S&P 500 Q4 2017 Buybacks Rose 6.0% to $137.0 Billion; Full-Year 2017 Fell 3.2% to $519.4 Billion

- Q4 2017 repurchases rose 6.0% from Q3 2017 and 1.2% from Q4 2016
- Full-year 2017 expenditures fell 3.2% from 2016 and fell 9.2% from 2015
- Cash reserves set record
- EPS support via discretionary share count reductions stabilizes at lower level

NEW YORK, March 21, 2018 /PRNewswire/ -- S&P Dow Jones Indices ("S&P DJI") today announced preliminary results indicating that **S&P 500® stock buybacks**, or share repurchases, **totaled $137.0 billion for Q4 2017. This is a 6.0% increase from the $129.2 billion reported for Q3 2017 and a 1.2% increase from the $135.3 billion reported for Q4 2016.**

For the **12-month period ending December 2017**, S&P 500 issues spent **$519.4 billion on buybacks**, down 3.2% from $536.4 billion for 2016 and 9.2% from $572.2 billion for 2015; the all-time high, set in 2007, is $589.4 billion.

Historical data on S&P 500 buybacks is available at: www.spdji.com/indices/equity/sp-500.

Key Takeaways:

- The number of S&P 500 issues substantially reducing their year-over-year share count, which increases EPS, inched up to 15.1%, substantially lower than the 20% plus rate posted for 2015 and 2016.
- Total shareholder return rose to $246.4 billion, up 5.0% from $234.6 billion for Q3 2017.
- S&P 500 dividends rose to a record-high $109.5 billion, compared to $105.4 billion for Q3 2017.
- For full-year 2017, total shareholder return was $939.2 billion, up 0.6% from $933.6 billion for full-year 2016, yet down 1.6% from $954.5 billion for full-year 2015.
- 294 S&P 500 issues reduced their share count during Q4 2017, compared to 274 during Q3 2017 and 281 during Q4 2016.
- Year-over-year share count reductions of at least 4%, which are seen as affecting EPS, held flat at 70 issues.

"Year-end buyback expenditures for Q4 2017 increased 6.0%, while the average corresponding stock price increased 5.5%," said **Howard Silverblatt, Senior Index Analyst at S&P Dow Jones Indices**.

"Fewer index issues are experiencing a significant EPS tailwind, as share count reductions greater than 4% have yet to match the 20%+ levels from parts of 2015 and 2016.

"Buyback concentration slightly declined for the quarter. The 20 issues with the most quarterly expenditures accounted for 44.8% ($61.4 billion) of all share repurchases, down from 45.5% ($58.8 billion) for Q3 2017 and 46.7% ($63.2 billion) for Q4 2016; the five-year average is 41.5%."

GICS® Sector Analysis:

Information Technology expenditures rose 28.3% to $35.8 billion, compared to $27.9 billion for Q3 2017. The sector represents 26.1% of the index's buybacks and 45.7% of cash reserves.

Financials' expenditures declined 1.0% to $33.9 billion, after last quarter's strong 27.7% increase; the sector represents 24.8% of the buybacks, down from 26.5% for Q3 2017.

Energy buybacks returned, increasing to $5.2 billion, up 124% from $2.3 billion for Q3 2017 and 431% from $1.0 billion for Q4 2016; levels remain a fraction of previous amounts, such as $10.3 billion during Q4 2014 and $25.3 billion during Q4 2007.

Issues:

The five issues with the highest total buybacks for Q4 2017 are:

- **Apple** (AAPL): $10.1 billion for Q4 2017, the 12th highest quarter in S&P 500 history and up from $7.8 billion for Q3 2017.
- **Citigroup** (C): $5.5 billion for Q4 2017, up from $5.4 billion for Q3 2017 and $4.1 billion for Q4 2016.
- **Bank of America** (BAC): $4.9 billion for Q4 2017, up from $3.0 billion for Q3 2017 and $1.3 billion for Q4 2016.
- **J.P. Morgan** (JPM): $4.81 billion for Q4 2017, up from $4.76 billion for Q3 2017 and $2.3 billion for Q4 2016.
- **Charter Communications** (CHTR): $4.0 billion for Q4 2017, up from $3.5 billion for Q3 2017 and $1.1 billion for Q4 2016.

The five issues with the highest total buybacks for full-year 2017 are:

- AAPL: $32.1 billion for full-year 2017, down from $33.7 billion for full-year 2016.
- JPM: $15.4 billion for full-year 2017, up from $9.1 billion for full-year 2016.
- C: $14.9 billion for full-year 2017, up from $9.6 billion for full-year 2016.
- BAC: $12.8 billion for full-year 2017, up from $5.1 billion for full-year 2016.
- CHTR: $11.7 billion for full-year 2017, up from $1.6 billion for full-year 2016.

