

Equity Capabilities

U.S., international and global strategies seeking long-term growth.

We offer actively managed U.S., international and global equity strategies that include top-down and bottom-up approaches for a full range of market capitalizations and investment styles. Our equity approach is centered on pursuing risk-adjusted long-term performance to help institutions meet their objectives.

STRATEGIES

EATON VANCE

[Focused Growth Opportunities Strategy](#)

[Focused Value Opportunities Strategy](#)

[Global Small-Cap Equity Strategy](#)

[International Small-Cap Strategy](#)

[Large-Cap Growth Strategy](#)

[Large-Cap Value Strategy](#)

[Small/Mid-Cap Equity Strategy](#)

[U.S. Small-Cap Equity Strategy](#)

CALVERT

[Calvert Balanced Strategy](#)

[Calvert Developed Markets Ex-U.S.](#)

[Responsible Index Strategy](#)

[Calvert International Equity Strategy](#)

[Calvert International Small/Mid-Cap Strategy](#)

[Calvert US Large-Cap Core Responsible Index Strategy](#)

[Calvert US Large-Cap Growth Responsible Index Strategy](#)

[Calvert US Large-Cap Value Responsible Index Strategy](#)

[Calvert US Mid-Cap Core Responsible Index Strategy](#)

[Calvert US Small-Cap Strategy](#)

Equities Insights

EQUITIES

Not Your Parents' Dividends

February 28, 2024

KEY POINTS

1. 56 companies in the S&P 500 have already announced dividend increases in 2024, by a median of 6%.¹

2. For decades, large, global-branded companies were among the headline performers for dividend-paying companies.

3. A new wave of companies has begun distributing dividends and rewarding shareholders. We think it's about time.

Earlier this month, when a social media giant announced its first-ever dividend, I couldn't contain my excitement. Not since 12 years ago has a fast-growing technology company, firing on all cylinders, shocked the investment community with the initiation of a dividend! Historically, this was viewed as a sign of business maturation and, presumably, the beginning of a slower growth phase. Not this time! Shareholders embraced the news, sending the stock soaring up 20% on February 1 — the day the company announced it will pay a 50-cent dividend to shareholders at the end of March.

To be clear, while much of the Magnificent 7's investment returns have been market beating, I believe the real excitement lies in what may come. In my view, this dividend announcement may lead to a potential wave of big tech and other traditionally non-dividend-paying companies following suit. For decades, growthier names in the technology space have steered away from rewarding shareholders with a dividend — instead, reinvesting to meet growth targets, fund additional research, develop new products, and so on. However, we think the CEOs of major technology companies may face shareholder pressure in the coming quarters as to when they will be issuing dividends as well, and we can't wait.

A broader dividend trend

Technology isn't the only area where we are seeing exciting dividend news. Looking across the market, five companies in the S&P 500 initiated a dividend in 2023 and six reinstated their dividend. Toward the end of 2023, we saw a major telecommunication services provider announce its first-ever dividend. This past earnings season, a leading alternatives asset manager, which has experienced 22% dividend growth over the trailing 12 months, set guidance for 29% year-over-year dividend growth over the next 12 months — with the hopes of 39% growth in 2025 fiscal year.

We believe these are just a few significant examples of high-caliber companies with above-average cash levels and high durable free-cash-flow profiles that may be poised to offer dividends. With an increasingly confusing macroeconomic backdrop, we believe companies that demonstrate disciplined capital management will be rewarded.

As a team, we utilize a unique and flexible approach to dividend investing through our sustainers, growers and initiators framework. We've employed this framework for over 40 years, through various



[Investment Capabilities](#)

[Contact](#)

[Fixed-Income](#)

[Equity](#)

[Alternative](#)

HEADQUARTERS

One Post Office Square
Boston, MA 02110

Accessibility	Privacy & Cookies	Your Privacy Choices 	Code of Ethics	Principles for Responsible Investment	Form CRS
-------------------------------	---------------------------------------	------------------------------------------------------------------------------------------------------------------------	--------------------------------	-------------------------------------------------------	--------------------------

To report a website vulnerability, please go to [Responsible Disclosure](#).

Eaton Vance is part of Morgan Stanley Investment Management, the asset management division of Morgan Stanley.

For USA PATRIOT Act Disclosure Notice please click [here](#).

The information on this Web site is for U.S. residents only. The information on this Web site does not constitute an offer to sell, or a solicitation of an offer to purchase, securities in any jurisdiction to any person to whom it is not lawful to make such an offer.

There are no guarantees regarding the achievement of investment objectives, target returns, portfolio construction, allocations or measurements such as alpha, tracking error, stock weightings and other information ratios. The views and strategies described may not be suitable for all investors. Not all of Eaton Vance's recommendations have been or will be profitable. Eaton Vance does not provide tax or legal advice. Investing entails risks and there can be no assurance that Eaton Vance (and its affiliates) will achieve profits or avoid incurring losses. Prospective investors should consult with a tax or legal advisor before making any investment decision.

NOT FDIC INSURED | OFFER NO BANK GUARANTEE | MAY LOSE VALUE | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY | NOT A DEPOSIT

© Eaton Vance Management. All rights reserved. One Post Office Square, Boston, MA 02110.

Publication details: Wednesday, March 6, 2024 7:45 AM

Page ID: 30903 - <https://institutional.eatonvance.com/equity-capabilities.php>