

15<sup>th</sup> assignment

1. ~~stock~~ 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.

Stock price decline A dividend cut suggests that the company might be facing financial challenges, like

decline profit or cash flow like  
declining profit innovations especially  
income focused ones might see this  
as a warning and decide to sell,  
causing the stock price to fall.

Quarterly dividend payments are often  
seen as a sign of a company's  
financial health and stability.

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