Market Minute

Swiss dividend stocks – the place to be

09.02.2026

Having a dividend strategy once again paid off in the Swiss equity market last year. The SPI Select Dividend 20 Index generated an overall return of almost 20%, marking a further extension of its outperformance versus the broad Swiss Performance Index over the last ten years. Prospects are also positive for 2026. Distributions will likely go on rising and reach a new record level. In addition, at 2.8% the average dividend yield for the Swiss equity market remains at an attractive level – particularly in the current low interest-rate environment. We recommend reinvesting income in dividend stocks, firstly to benefit from the compound interest effect and secondly to profit from their minimal volatility and stabilising effect in a portfolio context.
Many Swiss dividend stocks offer an attractive combination of yield level, dependability and growth. Our favourite is Zurich Insurance, which has now joined our top picks list. But if the focus is on a sharp increase in dividend yield, then Helvetia Baloise, Swisscom and Stadler deserve a mention. Furthermore, Sunrise, Clariant and Holcim are the favourites when it comes to tax-exempt distributions and high dividend yields.

Successful dividend strategy on Swiss equity market

Anyone who invested in the Swiss equity market on the basis of a dividend strategy was richly rewarded in 2025. The SPI Select Dividend 20 Index (the Swiss exchange's dividend index) generated a total return of 19%, once again surpassing the total return on the broad Swiss equity market (SPI index: 15% in 2025). Its outperformance versus the SPI index has extended further over the last ten years. The annual total return for the dividend index during this period is 10.3%, versus 8.4% for the SPI index. Furthermore, the dividend index stands out as its volatility is significantly lower than that of the SPI index, above all in a poor stock market environment. The best evidence of this was in 2022, when the dividend index lost just 10% compared with the 16% setback suffered by the SPI index.

Good start to reporting season and record distributions in spring

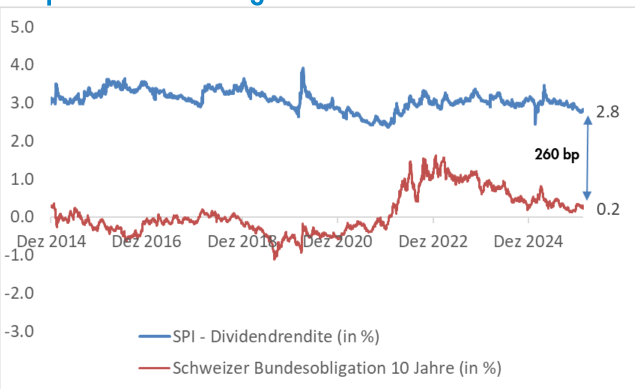
The reporting season on equity markets has also kicked off in Switzerland, although in some cases only preliminary sales figures for the 2025 financial year have been published as yet. The reports that have been released by Swiss companies to date suggest that earnings rose in 2025, especially among the bigger, more regionally diversified companies with a strong position in growth markets. The first blue chips – including Roche, ABB, Givaudan, Lonza, UBS and Novartis – all reported positive organic sales growth and strong cash flow generation. All companies raised their dividends, in some cases (ABB, UBS) accompanied by new share buyback programmes.
Swiss companies will be distributing a new record sum to their owners in spring 2026. Expected to be bountiful, the dividend season for Swiss equities kicks off on 10 March 2026 with the distribution from Novartis.

> **"Swiss dividend stocks remain attractive due to the positive earnings outlook and low interest-rate environment."**
>
> Reto Amstalden
> Investment Advisor

Dividend shares as a valid alternative to bonds

On top of this, high-yielding dividend stocks remain a possible substitute for bonds in a multi-asset context. The broad Swiss Performance Index shows a dividend yield of 2.8%, which – bearing in mind that the yield on 10-year Swiss government bonds is 0.2% – means an attractive level of compensation for holding dividend securities compared with risk-free government bonds. In addition, with average earnings for the Swiss equity market expected to grow by nearly 10% in 2026, the average dividend per share is also likely to increase again this year: indeed average growth on the long-term dividend path amounts to 5% per year.

Attractive compensation for holding dividend stocks compared with Swiss government bonds



Source: Company data, SIX, Zuger Kantonalbank, Bloomberg L.P.

