Shell's profit plummets in 2020 due to COVID pandemic

Shell responded to the unprecedented drop in oil and gas demand last year by cutting spending

Houston, February 5 (RHC)-- Royal Dutch Shell's profit last year dropped to its lowest in at least 20 years as the coronavirus pandemic hit energy demand worldwide, though the company's retail network and trading business helped cushion the blow.

The Anglo-Dutch oil major's annual profit slumped 71 percent to $4.8 billion as its oil and gas production and profits from refining crude into fuels dropped sharply.

In a sign of confidence, however, Shell said it planned to raise its dividend in the first quarter of 2021, which would be the second slight increase since it slashed its payout by two-thirds at the start of last year due to the pandemic.

Analysts say while Shell missed forecasts for both its fourth-quarter profit and cash flow, the results overall were not as bad as feared, especially after rival British BP posted a loss of $5.7bn earlier this week. "We are coming out of 2020 with a stronger balance sheet," Chief Executive Officer Ben van Beurden said in a statement.

Shell shares were little changed at 09:15 GMT, slightly underperforming the broader European energy index.

Shell Oil Company is the United States-based wholly owned subsidiary of Royal Dutch Shell, a transnational corporation "oil major" of Anglo-Dutch origins, which is among the largest oil companies in the world. Approximately 80,000 Shell employees are based in the U.S. Its U.S. headquarters are in Houston, Texas.

U.S. rivals Exxon Mobil and Chevron reported huge losses in 2020, battered by the prolonged slump in energy demand during pandemic lockdowns. BP's loss was it's first in 10 years while Exxon reported a massive $22.4 billion annual loss, its first as a public company.

---

https://www.radiohc.cu/en/noticias/internacionales/246832-shells-profit-plummets-in-2020-due-to-covid-pandemic

Radio Habana Cuba