

It would be a stretch to claim that iron ore pellets have become sexy, but Ferrexpo PLC (LON:FXPO) is certainly on a charge.

It was the best performing FTSE 250 stock in 2016, and with an 8.2% rise under its belt this morning, it is probably not far off being the best performer in the mid-cap index this year, either.

Today's share price surge was sparked by a trading and production update.

"As today's 4Q16 production update shows, 2016 was a pivotal year for FXPO with iron prices recovering and the pellet premium increasing," noted Cantor Fitzgerald, as it reiterated its 'buy' rating.

"These favourable trading conditions helped the company to meet its debt repayment obligations and build a healthy cash position. 2017 looks set to be another favourable year for the company with a modest increase in production expected as well as a further increase in the pellet price premium," it added.

The broker has a price target of 166p, some 26p above Ferrexpo's share price.

In 2017, Ferrexpo expects to benefit from higher pellet premiums while production volumes will continue to reflect better-quality output with total production increasing modestly compared to 2016. Costs remain subject to commodity prices, the Hryvnia exchange rate and inflation levels in Ukraine.

There was a bit of a pregnancy theme going on among the small caps this morning.

Concepta PLC (LON:CPT), the healthcare company, advanced 8% as it achieved ISO13485 accreditation for its myLotus fertility product, due to be launched in the UK and mainland Europe in the second half of this year.

The share price reaction to the announcement from WideCells Group PLC (LON:WDC) was more modest - a 0.9% rise - as it revealed a tie-up with umbilical cord blood sample storage specialist Biovault.

Biovault will market WideCells' CellPlan stem cell insurance product to its customers.

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