S&P Dow Jones Indices Reports $14.6 Billion Increase in U.S. Dividend Payments for Q3 2019

- Q3 2019 U.S. common dividends increase of $14.6 billion, down from the tax-inspired $19.2 billion jump in Q3 2018
- Total S&P 500 quarterly dividend payments increased 6.4% over Q3 2018, to a record $123.1 billion
- Average Q3 2019 dividend increase in the S&P 500 was 10.00%, down from 17.15% during Q3 2018 and down from the 11.03% in Q2 2019

NEW YORK, Oct. 4, 2019 /PRNewswire/ -- S&P Dow Jones Indices today announced that indicated **dividend net increases (increases less decreases) for U.S. domestic common stocks were $14.6 billion** during Q3 2019, down from Q3 2018's $19.2 billion increase.

For Q3 2019, aggregate increases amounted to $15.8 billion, down from Q3 2018's $20.1 billion. Aggregate dividend cuts increased to $1.13 billion from $0.85 billion for Q3 2018.

For the 12-month period ending in September 2019, net dividends rose $42.2 billion, compared to a gain of $55.5 billion for the prior 12-month period, as increases were $56.5 billion versus $67.1 billion, and decreases were $14.3 billion compared to $11.6 billion for the prior period.

"U.S. dividends continued upward in Q3 2019, but the rate of growth declined considerably 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 dividend payments are on track for an 8% gain over 2018 based on their current payout policies, added Silverblatt (2018 was up 9.84% and 2017 was up 6.96%) . "Q4 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 have been paid since the tax law change, with buybacks remaining the favorite and increasing the most. In 2019, companies retreated and buybacks have significantly declined, returning to pre-2018 levels. The pace of dividend payments, however, with their lower growth rate, has been stable. In Q3 2019, the average S&P 500 dividend increase grew at 10%, but trailed the tax-inspired 17% Q3 2018 growth, when companies were significantly increasing their payments.

On a per share basis, S&P 500 Q3 2019 dividend payments for the S&P 500 increased 8.4% to $14.80, from the Q3 2018's $13.66, and set a new record. On an aggregate basis, index components paid $123.1 billion in dividends this quarter, up from $115.7 billion for Q3 2018, also setting a new record.

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):

- 426 dividend increases were reported during Q3 2019, compared to 460 during Q3 2018, a 7.4% year-over-year decline.
- Total dividend increases were $15.8 billion for the period, down from $20.1 billion for Q3 2018.
- For the 12-month period, 2,482 issues increased their payments, compared to 2,782 issues for the prior period, a 10.8% decrease.
- Total dividend increases were $56.5 billion for the 12-month period, down from $67.1 billion for the prior period.

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

- Ninety-four issues decreased dividends during Q3 2019, compared to 67 during Q3 2018, a 40.3% year-over-year increase.
- Dividend decreases were $1.13 billion for period, up from $0.85 billion for Q3 2018.
- For the 12-month period, 341 issues decreased their dividend payments, compared to 440 decreases during the prior period, a 22.5% year-over-year decrease.
- Dividend decreases were $14.3 billion for the 12-month period, up from $11.6 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 28.6% from 28.8% in Q2 2019.
- The weighted dividend yield for paying issues was 3.36%, up from 3.30% for Q2 2019. The average yield decreased to 3.06%, down from 3.07% for Q2 2019.
- **Large-, Mid-, and Small-Cap Dividends:**
- 423 issues, or 83.8%, within the **S&P 500** currently pay a dividend, up from 422 (83.6%) for Q2 2019. All 30 members of the **Dow Jones Industrial Average®** pay a dividend.
- 68.8% of **S&P MidCap 400®** issues now pay a dividend, up from 68.5% for Q2 2019; 52.4% of **S&P SmallCap 600®** issues pay a dividend, up from 52.2% in Q2 2019.
- Yields across market-cap sizes increased from Q2 2019. Large-cap yields increased to 1.98% (1.96% for Q2 2019), mid-caps to 1.72% (1.66% for Q2 2019), and small-caps to 1.58% (1.51% for Q2 2019).
- The yields across **dividend-paying** market-size classifications were closer, but varied, with large-caps flat from Q2 2019 at 2.41% (2.411% vs. 2.409%), mid-caps at 2.41% (2.32% for Q2 2019) and small-caps at 2.69% (2.62% for Q2 2019).

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

ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies, and governments to make decisions with confidence. For more information, visit: www.spdji.com.

SOURCE S&P Dow Jones Indices

For further information: S&P DJI MEDIA: Ray McConville, External Communications - Americas, (+1) 212 438 1678, raymond.mcconville@spglobal.com, INDEX INVESTMENT STRATEGY: Howard Silverblatt, Senior Index Analyst, (+1) 212 438 3916, howard.silverblatt@spglobal.com

---

https://press.spglobal.com/2019-10-04-S-P-Dow-Jones-Indices-Reports-14-6-Billion-Increase-in-U-S-Dividend-Payments-for-Q3-2019