S&P Dow Jones Indices Reports U.S. Common Indicated Dividend Payments Increased $17.7 Billion During Q3 2022; 12-Month Gain as of September 2022 was $71.5 Billion

- **Q3 2022 U.S. common dividend increases were $19.1 billion, down 0.9% from $19.3 billion in Q2 2022 and down 14.0% from $22.2 billion in Q3 2021.**
- **Q3 2022 U.S. common dividend decreases were $1.4 billion, down 15.8% from $1.7 billion in Q2 2022, up 9.8% from $1.3 billion in Q3 2021.**
- **Q3 2022 net indicated dividend rate change increased $17.7 billion, compared to $17.6 billion in Q2 2022, and $20.9 billion in Q3 2021.**
- **For the 12-month period ending September 2022, U.S. common dividend increases were $86.7 billion, up 20.7% from September 2021's $71.8 billion; decreases were up 44.9% to $15.2 billion in the 12-month period ending September 2022, compared to $10.5 billion during the same time period in 2021.**
- **The net indicated dividend gain in the 12-month period ending September 2022 was $71.5 billion net, compared to $61.4 billion in the same period ending September 2021.**

NEW YORK, Oct. 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 $17.7 billion** during Q3 2022, compared to $17.6 billion in Q2 2022 and $20.9 billion in Q3 2021.

For the 12-month period ending September 2022, the net dividend rate increased $71.5 billion, compared to the net $61.4 billion in the 12-month period ending September 2021. Increases were $86.7 billion versus $71.8 billion, and decreases were $15.2 billion compared to $10.5 billion in the same period in 2021.

"Dividend increases continue at record levels. However, the strength of the increases has declined, as concerns over interest rates, inflation and slowing consumer spending have made companies more measured and cautious in their approach to dividend increases. At this point, Q4 appears set to slightly increase, setting another quarterly and annual record," said **Howard Silverblatt, Senior Index Analyst at S&P Dow Jones Indices.** "The risk-reward tradeoff has shifted from the start of the third quarter, as the market decline has moved investors to more secure, less volatile equity dividend producing companies as dividends serve as anchors, slowing the decline."

Within the S&P 500, Q3 cash dividends set a record payment, and were up 8.5% over Q3 2021. Dividends are expected to increase in Q4 and reach a new record, as the 2022 full year is expected to post a 10% increase in the actual cash payment over 2021.

"2023 appears set for another record payment but the key question is by how much and the answer will depend on the state of the economy and corporate profits. The uncertain forecast for 2023 dividend payments is also driven by several factors: high inflation, rising interest rates, and the consumer pull back, as more market practitioners on Wall Street are signaling a 2023 recession. Overall, it is clear that companies are currently protecting their dividends, even if it means reducing buybacks," Silverblatt concluded.

Buybacks, which set a record in Q1 2022 at $281 billion, declined in Q2 to $220 billion, with both Financials and Health Care issues pulling back on their expenditures. Buyback activity is expected to increase in the second half of 2022 as companies accelerate their purchases to avoid the new 1% buyback tax set to start in 2023.

S&P 500 Dividends

On a per share basis, S&P 500 Q3 2022 dividend payments set a record, increasing 0.2% to $16.66 from Q2 2022's $16.63, and up 8.5% from Q2 2021 $15.36 payment. On an aggregate basis, index constituents paid $140.3 billion in dividends in the quarter, compared to $140.6 billion in Q2 2022 and up from $130.0 billion in Q3 2021. For the 12-month period ending September 2022, the index paid a record $65.32 per share, up from $59.32 in the 12-month period ending September 2021,

with an aggregate $552.4 billion to shareholders, compared to $498.9 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):

- 529 dividend increases were reported during Q3 2022 compared to 584 during Q3 2021, a 9.4% year-over-year decrease.
- Total dividend increases were $19.1 billion for the period, down from $22.2 billion for Q3 2021.
- For the 12-month period ending September 2022, 2,899 issues increased their payments, compared to 2,678 issues for the prior period, an 8.3% increase.
- Total dividend increases for the 12-month September 2022 period were $86.7 billion, up from $71.8 billion in the 12-month period ending September 2021.

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

- 60 issues decreased dividends in Q3 2022, compared to 27 during Q3 2021, a 122% year-over-year increase.
- Dividend decreases were $1.4 billion in Q3 2022, up from $1.3 billion in Q3 2021.
- In the 12-month period ending September 2022, 232 issues decreased their dividend payments, compared to 177 decreases in the 2021 period, a 31.1% increase.
- Dividend decreases were $15.2 billion in the 12-month period ending September 2022, a 44.9% increase from the $10.5 billion decrease in the same period in 2021.

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 decreased to 19.4% in Q3 2022, compared to 20.0% in Q2 2022, and 20.0% in Q3 2021.
- The weighted indicated dividend yield for paying issues was 3.17% in Q3 2022, up from 2.98% in Q2 2021 and up from 2.52% in Q3 2021. The average indicated yield increased to 3.34% in Q3 2022, compared to Q2 2021's 3.20% and 2.86% in Q3 2021.

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

- 399 issues, or 79.3%, within the **S&P 500** currently pay a dividend, up from 398 issues, or 79.1% in Q2 2022, and up from 391 (77.4%) in Q3 2021; 27 of the 30 members of the **Dow Jones Industrial Average®** pay a dividend.
- 64.3% of **S&P MidCap 400®** issues now pay a dividend, down from 65.3% in Q2 2022 and up from 63.5% in Q3 2021; 52.1% of **S&P SmallCap 600®** issues pay a dividend, up from 51.2% in Q2 2022 and up from 51.1% in Q3 2021.
- Yields varied and were higher than Q2 2022, as markets declined for Q3 2022 and dividends increased. Large-cap yields increased to 1.85% (1.72% for Q2 2022 and 1.41% for Q3 2021), mid-caps increased to 1.81% (1.71% for Q2 2022 and 1.28% for Q3 2021), and small-caps increased to 1.75% (1.56% for Q2 2022 and 1.22% for Q3 2021).
- The yields across **dividend-paying** market-size classifications also varied, with large-caps at 2.38% (2.18% in Q2 2022 and 1.93% in Q3 2021), mid-caps at 2.76% (2.56% in Q2 2022 and 2.06% in Q3 2021) and small-caps at 3.13% (2.82% in Q2 2022 and 2.25% in Q3 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:

April Kabahar, Head of Communications
(+1) 917 796 3121 april.kabahar@spglobal.com

Lauren Davis, External Communications – Americas
(+1) 484 269 7118 lauren.davis@spglobal.com

INDEX INVESTMENT STRATEGY:

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

SOURCE S&P Dow Jones Indices

---

https://press.spglobal.com/2022-10-04-S-P-Dow-Jones-Indices-Reports-U-S-Common-Indicated-Dividend-Payments-Increased-17-7-Billion-During-Q3-2022-12-Month-Gain-as-of-September-2022-was-71-5-Billion