S&P 500 Q2 2018 Buybacks Increase 58.7% Year-Over-Year to Record \$190.6 Billion

- Q2 share repurchases continue, up 0.8% from Q1 2018's record
- Full-year June 2018 expenditures set a record, up 29.0% from full-year June 2017
- 12-month shareholder return up 19.1% to a record \$1.08 trillion
- Apple led in buybacks again, accounting for 11.5% of all S&P 500 buybacks for Q2 2018; holds the top six positions for buybacks historically

NEW YORK, Sept. 24, 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 \$190.6 billion for Q2 2018, displacing the prior quarterly record of \$189.1 billion, set during Q1 2018. This is a 58.7% increase from the \$120.1 billion reported for Q2 2017. For the first half of 2018, buybacks are up 49.9% to \$379.7 billion from the prior year's \$253.3 billion.

For the **12-month period ending June 2018**, S&P 500 issues spent a record**\$645.8 billion on buybacks**, up 29.0% from \$500.8 billion for the corresponding 2017 period. This is 9.6% higher than the prior record of \$589.4 billion, set during the 12-month period endingMarch 2016.

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

Key Takeaways:

- The number of issues with substantially reduced share counts of at least 4.0% year-over-year rebounded to 15.4%, from the prior quarter's 13.5%. This is the highest since the 19.4% posted in Q4 2016.
- For Q2 2018, 79 issues experienced substantially reduced share counts, up from 65 for Q1 2018 and 70 for both Q4 2017 and Q3 2017, with Q2 2017 posting 66.
- Total shareholder return for the quarter set a record of\$302.2 billion, up 34.9% from the \$224.1 billion reported for Q2 2017.
- S&P 500 dividends totaled \$111.6 billion, a new record, up 7.3% from the\$104.0 billion of Q1 2018.
- Total shareholder return of buybacks and dividends for the 12-month period endingJune 2018 set a record at\$1.081 trillion, surpassing the Q1's record\$1.003 trillion, and up 19.1% from\$907.9 billion for the corresponding 2017 period.
- 305 S&P 500 issues reduced their share count during Q2 2018, compared to 250 during Q1 2018 and 268 during Q2 2017.

"The Q1 2018 buyback level was remarkable and the new Q2 2018 record continued to exceed expectations," saidhoward Silverblatt, Senior Index Analyst at S&P Dow Jones Indices. "Given the record earnings, strong cash-flow, investor demand and corporate statements, the indications are that the high level will continue for the rest of the year."

"The buying continued to be top heavy, with the top 20 issues accounting for 49.7% of all S&P 500 buybacks (the 5-year average is 41.7%), a level not seen since Q3 2012, when it was at 53.4%."

"More index issues experienced a significant EPS tailwind, as share count reductions of at least 4.0% increased for the quarter, as the number of issues increasing their shares dropped. Further, based on the current Q2 2018 actual shares and the historical Q3 2017 shares, absent a dramatic pullback in buybacks or increase in issuance, 11% of the S&P 500 issues already have a substantial tailwind built into their Q3 2018 EPS, which currently is estimated to set another record."

Q2 2018 GICS® Sector Analysis:

Telecommunications Services buybacks jumped 146% ahead of the sector's reorganization September 2018), but remains only 0.22% of all S&P 500 buybacks and is 89.1% lower than it was five years ago (Q2 2013).

Information Technology expenditures increased 12.8%, after Q1's 77.1% gain, to\$71.5 billion – compared to \$63.4 billion for Q1 2018 and \$27.6 billion for Q2 2017. The sector represents 37.5% of the index's buybacks, up from 23.0% for Q2 2017.

Health Care expenditures, which were up 125.3%, declined 23.5% to \$27.2 billion compared to \$35.6 billion for Q1 2018; and was 116% more than the \$12.6 billion expenditure from Q2 2017.

Consumer sectors split, as Consumer Discretionary buybacks increased 21.3% to \$22.7 billion, up from \$18.7 billion for Q1 2018. Consumer Staples declined 9.3% to \$6.6 billion, down from \$7.3 billion for Q1 2018.

