

S&P 500 Buybacks Decline in Q1 2019 after Four Consecutive Record Quarters; Still Post 2nd Highest Quarter Ever

- Q1 2019 share repurchases were \$205.8 billion – 7.7% lower than the record Q4 2018 but 8.9% higher year-over-year.
- Apple sets another index record, spending \$23.8 billion in buybacks for the quarter; company accounts for eight of the top ten record quarters.
- Buybacks for the 12-month period ending in March 2019 were a record \$823.2 billion, up 43.1% year-over-year.
- One in four companies used buybacks to reduce their share count by at least four percent.

NEW YORK, June 24, 2019: S&P Dow Jones Indices (“S&P DJI”) announced today that preliminary **Q1 2019 S&P 500[®] stock buybacks**, or share repurchases, were \$205.8 billion. This ends the streak of four consecutive quarters of record buybacks as Q1 2019 declined 7.7% from the Q4 2018 record of \$223.0 billion. The quarter was up 8.9% from the Q1 2018 \$189.1 billion, which set a record at the time.

Historical data on S&P 500 buybacks are available at www.spdji.com/indices/equity/sp-500.

Key Takeaways:

- The average share price during the quarter increased 0.8% after Q4 2018’s average price decline of 5.3%. Combined with the 7.7% lower buyback expenditures, this resulted in approximately 20% fewer shares repurchased.
 - On aggregate, 0.94% of the outstanding shares were repurchased in Q1 2019, down from 1.18% in Q4 2018.
- The cumulative four quarters of repurchases increased the percentage of issues with substantially reduced share counts of at least 4% year-over-year to 24.9%, up from the prior quarter’s 18.7% and Q1 2018’s 13.6%, giving 1-in-4 issues a strong EPS tailwind.
- S&P 500 Q1 2019 dividends totaled \$117.3 billion, down 2.1% from the record setting Q4 2018 of \$119.8 billion.
- Total shareholder return of buybacks and dividends for the quarter came in at \$323.1 billion, down 5.7% from the record Q4 2018 period expenditure of \$342.8 billion, and up 8.4% from the \$298.2 billion reported for Q1 2018.
- Total shareholder return for the 12-month period ending March 2019 set a record at \$1.288 trillion, up 2.0% from the prior 12-month record in Q4 2018 of \$1.263 trillion, and up 28.3% from the \$1.003 trillion from the comparable Q1 2018 12-month period.

“Despite the quarterly decline, companies continued to buy back shares in earnest, posting the second highest expenditure on record,” said **Howard Silverblatt, Senior Index Analyst at S&P Dow Jones Indices**. “With Q2 2019 currently projected to be another strong buyback quarter, investors will need to start separating EPS growth in two categories – actual growth vs. growth

from share count reductions. You don't want to pay the same multiple for buybacks as you do for growth."

Silverblatt also found that buybacks continue to be top heavy, with the top 20 issues accounting for 51.2% of the buybacks. For the 12-months ending March 2019, the top 20 issues represented 41.4% of all buybacks, compared to 36.1% for the 2018 period. On an issue level, 389 issues reported buybacks for Q1 2019, down from 404 in Q4 2018 and 397 in Q1 2018. For the 12 months ending March 2019, 442 issues reported buybacks compared to 431 for the comparable 2018 period.

Q1 2019 GICS® Sector Analysis:

Information Technology buybacks continued to dominate as they increased 10.9% to \$68.0 billion compared to \$61.3 billion for Q4 2018. Twelve-month expenditures were up 82.9% to \$282.1 billion from \$154.8 billion spent for the same period in 2018. The sector represents 33.0% of the index's buybacks for the quarter, up from 27.5% for Q4 2018.

Energy buyback expenditures continued to decline, falling 50.6% to \$4.3 billion compared to \$8.7 billion for Q4 2018. Energy spent \$13.1 billion five years ago in Q1 2014.

Consumer sectors continued to split as Consumer Discretionary buybacks decreased 30.9% to \$17.7 billion, down from \$25.7 billion for Q4 2018; in the 12-months ending in Q1 2019, buybacks were \$85.7 billion, down 0.4% from \$86.1 billion. **Consumer Staples** increased 2.1% to \$9.8 billion, up from \$9.6 billion for Q4 2018; for the 12-month period they were down 17.2% to \$36.0 billion from \$43.6 billion.

