

# S&P 500 Buybacks Increase 28.2% in Q4 2020 from Q3 2020; Full Year 2020 down 28.7% from 2019

NEW YORK, March 24, 2021 /PRNewswire/ -- S&P Dow Jones Indices ("S&P DJI") announced today that preliminary Q4 2020 [S&P 500®](#) stock buybacks, or share repurchases, were \$130.5 billion, a 28.2% increase from Q3 2020's \$101.8 billion, but a year-over-year 28.1% decrease from Q4 2019's \$181.6 billion. Full year 2020 buybacks were \$519.7 billion, down 28.7% from 2019's \$728.7 billion, and down 35.6% from 2018's record 806.4 billion level.

Historical data on S&P 500 buybacks are available at [www.spdji.com/indices/equity/sp-500](http://www.spdji.com/indices/equity/sp-500).

## Key Takeaways:

- **Q4 2020 share repurchases were \$130.5 billion**, rebounding 28.2% from Q3 2020's \$101.8 billion expenditure, up 47.2% from the Q2 2020 recent low of \$88.7 billion, but down 28.1% year-over-year from the pre-COVID Q4 2019's \$181.6 billion.
- **244 companies reported buybacks of at least \$5 million for the quarter**, up from 190 in Q3 2020 and down from 320 in Q4 2019.
- **Buybacks remained top heavy, with the top 20 issues accounting for 66.3% of Q4 2020 buybacks**, down from 77.4% in Q3 2020, 87.2% in Q2 2020, but still up from the historical pre-COVID average of 44.5%.
- **Full year 2020 buybacks were \$519.7 billion**, a 28.7% decrease from 2019's \$728.7 billion, and 35.6% less than the record \$806.4 billion in 2018.
- **Buybacks are expected to significantly increase in 2021**, as big banks, via Fed approval for Q1 2021, have returned to the buyback market and more companies continue to look to negate stock options.
- **6.4% of companies reduced share counts by at least 4% year-over-year**, down from Q3 2020's 9.6%, and down significantly from Q4 2019's 20.7% (the recent high was in Q1 2016, at 28.2%).
- **S&P 500 Q4 2020 dividends increased 2.9% to \$118.8 billion** from Q3 2020's \$115.5 billion but decreased 5.9% from Q4 2019's \$126.4 billion. For 2020, dividends were \$480.4 billion, down 1.0% on an aggregate basis from 2019's \$485.5 billion.
- **Total shareholder return of buybacks and dividends in Q4 2020 was \$249.4 billion**, up 14.7% from Q3 2020's \$217.3 billion and down 19.0% from Q4 2019's \$307.9 billion (Q4 2018 holds the record, at \$342.8 billion).
- **Total shareholder return in 2020 declined to \$1.00 trillion from 2019's \$1.214 trillion.**

"More companies ventured back into the buyback market as they sought shares to cover employee options being exercised and prevent dilution. That, combined with buying from cash-flow strong companies, resulted in a buyback rebound in the fourth quarter," said **Howard Silverblatt, Senior Index Analyst at S&P Dow Jones Indices**.

## 2021 Outlook:

Silverblatt added, "More companies are expected to venture back into the buyback market - initially to cover stock options, and then, depending on cash-flow, to reduce share count and increase earnings-per-share. Big-banks, which received Fed Q1 2021 approval to resume buybacks, are expected to significantly increase their 2020 expenditure of \$80.7 billion, most of which - \$46.6 billion - was done in the pre-COVID Q1 2020 period, subject to Fed approval."

## Q4 2020 GICS® Sector Analysis:

**Information Technology** continued to lead and dominate in buybacks, even as their share declined to 42.9% of all S&P 500 buybacks from Q3 2020's 48.9%, partially due to a higher buyback participation rate in the S&P 500. For the quarter, the sector spent \$56.1 billion, up 12.8% from the prior quarter's \$49.7 billion, and up 7.0% from the Q4 2019 \$52.4 billion level. For 2020, the group spent \$201.9 billion, representing 38.8% of the buybacks, down from 2019's \$224.9 billion expenditure, which represented 30.9% of the buybacks.

