

# Lloyds Banking Group

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## Lloyds and Barclays get target hikes as Deutsche sees lower sector risks

Lloyds Banking Group PLC (LON:LLOY) and Barclays PLC (LON:BARC) got the biggest uplift as analysts at Deutsche Bank hiked their target prices for the UK banks.

"While political uncertainty continues to weigh on economic activity, the risk of a crash Brexit has receded," DB told clients in the note on Tuesday.

So, while the banks are "still not out of the woods" the reduced Brexit risk means a reduced cost of equity for the banks, "resulting in target price upgrades".

After the round of third-quarter updates was completed last week, DB said the numbers "highlighted continued pressure on revenue".

While net interest income had some support from volume growth, with mortgage growth strong during the past three months, net interest margins faced headwinds across the sector.

Other income was also impacted by weaker commercial banking at Lloyds and investment banking activities at HSBC PLC (LON:HSBA) and Royal Bank of Scotland Group PLC (LON:RBS).

Barclays and Standard Chartered PLC (LON:STAN) were the only two seeing to have outperformed and beat consensus during the quarter.

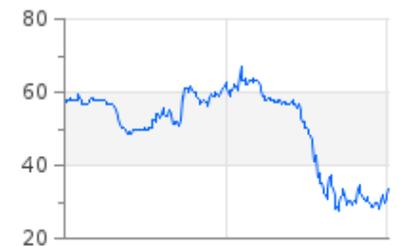
DB upped its share price target on Barclays 20% to 205p from 170p, Lloyds was upped 17% to 62p from 53p, RBS was bumped up 9% to 235p from 215p and Standard Chartered was lifted 11% to 700p from 630p.

Barclays shares jumped initially but flattened off to 168p by midday, with Lloyds and RBS similarly losing ground after an initial rise to fall into the red at 57.64p and 216p respectively. StanChart's were up 1% to 731p.

**Price:** 33.885

**Market Cap:** £23.97 billion

### 1 Year Share Price Graph



June 2019 November 2019 June 2020

### Share Information

**Code:** LLOY

**Listing:** LSE

<b>52 week</b>	<b>High</b>	<b>Low</b>
	<b>73.66</b>	<b>25.675</b>

**Sector:** Banks

**Website:** [www.lloydsbankinggroup.com](http://www.lloydsbankinggroup.com)

### Company Synopsis:

Lloyds Banking Group has many household names like Lloyds Bank, Halifax, Bank of Scotland and Scottish Widows. Lloyds Banking Group is a leading UK based financial services group providing a wide range of banking and financial services, focused on personal and commercial customers.

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