

MaxDividends

By BeatMarket team

Free Edition

Dividend Monthly Macro Overview the U.S. Market

 May 2025



Introduction

“*The true investor will do better if he forgets about the stock market and focuses on his dividend returns and the operational results of his companies.*”

Benjamin Graham

Why do dividend investors tend to outperform other strategies in the market?

In today's financial world, we're constantly told that the most important thing about an asset is its price movement. News outlets are always hyping stock market swings, with daily updates on index changes, top gainers, and biggest losers. But not much attention is given to dividend changes, which are crucial for long-term investing.

Most investors never achieve true wealth, and a big reason for this is their tendency to panic every time prices dip. Many get excited when an asset jumps in price, but struggle to handle a simple 5% drop—they often sell in a panic. Price swings happen every day in a market full of speculators, but companies that pay dividends to shareholders offer more stability. There are over 211 U.S. companies that have maintained or even raised their dividends over the past 10 years!

When you focus on dividends, you're getting consistent, reliable returns on your capital, which brings peace of mind and confidence in your investments.

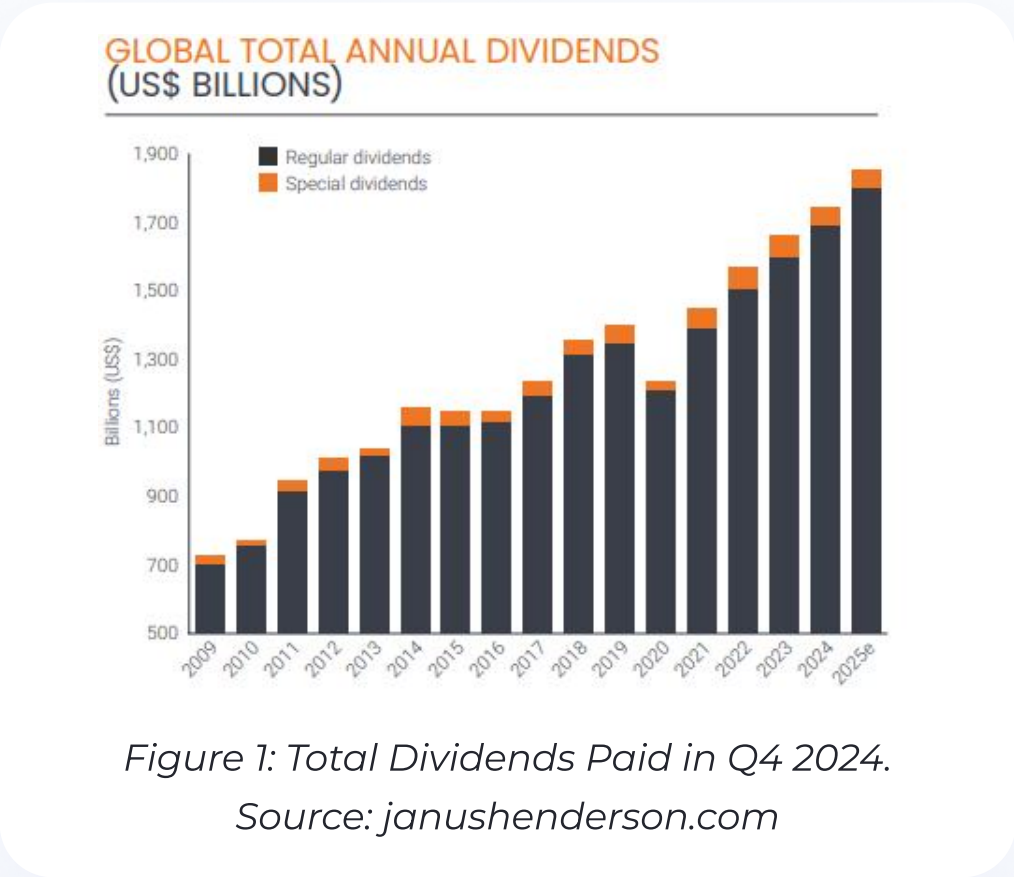
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Dividend Macro View



Global: Latest Dividend Data

The **global cumulative dividend payout** for Q4 2024 continued the upward trend seen in Q4 2020. This indicates that most dividend-paying companies have weathered the impact of the 2020 crisis and successfully adapted their businesses to the new reality. As a result, they’ve been able to keep increasing their dividend payouts.



