

Presentation on:

# **European Higher Income strategy**

**Raj Shant & Fred Moore**

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# Newton European Higher Income Strategy Webcast



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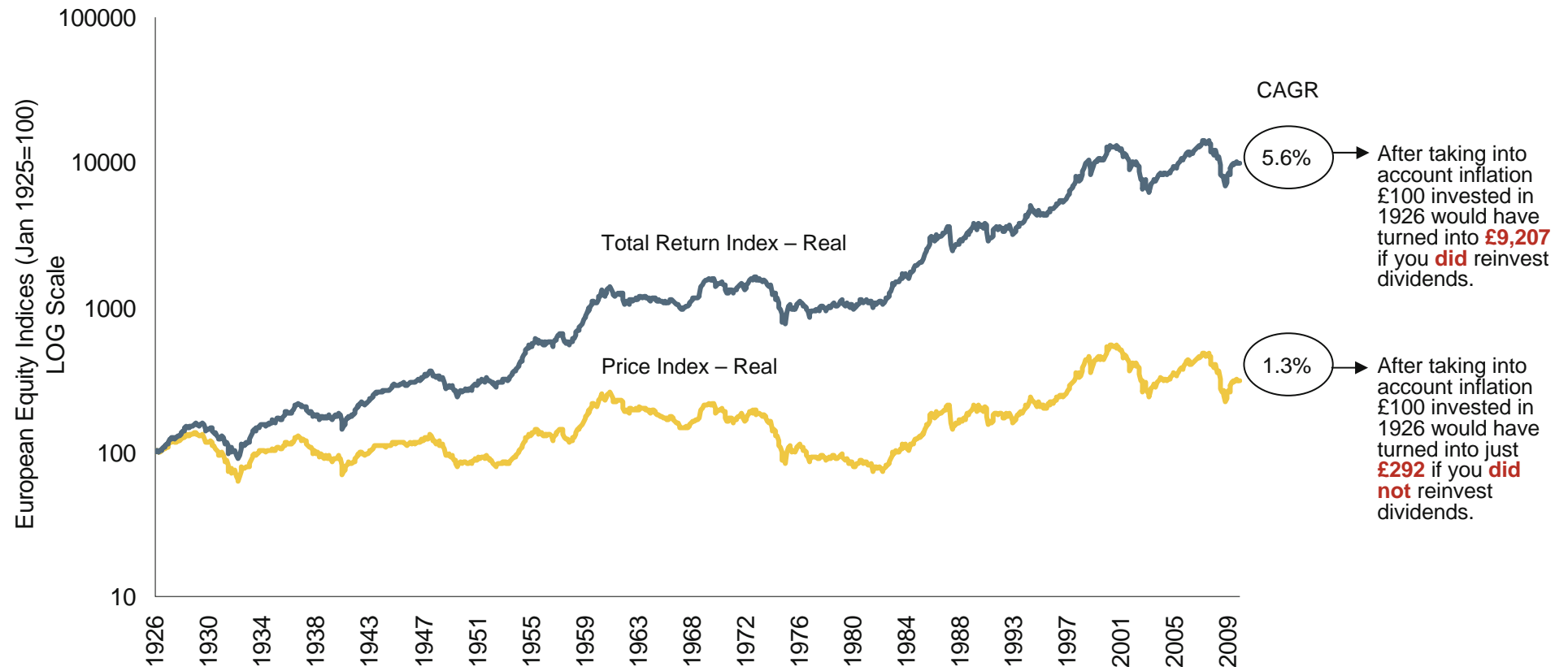