The five issues combined for **$87.0 billion in share repurchases for full-year 2017**.

Total Shareholder Return:

Silverblatt determined that **total shareholder return**, through regular cash dividends and buybacks, **increased 5.0% to $246.4 billion** for Q4 2017, up from $234.6 billion for Q3 2017. For the 12-month period ending December 2017, shareholder return totaled $939.2 billion, up 0.6% from $933.6 billion for the 12-month period ending December 2016.

S&P 500 dividends posted a 3.8% increase for Q4 2017 to a record $109.5 billion, up from $105.4 billion for Q3 2017. Payments totaled a record $419.8 billion for the 12-month period ending December 2017, up 5.7% from $397.2 billion for the 12-month period ending December 2016.

According to Silverblatt, preliminary **cash reserves increased from Q3 2017, setting another record**. S&P 500 Industrial (Old), which consists of the S&P 500 less

Financials, Transportations, Real Estate and Utilities, available cash and equivalent stood at $1.636 trillion, slightly above the $1.630 trillion level for Q3 2017; available cash stood at $1.478 trillion for Q4 2016.

"Repatriation frees up cash for companies to use, but also reduces the overall cash on hand since taxes will need to be paid on them," noted Silverblatt.

"For 2018, expectations are high for greater corporate expenditures, as lower income tax rates and repatriation should add to available funds and investors pressure companies to use it.

"Dividends, which are on track to set a seventh consecutive record annual payment for 2018, may return to double-digit gains last seen in 2015; 2016 posted a 5.4% gain and 2017 had a 7.0% gain.

"S&P 500 issues have increased the size of their dividends hikes this year an average of 14.04%, versus 11.36% for 2017 and 10.51% for 2016. No issues have lowered their rate and there are 128 increases so far for 2018.

"Combined, buybacks and dividends could put the S&P 500 over $1 trillion for total shareholder return this year."

For more information about S&P Dow Jones Indices, please visit www.spdji.com.

S&P Dow Jones Indices
S&P 500, $ U.S. BILLIONS

PERIOD	MARKET VALUE $ BILLIONS	OPERATING EARNINGS $ BILLIONS	(preliminary in bold) AS REPORTED EARNINGS $ BILLIONS	DIVIDENDS $ BILLIONS	BUYBACKS $ BILLIONS	DIVIDEND YIELD	BUYBACK YIELD	DIVIDEND & BUYBACK YIELD	DIVIDENDS & BUYBACKS $ BILLION
2017 Prelim.	**$22,821.24**	**$1,072.06**	**$940.95**	**$419.77**	**$519.40**	**1.84%**	**2.28%**	**4.12%**	**$939.17**
2016	$19,267.93	$919.85	$818.55	$397.21	$536.38	2.06%	2.78%	4.85%	$933.60
2015	$17,899.56	$885.38	$762.74	$382.32	$572.16	2.14%	3.20%	5.33%	$954.47
12/29/2017 Prelim.	**$22,821**	**$294.65**	**$230.12**	**$109.46**	**$136.97**	**1.84%**	**2.28%**	**4.12%**	**$246.43**
9/29/2017	$21,579	$268.69	$243.77	$105.45	$129.17	1.92%	2.40%	4.32%	$234.61
6/30/2017	$20,762	$261.39	$231.40	$104.01	$120.11	1.96%	2.41%	4.37%	$224.12
3/31/2017	$20,276	$247.32	$235.65	$100.86	$133.15	1.98%	2.51%	4.49%	$234.01
12/31/2016	$19,268	$240.11	$207.93	$103.82	$135.29	2.06%	2.78%	4.85%	$239.11
9/30/2016	$18,742	$247.98	$219.46	$98.43	$112.20	2.10%	2.92%	5.01%	$210.63
6/30/2016	$18,193	$222.77	$201.79	$98.30	$127.50	2.14%	3.22%	5.36%	$225.81
3/31/2016	$17,958	$208.99	$189.37	$96.67	$161.39	2.15%	3.28%	5.43%	$258.05
12/31/2015	$17,900	$201.95	$163.76	$99.39	$145.88	2.14%	3.20%	5.33%	$245.27
9/30/2015	$16,917	$224.14	$204.58	$95.07	$150.58	2.22%	3.30%	5.52%	$245.66
6/30/2015	$18,219	$230.84	$201.35	$94.45	$131.56	2.03%	3.04%	5.07%	$226.01
3/31/2015	$18,303	$228.45	$193.05	$93.41	$144.13	1.98%	2.94%	4.92%	$237.54
12/30/2014	$18,245	$237.14	$202.31	$92.80	$132.63	1.92%	3.03%	4.95%	$225.43
9/30/2014	$17,519	$262.92	$244.00	$89.02	$145.19	1.96%	3.14%	5.10%	$234.22
6/30/2014	$17,404	$260.50	$240.96	$86.65	$116.17	1.91%	3.06%	4.98%	$202.82
3/31/2014	$16,700	$243.67	$221.82	$81.96	$159.28	1.93%	3.20%	5.14%	$241.24
12/31/2013	$16,495	$252.10	$236.31	$84.98	$129.41	1.89%	2.88%	4.77%	$214.40
9/30/2013	$14,960	$239.50	$219.13	$79.26	$128.16	2.05%	2.98%	5.03%	$207.42
6/30/2013	$14,310	$234.84	$221.56	$76.67	$118.05	2.07%	2.94%	5.02%	$194.72
3/31/2013	$13,979	$229.57	$215.76	$70.86	$99.97	2.06%	2.97%	5.02%	$170.82
12/31/2012	$12,742	$206.84	$184.50	$79.83	$99.15	2.20%	3.13%	5.33%	$178.98

