

Fund manager Abrdn frustrated in effort to sell Rosneft stake

One of Britain's biggest fund managers has been left unable to sell its shareholding in the Russian state oil giant backed by BP amid restrictions on foreign share trades on Moscow's stock exchange.

Sky News has learnt that abrdn, the FTSE-100 asset manager, is keen to offload its multimillion-pound stake in Rosneft but has been prevented from doing so.

City sources said that abrdn had decided to sell its Rosneft shares immediately after the Russian invasion of [Ukraine](#).

Although modest in size at just £5m, the majority of which is held passively in abrdn funds, the hiatus underlines how the City is being impacted by the fallout from the crisis.

Abrdn publicly supported BP's decision, announced on Sunday, [to sell its stake in Rosneft](#), which had been valued at about \$14bn (£10.4bn) but is likely to be sold for far less than that.

Advertisement

"We are strongly supportive of the board's decision and applaud them for taking swift action following the events of the last week," Andrew Millington, head of UK equities at abrdn, said.

"While there may be a significant financial cost to BP in exiting Rosneft it is unquestionably the right thing to do".

More from Business



Unleaded petrol tops 150p a litre amid surging oil prices as Russia invades Ukraine



Ukraine invasion: Russia hikes key interest rate to 20% after rouble slumps to record low



Toyota halts car production for a day in Japan after supplier hit by suspected cyber attack

BP's board's decision to sell its near-20% stake in Rosneft marks the end of a decade-long direct relationship, although questions remain about how it will be able to offload the shares.

The oil giant's announcement came within days of Kwasi Kwarteng, the business secretary, telling BP chief executive Bernard Looney that the government was concerned about its

Russian interests.

Its exit from Rosneft could lead to a non-cash writedown of as much as \$25bn (£18.6bn).