Issues:

The five issues with the highest total buybacks for Q1 2019 are:

- **Apple (AAPL)** again led in buybacks spending a new record \$23.8 billion in Q1 2019, up from \$10.1 billion spent for Q4 2018. Apple holds 8 of the 10 records for quarterly buybacks, spending \$75.1 billion on buybacks over the past year, \$234.7 billion over the last five-year period, and \$284.3 billion over the last 10-year period.
- **Oracle (ORCL):** \$10.0 billion for Q1 2019, a tick up from their Q4 2018 expenditure; in the last 12 months they spent \$35.3 billion, up from \$7.4 billion.
- **Pfizer (PFE):** \$8.9 billion for Q1 2019, up from the \$5.0 billion spent in Q4 2018; in the last 12-months they spent \$15.0 billion, up from \$6.1 billion.
- **Bank of America (BAC):** \$6.3 billion for Q1 2019, up from \$5.2 billion for Q4 2018; in the last 12-months they spent \$21.5 billion, up from \$14.9 billion.
- **Cisco Systems (ORCL):** \$6.1 billion for Q1 2019, up from \$5.2 billion for Q4 2018; in the last 12-months they spent \$22.8 billion, up from \$13.4 billion.

For more information about S&P Dow Jones Indices, please visit www.spdji.com.

S&P Dow Jones Indices								
S&P 500, \$ U.S. BILLIONS (preliminary and estimates in bold)								
PERIOD	MARKET VALUE	OPERATING EARNINGS	AS REPORTED EARNINGS	DIVIDENDS	BUYBACKS	DIVIDEND YIELD	BUYBACK YIELD	DIVIDEND & BUYBACK YIELD
	\$ BILLIONS	\$ BILLIONS	\$ BILLIONS	\$ BILLIONS	\$ BILLIONS			
12 Mo Mar, '19 Prelim.	\$23,618.59	\$1,286.88	\$1,129.39	\$464.46	\$823.17	1.97%	3.49%	5.45%
12 Mo Mar, '18	\$22,495.97	\$1,129.94	\$986.49	\$428.09	\$575.30	1.90%	2.56%	4.46%
2018	\$21,026.90	\$1,281.66	\$1,119.43	\$456.31	\$806.41	2.17%	3.84%	6.01%
2017	\$22,821.24	\$1,066.00	\$940.86	\$419.77	\$519.40	1.84%	2.28%	4.12%
2016	\$19,267.93	\$919.85	\$818.55	\$397.21	\$536.38	2.06%	2.78%	4.85%
3/29/2019 Prelim.	\$23,619	\$316.48	\$291.23	\$117.33	\$205.81	1.97%	3.49%	5.45%
12/31/2018	\$21,027	\$293.82	\$242.91	\$119.81	\$222.98	2.17%	3.84%	6.01%
9/30/2018	\$24,579	\$349.04	\$306.70	\$115.72	\$203.76	1.81%	2.93%	4.75%
6/30/2018	\$23,036	\$327.53	\$288.55	\$111.60	\$190.62	1.89%	2.80%	4.69%
3/29/2018	\$22,496	\$311.26	\$281.28	\$109.18	\$189.05	1.90%	2.56%	4.46%
12/29/2017	\$22,821	\$288.93	\$230.12	\$109.46	\$136.97	1.84%	2.28%	4.12%
9/29/2017	\$21,579	\$268.35	\$243.68	\$105.45	\$129.17	1.92%	2.40%	4.32%
6/30/2017	\$20,762	\$261.39	\$231.40	\$104.01	\$120.11	1.96%	2.41%	4.37%
3/31/2017	\$20,276	\$247.32	\$235.65	\$100.86	\$133.15	1.98%	2.51%	4.49%
12/31/2016	\$19,268	\$240.11	\$207.93	\$103.82	\$135.29	2.06%	2.78%	4.85%
9/30/2016	\$18,742	\$247.98	\$219.46	\$98.43	\$112.20	2.10%	2.92%	5.01%
6/30/2016	\$18,193	\$222.77	\$201.79	\$98.30	\$127.50	2.14%	3.22%	5.36%
3/31/2016	\$17,958	\$208.99	\$189.37	\$96.67	\$161.39	2.15%	3.28%	5.43%
12/31/2015	\$17,900	\$201.95	\$163.76	\$99.39	\$145.88	2.14%	3.20%	5.33%
9/30/2015	\$16,917	\$224.14	\$204.58	\$95.07	\$150.58	2.22%	3.30%	5.52%
6/30/2015	\$18,219	\$230.84	\$201.35	\$94.45	\$131.56	2.03%	3.04%	5.07%
3/31/2015	\$18,303	\$228.45	\$193.05	\$93.41	\$144.13	1.98%	2.94%	4.92%