Companies paid out \$371.7 billion in dividends in the fourth quarter of 2024. In comparison, companies collectively paid out \$339.9 billion in Q4 2023 (Figure 1).

The **top performers in dividend growth** for the fourth quarter were Japan, Europe ex UK, and North America, with increases of 23.2%, 15.9%, and 8.6%, respectively. No regions showed negative growth in dividend payments, but the weakest performance came from Asia Pacific ex Japan, with dividend growth of just 0.8%.

Region	2021	%*	2022	%*	2023	%*	2024	%*	Q4 2023	%*	Q4 2024	%*
Emerging Markets	\$135.2	30.4%	\$153.9	13.8%	\$168.6	9.6%	\$182.0	7.9%	\$28.2	11.1%	\$29.5	4.8%
Europe ex UK	\$235.5	39.6%	\$259.0	10.0%	\$306.0	18.1%	\$313.2	2.3%	\$29.4	16.4%	\$34.1	15.9%
Japan	\$81.8	1.6%	\$73.3	-10.3%	\$77.8	6.1%	\$86.0	10.4%	\$31.5	4.8%	\$38.8	23.2%
North America	\$572.7	3.9%	\$631.4	10.2%	\$664.6	5.3%	\$715.2	7.6%	\$167.2	7.1%	\$181.5	8.6%
Asia Pacific ex Japan	\$174.4	35.0%	\$185.8	6.5%	\$170.7	-8.1%	\$163.5	-4.2%	\$32.9	30.6%	\$33.2	0.8%
UK	\$87.5	38.6%	\$89.6	2.4%	\$86.9	-3.0%	\$90.6	4.3%	\$12.5	24.4%	\$12.8	2.1%
Total	\$1,287.0	17.4%	\$1,393.0	8.2%	\$1,474.7	5.9%	\$1,550.4	5.1%	\$301.6	10.9%	\$329.8	9.4%
Divs outside top 1,200	\$163.3	17.4%	\$176.7	8.2%	\$187.1	5.9%	\$196.7	5.1%	\$38.3	10.9%	\$41.8	9.4%
Grand total	\$1,450.3	17.4%	\$1,569.7	8.2%	\$1,661.8	5.9%	\$1,747.1	5.1%	\$339.9	10.9%	\$371.7	9.4%

Figure 2: Dividend Payments in Q4 by Region. Source: janushenderson.com

Dividend Macro View

The US Dividend Data

Dividend	Current Dividend Yield - ETF VOO	Average 5-Year Dividend Yield - ETF VOO	Dividend Growth (TTM) - ETF VOO	Dividend Growth (5 Years) - ETF VOO	Div. Growth (10 Years) - ETF VOO
Yield	1,36%	1,41%	8,73%	5,66%	6,56%

