S&P 500 Index’s Dividend Payout Sets Another All-Time High In Q4’18

View from the Observation Deck

1. S&P 500 Index companies paid out a record high $119.81 billion in cash dividends in Q4’18 (preliminary data).
2. It marked the 9th consecutive quarter in which cash dividend distributions exceeded $100.00 billion. Over the past 41 quarters through Q4’18, the average quarterly dividend payout was $80.54 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 Q4’18, the index’s quarterly dividend payout increased by 153.78%.
4. S&P 500 Index companies paid out a record $456.31 billion (preliminary data) in 2018, up 8.70% from the $419.77 billion distributed in 2017, according to S&P Dow Jones Indices.
5. Four sectors contributed 54.44% of the S&P 500 Index’s dividend payout as of 12/31/18. Here was the breakdown: 16.46% (Information Technology); 14.24% (Financials); 12.77% (Health Care); and 10.97% (Consumer Staples), according to S&P Dow Jones Indices.
6. The S&P 500 Index’s estimated annual dividend payouts for 2019 and 2020 were $57.69 per share and $61.73 per share, respectively, as of 3/27/18, up from $53.86 per share in 2018, according to Bloomberg.
7. The steady rise in record-setting dividend distributions throughout the current economic recovery suggests that Corporate America is still on solid footing, in our opinion.