

Broker Spotlight

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Liberum says accept 'attractive' offer for Poundland

Holders of Poundland Group Plc (LON:PLND) shares should accept the 'attractive offer' from Steinhoff, so says Liberum Capital.

"The recommended cash offer is a good result for PLND shareholders and comes at a time when there was more downside risk than upside in our view," said analyst Wayne Brown.

"The cash offer of 222p is highly attractive and we would advise shareholders to accept."

In line with the Steinhoff, Liberum upgraded its view to 'hold' from 'sell' and lifted its target price to 222p from 125p.

Bold calls were very thin on the ground elsewhere in the City on Wednesday, with the vast majority of broker notes maintaining existing recommendations, albeit there were a few notable changes to price targets.

JP Morgan and Berenberg repeated 'overweight' recommendations for ASOS Plc (LON:ASC) but lifted their respective price targets to 4,550p and 5,100p (current price 4,491p), meanwhile Barclays has a 'neutral' and set a new 4,800p target.

Credit Suisse wrote up chemicals firm Elementis Plc (LON:ELM) with an upgrade, taking its target to 260p from 240, and the Swiss bank repeated an 'outperform'.

Peel Hunt upgraded Gemfields (LON:GEM) target to 78p from 70p, and it repeated its 'buy' recommendation.

In the downgrades column, Credit Suisse sliced back its view of Virgin Money (LON:VN.) with the new target of 275p, from 379p.

Jefferies, meanwhile, took 75p off its target for Paragon Group of Cos Plc (LON:PAG) which now has a 500p target.

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