

BP PLC

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Climate protesters could become big investors in BP and Shell - Barclays

Three-quarters of Extinction Rebellion protesters would buy shares in BP PLC (LON:BP. and Royal Dutch Shell PLC (LON:RDSA) if the oil supermajors shifted to renewables, analysts at Barclays have revealed.

Conducting an unlikely off-site visit to the Extinction Rebellion protests in London, the bank's oil & gas analysts carried what they admitted was a "very non-scientific survey" with some of those waving placards, chanting slogans and gluing themselves to railings.

READ: Barclays calls BP's new boss "the man to win over the millennials" "There was a remarkable willingness to engage and the findings surprised us a little - including the call for a carbon tax and an acknowledgement that the solutions aren't easy," Barclays said in a note to clients on Wednesday.

"However, it was also clear that the oil companies are not seen as doing enough to solve the issue of climate change with the scale of investment still too low."

There are genuine concerns among institutional investors that big oil share prices are being impacted by the polarisation of the climate debate, with increasing protests around the world reflecting an increasingly concerned society and raising questions about the value of these companies.

"We remain convinced that environmental and technology strategies will be key determinants of competitiveness in the coming decade," Barclays said, picking out Norway's Equinor ASA (NYSE:EQNR) as a good example with its renewables business adding value.

Meanwhile, Berenberg also highlighted further risk for major oil companies from a potential Democrat win in the next US election.

Several Democratic candidates have expressed their support for greener policies, with Elizabeth Warren promising a ban on fracking and a moratorium on all new fossil fuel leases.

The German bank said oil supply will mostly be impacted by fracking restrictions and economic measures, such as higher taxation.

In this scenario, the most exposed would be companies with a large US shale portfolio, with BP and Shell mentioned here again, along with Exxon Mobil Corporation (NYSE:XOM), Chevron Corporation (NYSE:CVX) and Repsol.

In this case, others would benefit from this shortcoming to tap into an undersupplied market, for instance Total, OMV and Eni.

The whole debate was further exacerbated by Wednesday's report from the US-based Climate Accountability Institute, where a new dataset quantified how much each of the largest oil, natural gas, and coal companies has contributed to

Price: 480.5

Market Cap: £980.35 m

1 Year Share Price Graph



Share Information

Code: BP.

Listing: LSE

52 week	High	Low
	583.4	4.6855

Sector: Energy

Website: www.bp.com

Company Synopsis:

BP is one of the world's largest oil and gas companies with operations in more than 100 countries across six continents.

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the climate crisis since 1965.

The top 20 companies, where BP and Shell appear at positions six and seven respectively, account for over a third of all emissions.

Saudi Aramco, whose initial public offering has been impatiently awaited in the industry, was on top of the list with 4% contribution.

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