S&P Dow Jones Indices
S&P 500 SECTOR BUYBACKS

SECTOR $ MILLIONS	Q4,'17	Q3,'17	Q4,'16	12MO DEC','17	12MO DEC,'16	5-YEARS
Consumer Discretionary	$20,775	$24,242	$20,604	$83,570	$89,528	$417,110
Consumer Staples	$10,490	$15,578	$11,615	$50,832	$43,440	$224,331
Energy	$5,203	$2,320	$979	$12,736	$5,762	$115,627
Financials	$33,903	$34,252	$26,772	$124,467	$104,357	$457,332
Healthcare	$15,814	$9,523	$28,898	$64,982	$87,588	$344,917
Industrials	$11,561	$13,087	$14,773	$53,560	$76,166	$330,292
Information Technology	$35,817	$27,926	$28,731	$118,848	$119,457	$664,785
Materials	$2,067	$1,412	$2,497	$5,857	$8,397	$68,258
Real Estate	$1,314	$806	$303	$3,844	$759	$4,603
Telecommunication Services	$9	$3	$69	$485	$529	$24,369
Utilities	$17	$22	$51	$216	$399	$5,176
TOTAL	$136,969	$129,170	$135,292	$519,397	$536,382	$2,656,800

S&P Dow Jones Indices
S&P 500 20 LARGEST Q4 2017 BUYBACKS, $ MILLIONS

Company	Ticker	Sector	Q4,'17 Buybacks $ Million	12MO Dec,'17 Buybacks $ Million	12MO Dec,'16 Buybacks $ Million	5-Year Buybacks $ Million	10-year Buybacks $ Million	Indicated Dividend $ Million
Apple	AAPL	Information Technology	$10,095	$32,144	$33,710	$173,880	$175,830	$12,938
Citigroup	C	Financials	$5,473	$14,946	$9,606	$33,461	$35,233	$3,384
Bank of America	BAC	Financials	$4,869	$12,814	$5,112	$25,195	$25,213	$5,007
JPMorgan	JPM	Financials	$4,808	$15,410	$9,082	$39,657	$53,172	$7,772
Charter Communications	CHTR	Consumer Discretionary	$3,967	$11,715	$1,562	$13,349	$14,099	$0
Cisco Systems	CSCO	Information Technology	$3,862	$7,771	$4,133	$31,575	$58,884	$6,526
Celgene	CELG	Healthcare	$2,908	$3,833	$2,160	$15,000	$19,625	$0
Wells Fargo	WFC	Financials	$2,862	$10,301	$8,610	$42,378	$50,646	$7,682

Walgreens Boots Alliance	WBA	Consumer Staples	$2,525	$7,288	$1,080	$11,393	$16,913	$1,615
Alphabet Inc. (GOOGL)	GOOGL	Information Technology	$2,101	$4,846	$3,693	$10,319	$11,237	$0
Oracle	ORCL	Information Technology	$2,055	$3,975	$6,951	$40,124	$59,176	$3,172
Microsoft	MSFT	Information Technology	$2,008	$8,405	$15,495	$56,164	$102,206	$12,961
Home Depot	HD	Consumer Discretionary	$1,933	$8,000	$6,880	$37,426	$47,656	$4,811
Visa	V	Information Technology	$1,866	$6,880	$7,106	$27,416	$48,559	$1,523
Procter & Gamble	PG	Consumer Staples	$1,751	$6,954	$2,003	$22,720	$54,189	$7,029
Boeing	BA	Industrials	$1,736	$9,236	$7,001	$30,790	$33,777	$4,074
Merck & Co	MRK	Healthcare	$1,702	$4,014	$3,434	$25,853	$34,683	$5,252
Walmart	WMT	Consumer Staples	$1,640	$8,296	$8,298	$28,404	$61,003	$6,213
Goldman Sachs	GS	Financials	$1,629	$6,772	$6,078	$28,629	$45,536	$1,132
Starbucks	SBUX	Consumer Discretionary	$1,601	$3,235	$2,158	$7,997	$9,813	$1,707
Top 20			**$61,391**	**$186,835**	**$144,152**	**$701,730**	**$957,449**	**$92,797**
S&P 500			**$136,969**	**$519,397**	**$536,382**	**$2,656,800**	**$4,236,899**	**$457,357**
Top 20 % of S&P 500			**44.82%**	**35.97%**	**26.87%**	**26.41%**	**22.60%**	**20.29%**

