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## Standard Chartered is exposed after share price rally, says UBS

Standard Chartered (LON:STAN) is exposed, says UBS, because the stock has recovered so well from last year's lows.

As the banking share has rallied about 40%, UBS now downgrades to 'sell'.

Analyst John Napier, in a note, said: "the StanChart rally has happened against a ~60% fall in consensus profit forecasts for this year and 30% decline for next."

He acknowledged that there are great businesses within the group - namely its transaction banking and financial markets units - but said that certain headwinds would combine with low yield curves and elevated loan losses to make life particularly difficult in the near term.

UBS forecasts a loss for Standard Chartered this year.

Deutsche Bank, meanwhile, retains a 'hold' rating for Standard Chartered but lifted its price target to 460p from 400p (current price: 554p).

Elsewhere, oil services group Petrofac Ltd (LON:PFC) was downgraded by Jefferies International to 'hold' from 'buy'.

Berenberg cut polymer group Victrex Plc (LON:VCT) to 'hold' from 'buy' due to what the wealth manager described as a 'lack of earnings catalysts' in the consumer electronic sector.

Panmure Gordon kept to a 'buy' recommendation for Trinity Mirror Plc (LON:TNI) but trimmed its price target to 185p from 240p.

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