

Investors' Opinions Split on Level of Current Dividend Yields

This week's **Sentiment Survey** special question asked AAI members for their opinion of the dividend yield that stocks currently trade at. Responses were mixed. About 23% of respondents view current yields as being too low. Conversely, nearly 22% describe yields as being fair or reasonable and 14% think they are good. About 7% say stock yields are attractive relative to bond yields. Almost 8% say it depends on the stock, with some yields being more attractive than others. Some respondents say they either don't pay attention to dividends or that yields aren't a consideration in their investment strategy.

Here is a sampling of their responses:

- "Dividend yields are too low across the board."
- "The dividend yield on quality stocks is sufficient to make equities the better choice over investment grade bonds."
- "I find them attractive as long as the company has the ability to pay out of earnings and not out of assets."
- "I have no opinion. I don't invest in dividend stocks."
- "Dividend yields seem mostly reasonable."
- "They are generally appropriate given the current level of interest rates and anticipated earnings growth."

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