Gross values are not adjusted for float

S&P Dow Jones Indices

S&P 500 20 Largest Quarterly Buybacks, $ Millions, as of Q4 2017, Apple added for Q4 2017, ranking 12

$ MILLIONS	QUARTER	COMPANY	SECTOR	
$17,971	Q1 2014	Apple	Information Technology	1
$17,000	Q3 2014	Apple	Information Technology	2
$16,000	Q2 2013	Apple	Information Technology	3
$15,707	Q2 2007	International Business Machines	Information Technology	4
$13,253	Q3 2015	Apple	Information Technology	5
$12,852	Q2 2012	Johnson & Johnson	Healthcare	6
$12,318	Q4 2016	Allergan plc (AGN)	Healthcare	7
$12,183	Q3 2012	Johnson & Johnson	Healthcare	8
$10,851	Q4 2016	Apple	Information Technology	9
$10,723	Q3 2007	Home Depot	Consumer Discretionary	10
$10,166	Q2 2016	Apple	Information Technology	11
$10,095	**Q4 2017**	**Apple**	**Information Technology**	**12**
$10,000	Q2 2015	Apple	Information Technology	13
$9,859	Q4 2007	Transocean	Energy	14
$9,179	Q4 2006	Exxon Mobil	Energy	15
$9,465	Q1 2008	Exxon Mobil	Energy	16
$8,845	Q4 2008	Exxon Mobil	Energy	17
$8,761	Q2 2008	Exxon Mobil	Energy	18
$8,663	Q3 2008	Exxon Mobil	Energy	19
$8,463	Q3 2007	Exxon Mobil	Energy	20
$232,354		**TOP 20**		

SECTOR	DIVIDEND YIELD	BUYBACK YIELD	COMBINED YIELD
Consumer Discretionary	**1.38%**	**2.84%**	**4.22%**
Consumer Staples	**3.22%**	**2.90%**	**6.11%**
Energy	**3.05%**	**0.98%**	**4.03%**
Financials	**1.73%**	**3.44%**	**5.17%**
HealthCare	**1.70%**	**2.02%**	**3.72%**
Industrials	**1.93%**	**2.27%**	**4.20%**
Information Technology	**1.30%**	**2.10%**	**3.40%**
Materials	**1.93%**	**0.85%**	**2.79%**
Real Estate	**3.72%**	**0.62%**	**4.33%**
Telecommunication Services	**5.44%**	**0.11%**	**5.55%**
Utilities	**3.75%**	**0.03%**	**3.78%**
S&P 500	**1.97%**	**2.23%**	**4.20%**

Uses full values (unadjusted for float)

Dividends based on indicated; buybacks based on the last 12-months ending Q4,'17

S&P 500 diluted shares used for EPS
% of S&P 500 issues with a least a 4% change (Y/Y diluted shares used for EPS)

	>=4%	<=-4%
Q4 2017 prelim.	**6.91%**	**15.04%**
Q3 2017	**8.62%**	**14.23%**
Q2 2017	**10.00%**	**14.00%**
Q1 2017	**12.00%**	**14.80%**
Q4 2016	**10.48%**	**19.35%**
Q3 2016	**9.94%**	**23.73%**
Q2 2016	**10.48%**	**26.61%**
Q1 2016	**10.06%**	**28.17%**
Q4 2015	**9.48%**	**25.81%**
Q3 2015	**9.64%**	**22.69%**
Q2 2015	**9.04%**	**21.08%**

Q1 2015	**7.62%**	**21.04%**
Q4 2014	**6.04%**	**21.33%**

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https://press.spglobal.com/2018-03-21-S-P-500-Q4-2017-Buybacks-Rose-6-0-to-137-0-Billion-Full-Year-2017-Fell-3-2-to-519-4-Billion