

Funding Circle Holdings PLC

07:51 20 Dec 2018

Funding Circle shares plunge to fresh low on reports of Citigroup downgrade to 'sell'

Funding Circle Holdings PLC (LON:FCH) saw an unseasonal plunge in its share price to a fresh low on Thursday which traders attributed to a bearish downgrade note from Citigroup.

According to reports, the US banking giant's analysts have chopped their stance on the recently floated peer-to-peer lending platform to 'sell' in a review of other financial stocks.

READ: Funding Circle tumbles further as official trading begins

In early afternoon trading, Funding Circle shares - which are due to join the FTSE 250 index from the start of trading next Monday - had dropped by 23.5% to 247.65p, well below the 440p offer price set when the group floated at the end of September

That offer price was at the lower end of its initial indicated range of 420p to 530p - which was narrowed to 440p-460p at the end of September - but in spite of that, the shares still dropped sharply on its 3 October official debut, ending the first unconditional day of trading at 355p.

The stock recovered some ground after that difficult London debut, reaching a peak of 430p on 19 October when a third-quarter trading update showed the fintech firm was continuing to grow rapidly.

READ: Funding Circle almost back to float price after reassuring trading

Funding Circle's loan originations advanced to £564m for the three months to the end of September, taking the total to £2.78bn, a 61% increase year-on-year.

But the rally was a false dawn and Funding Circle's shares have fallen back since - failing to be supported by news of share buying from a non-executive director on 10 December, with Geeta Gopalan acquiring 13,216 shares at a price of 401.02p each.

Elsewhere in its other financials report, Citigroup was also reported to have downgraded its stance for emerging markets-focused fund manager Ashmore group PLC (LON:ASHM) to 'sell', with hedge fund manager Man Group PLC (LON:EMG) cut to 'neutral'.

Ashmore shares were down 0.7% to 362.60p, while Man Group shed 1.5% at 128.85p.

Price: 92.7

Market Cap: £327.18 m

1 Year Share Price Graph



January 2020 July 2020 January 2021

Share Information

Code: FCH

Listing: LSE

52 week	High	Low
	139	21.95

Sector: Tech

Website: corporate.fundingcircle.com

Company Synopsis:

Funding Circle is a peer-to-peer lender that claims to have created a better way for small businesses to access finance, leading to high loyalty and high repeat rates. It connects creditworthy businesses looking for finance with people and organisations with money to lend. .

action@proactiveinvestors.com

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.