Issues:

The five issues with the highest total buybacks for Q2 2018 are:

- Apple (AAPL) again led in buybacks, spending \$21.9 billion in Q2 2018, down from the record\$22.8 billion spent for Q1 2018, as the quarter ranked second highest historically; Apple holds the top six positions for buybacks historically. Apple accounted for 30.6% of the IT sector's buybacks and 11.5% of all S&P 500 buybacks for Q2 2018.
- AbbVie (ABBV): \$7.5 billion for Q2 2018, up from \$1.4 billion for Q1 2018 and a minor \$5 million for Q2 2017. AbbVie was 27.6% of all S&P 500 Health Care sector buybacks for Q2 2018.
- Cisco Systems (CSCO): \$6.1 billion for Q2 2018, down from \$6.2 billion for Q4 2017 and up from \$1.3 billion for Q2 2017.
- Union Pacific (UNP): \$5.5 billion for Q2 2018, up from \$1.2 billion for Q1 2018 and \$0.9 billion for Q2 2017.
- Broadcom (AVGO): \$5.4 billion for Q2 2018, up from \$0.3 billion for Q1 2018 and none for Q2 2017.

Total Shareholder Return:

Silverblatt determined that total shareholder return, through regular cash dividends and buybacks, increased 1.3% to the first \$300 billion quarterly posting, at \$302.2 billion, up from \$298.2 billion for Q1 2018 and up 34.9% from the \$224.1 billion for Q2 2017.

For the 12-month period endingJune 2018, shareholder return totaled \$1.081 trillion, up 19.1% from \$907.9 billion for the 12-month period endingJune 2017.

S&P 500 dividends posted a new record payment for Q2 2018, at\$111.6 billion, and was up 7.3% from its\$104.0 billion Q2 2017. Dividend payments totaled a record \$435.7 billion for the 12-month period endingJune 2018, up 7.0% from \$407.1 billion for the 12-month period endingJune 2017.

"For the second half of 2018, indications are strong for increased corporate expenditures in both buybacks and dividends, with annual records for both," said

Silverblatt.

3/31/2013

"Buybacks appear to be on a roll, supporting stock price via more purchases and increasing EPS through lower share counts.

"One strong takeaway are the trend in dividends where more issues continue to increase with greater average size increases. Dividends are a pure cash-flow item, so when they are increased, companies are usually very confident of their future earnings flow," states Silverblatt.

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

S&P Dow Jones Ind S&P 500, \$ U.S. BILI PERIOD	LIONS MARKET VALUE	OPERATING EARNINGS \$ BILLIONS	(preliminary in bold) AS REPORTED EARNINGS \$ BILLIONS	DIVIDENDS \$ BILLIONS	BUYBACKS \$ BILLIONS	DIVIDEND YIELD	BUYBACK YIELD	DIVIDEND & BUYBACK YIELD	DIVIDENDS & BUYBACKS
12 Months Jun 2018	\$ BILLIONS \$23,036	\$1,196.67	\$ 51,043.55	\$435.69	\$645.81	1.89%	2.80%	4.69%	\$ BILLION \$1,081.50
12 Months Jun 2017	\$20,762	\$996.81	\$1,043.33 \$894.44	\$407.11	\$500.75	1.96%	2.41%	4.37%	\$907.87
12 MONUNS JUN 2017	Ψ20,702	ψ990.01	φ034.44	φ407.11	φ500.75	1.30 /6	2.41/0	4.57 /6	φ307.07
2017	\$22,821	\$1,066.00	\$940.86	\$419.77	\$519.40	1.84%	2.28%	4.12%	\$939.17
2016	\$19,268	\$919.85	\$818.55	\$397.21	\$536.38	2.06%	2.78%	4.85%	\$933.60
2015	\$17,900	\$885.38	\$762.74	\$382.32	\$572.16	2.14%	3.20%	5.33%	\$954.47
6/30/2018 Prelim.	\$23,036	\$328.13	\$288.47	\$111.60	\$190.62	1.89%	2.80%	4.69%	\$302.22
3/29/2018	\$22,496	\$311.26	\$281.28	\$109.18	\$189.05	1.90%	2.56%	4.46%	\$298.23
12/29/2017	\$22,821	\$288.93	\$230.12	\$109.46	\$136.97	1.84%	2.28%	4.12%	\$246.43
9/29/2017	\$21,579	\$268.35	\$243.68	\$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