**Fred Moore**  
**Alternate Manager of Newton European Higher Income Strategy**

# Why income matters

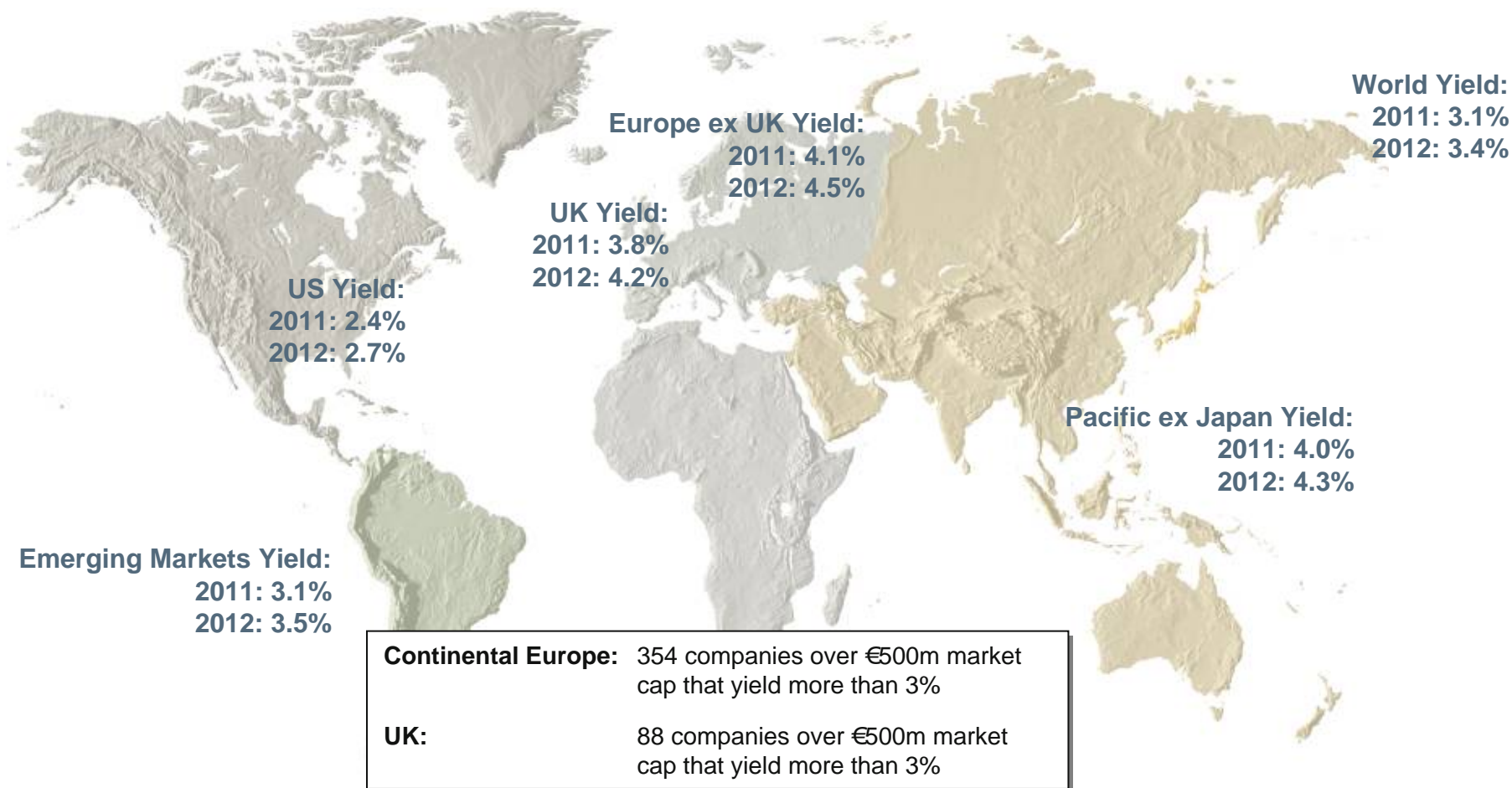


## In Europe in the long-run (reinvested) dividends boost equity returns by over 4% per annum



Source: Morgan Stanley

