

PRESS RELEASE

**S&P 500 Stock Buybacks Increase In Third Quarter;
Buybacks at Their Highest Level Since the Fourth Quarter of 2007**

New York, December 23, 2013 – S&P Dow Jones Indices announced today that preliminary results show that S&P 500® stock buybacks, or share repurchases, increased 8.6% to \$128.2 billion during the third quarter of 2013, up from the \$118.1 billion spent on share repurchases during the second quarter of 2013. Compared to the \$103.7 billion spent in the third quarter of 2012, buybacks are up 23.6%.

For the 12 month period (ending September 2013), S&P 500 issues increased their buyback expenditures by 15.0% to \$445.3 billion from the \$387.3 billion posted in the prior 12 month period. The high mark was reached in 2007, when companies spent \$589.1 billion over the 12 month period. The recession low point for a quarter was \$24.2 billion, recorded in the second quarter of 2009.

“The third quarter was stronger than the 8.6% statistic shows,” says Howard Silverblatt, Senior Index Analyst at S&P Dow Jones Indices. “The Q2 number contains the record setting \$16 billion buyback from Apple. In Q3, Apple repurchased \$4.9 billion in shares which was still high enough to rank as the largest expenditure for the quarter. Excluding Apple, the quarter was up a strong 20.8%.”

“Companies have significantly increased their shareholders’ returns through higher buybacks and regular cash dividends. These two expenditures combined, reached \$207 billion in the quarter – the highest level since the fourth quarter of 2007 and almost three times the \$71.8 billion level we saw in the Q2 2009 bear market,” notes Silverblatt. “Of the 394 issues which reported buybacks over the past year, 331 companies paid a cash dividend, with the buyback portion growing faster than dividends.”

Buyback programs have significantly increased over the last year, notes Silverblatt. “Just keeping up with the current bull market means that companies have to pay 25% more for the same number of shares they repurchased last year. However, we are starting to see excess buying, where the repurchases outnumber the issuance, and therefore reduce the share count. The lower share count leads to higher EPS, and the market likes higher EPS,” adds Silverblatt.

The data also shows that 263 issues reduced and 188 increased their diluted share count in Q3, compared to 225 decreases and 242 increases in Q2. Significant changes (generally considered 1% or greater for the quarter) favored reductions, as 106 issues reduced their count by at least 1% and 28 issues increased them by at least 1%.”

On a sector basis, Information Technology maintained its dominance of buybacks despite Apple purchasing one-third less shares in Q3 than it did in Q2. Information Technology accounted for 25.1% of all expenditures in Q3, down from 31.5% in the second quarter. Consumer Discretionary saw the strongest increase in expenditures from the second quarter, up 65.7% – its highest level since Q3 2007. General Motors accounted for \$2.4 billion of the \$9.1 billion increase. Telecommunications saw its expenditure decrease, as AT&T reduced its buybacks to \$1.9 billion from the 3.3 billion spent in the second quarter.

Historical S&P 500 buyback data can be found at: www.spindices.com/indices/equity/sp-500