**Financial buybacks**, which were slightly trailing Information Technology pre-COVID, slightly increased to \$13.6 billion, or 10.4% of the buybacks, from the Q3 2020 \$12.1 billion, and were significantly down from the Q4 2019 \$50.2 billion. For 2020, the group spent \$80.7 billion, representing 15.5% of all buybacks, down 54.8% from their 2019 expenditure of \$178.7 billion, which represented 24.5% of the buybacks. For 2021, big-banks are expected to return to the buyback market, and significantly increase their expenditures. Of note, Warren Buffett's Berkshire Hathaway, spent \$9.0 billion on buybacks in Q4, the same as it did in Q3, as it spent \$24.7 billion for the year, compared to \$4.9 billion in 2019.

**Health Care** returned to spend \$15.0 billion for the quarter, representing 11.5% of the buybacks, up 98.9% from their Q3 2020 \$7.6 billion expenditure. For 2020, the sector spent \$54.1 billion, representing 10.4% of the buybacks, down from the \$83.9 billion spent in 2019, when it represented 11.5% of the buybacks.

## Issues:

The five issues with the highest total buybacks for Q4 2020 are:

- **Apple (AAPL)** continued to be the poster-child for buybacks, spending \$27.6 billion in Q4 2020, setting a new record for any company in S&P 500 history, as the level was up from their Q3 2020 \$17.6 billion expenditure and their Q4 2019 \$22.1 billion level. For 2020, Apple has spent \$81.5 billion on buybacks, down a tick from 2019's \$81.7 billion. Over the five-year period, they have spent \$307.2 billion and \$423.0 billion over the ten-year period.
- **Berkshire Hathaway (BRK)**, was next (permitting some to dare to dream of a dividend): \$9.0 billion for Q4 2020, the same level as Q3 2020; for 2020 they spent \$24.7 billion versus \$4.9 billion.
- **Alphabet (GOOGL)**: \$7.9 billion for Q4 2020, also the same as their Q3 2020 expenditure; for 2020 they spent \$31.1 billion versus \$18.4 billion.
- **Microsoft (MSFT)**: \$6.5 billion for Q4 2020, down from the \$6.7 billion spent in Q3 2020; for 2020 they spent \$26.1 billion versus \$19.5 billion.
- **Charter Communications (CHTR)**: \$4.4 billion for Q4 2020, up from \$3.4 billion in Q3 2020; for 2020 they spent \$11.2 billion versus \$6.9 billion.

For more information about S&P Dow Jones Indices, please visit [www.spdji.com](http://www.spdji.com).

S&P Dow Jones Indices S&P 500, \$ U.S. BILLIONS PERIOD	MARKET VALUE \$ BILLIONS	OPERATING EARNINGS \$ BILLIONS	(estimates in bold)				DIVIDEND & BUYBACK		
			AS REPORTED EARNINGS \$ BILLIONS	DIVIDENDS \$ BILLIONS	BUYBACKS \$ BILLIONS	DIVIDEND YIELD	BUYBACK YIELD	YIELD	
			\$ BILLIONS	\$ BILLIONS	\$ BILLIONS				
2020Prelim.	\$31,658.70	<b>\$1,019.04</b>	<b>\$784.12</b>	\$480.40	<b>\$519.69</b>	1.52%	<b>1.64%</b>	<b>3.16%</b>	
2019	\$26,759.69	\$1,304.76	\$1,158.22	\$485.48	\$728.74	1.81%	2.72%	4.54%	
2018	\$21,026.90	\$1,281.66	\$1,119.43	\$456.31	\$806.41	2.17%	3.84%	6.01%	
2017	\$22,821.24	\$1,066.00	\$940.86	\$419.77	\$519.40	1.84%	2.28%	4.12%	
2016	\$19,267.93	\$919.85	\$818.55	\$397.21	\$536.38	2.06%	2.78%	4.85%	
12/31/2020 Prelim.	\$31,659	<b>\$321.81</b>	<b>\$264.91</b>	\$118.84	<b>\$130.52</b>	1.52%	<b>1.64%</b>	<b>3.16%</b>	
9/30/2020	\$27,868	\$314.06	\$273.29	\$115.54	\$101.79	1.75%	2.05%	3.80%	
6/30/2020	\$25,637	\$221.53	\$147.44	\$119.04	\$88.66	1.93%	2.52%	4.45%	
3/31/2020	\$21,424	\$161.64	\$98.48	\$126.98	\$198.72	2.31%	3.37%	5.68%	
12/31/2019	\$26,760	\$324.52	\$294.29	\$126.35	\$181.58	1.81%	2.72%	4.54%	
9/30/2019	\$24,707	\$330.42	\$282.12	\$123.12	\$175.89	1.94%	3.12%	5.06%	
6/28/2019	\$24,423	\$333.26	\$290.00	\$118.68	\$165.46	1.93%	3.27%	5.20%	
3/29/2019	\$23,619	\$316.56	\$291.82	\$117.33	\$205.81	1.97%	3.49%	5.45%	
12/31/2018	\$21,027	\$293.82	\$242.91	\$119.81	\$222.98	2.17%	3.84%	6.01%	
9/30/2018	\$24,579	\$349.04	\$306.70	\$115.72	\$203.76	1.81%	2.93%	4.75%	
6/30/2018	\$23,036	\$327.53	\$288.55	\$111.60	\$190.62	1.89%	2.80%	4.69%	
3/29/2018	\$22,496	\$311.26	\$281.28	\$109.18	\$189.05	1.90%	2.56%	4.46%	
12/29/2017	\$22,821	\$288.93	\$230.12	\$109.46	\$136.97	1.84%	2.28%	4.12%	
9/29/2017	\$21,579	\$268.35	\$243.68	\$105.45	\$129.17	1.92%	2.40%	4.32%	
6/30/2017	\$20,762	\$261.39	\$231.40	\$104.01	\$120.11	1.96%	2.41%	4.37%	
3/31/2017	\$20,276	\$247.32	\$235.65	\$100.86	\$133.15	1.98%	2.51%	4.49%	