\$70.86

\$99.97

2.06%

2.97%

5.02%

\$170.82

S&P Dow Jones Indices S&P 500 SECTOR BUYBACKS SECTOR \$ MILLIONS	Q2,'18	Q1,'18	Q2,'17	12MoJun','18	12MoJun','17	5-YEARS
Consumer Discretionary	\$22,656	\$18,679	\$22,357	\$86,352	\$81,126	\$429,261
Consumer Staples	\$6,580	\$7,257	\$10,296	\$39,904	\$44,776	\$217,688
Energy	\$4,285	\$10,115	\$3,107	\$21,922	\$7,538	\$113,292
Financials	\$29,968	\$33,802	\$26,815	\$131,925	\$108,297	\$494,379
Healthcare	\$27,241	\$35,632	\$12,636	\$88,210	\$81,633	\$376,147
Industrials	\$23,426	\$16,628	\$14,799	\$64,702	\$56,952	\$347,013
Information Technology	\$71,511	\$63,424	\$27,628	\$198,677	\$109,815	\$744,913
Materials	\$3,237	\$2,283	\$1,020	\$8,998	\$7,104	\$69,281
Real Estate	\$884	\$883	\$1,150	\$3,888	\$2,483	\$6,371
Telecommunication Services	\$419	\$170	\$282	\$601	\$789	\$14,622
Utilities	\$413	\$179	\$20	\$631	\$243	\$5,487
TOTAL	\$190,621	\$189,051	\$120,109	\$645,811	\$500,754	\$2,818,454

S&P Dow Jones Indices S&P 500 20 LARGEST Q1 2018 BUYBACKS, \$ MILLIONS

\$13,979

\$229.57

Company	Ticker	Sector	Q2,'18 Buybacks \$ Million	12MO Jun,'18 Buybacks \$ Million	12MO Jun,'17 Buybacks \$ Million	5-Year Buybacks \$ Million	10-year Buybacks \$ Million	Indicated Dividend \$ Million
Apple	AAPL	Information Technology	\$21,860	\$63,924	\$32,986	\$208,629	\$226,579	\$14,352
AbbVie	ABBV	Healthcare	\$7,516	\$9,457	\$2,716	\$24,830	\$24,951	\$5,819
Cisco Systems	CSCO	Information Technology	\$6,147	\$18,250	\$4,304	\$41,689	\$67,923	\$6,208
Union Pacific	UNP	Industrials	\$5,527	\$9,095	\$3,464	\$21,886	\$27,559	\$2,482
Broadcom	AVGO	Information Technology	\$5,378	\$5,725	\$0	\$5,770	\$6,042	\$3,022
JPMorgan	JPM	Financials	\$4,968	\$19,210	\$10,385	\$45,546	\$62,811	\$7,627
Bank of America	BAC	Financials	\$4,965	\$17,673	\$7,693	\$34,015	\$35,018	\$6,084
Oracle	ORCL	Information Technology	\$4,965	\$11,853	\$3,844	\$44,140	\$67,141	\$3,103
Intel	INTC	Information Technology	\$4,358	\$7,385	\$3,518	\$28,546	\$54,967	\$5,592
Celgene	CELG	Healthcare	\$3,396	\$9,118	\$1,265	\$19,218	\$25,721	\$0
Facebook	FB	Information Technology	\$3,349	\$6,721	\$378	\$7,099	\$7,100	\$0
Amgen	AMGN	Healthcare	\$3,244	\$15,539	\$3,309	\$22,071	\$43,564	\$3,516
Boeing	BA	Industrials	\$2,965	\$10,201	\$6,500	\$36,755	\$37,678	\$3,985
Wells Fargo	WFC	Financials	\$2,927	\$11,734	\$8,724	\$46,803	\$56,389	\$8,381

