

~~dividend~~
Jelena

15th week assignment

What is your expectation from a company's stock price, when the company has consistently increased dividend in the past, but has recently cut it down.

1) Stock Price Decline A dividend cut suggests that the company might be facing financial challenges, like declining Profit or Cash flow, like declining Profit, especially Income - focused ones might see this as a warning and decide to sell, causing the Stock Price to Fall.

Investor Sentiment Dividends are often seen as a sign of a stable Company, Financial health and Stability.

Summary