Table Of Contents

Nonfinancial Corporate Business 1-11
Figure 1.

**NONFINANCIAL CORPORATE BUSINESS**

(billion dollars, saar)

Profits Before Taxes (1133.9)
Profits After Taxes* (960.7)

* Profits before taxes minus taxes on corporate income.
Source: Federal Reserve Board Financial Accounts of the United States.

Figure 2.

**NONFINANCIAL CORPORATE BUSINESS: EFFECTIVE TAX RATE**

Taxes on corporate income (as a percent of profits before tax)** (14.3)

* Includes US federal taxes and taxes paid to other domestic and foreign taxing authorities.
** Using 4-quarter sums of each series.
Source: Federal Reserve Board, Financial Accounts of the United States.
Figure 3.

Nonfinancial Corporate Business

Net Dividends (as a percent of after tax profits)* (48.7)

* Based on 4-quarter sums of each series.
Source: Federal Reserve Board, Flow of Funds Accounts.

Figure 4.

Nonfinancial Corporate Business

Foreign Earnings Retained Abroad (-24.1)

Source: Federal Reserve Board, Flow of Funds Accounts.
Figure 5.

**NONFINANCIAL CORPORATE BUSINESS**

Foreign Earnings Retained Abroad
(as a percent of profits before tax plus foreign earnings retained abroad)* (-2.2)

*yardeni.com

* Based on 4-quarter sums of each series.
Source: Federal Reserve Board, Flow of Funds Accounts.

---

Figure 6.

**NONFINANCIAL CORPORATE BUSINESS**

Foreign Earnings Retained Abroad
(as a percent of total internal funds + IVA)* (-1.1)

*yardeni.com

* Based on 4-quarter sums of each series.
Source: Federal Reserve Board, Flow of Funds Accounts.
Figure 7.

NONFINANCIAL CORPORATE BUSINESS
(trillion dollars, 4-quarter sum, ratio scale)

- Capital Expenditures* (2.1)
- Internal Cash Flow (2.1)

* Includes nonresidential fixed investment plus residential fixed investment, and inventory change with IVA.
Source: Federal Reserve Board, Financial Accounts of the United States.

Figure 8.

NONFINANCIAL CORPORATE BUSINESS: FINANCING GAP
(billion dollars, 4-quarter sum)

- Capital Expenditures* Minus Internal Funds (13.0)

* Includes nonresidential fixed investment plus residential fixed investment, and inventory change with IVA.
Source: Federal Reserve Board, Financial Accounts of the United States.
Nonfinancial Corporate Business

Figure 9.

DIVIDENDS PLUS BUYBACKS
(billion dollars, 4-quarter sum, ratio scale)

Nonfinancial Corporate Business Dividends Plus Buybacks (net) (923.8)
S&P 500 Dividends Plus Buybacks (1266.1)

Source: Federal Reserve Board, Flow of Funds Accounts and Standard & Poor’s.

Figure 10.

NONFINANCIAL CORPORATIONS: NET NEW ISSUES
(billion dollars, 4-quarter sum)

NFC Net New Issues
Bonds (227.6)
Equities (-447.0)

Source: Federal Reserve Board, Financial Accounts of the United States.
**Figure 11.**

*NONFINANCIAL CORPORATE BUSINESS*
(trillion dollars, 4-quarter sum, ratio scale)

- **Gross Fixed Investment (2.0)**
- **Capital Consumption Allowance* (1.7)**

* Consumption of fixed capital plus the capital consumption adjustment.

Source: Federal Reserve Board, Financial Accounts of the United States.

**Figure 12.**

*NONFINANCIAL CORPORATE BUSINESS*
(billion dollars, 4-quarter sum)

- **Net Fixed Investment* (390.9)**

* Gross fixed investment less consumption of fixed capital plus the capital consumption adjustment.

Source: Federal Reserve Board, Financial Accounts of the United States.
Figure 13.

NONFINANCIAL CORPORATE BUSINESS
(trillion dollars, 4-quarter sum, ratio scale)

- Internal Cash Flow Plus Net Bond Issuance (2.4)
- Internal Cash Flow (2.1)

Source: Federal Reserve Board, Financial Accounts of the United States.

Figure 14.