\$215.76

Biogen	BIIB	Healthcare	\$2,750	\$3,000	\$2,365	\$11,612	\$16,143	\$0
Microsoft	MSFT	Information Technology	\$2,362	\$10,721	\$11,788	\$60,237	\$102,803	\$12,908
Citigroup	С	Financials	\$2,308	\$16,071	\$10,696	\$37,992	\$40,388	\$4,590
Alphabet	GOOG	Information Technology	\$2,052	\$6,326	\$2,745	\$14,544	\$15,462	\$0
Home Depot	HD	Consumer Discretionary	\$2,000	\$7,200	\$8,360	\$36,201	\$50,777	\$4,753
Visa	V	Information Technology	\$1,756	\$7,418	\$6,933	\$28,443	\$38,941	\$1,500
Top 20			\$94,793	\$266,621	\$131,973	\$776,025	\$1,007,957	\$93,921
S&P 500			\$190,621	\$645,811	\$500,754	\$2,818,454	\$4,414,753	\$475,404
Top 20 % of S&I	P 500		49.73%	41.28%	26.35%	27.53%	22.83%	19.76%
Gross values are not adjusted for float								

S&P Dow Jones Indices

S&P 500 20 Largest Quarterly Buybacks, $\$ Millions, as of Q2 2018, 1 added $\$

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MILLIONS	QUARTER	COMPANY	SECTOR	
\$22,756	Q1 2018	Apple	Information Technology	1
\$21,860	Q2 2018	Apple	Information Technology	2
\$20,783	Q2 2018	Apple	Information Technology	3
\$17,971	Q1 2014	Apple	Information Technology	4
\$17,000	Q3 2014	Apple	Information Technology	5
\$16,000	Q2 2013	Apple	Information Technology	6
\$15,707	Q2 2007	International Business Machines	Information Technology	7
\$13,253	Q3 2015	Apple	Information Technology	8
\$12,852	Q2 2012	Johnson & Johnson	Healthcare	9
\$12,318	Q4 2016	Allergan plc (AGN)	Healthcare	10
\$12,183	Q3 2012	Johnson & Johnson	Healthcare	11
\$10,851	Q4 2016	Apple	Information Technology	12
\$10,723	Q3 2007	Home Depot	Consumer Discretionary	13
\$10,697	Q1 2018	Amgen	Healthcare	14
\$10,166	Q2 2016	Apple	Information Technology	15
\$10,095	Q4 2017	Apple	Information Technology	16
\$10,000	Q2 2015	Apple	Information Technology	17
\$9,859	Q4 2007	Transocean	Energy	18
\$9,179	Q4 2006	Exxon Mobil	Energy	19
\$9,465	Q1 2008	Exxon Mobil	Energy	20
\$273,718		TOP 20		

S&P Dow Jones Indices S&P 500 Q2 2018 Buyback Report

SECTOR	DIVIDEND YIELD	BUYBACK YIELD	COMBINED
Consumer Discretionary	1.28%	2.79%	4.08%
Consumer Staples	3.44%	2.42%	5.87%
Energy	2.98%	1.58%	4.56%
Financials	1.99%	3.94%	5.93%
HealthCare	1.64%	2.47%	4.11%
Industrials	1.98%	2.69%	4.67%
Information Technology	1.27%	3.37%	4.64%
Materials	2.08%	1.62%	3.70%
Real Estate	3.45%	0.56%	4.01%
Telecommunication Services	5.58%	0.13%	5.71%
Utilities	3.41%	0.09%	3.51%
S&P 500	1.98%	2.72%	4.70%

Uses full values (unadjusted for float)
Dividends based on indicated; buybacks based on the last 12-months ending Q2,'18

Share Count Reduction (SCR) (Y/Y diluted shares used for	SCR	SCR
EPS)	>=4%	<=-4%
Q2 2018	6.20%	15.60%
Q1 2018	7.01%	13.63%
Q4 2017	6.83%	15.06%
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/2018-09-24-S-P-500-Q2-2018-Buybacks-Increase-58-7-Year-Over-Year-to-Record-190-6-Billion