# Continental Europe: a leading source of income, a broad range of world class companies

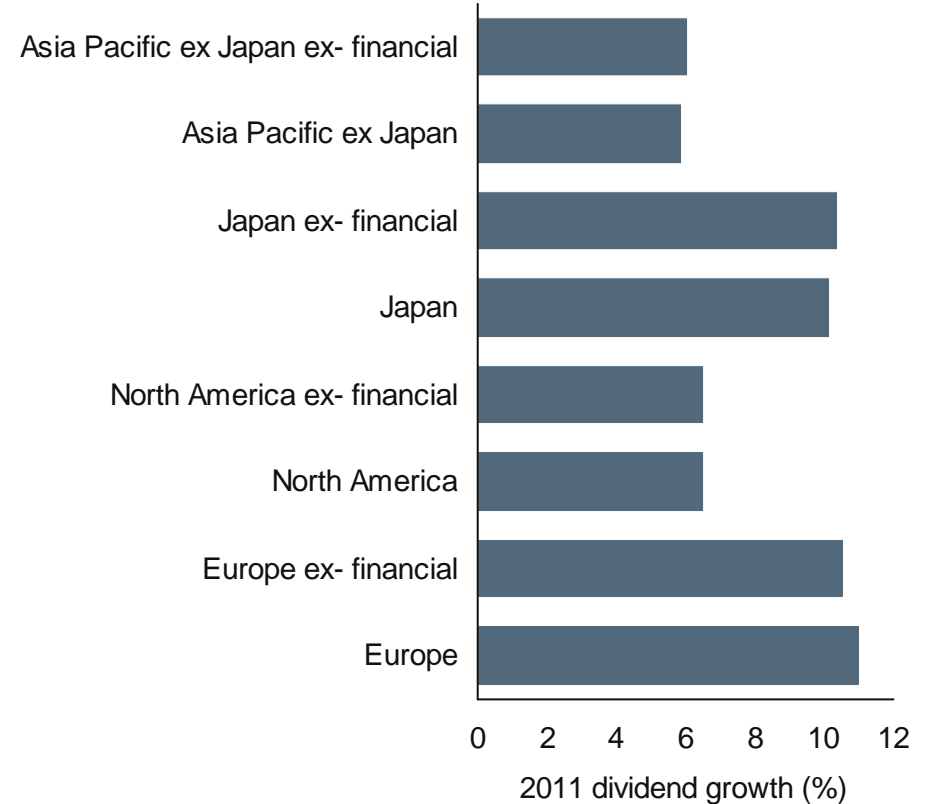
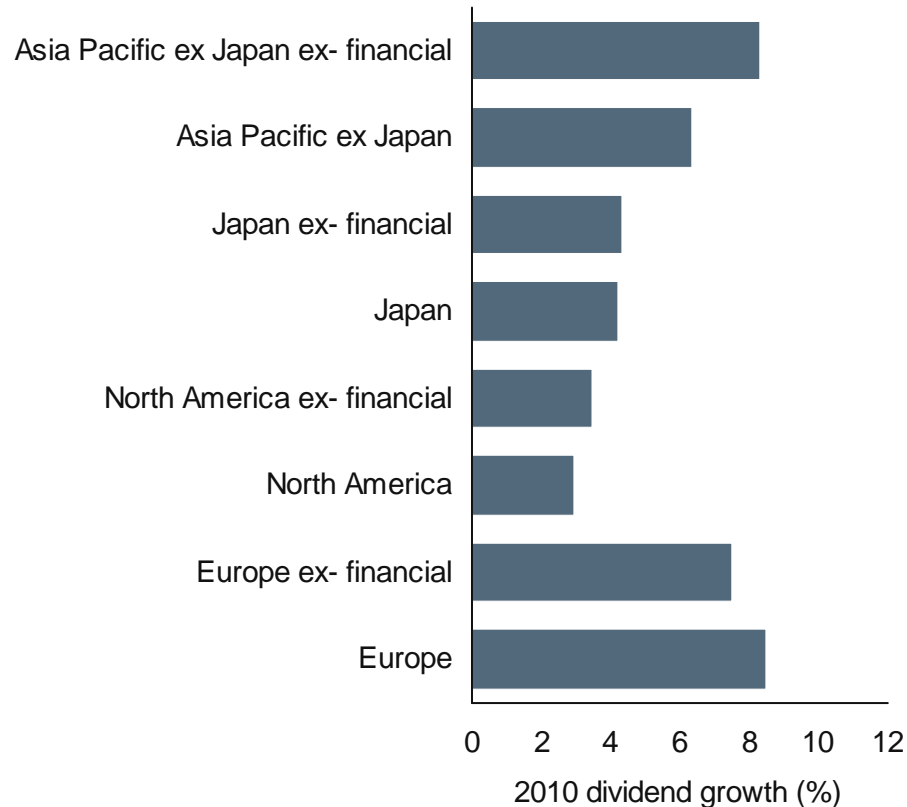


**Source:** Soc Gen and Datastream, as at 21 March 2011. Please see important information at the back of this presentation.

