

# Broker Spotlight

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## Bullish Cantor sees over 200% upside for Parkmead Group Plc

North Sea firm Parkmead Group Plc (LON:PMG) is well positioned to build with an acquisition-led growth strategy whilst taking advantage of low asset valuations, so says broker Cantor Fitzgerald.

That said, Cantor analyst Sam Wahab also sees organic growth coming concurrent with any deals thanks to what he describes as a low cost portfolio with near-term cashflows. This portfolio is a "natural hedge" to low oil prices, he added.

With a 163p price target Cantor's 'buy' recommendation sees more than 200% upside to Parkmead's current price (of around 50p).

Cantor's bullish write up comes at the end of a week which saw Parkmead expand its North Sea resource base by 39% through the acquisition of the Polecat and Marten oil fields.

Elsewhere in the City, UK power producer Drax Group Plc (LON:DRX) was upgrade to 'hold' from 'reduce' by HSBC which now has a 315p price target.

Citigroup upgraded Ladbrokes (LON:LAD) to 'buy' from 'neutral' and set a 180p price target.

Berenberg downgraded soft drinks firm AG Barr Plc (LON:BAG) to 'sell' from 'hold' and cut its target to 470p from 530p.

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