Table 1: Overall Performance. Source: seekingalpha.com

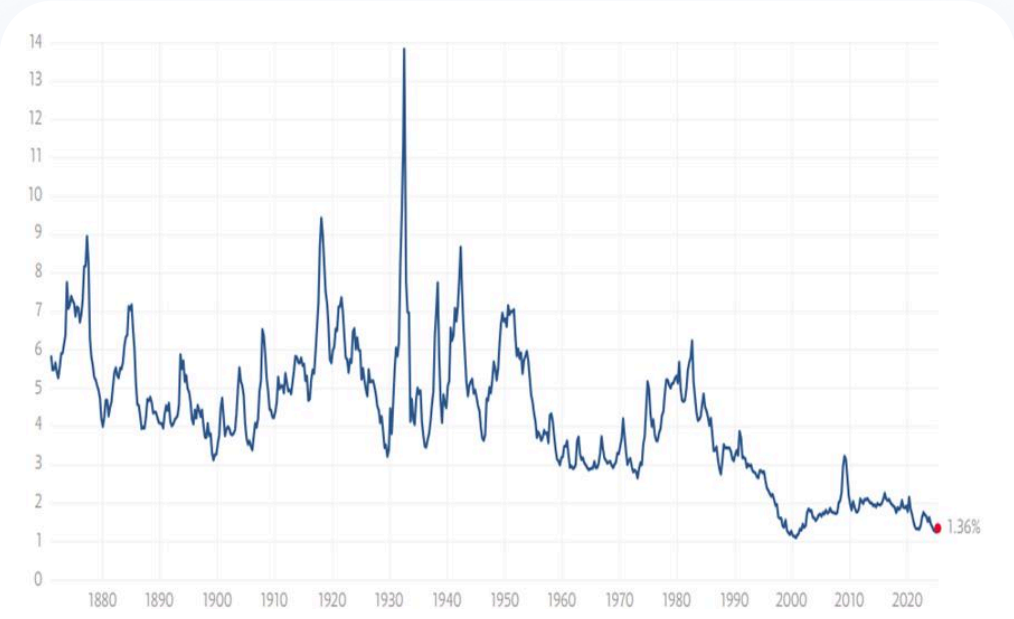


Figure 3: Dividend Yield of the S&P 500. Source: multpl.com

The S&P 500 dividend yield has been cut in half over the past decade. It now stands at 1.36%, which means stock prices relative to dividends are higher than usual. As a result, the dividend yield is at record lows.

Inflation has been rising faster than dividend growth, causing a correction in the S&P 500 dividend chart. Since mid-2022, inflation has been gradually decreasing, allowing the S&P 500 dividend chart to show a slight uptick. However, since Q3 2024, inflation has started to rise again, leading to a renewed correction in the S&P 500 dividend chart.

