S&P Dow Jones Indices Reports U.S. Common Indicated Dividend Payments Increased $18.2 Billion in Q1 2022; 12-month gain was $70.1 billion

- **Q1 2022 U.S. common dividend increases were $27.7 billion, up 34.8% from $20.6 billion in Q4 2021 and up 36.3% from $20.3 billion in Q1 2021.**
- **Q1 2022 U.S. common dividend decreases were $9.5 billion, up 262% from $2.6 billion in Q4 2021, and up 299% from $2.4 billion in Q1 2021.**
  - **Excluding AT&T's $6.9 billion reduction, Q1 decreases were 2.4% lower than Q4 2021 and 7.5% higher than Q1 2021.**
- **Net indicated dividend rate change increased $18.2 billion in Q1 2022, compared to $18.0 billion in Q4 2021, and $18.0 billion in Q1 2021.**
- **The median Q1 2022 dividend increase in the S&P 500 was 9.52%, up from 8.46% in Q4 2021, and up from 7.69% in Q1 2021.**
- **For the 12-months ending in March 2022, U.S. common dividend increases were $86.0 billion, up 74.3% from March 2021's $49.3 billion; decreases fell 76.2% to $15.9 billion in the March 2022 12-month period from the massive $66.6 billion in 2021.**
- **The net 12-month March 2022 indicated dividend gain was $70.1 billion, compared to the 2021 period's decline of $17.3 billion.**

NEW YORK, April 4, 2022 /PRNewswire/ -- S&P Dow Jones Indices announced today that indicated **dividend net changes (increases less decreases) for U.S. domestic common stocks increased $18.2 billion** during Q1 2022, compared to $18.0 billion in Q4 2021, and $18.0 billion in Q1 2021. Q1 2022's net dividend changes include AT&T's recently announced $6.9 billion reduction.

For the 12 months ending in March 2022, the net dividend rate increased $70.1 billion, compared to a net decline of $17.3 billion for the 12-months ending March 2021, as increases were $86.0 billion versus $49.3 billion, and decreases were $15.9 billion compared to $66.6 billion in the 2021 period.

"Dividend increases continue to accelerate, as net gains for the quarter would have set a new record if not for AT&T's $6.9 billion reduction as part of its WarnerMedia spinoff," said **Howard Silverblatt, Senior Index Analyst at S&P Dow Jones Indices. "**We are seeing more companies increase the size and percentage of their increases and fewer reducing payments. With earnings and sales setting record highs and cash flows strong, we expect this trend to continue even as interest rates rise."

Silverblatt continued, "Within the S&P 500, Q1 cash dividends were up 10.7% over Q1 2021, setting a record that may not last long once Q2 dividends are declared and paid. Buybacks, which set a record in Q4 2021 and are expected to set another one in Q1 2022, still appear to be favored over dividends, as the dividend payout ratio is historically low. This is expected to increase through the year, with 2022 dividends expected to post a record 2022 payment."

Silverblatt concluded, "While a consumer slowdown and a potential 2023 recession are major concerns, the shorter-term concern remains inflation, as higher payouts would need to compete with other rising rate instruments. In the end, however, dividend investors typically weigh the risk-reward components with a bias towards secure income."

S&P 500 Dividends

On a per share basis, S&P 500 Q1 2021 dividend payments in the S&P 500 set a record, increasing 3.0% to $16.25 from Q4 2021's $15.78 and were up 10.7% from Q1 2021 $14.68 payment. On an aggregate basis, index components paid a record $137.6 billion in dividends in the quarter, up from $133.9 billion in Q4 2021 and up from $123.9 billion in Q1 2021. For the 12-month March 2022 period, the index paid a record $61.97 per share, up from 2021's $57.70, with an aggregate $524.9 billion to shareholders, compared to $480.1 billion in 2021.

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

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

- 963 dividend increases were reported during Q1 2022 compared to 906 during Q1 2021, a 6.3% year-over-year increase.
- Total dividend increases were $27.7 billion for the period, up from $20.3 billion for Q1 2021.
- For the 12-month March 2022 period, 2,967 issues increased their payments, compared to 2,079 issues for the prior period, a 42.7% increase.
- Total dividend increases for the 12-month March 2022 period were $86.0 billion, up from $49.3 billion in the 2021 12-month March period.

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

- 71 issues decreased dividends during Q1 2022, compared to 64 during Q1 2021, a 10.9% year-over-year increase.
- Dividend decreases were $9.5 billion in the period, up from $2.4 billion in Q1 2021.
- In the 12-month March 2022 period, 177 issues decreased their dividend payments, compared to 862 decreases in the 2021 period, a 79.5% decrease.
- Dividend decreases were $15.9 billion in the 12-month 2022 period, a 76.2% decline from 2021$66.6 billion decrease.

Non-S&P 500 domestic common issues (for issues yielding 10% or less):

- The percentage of non-S&P 500 domestic dividend-paying common issues increased to 19.8% in Q1 2022 from 19.6% in Q4 2021, and decreased from 21.4% in Q1 2021.
- The weighted indicated dividend yield for paying issues was 2.62% in Q1 2022, up from 2.50% in Q4 2021, and up from 2.48% in Q1 2021. The average indicated yield increased to 2.92% in Q1 2022, from Q4 2021's 2.84%, and increased from 2.80% in Q1 2021.

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

- 394 issues, or 78.0%, within the **S&P 500** currently pay a dividend, the same as in Q4 2021, and down from 385 (76.2%) in Q1 2021; 27 of the 30 members of the **Dow Jones Industrial Average®** pay a dividend.
- 64.5% of **S&P MidCap 400®** issues now pay a dividend, up from 64.3% in Q4 2021 and up from 62.5% in Q1 2021; 51.2% of **S&P SmallCap 600®** issues pay a dividend, up from 50.6% Q4 2021 and up from 49.4% in Q1 2021.
- Yields varied and were higher than Q4 2021, as markets declined for Q1 2022, and dividends increased. Large-cap yields increased to 1.40% (1.31% for Q4 2021 and 1.47% for Q1 2021), mid-caps increased to 1.41% (1.26% for Q4 2021 and 1.23% for Q1 2021), and small-caps increased to 1.32% (1.18% for Q4 2021 and 1.11% for Q1 2021).
- The yields across **dividend-paying** market-size classifications also varied, with large-caps at 1.85% (1.74% in Q4 2021 and 1.98% in Q1 2021), mid-caps at 2.17% (1.98% in Q4 2021 and 2.00% in Q1 2021) and small-caps at 2.38% (2.16% in Q4 2021 and 2.14% in Q1 2021).

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.

S&P DJI MEDIA CONTACTS:

Ray McConville, External Communications – Americas
(+1) 212 438 1678 raymond.mcconville@spglobal.com

INDEX INVESTMENT STRATEGY:

Howard Silverblatt, Senior Index Analyst
(+1) 973 769 2306 howard.silverblatt@spglobal.com

SOURCE S&P Global

https://press.spglobal.com/2022-04-04-S-P-Dow-Jones-Indices-Reports-U-S-Common-Indicated-Dividend-Payments-Increased-18-2-Billion-in-Q1-2022-12-month-gain-was-70-1-billion