MUNRO

Comment
March 2025

Dividend forecasts edge higher

Dividend forecasts for next year continued to edge modestly higher in March. Increased forecasts in the bank sector outweighed reductions in the resource, leisure and pharmaceutical sectors. A small gain in the sterling dollar exchange rate was a contributing negative factor for the forecasts for those companies that report in dollars.

Because of this headwind from a stronger sterling UK share prices edged lower over the month as sentiment stayed broadly negative. The period ended with a small single digit decline. Oil and Gas was the sector that delivered the best performance on the back of slightly higher oil prices. Only three other sectors made gains: Utilities, Real Estate and Consumer Staples, on expectations of lower interest rates.

The four worst performing sectors, in decreasing order, were Consumer Discretionary, Materials, Information Technology and Health Care.

Valu-Trac Investment Management Limited

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