Swiss companies with highest dividend yields – large caps and small caps

Among large caps, last year's highest dividend yields were once again found in the financial sector. Insurers Zurich and Swiss Re were in the top two positions, with a yield of 5%. The top companies from the non-financial sector were Nestlé and Swisscom, in seventh and eight place respectively, with a yield of 4%.
Worth mentioning is the fact that in the case of Novartis and Swiss Life – among the highest positioned large caps – dividend distributions were accompanied by a share buyback programme.
With regard to tax-exempt distributions for private investors, Holcim (100% exempt) and UBS (50% exempt) stand out.
Among the top dividend payers, and within the financial sector specifically, our preference is Zurich Insurance. Zurich is noted for the stable, double-digit growth in its earnings base as well as an attractive valuation, while other financial players are either growing less quickly or are exposed to greater earnings volatility.

Table: Large caps – attractive dividend payers, some with tax-free distributions

Company	Dividend yield	Tax-free distribution	Dividend ex-date
Zürich Vers.	4.9%	No	10.04.2026
Swiss Re	4.7%	No	14.04.2026
Julius Bär	4.0%	No	13.04.2026
Partners G	4.5%	No	21.05.2026
Swiss Life	4.2%	No	14.05.2026
BCV	4.2%	No	28.04.2026
Nestlé	4.0%	No	20.04.2026
Swisscom	3.9%	No	27.03.2026
Helvetia Baloise	3.7%	No	05.05.2026
Kühne	3.5%	No	08.05.2026
SGS	3.3%	No	26.03.2026
Novartis	3.0%	No	10.03.2026
EMS	2.8%	No	11.08.2026
Roche	2.8%	No	12.03.2026
Swatch	2.6%	No	15.05.2026
UBS	2.5%	Yes, 50 %	21.04.2026
Holcim	2.3%	Yes, 100 %	15.05.2026

Source: Company data, SIX, Zuger Kantonalbank, Bloomberg L.P

Turning to Swiss small caps, a high dividend yield of 6–8% can be expected for the companies in the top five positions. While top dividend payer Oerlikon shows a dividend yield of 9%, it should be borne in mind that the ordinary, sustainable dividend yield is lower at around 6%. Fact is, the recently completed sale of the firm's textile machinery business resulted in an extraordinary dividend.
More attractive in our view are the top dividend payers Sunrise (8% yield) and Clariant (6%), both of which are set to make a 100% tax-free distribution to private investors. We consider these yields sustainable and due to the attractive valuation, we would also expect additional tailwind for a positive share performance.

Table: Small caps – attractive dividend payers, some with tax-free distributions

Company	Dividend yield	Tax-free distribution	Dividend ex-date
Oerlikon	7.9%	No	23.03.2026
Sunrise	7.6%	Yes, 100%	09.05.2026
Mobilezone	6.2%	No	14.04.2026
APG	5.7%	No	27.04.2026
Clariant	5.0%	Yes, 100%	28.05.2026
Cembra	4.6%	No	24.04.2026
Vontobel	4.5%	No	16.04.2026
Medmix	4.3%	No	20.04.2026
DKSH	4.1%	No	31.03.2026
Adecco	4.1%	No	17.04.2026
Burkhalter	3.6%	No	15.05.2026
Stadler Rail	3.1%	No	07.05.2026

Source: Company data, SIX, Zuger Kantonalbank, Bloomberg L.P

Swiss dividend kings

However, rather than just focusing on the headline figures for dividend yields, investors should also evaluate the reliability of dividend payments and the potential for dividend growth. A large number of high-yielding stocks offer a combination of both aspects.

Indeed, high-yielding companies generally have crisis-proof business models and a correspondingly stable income situation, while their leading market positions and price-setting power provide protection against inflation. A high and stable cash flow margin together with low indebtedness rounds off the profile of these companies.

If the focus is solely on the aspect of reliability – meaning stable and consistent dividend payments over a time frame of at least ten years with a track record of reliability – there are 17 **"dividend kings"** in the Swiss equity market. Lindt and Emmi are two new names joining the list. As we now exclude payments of extraordinary dividends from our analysis, both companies meet the criterion of consistent dividend increases over at least ten years. Looking ahead, it is assumed that VZ Holding will meet the dividend king criterion in two years' time. VZ Holding has the characteristics of a growth stock and consequently exhibits a lower dividend yield of less than 2%.

As might be expected, the current dividend kings include defensive stocks such as Nestlé, Novartis, Roche and Givaudan, which have been increasing their dividends for at least 25 years. Somewhat more surprisingly, however, they include a large number of growth stocks such as Sika, Siegfried, Partners Group, Logitech and Also.