12/31/2016	\$19,268	\$240.11	\$207.93	\$103.82	\$135.29	2.06%	2.78%	4.85%
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S&P Dow Jones Indices  
S&P 500 SECTOR BUYBACKS  
SECTOR \$ MILLIONS

	Q4,'20	Q3,'20	Q4,'19	2020	2019	5-YEARS	10-YEARS	Q4,'18 (high)	Q2,'20 (recent low)
Consumer Discretionary	\$8,863	\$3,247	\$16,620	\$29,514	\$68,476	\$357,762	\$738,968	\$25,652	\$1,317
Consumer Staples	\$8,720	\$4,231	\$9,429	\$19,742	\$33,838	\$181,301	\$407,418	\$9,588	\$1,514
Energy	\$334	\$66	\$5,025	\$4,321	\$18,750	\$71,996	\$249,907	\$8,698	\$60
Financials	\$13,601	\$12,101	\$50,232	\$80,685	\$178,685	\$638,249	\$964,426	\$45,641	\$8,346
Healthcare	\$15,018	\$7,551	\$20,041	\$54,082	\$83,864	\$399,207	\$718,573	\$31,336	\$10,706
Industrials	\$7,235	\$3,442	\$10,218	\$33,230	\$60,792	\$301,986	\$573,757	\$23,026	\$1,816
Information Technology	\$56,085	\$49,728	\$52,432	\$201,851	\$224,847	\$943,530	\$1,532,697	\$61,298	\$36,900
Materials	\$2,593	\$785	\$3,117	\$8,113	\$15,709	\$52,466	\$119,990	\$5,857	\$184
Real Estate	\$732	\$406	\$573	\$2,661	\$2,230	\$13,263	\$13,263	\$1,480	\$204
Communication Services	\$16,581	\$17,316	\$13,687	\$81,446	\$38,192	\$140,889	\$177,512	\$9,556	\$27,548
Utilities	\$831	\$2,914	\$211	\$4,115	\$3,355	\$10,038	\$19,184	\$850	\$67
TOTAL	\$130,592	\$101,786	\$181,583	\$519,762	\$728,738	\$3,110,687	\$5,515,696	\$222,980	\$88,661