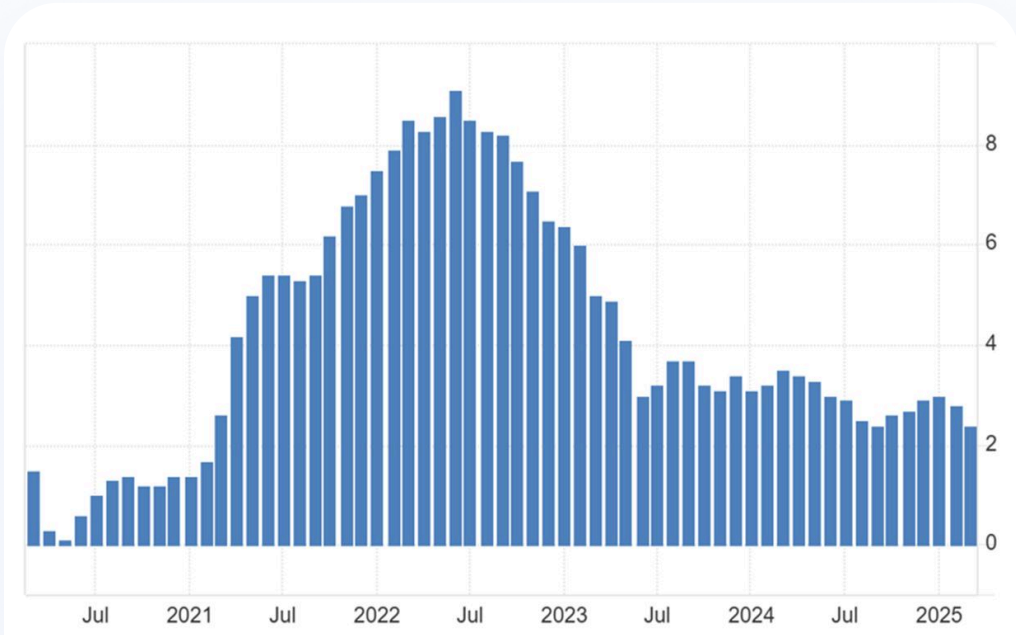
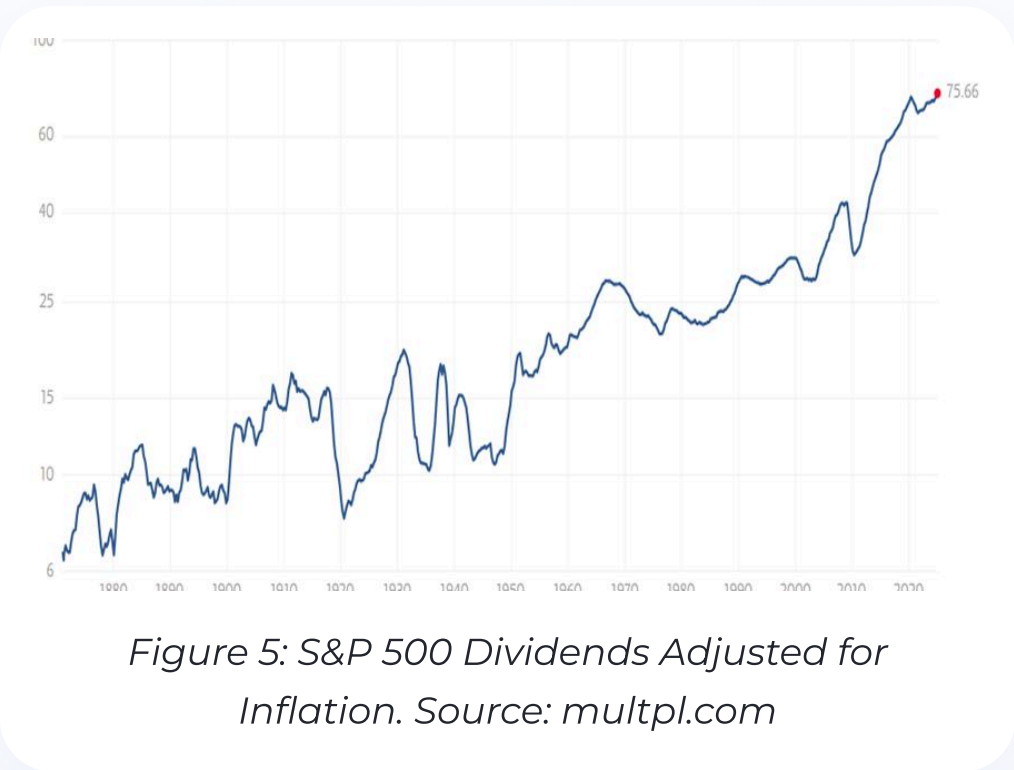