BUYBACKS
(billion dollars, 4-quarter sum)

- Nonfinancial Corporate Business Buybacks (net) (447.0)
- S&P 500 Buybacks (797.0)

Source: Federal Reserve Board, Financial Accounts of the United States and Standard & Poor’s.
DIVIDENDS
(billion dollars, 4-quarter sum)

Q2
Q2

Nonfinancial Corporate Business (476.8)
S&P 500 Dividends (469.1)

Source: Federal Reserve Board, Flow of Funds Accounts and Standard & Poor’s.

NONFINANCIAL CORPORATIONS: CASH FLOW
(billion dollars, saar)

Cash flow (BEA measure)*
Internal funds (Fed measure)

* After-tax operating retained earnings plus tax-return-based depreciation.
Source: Federal Reserve Board, Financial Accounts of the United States.
**Figure 17.**

INVENTORY INVESTMENT
(billion dollars, 4-quarter sum, saar)

- Blue line: In nominal GDP
- Red line: Nonfinancial Corporate Business: Inventory Change + IVA


**Figure 18.**

NONFINANCIAL CORPORATE BUSINESS
(trillion dollars, 4-quarter sum, ratio scale)

- Blue line: Capital Expenditures*
  Plus Buybacks (2.6)
- Red line: Internal Cash Flow
  Plus Net Bond Issuance (2.4)

* Includes nonresidential fixed investment plus residential fixed investment, and inventory change with IVA.
Source: Federal Reserve Board, Financial Accounts of the United States.
Figure 19.
MONETARY INTEREST & DIVIDENDS PAID: DOMESTIC NONFINANCIAL CORPORATIONS
(billion dollars)

- Interest Paid (567.1)
- Dividends (4-quarter sum) (476.8)

Source: Bureau of Economic Analysis.

Figure 20.
MONETARY INTEREST PAID: DOMESTIC NONFINANCIAL CORPORATIONS
(as a percent of nonfinancial corporations: total debt*)

* Debt securities (commercial paper, industrial revenue bonds, corporate bonds) plus loans (depository institutions loans, other loans and advances, mortgages).

Source: Federal Reserve Board, Financial Accounts of the United States and Bureau of Economic Analysis.
### Nonfinancial Corporate Business

#### Cash Flow

- **Total Internal Funds + IVA**: (2.1)
- **Capital Consumption Allowance**: (1.7)

* Inventory Valuation Adjustment.

** Consumption of fixed capital plus the capital consumption adjustment.

Source: Federal Reserve Board, Financial Accounts of the United States.
Copyright (c) Yardeni Research, Inc. 2019. All rights reserved. The information contained herein has been obtained from sources believed to be reliable, but is not necessarily complete and its accuracy cannot be guaranteed. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness, or correctness of the information and opinions contained herein. The views and the other information provided are subject to change without notice. All reports and podcasts posted on www.yardeni.com, blog.yardeni.com, and YRI’s Apps are issued without regard to the specific investment objectives, financial situation, or particular needs of any specific recipient and are not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not necessarily a guide to future results. Company fundamentals and earnings may be mentioned occasionally, but should not be construed as a recommendation to buy, sell, or hold the company’s stock. Predictions, forecasts, and estimates for any and all markets should not be construed as recommendations to buy, sell, or hold any security--including mutual funds, futures contracts, and exchange traded funds, or any similar instruments.

The text, images, and other materials contained or displayed on any Yardeni Research, Inc. product, service, report, email or website are proprietary to Yardeni Research, Inc. and constitute valuable intellectual property. No material from any part of www.yardeni.com, blog.yardeni.com, and YRI’s Apps may be downloaded, transmitted, broadcast, transferred, assigned, reproduced or in any other way used or otherwise disseminated in any form to any person or entity, without the explicit written consent of Yardeni Research, Inc. All unauthorized reproduction or other use of material from Yardeni Research, Inc. shall be deemed willful infringement(s) of this copyright and other proprietary and intellectual property rights, including but not limited to, rights of privacy. Yardeni Research, Inc. expressly reserves all rights in connection with its intellectual property, including without limitation the right to block the transfer of its products and services and/or to track usage thereof, through electronic tracking technology, and all other lawful means, now known or hereafter devised. Yardeni Research, Inc. reserves the right, without further notice, to pursue to the fullest extent allowed by the law any and all criminal and civil remedies for the violation of its rights.

The recipient should check any email and any attachments for the presence of viruses. Yardeni Research, Inc. accepts no liability for any damage caused by any virus transmitted by this company’s emails, website, blog and Apps. Additional information available on request.