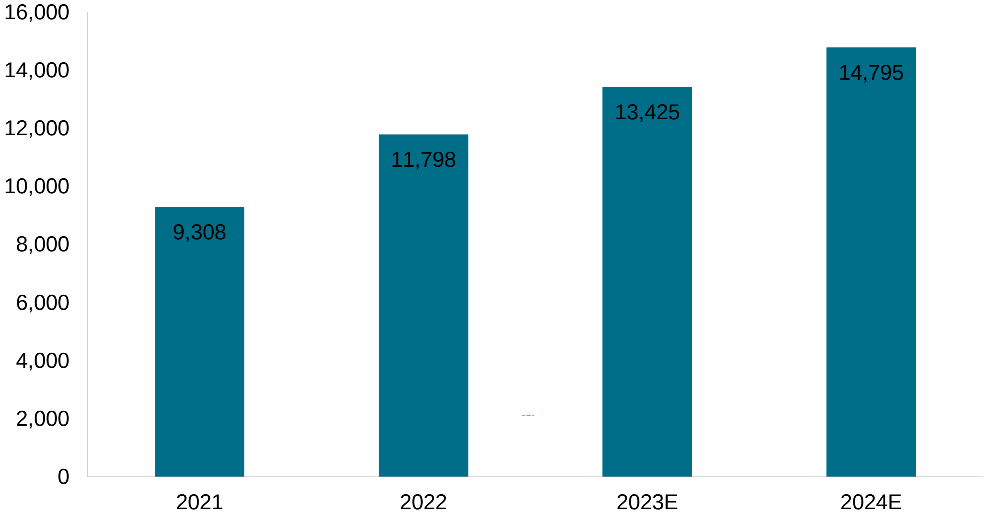
[1] See report.

MSCI EM top 10 automobile aggregate dividend contributors (US$, million)



Data compiled Dec. 14, 2023.
Source: S&P Global Market Intelligence.

MSCI EM automobile aggregate dividend trend (US$, million)



Data compiled Dec. 11, 2023.
Source: S&P Global Market Intelligence; MSCI Inc.

Survey — What is the forecast projection for key automobile players in 2024?

Market	Answer
Mainland China	This year, Great Wall Motor, Geely Automobile and SAIC Motor's lackluster results were not a surprise to investors, considering the weak pricing environment. Among mainland China's original equipment manufacturers, we forecast a full-year single- to double-digit expected decrease in dividends for fiscal year 2023, and our relative preferred pick remains BYD. BYD extended its lead position further under structural growth in EVs continued in the year of 2023, in line with the government's 2025 forecast target of 20% EV sales penetration. Back in fiscal year 2016, the company initiated an interim dividend payout after "having considered factors including the current satisfactory operation

	conditions and the performance of the company as well as its growth and continuing development," leading payout ratio to surge to almost 30%. In recent years, the company maintained a payout ratio at around 11% but raised to 20% in fiscal year 2022 and we forecast it to be similar for fiscal year 2023. —Ruiying Zhao
South Korea	A steep rise in dividends is forecast for South Korea's auto industry — Hyundai Motor and Kia, which are the second and third largest dividend payors in the South Korean market, are expected to boost dividends by 100% and 43%, respectively, led by strong performance. Both of their earnings are going to log record-high in 2023. Hyundai Mobis (auto-parts) and Hyundai Glovis (maritime transport) are benefitting from the strong sales of Hyundai Motor/Kia and we forecast their dividend to increase too, although not as robustly as Hyundai Motor/Kia. —Pedro Choi
Indonesia	For Astra International, we are projecting a forthcoming final dividend of 555 rupiah per share for the fiscal year 2023. Combining this payout with the interim dividend results in an annual payout ratio of approximately 86%. This projection aligns with the level maintained in the previous year. Earnings are forecast increase moderately. Notably, the group's consolidated net revenue for the initial nine months of 2023 amounted to 240.9 trillion rupiah, reflecting a commendable 9% surge compared to the corresponding period in the preceding year. This upturn in earnings is attributed to enhanced performances across various business divisions, with particular strength noted in the automotive and financial services sectors. Factoring in fair value adjustments on GoTo and Hermina, the group's net income registered a notable uptick, rising by 10% to 25.7 trillion rupiah in contrast to the first nine months of 2022. Going forward, we project the payout ratio to remain stable at a similar level in the future. —Tanisha Bhardwaj
India	Anticipating a significant boost in dividend payouts, leading automotive players are poised for impressive growth. Bajaj Auto is expected to achieve a remarkable 28.6% year-over-year increase in dividends, Maruti Suzuki with 33.33% year over year, Hero Motocorp at 24% year over year, and Mahindra & Mahindra projecting a notable 23.1% year-over-year uptick. This surge can be attributed to the industry's resurgence fueled by heightened disposable income among consumers. The challenges posed by the chip shortage have improved, and companies have strategically capitalized on price hikes to their advantage and the festive season is expected to amplify the gains for these companies in the latter half of the fiscal year. Considering these favorable dynamics, we project a robust upswing in dividend payments for the fiscal year 2024. —Tusharika Aggarwal

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