News Release Archive

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.

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 (GOOG/L):** $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 20120, 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.

S&P Dow Jones Indices
S&P 500, $ U.S. BILLIONS
(estimates in bold)

PERIOD	MARKET VALUE $ BILLIONS	OPERATING EARNINGS $ BILLIONS	AS REPORTED EARNINGS $ BILLIONS	DIVIDENDS $ BILLIONS	BUYBACKS $ BILLIONS	DIVIDEND YIELD	BUYBACK YIELD	DIVIDEND & BUYBACK YIELD
2020Prelim.	$31,658.70	**$1,019.04**	**$784.12**	$480.40	**$519.69**	1.52%	**1.64%**	**3.16%**
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	**$321.81**	**$264.91**	$118.84	**$130.52**	1.52%	**1.64%**	**3.16%**
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%

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**

SECTOR BUYBACK MAKEUP

%	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	AAPL	Information Technology	$27,636	$17,587	$22,085	$81,543	$81,685	$307,213	$423,038	$14,831
Berkshire Hathaway	BRK.b	Financials	$8,994	$8,973	$2,043	$24,706	$4,850	$30,902	$30,969	$0
Alphabet	GOOGL	Communication Services	$7,904	$7,897	$6,098	$31,149	$18,396	$67,159	$69,055	$0
Microsoft	MSFT	Information Technology	$6,535	$6,743	$5,206	$26,128	$19,504	$85,832	$128,519	$16,936
Charter Communications	CHTR	Communication Services	$4,349	$3,361	$2,305	$11,217	$6,873	$35,766	$36,582	$0
Oracle	ORCL	Information Technology	$4,059	$5,423	$5,036	$18,832	$26,857	$85,921	$127,703	$6,117
Lowe's	LOW	Consumer Discretionary	$3,443	$562	$664	$4,971	$4,313	$19,108	$37,978	$1,759
Facebook	FB	Communication Services	$3,049	$2,725	$1,923	$9,836	$6,539	$37,690	$41,515	$0
Procter & Gamble	PG	Consumer Staples	$3,008	$2,000	$3,504	$5,909	$9,504	$29,124	$54,406	$7,836
Intel	INTC	Information Technology	$2,000	$8,000	$3,523	$14,229	$13,623	$45,204	$81,661	$5,696
Visa	V	Information Technology	$1,930	$1,544	$2,517	$7,687	$8,741	$38,328	$55,503	$2,170
Humana	HUM	Health Care	$1,790	$5	$60	$1,820	$1,070	$7,451	$10,338	$371
UnitedHealth Group	UNH	Health Care	$1,709	$850	$399	$4,250	$5,500	$17,030	$31,486	$4,744
Cigna	CI	Health Care	$1,690	$1,028	$447	$4,042	$1,987	$9,235	$12,954	$1,445
Honeywell International	HON	Industrials	$1,565	$164	$750	$3,714	$4,400	$17,082	$21,860	$2,610
Bristol-Myers Squibb	BMY	Health Care	$1,465	$0	$7,000	$1,546	$7,300	$11,866	$15,928	$4,429
Walmart	WMT	Consumer Staples	$1,439	$463	$888	$2,625	$5,717	$32,346	$54,986	$12,703
HP	HPQ	Information Technology	$1,378	$1,340	$691	$3,794	$2,376	$11,223	$28,308	$1,071
Anthem	ANTM	Health Care	$1,374	$759	$307	$2,828	$1,785	$8,489	$19,042	$1,124
Amgen	AMGN	Health Care	$1,205	$765	$1,094	$3,486	$7,702	$35,684	$51,844	$4,098
Top 20			**$86,522**	**$70,189**	**$66,540**	**$264,312**	**$238,722**	**$932,653**	**$1,333,675**	**$87,941**
S&P 500			**$130,525**	**$101,786**	**$181,583**	**$519,694**	**$728,738**	**$3,110,620**	**$5,515,629**	**$532,003**
Top 20 % of S&P 500			**66.29%**	**68.96%**	**36.64%**	**50.86%**	**32.76%**	**29.98%**	**24.18%**	**16.53%**

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

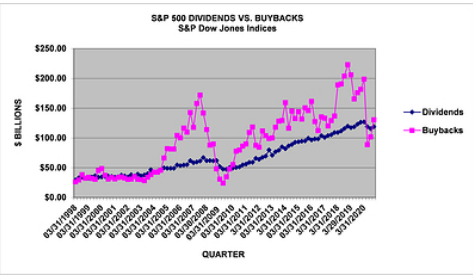
$ MILLIONS	QUARTER	COMPANY	SECTOR	
$27,636	**Q4 2020**	**Apple**	**Information Technology**	**1**
$23,811	Q1 2019	Apple	Information Technology	2
$22,908	Q1 2018	Apple	Information Technology	3
$22,085	Q4 2019	Apple	Information Technology	4
$21,860	Q2 2018	Apple	Information Technology	5
$21,162	Q2 2006	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

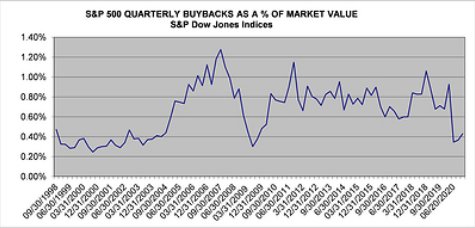
S&P Dow Jones Indices
S&P 500 Q4 2020 Buyback Report

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%**
S&P 500	**1.62%**	**1.58%**	**3.20%**

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%**





ABOUT S&P DOW JONES INDICES

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