In contrast to their modest dividend yields of 1–2%, these growth stocks are characterised by above-average dividend growth over the last ten years, in some cases coming in at well over 10% p.a. They are companies that make above-average investments in organic and inorganic growth and that grow profitably. At the same time, a progressive, investor-friendly dividend policy is pursued. Columns 5 and 6 in the table below show the performance and market expectations for dividend growth.

Various investment ideas for dividend stocks depending on valuation criteria

If, in our overall analysis of Swiss dividend stocks, we focus not only on the yield level but also on growth prospects, tax exemption and valuation, the following stocks stand out positively based on the following criteria:

1) Top dividend yield combined with stable growth and attractive valuation:
   Zurich Insurance
2) Attractive dividend yield and prospects of above-average increase in dividend yield over medium term:
   Helvetia Baloise, Swisscom
3) High dividend growth and attractive valuation (value stocks):
   Julius Baer, Emmi, Stadler
4) High, tax-exempt dividend income and attractive valuation:
   Sunrise, Clariant

Also worth mentioning is the fact that 11 out of the total 21 stocks in the Zuger Kantonalbank top picks list for Swiss equities are high-dividend (see chart on following pages). In addition to dividend strength, these stocks are characterised by price/earnings potential due to their attractive valuation coupled with growth prospects and earnings quality.

Against this backdrop, our new favourite is **Zurich Insurance**, which at the same time is a new entry on our **top picks list**.

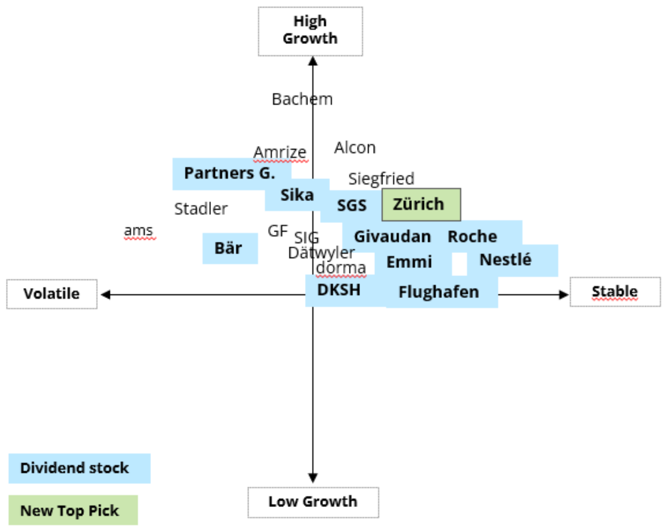
Table: 17 Swiss dividend kings – growth and valuation data

	Stock profile	Price (in CHF)	Expected dividend yield	Dividend growth (10 years, per year)	Price/earnings ratio 2026E
Partners Group	Growth	1001.00	4.5%	17.3%	19.2
Swiss Life	Growth	871.40	4.2%	18.3%	18.3
DKSH	Defensive	60.00	4.1%	9.5%	15.8
Nestlé	Defensive	78.10	4.0%	3.3%	17.5
Novartis	Defensive	118.70	3.0%	3.6%	15.6
Roche	Defensive	360.60	2.8%	2.1%	16.6
PSP	Defensive	156.00	2.5%	1.8%	30.8
Also	Growth	198.40	2.5%	10.1%	14.3
Givaudan	Defensive	3085.00	2.4%	3.7%	23.3
Sika	Growth	155.60	2.3%	10.6%	20.4
Emmi	Defensive	808.00	2.2%	15.8%	17.5
Geberit	Defensive	618.20	2.1%	4.4%	30.8
Zug Estates	Defensive	2410.00	2.1%	11.0%	24.0
Temenos	Growth	64.30	2.0%	13.5%	19.3
Logitech	Growth	70.00	1.7%	20.1%	15.9
Lindt	Defensive	11360.00	1.4%	7.5%	34.0
Siegfried	Growth	97.00	0.5%	9.7%	23.0

* Excluding extraordinary dividends

Source: Zuger Kantonalbank, company data, Bloomberg L.P

Top picks list and dividend focus: 11 out of a total of 21 stocks are considered to be high-dividend



Dividend stocks on the top pick list	Dividend profile	Dividend yield
Zürich Versicherung	**Yield level**	**4.9%**
Partners Group	Growth	4.3%
DKSH	Yield level	4.3%
Nestlé	Yield level	4.1%
Julius Bär	Yield level	3.9%
Flughafen Zürich	Growth	3.4%
SGS	Growth	3.3%
Roche	Yield level	2.8%
Givaudan	Growth	2.4%
Sika	Growth	2.4%
Emmi	Growth	2.2%

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