

# BP PLC

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## BP's cut means half the FTSE 100 dividends hit by coronavirus

BP PLC's (LON:BP.) dividend decision today means that half the FTSE 100 has scrapped or cut their payout during the coronavirus pandemic, with total payouts in the second quarter falling by £22bn year on year.

The oil supermajor cut its dividend in half but this was, as some analysts said, the worst kept secret in the market.

### READ: BP 'resets' dividend by 50% as it promises to cut oil production by 40%

Meanwhile, alcoholic drinks maker Diageo PLC (LON:DGE), reported a **halving of annual profits**, which would seem a good enough reason to cut its dividend, but instead insisted on keeping its payout topped up.

BP's cut, however, means that total dividends for the second quarter of 2020 have made a dizzying 57% dive compared to the same period last year, down £22bn to £16.1bn, according to data from the Link Group.

The reduction since March is not far off £40bn, according to research by AJ Bell, with £6.6bn scrapped since last Monday, thanks to the likes of Shell (LON:RDSB), HSBC (LON:HSBA), Lloyds (LON:LLOY), Standard Chartered (LON:STAN) and Barclays (LON:BARC).

This is the lowest second-quarter total since 2010, and the decline itself is by far the biggest ever recorded.

Excluding special dividends, which were unusually high last year, the decline was 50.2%, from £32.1bn to £16.0bn.

In spite of BP's cut, Link forecasts the full year will see payouts fall at best 38% to around £60.5bn on an underlying basis and at worst they will fall 42%, excluding special dividends.

### The FTSE fifty

So far, 176 companies cancelled payouts and 30 more have cut them, according to Link, together representing three-quarters of expected payers for the quarter, versus two-fifths of companies in the global financial crisis.

The top 100 dividend payouts fell 45% in the second quarter, compared to 76% for the mid-caps.

The 50 Footsie members that have cut or dumped their dividend because of the COVID-19 crisis are:

Admiral  
 Anglo American  
 Antofagasta  
 Associated British Foods  
 Auto Trader

**Price:** 262.35

**Market Cap:** £53.19 billion

#### 1 Year Share Price Graph



#### Share Information

**Code:** BP.

**Listing:** LSE

<b>52 week</b>	<b>High</b>	<b>Low</b>
	<b>508.43</b>	<b>188.52</b>

**Sector:** Oil & Gas

**Website:** [www.bp.com](http://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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Flutter  
Fresnillo  
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