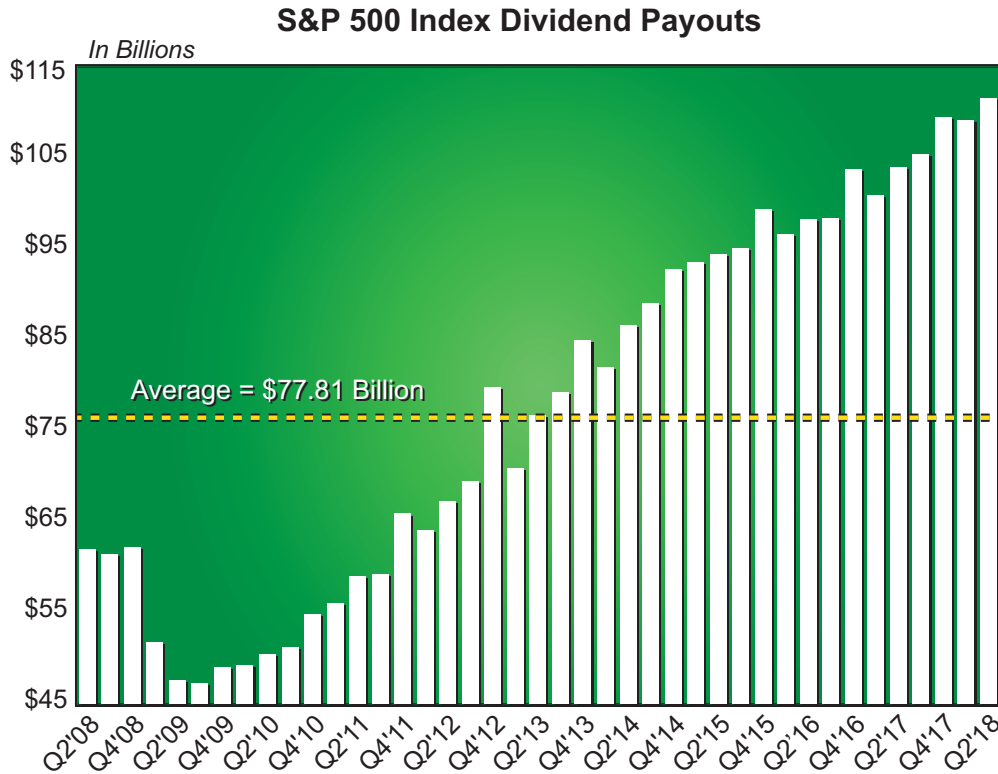


S&P 500 Index's Dividend Payout Hit an All-Time High in Q2'18



Source: S&P Dow Jones Indices. Q2'18 data is preliminary.
Past performance is no guarantee of future results.

View from the Observation Deck

1. S&P 500 Index companies paid out a record high \$111.60 billion in cash dividends in Q2'18 (preliminary data).
2. It marked the 7th consecutive quarter in which cash dividend distributions exceeded \$100.00 billion. Over the past 41 quarters through Q2'18, the average quarterly dividend payout was \$77.81 billion.
3. The low point in the chart was the \$47.21 billion paid out in Q3'09, the first quarter of the current economic expansion. From Q3'09 to Q2'18, the index's quarterly dividend payout increased by 136.39%.
4. S&P 500 Index companies paid out a record \$435.69 billion in cash dividends for the 12-month period ended 6/29/18, up 7.02% from the \$407.12 billion distributed over the same period through 6/30/17, according to S&P Dow Jones Indices.
5. Four sectors contributed 53.37% of the S&P 500 Index's dividend payout as of 6/29/18. Here was the breakdown: 16.53% (Information Technology); 12.86% (Financials); 12.79% (Health Care); and 11.19% (Consumer Staples), according to S&P Dow Jones Indices.
6. The S&P 500 Index's estimated annual dividend payouts for 2018 and 2019 were \$53.99 per share and \$58.26 per share, respectively, as of 9/26/18, up from \$50.47 per share in 2017, according to Bloomberg.
7. The steady rise in dividend distributions throughout the current economic recovery suggests that Corporate America is still on solid footing, in our opinion.

This chart is for illustrative purposes only and not indicative of any actual investment. There can be no assurance that any of the projections cited will occur. 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. The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA and the Internal Revenue Code. First Trust has no knowledge of and has not been provided any information regarding any investor. Financial advisors must determine whether particular investments are appropriate for their clients. First Trust believes the financial advisor is a fiduciary, is capable of evaluating investment risks independently and is responsible for exercising independent judgment with respect to its retirement plan clients.