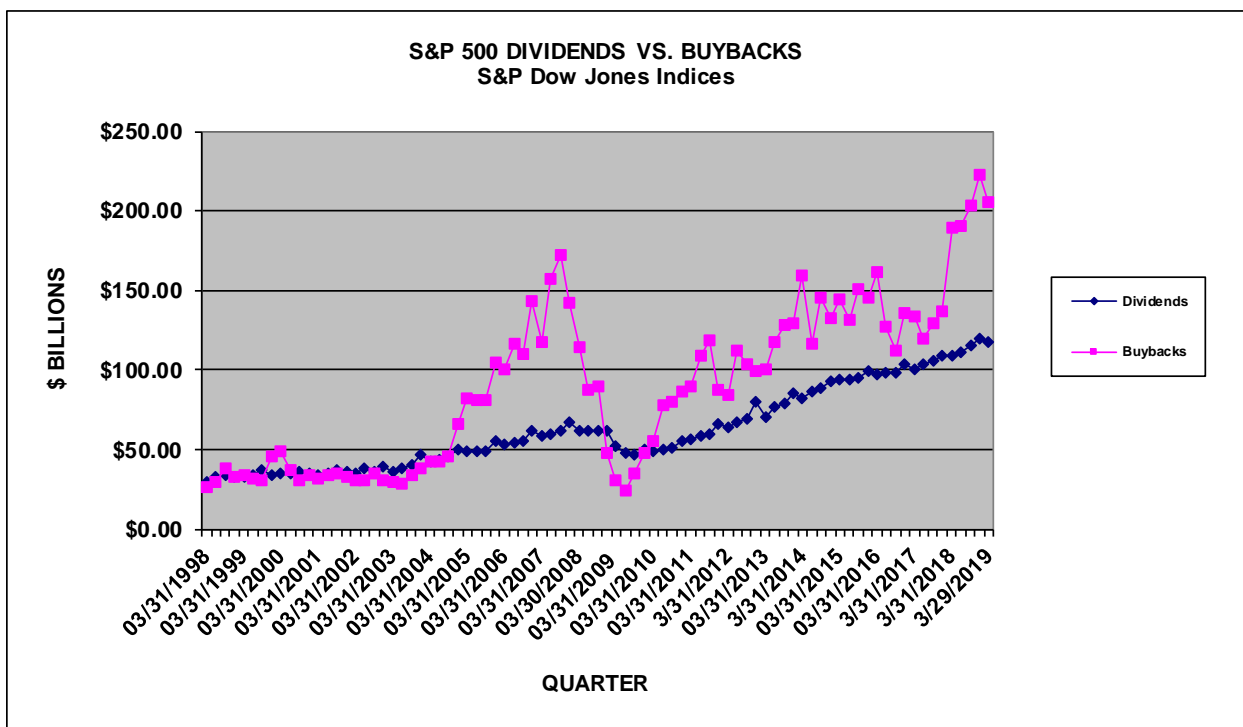
S&P Dow Jones Indices								
S&P 500 SECTOR BUYBACKS								
SECTOR \$ MILLIONS	Q1, '19	Q4, '18	Q1, '18	12MoMar, '19	12MoMar, '18	5-YEARS	10-YEARS	
Consumer Discretionary	\$17,721	\$25,652	\$18,679	\$85,716	\$86,053	\$432,669	\$715,393	
Consumer Staples	\$9,786	\$9,588	\$7,257	\$35,978	\$43,620	\$212,712	\$436,881	
Energy	\$4,294	\$8,698	\$10,115	\$24,606	\$20,744	\$96,306	\$264,764	
Financials	\$42,845	\$45,641	\$33,802	\$159,097	\$128,772	\$573,422	\$777,330	
Healthcare	\$30,749	\$31,336	\$35,632	\$103,808	\$73,605	\$406,585	\$674,182	
Industrials	\$19,426	\$23,026	\$16,628	\$81,038	\$56,075	\$352,199	\$528,673	
Information Technology	\$67,986	\$61,298	\$63,424	\$283,088	\$154,795	\$840,666	\$1,283,882	
Materials	\$4,771	\$5,857	\$2,283	\$16,880	\$6,781	\$68,582	\$106,004	
Real Estate	\$409	\$1,480	\$883	\$3,293	\$4,153	\$8,779	\$8,779	
Communication Services	\$6,345	\$9,556	\$170	\$26,412	\$464	\$34,520	\$65,078	
Utilities	\$1,479	\$850	\$179	\$3,251	\$237	\$7,714	\$17,723	
TOTAL	\$205,811	\$222,980	\$189,051	\$823,168	\$575,299	\$3,034,155	\$4,878,688	