Figure 4: Inflation in the United States. Source: tradingeconomics.com

Dividend Macro View

The US Dividend Data

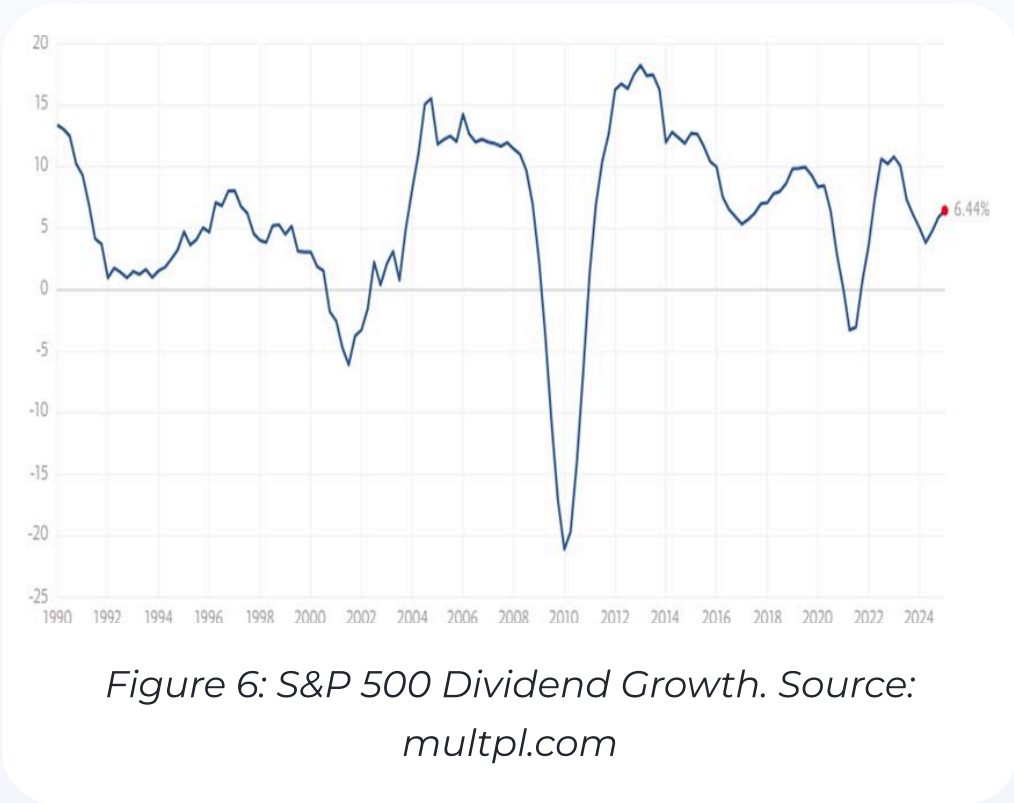


Historical dividends from stocks that are part of the S&P 500 Index are shown in Figure 5. The data is adjusted for inflation. With the current inflation rate (Figure 4), there is a gradual acceleration in the growth of dividends on the S&P 500 Index. The previous peak was in May 2020, when the dividend was 73.09. Currently, this figure stands at 75.66.

Month	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24
Yield	72.91	72.64	72.36	72.47	72.73	73.10	73.50	73.92	74.28	74.68	75.20	75.66

Table 2: S&P 500 Dividends Adjusted for Inflation. Source: multpl.com

The S&P 500 dividend growth is shown in Figure 6. Over the past 32 years, the chart has been negative only three times, and all of those periods were linked to crises. Over the past month, dividend growth has outpaced inflation, reaching 6.44%. However, over the past 12 months, these indicators have generally followed the same trend.



Dividend Macro View



The US Dividend Stocks List Changes

Here is a table showing the U.S. stock market companies that increased their dividends last month. However, some companies have reduced or suspended their dividend payments. The table includes only companies that have consistently paid dividends for five years or more. The data reflects only decisions made in the past month.

List of Dividend Increases in April '25:

- Applied Materials (AMAT) 15.00%
- American Tower Corporation (REIT) (AMT) 4.94%
- Best Buy Co., Inc. (BBY) 1.06%
- Colgate-Palmolive Company (CL) 4.00%
- CareTrust REIT, Inc. (CTRE) 15.52%
- Citizens Financial Services, Inc. (CZFS) 1.02%
- DICK’S Sporting Goods, Inc. (DKS) 10.23%
- Equity Residential (EQR) 2.59%
- First Savings Financial Group, Inc. (FSFG) 6.67%
- General Dynamics Corporation (GD) 5.63%
- Guaranty Bancshares, Inc. (GNTY) 4.17%
- Garmin Ltd. (GRMN) 20.00%
- Horace Mann Educators Corp. (HMN) 2.94%
- Independent Bank Corp. (INDB) 3.51%
- JPMorgan Chase & Co. (JPM) 12.00%
- Kadant Inc. (KAI) 6.25%
- Realty Income Corporation (O) 0.19%
- Oracle Corporation (ORCL) 25.00%
- Shoe Carnival, Inc. (SCVL) 11.11%
- Synovus Financial Corp. (SNV) 2.63%
- Southern Michigan Bancorp, Inc. (SOMC) 6.67%
- SpartanNash Company (SPTN) 1.15%
- TE Connectivity Ltd. (TEL) 9.23%
- Trinity Bank, N.A. (TYBT) 2.15%
- UDR, Inc. (UDR) 1.18%
- Williams-Sonoma, Inc. (WSM) 15.79%

No dividend increases in over a year:

Schneider National, Inc. (SNDR), Sun Communities, Inc. (SUI), TriCo Bancshares (TCBK), DENTSPLY SIRONA Inc. (XRAY)

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