# Europe: the fastest grower when it comes to dividends



## European dividends projected to grow the fastest out of all regions...

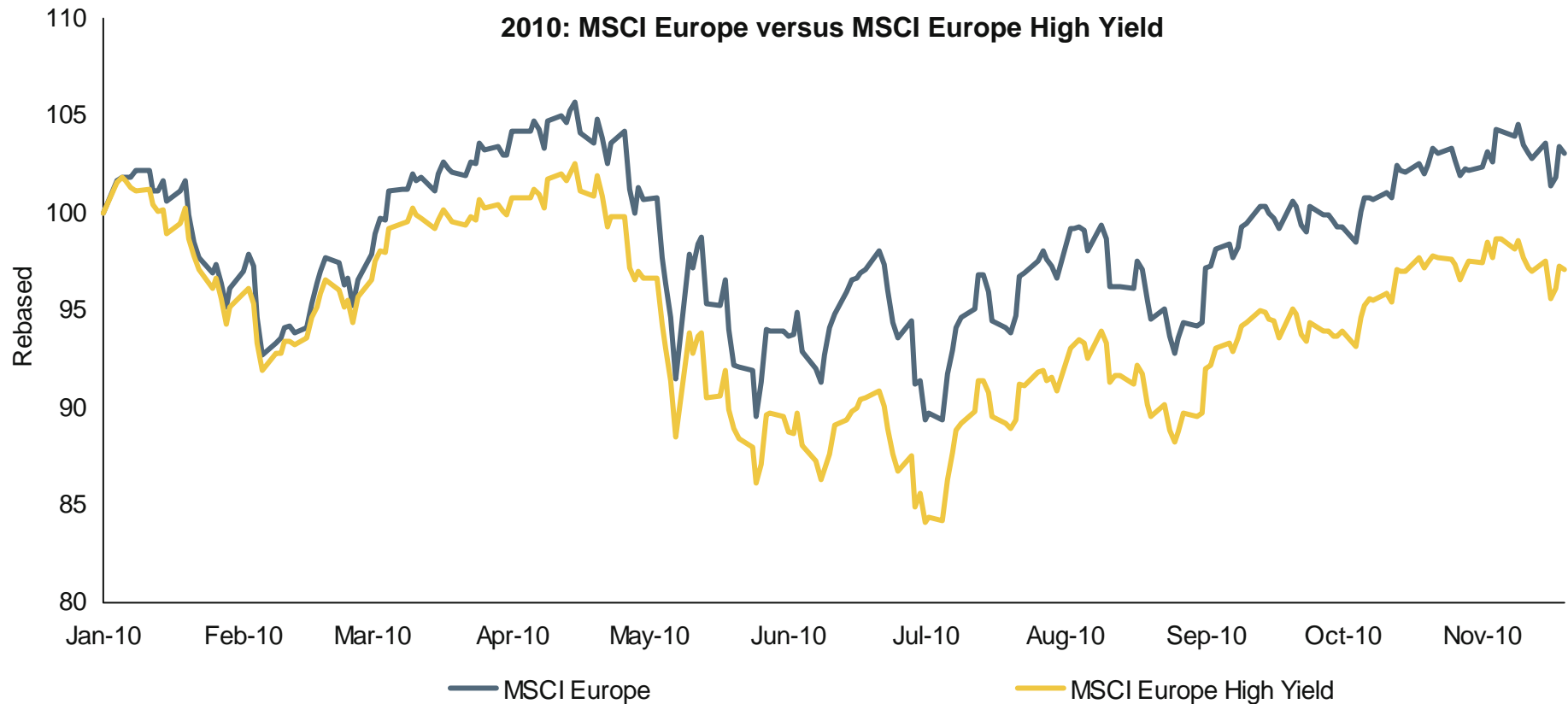


**Source:** Soc Gen 26/01/2011. Please see important information at the back of this presentation.

# 2010: High yield underperforms



## 2010 High yielders underperformed...

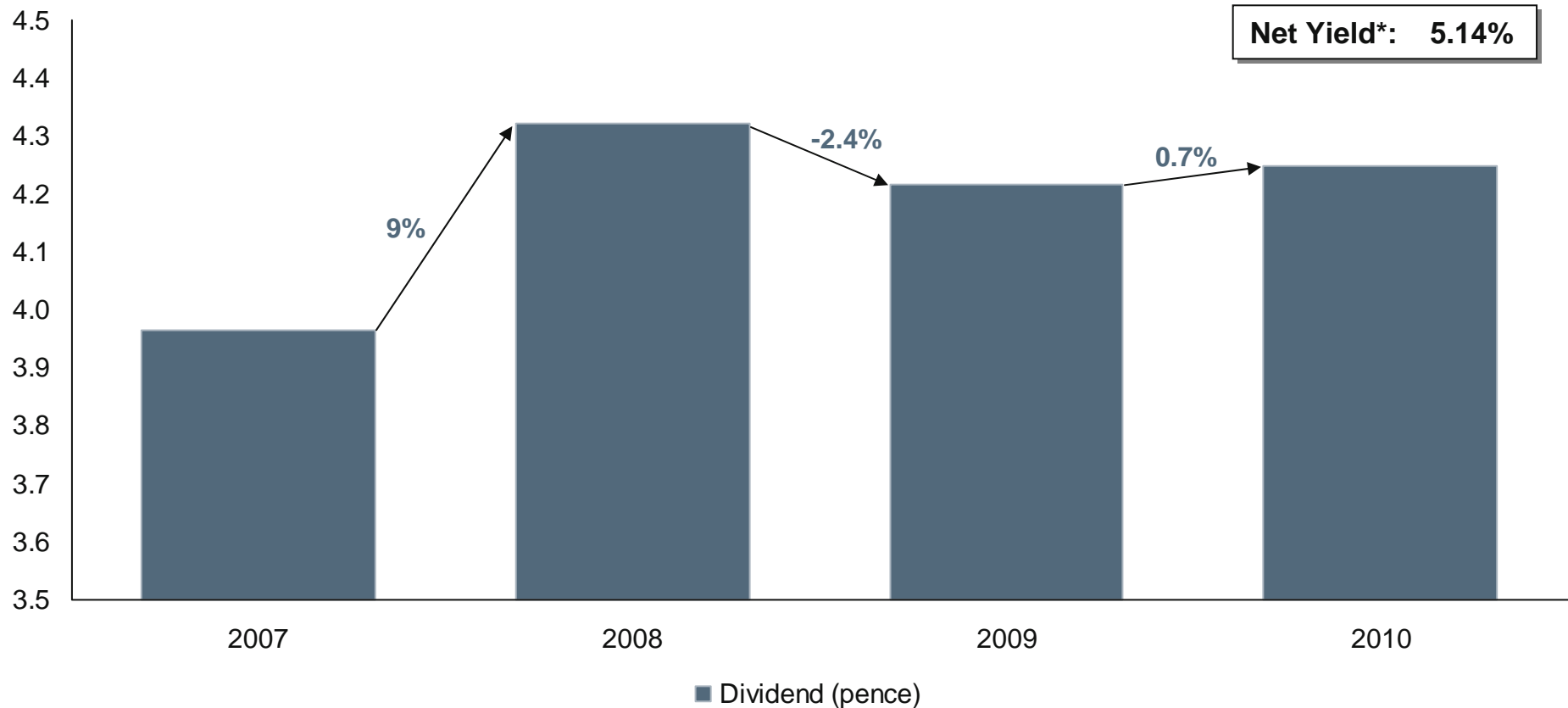


Source: Evolution January 2011

# Dividend progression for the strategy



## Quality companies led to a resilient income stream through the crisis



\* All yield figures that are used are calculated on the basis of dividing the last 12 months dividends by the current price. Current yields are not indicative of future yields. Yields are not necessarily a reliable indicator of future or actual performance of the individual funds or stock.

Source: Newton, as at 14 January 2011

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