S&P 500 Dividend-Paying Stocks Distributing Record Levels Of Cash To Investors

View from the Observation Deck

1. S&P 500 companies paid out a record-high $92.80 billion in stock dividends in Q4’14, up 9.2% from the $84.98 billion distributed in Q4’13. This is an indication of how healthy Corporate America was heading into 2015, in our opinion.

2. The $92.80 billion distributed in Q4’14 was 96.6% higher than the $47.21 billion in Q3’09 (see chart). Stock dividend distributions are now well above pre-financial crisis levels.

3. The cash and marketable securities balance of the S&P 500 (ex-Financials) stood at a record-high $1.43 trillion at the end of Q4’14, according to FactSet.

4. 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 have the wherewithal to keep this trend going, in our opinion.

Source: S&P Dow Jones Indices. Q4’14 data is preliminary.

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 used to measure large-cap U.S. stock market performance.