**Dividends**

**Figure 1.**

**DIVIDENDS IN CORPORATE PROFITS**
(billion dollars, 4-quarter sum)

- **Dividends**
  - Green: All Corporations (1340.8)
  - Blue: Nonfinancial Corporations (490.7)
  - Red: S&P 500 (483.6)

Source: Federal Reserve Board, Financial Accounts of the United States, Standard & Poor’s and Bureau of Economic Analysis.

**Figure 2.**

**S&P 500 DIVIDEND YIELD**
(trailing 4-quarter sum)

- Red: Invested in 1970 (67.5)
- Blue: Invested in 1980 (43.3)
- Purple: Invested in 1990 (17.6)
- Orange: Invested in 2000 (4.3)

Source: Standard & Poor’s.
Figure 3.

TREASURY BILL YIELD VS S&P 500 DIVIDEND YIELD
(Percent)

- Three-Month Treasury Bill Yield
- S&P 500 Dividend Yield*

* S&P 500 four-quarter trailing dividends per share divided by quarterly closing value of the S&P 500 index.
Source: Standard & Poor’s and Federal Reserve Board.

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Figure 4.

S&P 500 DIVIDENDS & RETAINED EARNINGS PER SHARE
(Dollars, trailing 4-quarter sum, ratio scale)

- Dividends
- Retained Earnings*

* Reported earnings minus dividends per share.
Source: Standard & Poor’s Corporation.
Figure 5.

S&P DIVIDEND PAYOUT RATIOS*
(percentage)

S&P 500
S&P Industrials

* Four-quarter trailing dividends per share divided by four-quarter trailing reported earnings.
Source: Standard & Poor’s Corporation and FactSet.

Figure 6.

DIVIDEND PAYOUT RATIOS
(percentage)

NIPA Dividends
(as a percent of NIPA After-Tax Profits*) (71.7)
S&P 500 Dividends
(as a percent of S&P 500 reported net income) (42.5)

* From Current Production. Including IVA & CCadj. These two adjustments restate the historical cost basis used in profits tax accounting for inventory withdrawals and depreciation to the current cost measures used in GDP.
Source: Federal Reserve Board, Financial Accounts of the United States, Standard & Poor’s and Bureau of Economic Analysis.
Dividends

Figure 7.

S&P 500 DIVIDEND YIELD vs. S&P 500 FORWARD EARNINGS YIELD

(Percent)

* S&P 500 four-quarter trailing dividends per share divided by quarterly closing value of the S&P 500 index.

** S&P 500 12-month forward consensus expected operating earnings divided by S&P 500 stock price index.

Source: Standard & Poor’s and Federal Reserve Board.

Figure 8.

THREE-MONTH TREASURY BILL YIELD vs. S&P 500 FORWARD EARNINGS YIELD

(Percent)

* S&P 500 12-month forward consensus expected operating earnings divided by S&P 500 stock price index.

Source: Standard & Poor’s and Federal Reserve Board.
Figure 9.

S&P 500 INDEX AND DIVIDEND YIELD
(ratio scale)

*S&P 500 Index
03/11/20
Blue Angels Implied Dividend Yield*

* Blue lines show hypothetical values of S&P 500 stock price index using actual S&P 500 dividend (4-quarter trailing sum) divided by dividend yields from 1.0% to 6.0%.

Source: Standard & Poor’s.

Figure 10.

S&P 500 INDEX AND DIVIDEND YIELD
(ratio scale)

*S&P 500 Index
03/11/20
S&P 500 Blue Angels Implied Price Index*

* Blue lines show hypothetical values of S&P 500 stock price index using actual S&P 500 dividend (4-quarter trailing sum) divided by dividend yields from 1% to 6%.

Source: Standard & Poor’s.
Figure 11.

CORPORATE DIVIDENDS: TOTAL vs S CORPORATIONS
(billion dollars)

* Annual sum of quarterly data.
Source: Bureau of Economic Analysis and IRS Statistics of Income.

Figure 12.

S CORPORATION DIVIDENDS
(as a percent of Corporate Dividends*)

* Annual sum of quarterly data.
Source: Bureau of Economic Analysis and IRS Statistics of Income.
**Figure 13.**

**S&P 500 DIVIDEND PAYOUT RATIO***

(percent)

* Four-quarter trailing total dividends divided by four-quarter aggregate operating earnings.
Source: Standard & Poor’s.

**Figure 14.**

**S&P 500 DIVIDEND YIELD vs 10-YEAR BOND YIELD**

(percent)

* S&P 500 four-quarter trailing dividends per share divided by quarterly closing value of the S&P 500 index.
Source: Standard & Poor’s Corporation and Board of Governors of the Federal Reserve System.