

# S&P 500 Buybacks Decline 21.8% as Financials Pull Back; 12-Months Buybacks Pass \$1 Trillion for the First Time

- S&P 500 Q2 2022 buybacks were \$219.6 billion, down 21.8% from Q1 2022's record of \$281.0 billion, as participation declined
- The 12-month June 2022 expenditure of \$1.005 trillion set a record, up 65.0% from the June 2021's 12-month \$609.4 billion expenditure

NEW YORK, Sept. 20, 2022 /PRNewswire/ -- S&P Dow Jones Indices ("S&P DJI") announced today preliminary [S&P 500®](#) stock buybacks, or share repurchases, data for Q2 2022.

"Companies pulled back from their Q1 record-breaking buyback expenditures, with 11.5% fewer companies participating."

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:

- Q2 2022 share repurchases were \$219.6 billion, down 21.8% from the Q1 2022 record \$281.0 billion expenditure and up 10.5% from June 2021's \$198.8 billion.
- 331 companies reported buybacks of at least \$5 million for the quarter, down from 374 in Q1 2022 and up from 294 in Q2 2021; 384 companies did some buybacks for the quarter, down from 395 in Q1 2022 and up from 360 in Q2 2021; 438 companies did some buybacks for the 12-months ending June 2022, up from 416 in the prior period.
- Buybacks remained top heavy and increased, with the top 20 companies accounting for 46.8% of Q2 2022 buybacks, up from Q1 2022's 42.1%, down from the 55.7% in Q2 2021, and up from the pre-COVID historical average of 44.5%.
- For the 12-months ending June 2022, buybacks were a record \$1.005 trillion, a 65.0% increase from the \$609.4 billion spent in the June 2021 time period.
- 21.3% of companies reduced share counts used for earnings-per-share (EPS) by at least 4% year-over-year, up from Q1 2022's 17.6% and Q2 2021's 5.4%, and down from the Q2 2019 rate of 24.2%.
- S&P 500 Q2 2022 dividends increased 2.1% to a record \$140.6 billion from Q1 2022's \$137.6 billion and were 13.9% greater than the \$123.4 billion in Q2 2021. For the 12-months ending June 2022, dividends were a record \$542.1 billion, up 11.9% on an aggregate basis from the 12-month's June 2021's \$484.5 billion.
- Total shareholders return of buybacks and dividends declined to \$360.2 billion in Q2 2022, down 14.0% from Q1 2022's record \$418.6 billion and up 11.8% from Q2 2021's \$322.2 billion.
- Total shareholder return for the 12-months ending June 2022 increased to a record \$1.547 trillion from the June 2021 \$1.094 trillion.
- On a proforma basis, the new 1% excise tax on net buybacks, which will become effective in 2023, would have reduced 2021 S&P 500 operating earnings by 0.48%, as reported GAAP earnings by 0.50%, and GAAP free-cash-flow by 0.44%, and increased the 2021 effective tax rate of 17.56% to 17.95%.



"Companies pulled back from their Q1 record-breaking buyback expenditures, with 11.5% fewer companies participating, as they spent 21.8% less. There were significant reductions in Financials and Health Care issues, as Energy issues have reentered the buyback market, and are again buying," said **Howard Silverblatt, Senior Index Analyst at S&P Dow Jones Indices**. "The steep decline in prices, however, led to more shares repurchased, as 21.3% of the companies in the S&P 500 increased their earnings-per-share by at least 4% thanks to their newly lowered share counts, up from the 17.6% in Q1 2022, and 5.4% in Q2 2021."

## Outlook for Q3 2022:

Silverblatt added, "For Q3, we see slightly higher buybacks expenditures, with Q4 potentially seeing some 2023 purchases accelerated into 2022 to avoid the new tax, which may result in another record year. With interest rates rising, consumers pulling back, and supply and labor issues impacting production, companies appear concerned about their forward earnings, and are more cautious about their expenditures."

