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HSBC upgraded to 'buy' as capital position impresses

Deutsche Bank has upgraded HSBC (LON:HSBA) to 'buy' from 'hold' following the well-received third quarter results.

The standout feature for the German broker was the rise in the core tier one assets due to a change in regulatory capital treatment.

Deutsche's target price rises to 665p from 620p.

Online bookie Paddy Power Betfair (LON:PPB) is trading so well currently, Investec expects it to surprise the market with better-than-expected underlying earnings figures this year.

The bookie - which came about after the merger of Paddy Power and Betfair back in February - recently upped its guidance for full-year EBITDA (underlying earnings).

It said it expects to report underlying earnings of between £390m and £405m for the 12 months to December, although Investec thinks it should beat this comfortably.

"FY16 EBITDA guidance looks too low and we expect the company to derive a further £30m of synergies in FY17," said analyst Alistair Ross.

Ross expects underlying earnings for this current financial year to come in at £408.1m, although he concedes that even this will likely be beaten.

"We think our forecasts are still cautious given the possibility of faster synergy realisation than expected higher cost synergies expected overall as well as revenue synergies."

'Buy' with a target price of £100.

Savannah Resources (LON:SAV) and partner Rio Tinto's, Mutamba project is one of the largest ilmenite dominant minerals sands deposits in the east coast of Africa, says Northland.

The initial indicated and inferred mineral resource estimate for the project totals 3.5bt at a grade of 3.8% total heavy minerals (THM), containing 81mt of ilmenite, 2.2mt of rutile and 3.8mt of zircon.

This mineral resource estimate will form the foundation of the scoping study that will focus on the high-grade areas where there is little or no overburden

This is part of Savannah's low-cost mining strategy for the project targeting production of around 200mt.

Lock specialist Tyman (LON:TYMN) has given a reassuring update, with 2016 results likely to hit expectations said Liberum.

This is in spite of slower than expected growth in North America, with the shortfall offset by better volumes in the rest of the world and strong pricing in the UK.

The shares have been abnormally weak for a US\$ earner and trade at an attractive valuation, says the broker which has a target price of 305p.

Societe Generale has suggested the oil sector as a good bet if Hillary Clinton wins the US presidential election.

Her track record suggests she will be more interventionist than Obama, a stance that can support oil prices, defence and oil & gas stocks and oil-related currencies, says the French bank.

A victory for Trump meanwhile should mean a switch out of equities into bonds, hedge the dollar and buy the euro, Swiss franc, gold and Chinese onshore assets. Buy the pharma sector as well.

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