S&P Dow Jones Indices								
S&P 500, \$ U.S. Billions								
PERIOD	MARKET	OPERATING	AS REPORTED			DIVIDEND &		
	VALUE	EARNINGS	EARNINGS	DIVIDENDS	BUYBACKS	DIVIDEND	BUYBACK	BUYBACK
	\$ BILLIONS	\$ BILLIONS	\$ BILLIONS	\$ BILLIONS	\$ BILLIONS	YIELD	YIELD	YIELD
9/30/2013 Prelim.	\$14,960	\$234.52	\$221.26	\$79.26	\$128.16	2.05%	2.98%	5.03%
6/30/2013	\$14,310	\$234.84	\$221.56	\$76.67	\$118.05	2.07%	2.94%	5.02%
3/31/2013	\$13,979	\$229.57	\$215.76	\$70.86	\$99.97	2.06%	2.97%	5.02%
12/31/2012	\$12,742	\$206.84	\$184.50	\$79.83	\$99.15	2.20%	3.13%	5.33%
9/30/2012	\$12,881	\$214.58	\$189.64	\$69.48	\$103.72	2.07%	3.01%	5.08%
6/30/2012	\$12,303	\$225.53	\$195.27	\$67.31	\$111.75	2.08%	3.27%	5.35%
3/31/2012	\$12,730	\$219.09	\$208.15	\$64.07	\$84.29	1.95%	3.14%	5.09%
12/31/2011	\$11,385	\$214.83	\$186.85	\$65.89	\$87.59	2.11%	3.56%	5.67%
9/30/2011	\$10,303	\$230.30	\$206.08	\$59.20	\$118.41	2.22%	3.92%	6.14%
6/30/2011	\$12,021	\$226.29	\$202.44	\$59.03	\$109.24	1.84%	3.04%	4.88%
3/31/2011	\$12,068	\$205.34	\$195.15	\$56.08	\$89.84	1.76%	2.76%	4.52%
12/31/2010	\$11,430	\$199.40	\$187.67	\$54.85	\$86.36	1.80%	2.61%	4.42%
9/30/2010	\$10,336	\$195.28	\$176.80	\$51.26	\$79.56	1.94%	2.52%	4.45%
6/30/2010	\$9,323	\$189.04	\$178.00	\$50.44	\$77.64	2.10%	2.31%	4.41%
3/31/2010	\$10,560	\$175.00	\$157.85	\$49.28	\$55.26	1.83%	1.54%	3.36%
12/31/2009	\$9,928	\$152.77	\$135.14	\$49.04	\$47.82	1.97%	1.39%	3.36%
9/30/2009	\$9,337	\$139.37	\$130.37	\$47.21	\$34.85	2.24%	1.48%	3.71%
6/30/2009	\$8,045	\$120.85	\$118.22	\$47.63	\$24.20	2.77%	2.40%	5.17%
3/31/2009	\$6,928	\$87.78	\$65.29	\$51.73	\$30.78	3.43%	3.70%	7.13%
12/31/2008	\$7,852	-\$0.78	-\$202.11	\$62.19	\$48.12	3.15%	4.33%	7.48%
9/30/2008	\$10,181	\$142.90	\$86.16	\$61.44	\$89.71	2.48%	4.26%	6.73%
6/30/2008	\$11,163	\$148.43	\$112.15	\$61.94	\$87.91	2.26%	4.62%	6.88%
3/30/2008	\$11,511	\$144.63	\$135.24	\$61.72	\$113.90	2.17%	5.08%	7.25%
12/31/2007	\$12,868	\$133.38	\$68.53	\$67.09	\$141.71	1.92%	4.58%	6.49%
9/30/2007	\$13,470	\$184.13	\$133.66	\$61.21	\$171.95	1.79%	4.10%	5.89%

S&P Dow Jones Indices			
S&P 500 20 LARGEST Q3 2013 BUYBACKS, \$ MILLIONS			
Company	SECTOR	Q2, '13	BUYBACKS
			5-YEARS
Apple	Information Technology	\$4,910	\$22,860
Pfizer	Healthcare	\$3,754	\$20,604
Halliburton	Energy	\$3,341	\$4,639
QUALCOMM	Information Technology	\$3,321	\$7,278
Johnson & Johnson	Healthcare	\$3,050	\$22,056
Exxon Mobil	Energy	\$3,044	\$97,460
Oracle	Information Technology	\$2,968	\$25,469
Viacom	Consumer Discretionary	\$2,570	\$9,395
Procter & Gamble	Consumer Staples	\$2,502	\$27,496
General Motors	Consumer Discretionary	\$2,438	\$8,998
Microsoft	Information Technology	\$2,188	\$38,261
Cisco Systems	Information Technology	\$2,184	\$27,416
Wells Fargo & Company	Financials	\$2,140	\$11,084
Home Depot	Consumer Discretionary	\$2,100	\$16,606
International Business Machines	Information Technology	\$1,917	\$58,647
AT&T	Telecommunication Services	\$1,917	\$23,886
General Electric	Industrials	\$1,896	\$18,917
Yahoo!	Information Technology	\$1,685	\$8,763
Goldman Sachs Group	Financials	\$1,650	\$19,650
3M	Industrials	\$1,543	\$9,348
Top 20		\$51,118	\$478,833
S&P 500		\$128,158	\$1,634,745
Top 20 % of S&P 500		39.89%	29.29%

About S&P Dow Jones Indices

S&P Dow Jones Indices LLC, a part of McGraw Hill Financial, is the world's largest, global resource for index-based concepts, data and research. Home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average™, S&P Dow Jones Indices LLC has over 115 years of experience constructing innovative and transparent solutions that fulfill the needs of investors. More assets are invested in products based upon our indices than any other provider in the world. With over 830,000 indices covering a wide range of asset classes across the globe, S&P Dow Jones Indices LLC defines the way investors measure and trade the markets. To learn more about our company, please visit www.spdji.com.

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