	Q4,'20	Q3,'20	Q4,'19	2020	2019	5-YEARS	10-YEARS	Q4,'18	Q2,'20
Consumer Discretionary	6.79%	3.19%	9.15%	5.68%	9.40%	11.50%	13.40%	11.50%	1.49%
Consumer Staples	6.68%	4.16%	5.19%	3.80%	4.64%	5.83%	7.39%	4.30%	1.71%
Energy	0.26%	0.06%	2.77%	0.83%	2.57%	2.31%	4.53%	3.90%	0.07%
Financials	10.41%	11.89%	27.66%	15.52%	24.52%	20.52%	17.49%	20.47%	9.41%
Healthcare	11.50%	7.42%	11.04%	10.41%	11.51%	12.83%	13.03%	14.05%	12.07%
Industrials	5.54%	3.38%	5.63%	6.39%	8.34%	9.71%	10.40%	10.33%	2.05%
Information Technology	42.95%	48.85%	28.88%	38.84%	30.85%	30.33%	27.79%	27.49%	41.62%
Materials	1.99%	0.77%	1.72%	1.56%	2.16%	1.69%	2.18%	2.63%	0.21%
Real Estate	0.56%	0.40%	0.32%	0.51%	0.31%	0.43%	0.24%	0.66%	0.23%
Communication Services	12.70%	17.01%	7.54%	15.67%	5.24%	4.53%	3.22%	4.29%	31.07%
Utilities	0.64%	2.86%	0.12%	0.79%	0.46%	0.32%	0.35%	0.38%	0.08%
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

S&P Dow Jones Indices  
S&P 500 20 LARGEST Q4 2020 BUYBACKS, \$ MILLIONS  
Company

Ticker	Sector	Q4 2020 Buybacks \$ Million	Q3 2020 Buybacks \$ Million	Q4 2019 Buybacks \$ Million	12-Months 2020 \$ Million	12-Months 2019 \$ Million	5-Year Buybacks \$ Million	10-Year Buybacks \$ Million	Indicated Dividend \$ Million
Apple	Information Technology	\$27,636	\$17,587	\$22,085	\$81,543	\$81,685	\$307,213	\$423,038	\$14,831
Berkshire Hathaway	Financials	\$8,994	\$8,973	\$2,043	\$24,706	\$4,850	\$30,902	\$30,969	\$0
Alphabet	Communication Services	\$7,904	\$7,897	\$6,098	\$31,149	\$18,396	\$67,159	\$69,055	\$0
Microsoft	Information Technology	\$6,535	\$6,743	\$5,206	\$26,128	\$19,504	\$85,832	\$128,519	\$16,936
Charter Communications	Communication Services	\$4,349	\$3,361	\$2,305	\$11,217	\$6,873	\$35,766	\$36,582	\$0
Oracle	Information Technology	\$4,059	\$5,423	\$5,036	\$18,832	\$26,857	\$85,921	\$127,703	\$6,117
Lowe's	Consumer Discretionary	\$3,443	\$562	\$664	\$4,971	\$4,313	\$19,108	\$37,978	\$1,759
Facebook	Communication Services	\$3,049	\$2,725	\$1,923	\$9,836	\$6,539	\$37,690	\$41,515	\$0
Procter & Gamble	Consumer Staples	\$3,008	\$2,000	\$3,504	\$5,909	\$9,504	\$29,124	\$54,406	\$7,836
Intel	Information Technology	\$2,000	\$8,000	\$3,523	\$14,229	\$13,623	\$45,204	\$81,661	\$5,696
Visa	Information Technology	\$1,930	\$1,544	\$2,517	\$7,687	\$8,741	\$38,328	\$55,503	\$2,170
Humana	Health Care	\$1,790	\$5	\$60	\$1,820	\$1,070	\$7,451	\$10,338	\$371
UnitedHealth Group	Health Care	\$1,709	\$850	\$399	\$4,250	\$5,500	\$17,030	\$31,486	\$4,744
Cigna	Health Care	\$1,690	\$1,028	\$447	\$4,042	\$1,987	\$9,235	\$12,954	\$1,445
Honeywell International	Industrials	\$1,565	\$164	\$750	\$3,714	\$4,400	\$17,082	\$21,860	\$2,610
Bristol-Myers Squibb	Health Care	\$1,465	\$0	\$7,000	\$1,546	\$7,300	\$11,866	\$15,928	\$4,429
Walmart	Consumer Staples	\$1,439	\$463	\$888	\$2,625	\$5,717	\$32,346	\$54,986	\$12,703
HP	Information Technology	\$1,378	\$1,340	\$691	\$3,794	\$2,376	\$11,223	\$28,308	\$1,071
Anthem	Health Care	\$1,374	\$759	\$307	\$2,828	\$1,785	\$8,489	\$19,042	\$1,124
Amgen	Health Care	\$1,205	\$765	\$1,094	\$3,486	\$7,702	\$35,684	\$51,844	\$4,098
<b>Top 20</b>		<b>\$86,522</b>	<b>\$70,189</b>	<b>\$66,540</b>	<b>\$264,312</b>	<b>\$238,722</b>	<b>\$932,653</b>	<b>\$1,333,675</b>	<b>\$87,941</b>
<b>S&amp;P 500</b>		<b>\$130,525</b>	<b>\$101,786</b>	<b>\$181,583</b>	<b>\$519,694</b>	<b>\$728,738</b>	<b>\$3,110,620</b>	<b>\$5,515,629</b>	<b>\$532,003</b>
<b>Top 20 % of S&amp;P 500</b>		<b>66.29%</b>	<b>68.96%</b>	<b>36.64%</b>	<b>50.86%</b>	<b>32.76%</b>	<b>29.98%</b>	<b>24.18%</b>	<b>16.53%</b>
Gross values are not adjusted for float									

