S&P Dow Jones Indices Reports $8.4 Billion Increase in U.S. Dividend Payments for Q2 2019

-- Q2 2019 U.S. common dividends increase of $8.4 billion down from the tax-inspired $13.0 billion jump in Q2 2018
-- Total S&P 500 quarterly dividend payments increased 6.3% over Q2 2018, to $118.7 billion
-- Average Q2 2019 dividend increase in the S&P 500 was 11.0%, down from 13.6% during Q2 2018

NEW YORK, July 3, 2019 /PRNewswire/ -- S&P Dow Jones Indices today announced that indicated dividend net **increases (increases less decreases) for U.S. domestic common stocks were $8.4 billion** during Q2 2019, down from Q2 2018's $13.0 billion increase.

For Q2 2019, aggregate increases amounted to $12.3 billion, down from Q2 2018's $14.7 billion. Aggregate dividend cuts increased to $3.9 billion from $1.8 billion for Q2 2018.

For the 12-month period ending in March 2019, net dividends rose $46.8 billion, compared to a gain of $51.3 billion for the prior 12-month period, as increases were $60.7 billion versus $62.5 billion, and decreases were $14.0 billion compared to $11.2 billion for the prior period.

"U.S. dividends continued upward in Q2 2019, but the rate of growth was considerably down from a year ago when companies rushed to pass along some of their tax savings that took effect that year," said **Howard Silverblatt, Senior Index Analyst at S&P Dow Jones Indices.** "In the S&P 500, 2019 dividends are on track for a high single-digit gain over 2018 based on their current payout policies," added Silverblatt. "Q3 policies and declarations point to another per-share record quarter setting the stage for an eighth consecutive record year."

Record amounts of dividends and buybacks were paid since the tax law change, with buybacks remaining the favorite by far. In Q2 2019, the average dividend increase grew from Q1 2019, but trailed the tax-inspired Q2 2018 growth, when companies were significantly increasing their payment.

On a per share basis, Q2 2019 dividend payments for the S&P 500 increased 8.7% to $14.24, from the Q2 2018's $13.10, and set a new record, surpassing the Q4 2018 record of $14.19. On an aggregate basis, index components paid $118.7 billion in dividends this quarter, up from $111.6 billion for Q2 2018, but down from the record $119.8 billion in Q4 2018.

Additional findings from S&P Dow Jones Indices' quarterly analysis of the dividend activity of U.S. traded issues include:

Dividend Increases (defined as an increase in dividend payments):

- 492 dividend increases were reported during Q2 2019, compared to 573 during Q2 2018, a 14.1% year-over-year decline.
- Total dividend increases were $12.3 billion for the period, down from $14.7 billion for Q2 2018.
- For the 12-month period, 2,516 issues increased their payments, compared to 2,760 issues for the prior period, an 8.8% decrease.
- Total dividend increases were $60.7 billion for the 12-month period, down from $62.5 billion for the prior period.

Dividend Decreases (defined as either a decrease or suspension in dividend payments):

- 62 issues decreased dividends during Q2 2019, compared to 92 during Q2 2018, a 32.6% year-over-year decrease.
- Dividend decreases were $3.9 billion for period, up from $1.8 billion for Q2 2018.
- For the 12-month period, 314 issues decreased their dividend payments, compared to 466 decreases during the prior period, a 32.6% year-over-year decrease.
- Dividend decreases were $14.0 billion for the 12-month period, up from $11.2 billion for the prior period.

Non-S&P 500 domestic common issues:

- The percentage of non-S&P 500 domestic dividend-paying common issues decreased to 29.9%, down from 30.4% for Q1 2019.
- The weighted dividend yield for paying issues was 3.48%, down from 3.56% for Q1 2019. The average yield increased to 3.54%, down from 3.78% for Q1 2019.

Large-, Mid-, and Small-Cap Dividends:

- 422 issues, or 83.6%, within the **S&P 500** currently pay a dividend, up from 418 (82.8%) for Q1 2019. All 30 members of the **Dow Jones Industrial Average®** pay a dividend.
- 68.5% of **S&P MidCap 400®** issues now pay a dividend, down from 68.8% for Q1 2019; 52.2% of **S&P SmallCap 600®** issues pay a dividend, the same as did in Q1 2019.
- Yields across market-cap sizes mostly decreased from Q1 2019 as share prices increased faster than dividends. Large-cap yields decreased to 1.96% (2.01% for Q1 2019), mid-caps to 1.66% (1.68% for Q1 2019), and small-caps to 1.51% (1.53% for Q1 2019).
- The yields across **dividend-paying** market-size classifications were closer, but varied, with large-caps at 2.41% (2.46% for Q1 2019), mid-caps at 2.32% (2.37% for Q1 2019) and small-caps at 2.62% (2.68% for Q1 2019).

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

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