S&P Dow Jones Indices								
S&P 500 20 LARGEST Q1 2019 BUYBACKS, \$ MILLIONS								
Company	Ticker	Sector	Q1 2019 Buybacks \$ Million	12-Months Mar, '19 \$ Million	12-Months Mar, '18 \$ Million	5-Year Buybacks \$ Million	10-Year Buybacks \$ Million	Indicated Dividend \$ Million
Apple	AAPL	Information Technology	\$23,811	\$75,149	\$50,015	\$234,736	\$284,260	\$13,769
Oracle	ORCL	Information Technology	\$10,001	\$35,307	\$7,428	\$66,641	\$93,779	\$3,445
Pfizer	PFE	Health Care	\$8,865	\$15,000	\$6,063	\$39,703	\$72,808	\$8,189
Bank of America	BAC	Financials	\$6,263	\$21,499	\$14,944	\$46,890	\$51,552	\$14,117
Cisco Systems	CSCO	Information Technology	\$6,067	\$22,790	\$13,394	\$50,022	\$81,759	\$5,679
JPMorgan Chase	JPM	Financials	\$5,091	\$20,403	\$17,249	\$59,556	\$78,246	\$10,478
Wells Fargo	WFC	Financials	\$5,084	\$22,712	\$11,103	\$62,045	\$75,017	\$5,795
Microsoft	MSFT	Information Technology	\$4,753	\$17,272	\$10,124	\$69,001	\$108,382	\$6,163
Citigroup	C	Financials	\$4,413	\$16,093	\$15,544	\$50,256	\$53,683	\$1,791
Eli Lilly	LLY	Health Care	\$3,500	\$6,551	\$1,400	\$10,045	\$12,519	\$7,995
Union Pacific	UNP	Industrials	\$3,487	\$10,546	\$4,420	\$24,876	\$31,879	\$6,145
Amgen	AMGN	Health Care	\$3,032	\$10,255	\$13,462	\$29,934	\$48,711	\$4,233
Alphabet	GOOGL	Communication Services	\$3,025	\$9,927	\$5,892	\$22,419	\$23,337	\$0
UnitedHealth Group	UNH	Health Care	\$3,002	\$4,852	\$3,468	\$14,579	\$28,367	\$9,587
Booking Holdings	BKNG	Consumer Discretionary	\$2,773	\$8,025	\$2,336	\$15,325	\$16,859	\$4,199
Starbucks	SBUX	Consumer Discretionary	\$2,714	\$11,831	\$4,259	\$21,289	\$23,828	\$6,159
Boeing	BA	Industrials	\$2,574	\$8,605	\$9,987	\$38,655	\$43,246	\$0
Intel	INTC	Information Technology	\$2,530	\$11,346	\$4,707	\$33,877	\$59,837	\$1,750
Johnson & Johnson	JNJ	Health Care	\$2,206	\$6,630	\$4,460	\$35,129	\$56,735	\$3,609
Walgreens Boots Alliance	WBA	Consumer Staples	\$2,201	\$5,816	\$7,288	\$16,439	\$22,373	\$5,588
Top 20			\$105,392	\$340,608	\$207,543	\$941,417	\$1,267,178	\$118,690
S&P 500			\$205,811	\$823,168	\$575,299	\$3,034,155	\$4,878,688	\$522,886
Top 20 % of S&P 500			51.21%	41.38%	36.08%	31.03%	25.97%	22.70%

