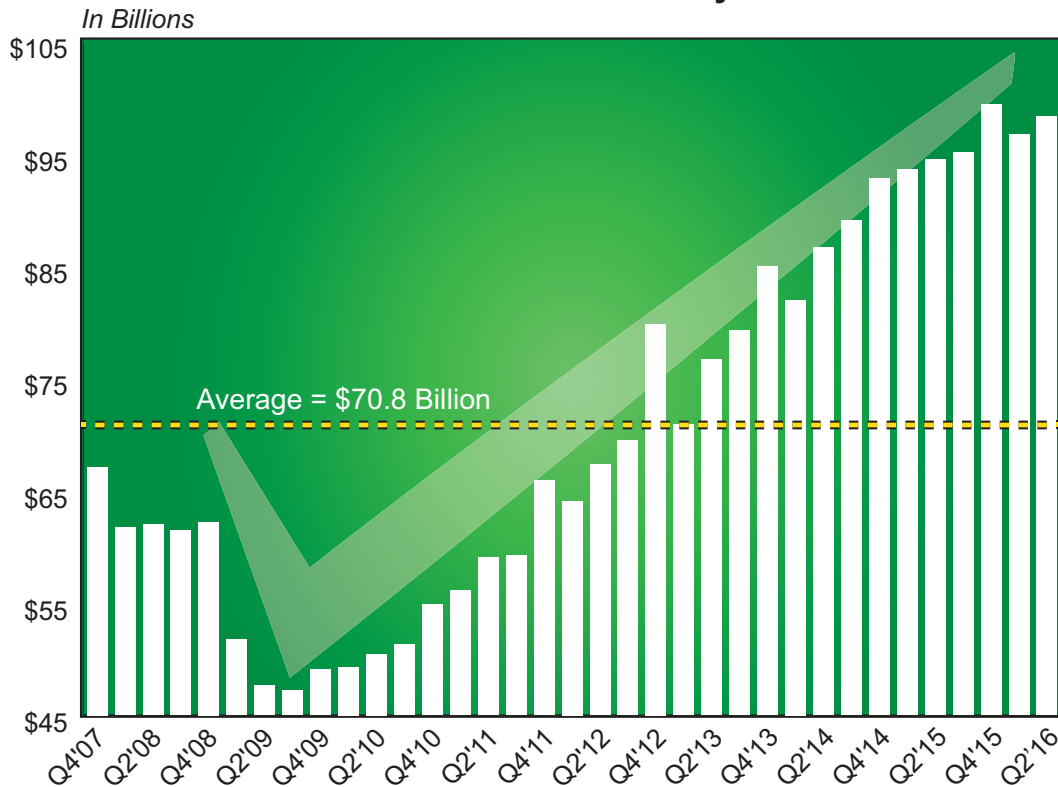


S&P 500 Index Dividend-Payers Still Distributing Lots Of Cash To Shareholders

S&P 500 Index Dividend Payouts



Source: S&P Dow Jones Indices. Q2'16 data is preliminary.

View from the Observation Deck

1. S&P 500 Index companies paid out \$98.30 billion in stock dividends in Q2'16, up 4.1% from the \$94.45 billion distributed in Q2'15.
2. It marked the seventh consecutive quarter in which cash dividend distributions exceeded \$90 billion. Over the past 35 quarters through Q2'16, the average dividend payout was \$70.8 billion.
3. The all-time high was the \$99.39 billion distributed in Q4'15. The low point in the chart was the \$47.21 billion paid out in Q3'09, the first quarter of the current economic expansion.
4. The steady rise in stock dividend distributions throughout the current economic recovery suggests that Corporate America is still on solid footing, in our opinion.
5. In Q2'16, five sectors contributed two-thirds (66.90%) of the S&P 500 Index's dividend payout. Here was the breakdown: 16.36% (Financials); 15.54% (Information Technology); 12.40% (Consumer Staples); 11.81% (Health Care); and 10.79% (Industrials), according to S&P Dow Jones Indices.
6. S&P 500 Industrials (Old), defined as the S&P 500 minus Financials, Utilities and Transportation companies, had cash and equivalent holdings totaling an all-time high of \$1.374 trillion in Q2'16.
7. Investors should be encouraged by the fact that companies are not only distributing billions of dollars more each quarter to shareholders via stock dividends, but appear to have the wherewithal to keep this trend going, in our opinion.

This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 is a capitalization-weighted index comprised of 500 stocks (currently 505) used to measure large-cap U.S. stock market performance.