## 1% Buyback Excise Tax for 2023:

On a proforma basis, the new 1% excise tax on the net buybacks would have reduced 2021 S&P 500 operating earnings by 0.48%, as reported GAAP earnings by 0.50%, GAAP free-cash-flow by 0.44%, and increased the 2021 S&P 500 17.56% effective tax rate to 17.96%. Silverblatt commented that "going from zero to anything is the biggest increase, so while the 1% tax is an additional cost, it is not significant enough to impact buybacks. However, we expect to see some buybacks planned for 2023 moved into Q4 2022." Silverblatt added that "the buyback tax had bipartisan support, so there is a good possibility that the 1% level is only the opening move, which if increased enough could impact dividends as well."

## Q2 2022 GICS® Sector Analysis:

**Information Technology** continued to lead in buybacks, as its percentage of buybacks increased. In Q2 2022, IT's share increased to 32.8% of all S&P 500 buybacks compared to Q1 2022's 25.5% and Q2 2021's 31.6%, as expenditures increased (0.5%) to \$72.0 billion from the prior quarter's \$71.6 billion and were 14.7% higher than the Q2 2021 expenditure of \$62.8 billion. For the 12-months ending June 2022, the sector spent \$284.5 billion, representing 28.3% of all S&P buybacks, up from 2021's 12-month \$224.9 billion, which represented 36.9% of all buybacks. For the 10-years, the sector spent \$1.814 trillion, representing 28.8% of the expenditures.

**Financials** significantly cut back on buybacks, decreasing their expenditures 61.2% to \$21.2 billion, representing 9.7% of the buybacks, from the Q1 2022 \$54.7 billion, which represented 19.5% of all buybacks. The 12-month buybacks of \$189.3 billion were 84.1% higher than the 12-month June 2021 buybacks of \$102.9 billion, when the Fed partially limited buybacks.

**Health Care** buybacks decreased 58.2%, spending \$17.2 billion in Q2 2022, representing 7.8% of all buybacks, down from the Q1 2022 \$41.1 billion, which accounted for 14.6% of the buybacks, and were 3.1% lower than the Q2 2021 expenditure of \$17.8 billion.

**Energy** reentered the buyback market, as they increased their expenditures by 56.5% for the quarter, to \$13.4 billion, from the prior quarter's \$8.6 billion and were up 729% from the Q2 2021 \$1.6 billion. For the 12-months, buybacks were \$32.5 billion compared to the prior period's \$2.5 billion, a 1,200% increase.

## Issues:

The five issues with the highest total buybacks for Q2 2022 are:

- **Apple (AAPL)**: continued to be the poster child for buybacks as it again spent the most of any issue, with its Q2 2022 expenditure ranked third highest in S&P 500 history. For the quarter, the company spent \$24.6 billion, up 7.0% from Q1 2022's \$23.0 billion. Apple holds 18 of the top 20 record quarters (Meta Platforms holds #10 and QUALCOMM holds #11). For the 12-months ending June 2022, Apple spent \$91.3 billion on buybacks, up from the prior 12-month's \$89.7 billion. Over the five-year period, they have spent \$392.4 billion and \$557.4 billion over the ten-year period.
- **Alphabet (GOOGL)**: was next with \$15.2 billion for Q2 2022, up from \$13.3 billion in Q1 2022; the 12-month June 2022 expenditure was \$54.6 billion versus the 12-month June 2021 expenditure of \$40.0 billion.
- **Microsoft (MSFT)**: \$8.76 billion for Q2 2022, down from \$8.82 billion in Q1 2022; the 12-month June 2022 expenditure was \$32.7 billion versus \$27.4 billion.
- **Meta Platforms (META)**: \$6.2 billion for Q2 2022, down from \$10.4 billion in Q1 2022; the 12-month June 2022 expenditure was \$53.3 billion versus \$19.2 billion.
- **Lowe's (LOW)**: \$4.1 billion for Q2 2022, up from \$4.0 billion in Q1 2022; the 12-month June 2022 expenditure was \$15.0 billion versus \$10.2 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**

(preliminary in bold)