S&P Dow Jones Indices				
S&P 500 20 Largest Quarterly Buybacks, \$ Millions, as of Q1 2019; Apple added				
\$ MILLIONS	QUARTER	COMPANY	SECTOR	
\$23,811	Q1 2019	Apple	Information Technology	1
\$22,908	Q1 2018	Apple	Information Technology	2
\$21,860	Q2 2018	Apple	Information Technology	3
\$21,162	Q2 2006	QUALCOMM	Information Technology	4
\$19,364	Q3 2018	Apple	Information Technology	5
\$18,036	Q1 2014	Apple	Information Technology	6
\$17,319	Q3 2014	Apple	Information Technology	7
\$16,413	Q2 2013	Apple	Information Technology	8
\$15,707	Q3 2007	International Business Machines	Information Technology	9
\$13,420	Q3 2015	Apple	Information Technology	10
\$12,852	Q4 2013	Johnson & Johnson	Healthcare	11
\$12,318	Q4 2016	Allergan plc	Healthcare	12
\$12,183	Q2 2012	Johnson & Johnson	Healthcare	13
\$11,480	Q4 2016	Apple	Information Technology	14
\$11,133	Q4 2017	Apple	Information Technology	15
\$10,776	Q2 2016	Apple	Information Technology	16
\$10,724	Q2 2015	Apple	Information Technology	17
\$10,723	Q1 2016	Home Depot	Consumer Discretionary	18
\$10,697	Q1 2018	Amgen	Healthcare	19
\$10,114	Q4 2018	Apple	Information Technology	20

S&P Dow Jones Indices			
S&P 500 Q1 2019 Buyback Report			
SECTOR	DIVIDEND	BUYBACK	COMBINED
	YIELD	YIELD	YIELD
Consumer Discretionary	1.38%	3.11%	4.49%
Consumer Staples	3.36%	1.77%	5.13%
Energy	3.85%	2.06%	5.90%
Financials	2.41%	5.06%	7.46%
HealthCare	1.81%	2.97%	4.78%
Industrials	2.06%	3.46%	5.52%
Information Technology	1.57%	5.23%	6.80%
Materials	2.16%	2.46%	4.62%
Real Estate	3.20%	0.43%	3.63%
Communications Services	1.66%	1.78%	3.44%
Utilities	3.29%	0.35%	3.64%
S&P 500	2.13%	3.36%	5.49%
Uses full values (unadjusted for float)			
Dividends based on indicated; buybacks based on the last 12-months ending Q1,'19			

Share Count Reduction (SCR) (Y/Y diluted shares used for EPS)	SCR	SCR
	>=4%	<=-4%
Q1 2019	8.05%	24.90%
Q4 2018	8.45%	18.71%
Q3 2018	6.43%	17.67%
Q2 2018	6.20%	15.60%
Q1 2018	7.01%	13.63%
Q4 2017	6.83%	15.06%
Q3 2017	8.62%	14.23%
Q2 2017	10.00%	14.00%
Q1 2017	12.00%	14.80%
Q4 2016	10.48%	19.35%
Q3 2016	9.94%	23.73%
Q2 2016	10.48%	26.61%
Q1 2016	10.06%	28.17%
Q4 2015	9.48%	25.81%
Q3 2015	9.64%	22.69%
Q2 2015	9.04%	21.08%
Q1 2015	7.62%	21.04%
Q4 2014	6.04%	21.33%



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S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

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