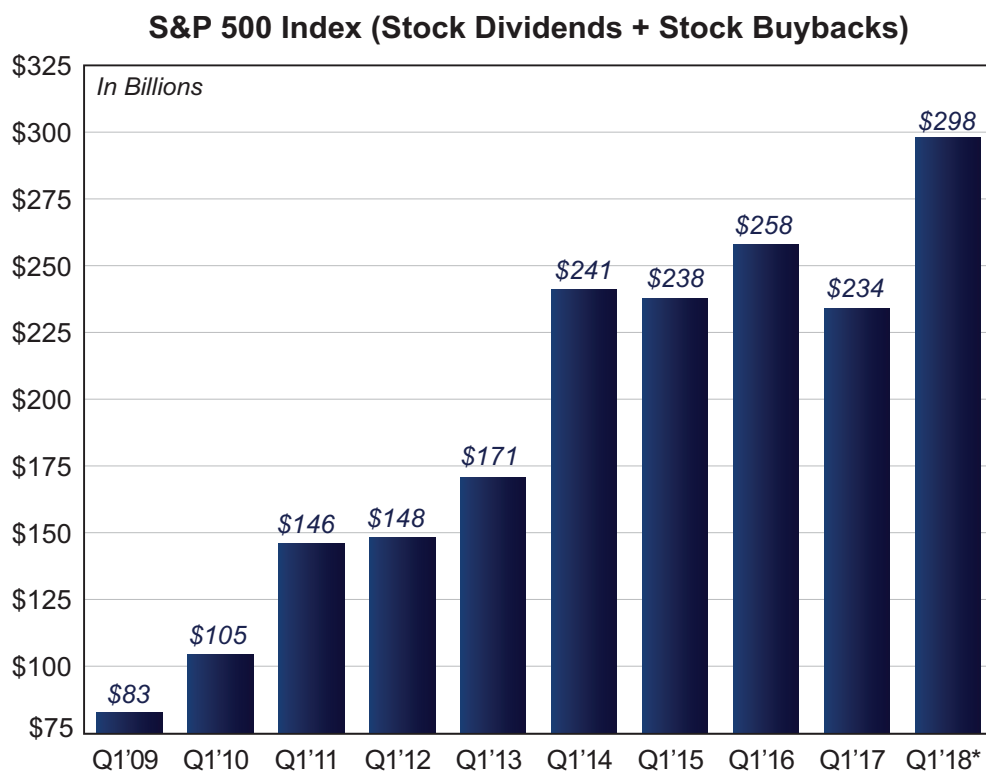


S&P 500 Index Companies Continue To Reward Shareholders



Source: S&P Dow Jones Indices. *Q1'18 is a preliminary figure.

View from the Observation Deck

1. Today's blog post shows the surge in the amount of capital that S&P 500 Index companies have committed to stock dividends and stock buybacks since the quarter (Q1'09) in which the index bottomed in the last bear market.
2. As indicated in the chart, using first quarter data points, the S&P 500 Index increased its combined outlays (dividends + buybacks) from \$83 billion in Q1'09 to \$298 billion in Q1'18 (preliminary), or an increase of 259.0%.
3. The \$298 billion distributed in Q1'18 is an all-time high for the index (includes all quarters). The previous record was \$258 billion, set in Q1'16, according to S&P Dow Jones Indices.
4. For the 12-month period ended March 2018 (not shown in chart), stock dividend payouts plus stock buybacks totaled an all-time high of \$1.0 trillion, according to S&P Dow Jones Indices.
5. With respect to the 10 quarters referenced in the chart, 60% of the capital spent went to stock buybacks, while the other 40% was spent on dividends.
6. Combined distributions have been above the \$200 billion mark for the past 19 consecutive quarters (not in chart), according to S&P Dow Jones Indices.
7. In the current bull market in stocks (3/9/09-6/25/18), the S&P 500 Index has posted a cumulative total return of 388.3%, or an average annualized total return of 18.6%, according to Bloomberg.

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 Index is a capitalization-weighted index comprised of 500 stocks (currently 505) used to measure large-cap U.S. stock market performance.

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