PERIOD	MARKET VALUE \$ BILLIONS	OPERATING EARNINGS \$ BILLIONS	AS REPORTED EARNINGS \$ BILLIONS	DIVIDENDS \$ BILLIONS	BUYBACKS \$ BILLIONS	DIVIDEND YIELD	BUYBACK YIELD	DIVIDEND & BUYBACK YIELD
12 Mo Jun,'22	\$31,903	<b>\$1,733.78</b>	<b>\$1,626.00</b>	\$542.09	<b>\$1,005.39</b>	1.70 %	<b>3.15 %</b>	<b>4.85 %</b>
12 Mo Jun,'21	\$36,325	\$1,477.02	\$1,336.15	\$484.45	\$609.35	1.33 %	1.68 %	3.01 %
2021	\$40,356	\$1,738.62	\$1,652.78	\$511.23	\$881.72	1.27 %	2.18 %	3.45 %
2020	\$31,659	\$1,019.04	\$784.21	\$483.18	\$519.76	1.53 %	1.64 %	3.17 %
2019	\$26,760	\$1,304.76	\$1,158.22	\$485.48	\$728.74	1.81 %	2.72 %	4.54 %
2018	\$21,027	\$1,281.66	\$1,119.43	\$456.31	\$806.41	2.17 %	3.84 %	6.01 %
6/30/2022	\$31,903	<b>\$395.02</b>	<b>\$359.96</b>	\$140.56	<b>\$219.64</b>	1.70 %	<b>3.15 %</b>	<b>4.85 %</b>
3/31/2022	\$38,288	\$417.33	\$388.42	\$137.60	\$281.01	1.37 %	2.57 %	3.94 %
12/31/2022	\$40,356	\$456.22	\$434.29	\$133.90	\$270.10	1.27 %	2.18 %	3.45 %
9/30/2021	\$36,538	\$441.26	\$420.64	\$130.04	\$234.64	1.37 %	2.03 %	3.40 %
6/30/2021	\$36,325	\$439.95	\$409.02	\$123.38	\$198.84	1.33 %	1.68 %	3.01 %
3/31/2021	\$33,619	\$401.19	\$388.84	\$123.91	\$178.13	1.43 %	1.48 %	2.91 %
12/31/2020	\$31,659	\$321.81	\$265.00	\$121.62	\$130.59	1.53 %	1.64 %	3.17 %
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 %

#### S&P Dow Jones Indices

#### S&P 500 SECTOR BUYBACKS

SECTOR \$ MILLIONS	Q2,'22	Q1,'22	Q2,'21	12MoJun,'22	12MoJun,'21	5-YEARS	10-YEARS
<b>Consumer Discretionary</b>	\$27,639	\$28,238	\$19,193	\$107,319	\$47,222	\$372,113	\$774,640
<b>Consumer Staples</b>	\$10,662	\$8,419	\$8,912	\$40,234	\$31,494	\$171,874	\$395,649
<b>Energy</b>	\$13,383	\$8,552	\$1,615	\$32,523	\$2,502	\$95,646	\$218,684
<b>Financials</b>	\$21,216	\$54,690	\$41,777	\$189,347	\$102,868	\$744,092	\$1,160,571
<b>Healthcare</b>	\$17,201	\$41,134	\$17,754	\$96,345	\$60,717	\$406,466	\$759,444
<b>Industrials</b>	\$17,834	\$24,745	\$14,894	\$76,414	\$39,116	\$301,762	\$627,032
<b>Information Technology</b>	\$71,956	\$71,580	\$62,758	\$284,462	\$224,930	\$1,172,546	\$1,814,365
<b>Materials</b>	\$8,726	\$7,434	\$4,624	\$30,657	\$12,067	\$81,037	\$147,435
<b>Real Estate</b>	\$1,127	\$1,131	\$42	\$3,175	\$1,606	\$14,423	\$16,906
<b>Communication Services</b>	\$29,441	\$34,069	\$27,268	\$142,045	\$82,946	\$330,981	\$363,487
<b>Utilities</b>	\$453	\$1,017	\$7	\$2,869	\$3,887	\$12,472	\$18,730
<b>TOTAL</b>	<b>\$219,637</b>	<b>\$281,011</b>	<b>\$198,843</b>	<b>\$1,005,390</b>	<b>\$609,355</b>	<b>\$3,703,413</b>	<b>\$6,296,944</b>