S&P Dow Jones Indices  
S&P 500 20 Largest Quarterly Buybacks, \$ Millions; Apple set a new index record

\$ MILLIONS	QUARTER	COMPANY	SECTOR	
\$27,636	Q4 2020	Apple	Information Technology	1
\$23,811	Q1 2019	Apple	Information Technology	2
\$22,908	Q1 2018	Apple	Information Technology	3
\$22,085	Q4 2019	Apple	Information Technology	4
\$21,860	Q2 2018	Apple	Information Technology	5
\$21,162	Q2 2006	QUALCOMM	Information Technology	6
\$19,364	Q3 2018	Apple	Information Technology	7
\$18,761	Q1 2020	Apple	Information Technology	8
\$18,154	Q2 2019	Apple	Information Technology	9
\$18,036	Q1 2014	Apple	Information Technology	10
\$17,635	Q3 2019	Apple	Information Technology	11
\$17,587	Q3,2020	Apple	Information Technology	12
\$17,559	Q2 2020	Apple	Information Technology	13
\$17,319	Q3 2014	Apple	Information Technology	14
\$17,128	Q2 2020	T-Mobile	Communication Services	15
\$16,413	Q2 2013	Apple	Information Technology	16
\$15,707	Q3 2007	Internat'l Bus Machines	Information Technology	17
\$13,420	Q3 2015	Apple	Information Technology	18
\$12,852	Q4 2013	Johnson & Johnson	Healthcare	19
\$12,318	Q4 2016	Allergan plc (AGN)	Healthcare	20

**S&P Dow Jones Indices**  
**S&P 500 Q4 2020 Buyback Report**

SECTOR	DIVIDEND YIELD	BUYBACK YIELD	COMBINED YIELD
Consumer Discretionary	0.66%	0.71%	1.37%
Consumer Staples	3.52%	1.00%	4.52%
Energy	4.31%	0.42%	4.73%
Financials	1.97%	2.09%	4.06%
HealthCare	1.76%	1.26%	3.02%
Industrials	1.53%	1.14%	2.67%
Information Technology	1.01%	2.25%	3.26%
Materials	1.96%	0.90%	2.86%
Real Estate	2.93%	0.32%	3.25%
Communications Services	1.07%	2.62%	3.69%
Utilities	3.34%	0.48%	3.82%
<b>S&amp;P 500</b>	<b>1.62%</b>	<b>1.58%</b>	<b>3.20%</b>

Uses full values (unadjusted for float)  
Dividends based on indicated; buybacks based on the last 12-months ending Q4, '20

Share Count Changes (Y/Y diluted shares used for EPS)	>=4%	<=-4%
Q4 2020	8.62%	6.41%
Q3 2020	8.62%	9.62%
Q2 2020	8.60%	17.80%
Q1 2020	8.00%	19.60%
Q4 2019	7.63%	20.68%
Q3 2019	8.62%	22.85%
Q2 2019	7.98%	24.15%
Q1 2019	8.03%	24.90%
Q4 2018	8.45%	18.71%
Q3 2018	6.43%	17.67%
Q2 2018	6.20%	15.60%
Q1 2018	7.01%	13.63%
Q4 2017	6.83%	15.06%

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