SECTOR BUYBACK MAKEUP %	Q2,'22	Q1,'22	Q2,'21	12MoJun,'22	12MoJun,'21	5-YEARS	10-YEARS
<b>Consumer Discretionary</b>	12.58 %	10.05 %	9.65 %	10.67 %	7.75 %	10.05 %	12.30 %
<b>Consumer Staples</b>	4.85 %	3.00 %	4.48 %	4.00 %	5.17 %	4.64 %	6.28 %
<b>Energy</b>	6.09 %	3.04 %	0.81 %	3.23 %	0.41 %	2.58 %	3.47 %
<b>Financials</b>	9.66 %	19.46 %	21.01 %	18.83 %	16.88 %	20.09 %	18.43 %
<b>Healthcare</b>	7.83 %	14.64 %	8.93 %	9.58 %	9.96 %	10.98 %	12.06 %
<b>Industrials</b>	8.12 %	8.81 %	7.49 %	7.60 %	6.42 %	8.15 %	9.96 %
<b>Information Technology</b>	32.76 %	25.47 %	31.56 %	28.29 %	36.91 %	31.66 %	28.81 %
<b>Materials</b>	3.97 %	2.65 %	2.33 %	3.05 %	1.98 %	2.19 %	2.34 %
<b>Real Estate</b>	0.51 %	0.40 %	0.02 %	0.32 %	0.26 %	0.39 %	0.27 %
<b>Communication Services</b>	13.40 %	12.12 %	13.71 %	14.13 %	13.61 %	8.94 %	5.77 %
<b>Utilities</b>	0.21 %	0.36 %	0.00 %	0.29 %	0.64 %	0.34 %	0.30 %
<b>TOTAL</b>	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %

#### S&P 500 20 LARGEST Q2 2022 BUYBACKS, \$

#### MILLIONS

Company	Ticker	Sector	Q2 2022 Buybacks \$ Million	Q1 2021 Buybacks \$ Million	Q2 2022 Buybacks \$ Million	12-Months Jun,'22 \$ Million	12-Months Jun,'21 \$ Million	5-Year Buybacks \$ Million	10-Year Buybacks \$ Million	Indicated Dividend \$ Million
Apple	AAPL	Information Technology	\$24,562	\$22,961	\$25,595	\$91,338	\$89,665	\$392,410	\$557,386	\$15,198
Alphabet	GOOGL	Services	\$15,197	\$13,300	\$12,796	\$54,580	\$39,992	\$139,492	\$147,710	\$0
Microsoft	MSFT	Information Technology	\$8,757	\$8,822	\$7,177	\$32,696	\$27,385	\$113,313	\$168,189	\$0
Meta Platforms	META	Services	\$6,235	\$10,431	\$8,434	\$53,268	\$19,224	\$102,529	\$108,233	\$7,812
Lowe's	LOW	Consumer Discretionary	\$4,091	\$4,037	\$3,136	\$14,966	\$10,179	\$34,150	\$53,388	\$18,620
Exxon Mobil	XOM	Energy	\$3,919	\$2,067	\$0	\$6,140	\$101	\$7,999	\$53,063	\$5,931
Charter Communications	CHTR	Communication Services	\$3,687	\$3,333	\$3,516	\$15,283	\$14,878	\$52,432	\$58,296	\$3,987
NVIDIA	NVDA	Information Technology	\$3,650	\$2,528	\$366	\$7,239	\$1,367	\$12,759	\$17,010	\$0
Walmart	WMT	Consumer Staples	\$3,339	\$2,408	\$2,391	\$10,334	\$7,102	\$35,135	\$62,633	\$6,411
Amazon.com	AMZN	Consumer Discretionary	\$3,334	\$2,666	\$0	\$6,000	\$0	\$6,000	\$6,000	\$8,421
Comcast	CMCSA	Services	\$3,065	\$3,223	\$648	\$10,003	\$1,222	\$20,277	\$42,606	\$0
Morgan Stanley	MS	Financials	\$2,837	\$3,681	\$3,018	\$12,993	\$5,680	\$34,586	\$45,186	\$8,021
HCA Healthcare	HCA	Health Care	\$2,682	\$2,101	\$2,287	\$9,184	\$3,814	\$17,085	\$25,449	\$2,516
Target	TGT	Consumer Discretionary	\$2,640	\$181	\$1,540	\$7,327	\$2,889	\$15,100	\$25,110	\$2,216
KLA	KLAC	Information Technology	\$2,589	\$581	\$313	\$4,052	\$995	\$7,287	\$8,766	\$2,313
UnitedHealth Group	UNH	Health Care	\$2,500	\$2,500	\$1,250	\$7,100	\$5,459	\$24,705	\$36,683	\$551
Cisco Systems	CSCO	Information Technology	\$2,488	\$377	\$998	\$8,381	\$3,513	\$55,109	\$81,651	\$6,751
Visa	V	Information Technology	\$2,434	\$2,952	\$2,202	\$12,572	\$7,395	\$44,425	\$69,742	\$1,645
Mastercard Incorporated	MA	Information Technology	\$2,384	\$2,540	\$1,715	\$7,769	\$6,291	\$29,125	\$44,802	\$6,280
ConocoPhillips	COP	Energy	\$2,300	\$1,425	\$606	\$6,367	\$1,149	\$16,666	\$18,035	\$4,794
<b>Top 20</b>			<b>\$102,690</b>	<b>\$92,114</b>	<b>\$77,988</b>	<b>\$377,592</b>	<b>\$248,300</b>	<b>\$1,160,584</b>	<b>\$1,629,938</b>	<b>\$101,465</b>
<b>S&amp;P 500</b>			<b>\$219,637</b>	<b>\$198,843</b>	<b>\$198,843</b>	<b>\$1,005,390</b>	<b>\$609,355</b>	<b>\$3,703,413</b>	<b>\$6,296,944</b>	<b>\$557,225</b>
<b>Top 20 % of S&amp;P 500</b>			<b>46.75 %</b>	<b>32.78 %</b>	<b>39.22 %</b>	<b>37.56 %</b>	<b>40.75 %</b>	<b>31.34 %</b>	<b>25.88 %</b>	<b>18.21 %</b>

Gross values are not adjusted for float

**S&P Dow Jones Indices**  
**S&P 500 Q2 2022 Buyback Report**

SECTOR	DIVIDEND YIELD	BUYBACK YIELD	COMBINED YIELD
Consumer Discretionary	0.84 %	2.67 %	3.51 %
Consumer Staples	2.61 %	1.78 %	4.39 %
Energy	3.50 %	2.05 %	5.55 %
Financials	2.14 %	4.99 %	7.13 %
HealthCare	1.64 %	1.94 %	3.58 %
Industrials	1.72 %	2.81 %	4.53 %
Information Technology	1.00 %	3.03 %	4.03 %
Materials	2.11 %	3.47 %	5.58 %
Real Estate	2.95 %	0.32 %	3.27 %
Communications Services	1.20 %	6.31 %	7.51 %
Utilities	2.75 %	0.26 %	3.01 %
S&P 500	1.64 %	2.96 %	4.60 %

Uses full values (unadjusted for float)

Dividends based on indicated; buybacks based on the last 12-months ending Q2,'22

**Share Count Changes**

(Y/Y diluted shares used for EPS)	>=4%	<=-4%
Q2 2022	8.03 %	21.29 %
Q1 2022	7.62 %	17.64 %
Q4 2021	10.06 %	14.89 %
Q3 2021	10.22 %	7.41 %
Q2 2021	11.02 %	5.41 %
Q1 2021	10.40 %	5.80 %
Q4 2020	9.02 %	6.01 %
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 %

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