

MID SESSION MARKET WRAP

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Footsie becalmed as banks and builders battle it out

The UK's leading shares are trading water, with the Footsie little changed despite a couple of banks letting the side down.

Down more than 5%, Barclays is the FTSE 100's biggest loser on Thursday, leaving the benchmark index unchanged at 6,733.

Investors are reacting to the news that the New York Attorney General has filed a lawsuit against Barclays in relation to the bank's 'dark pools' anonymous trading facilities, which allegedly give high-frequency trading clients an unfair advantage.

Barclay's routed transactions through its own 'dark pool' trading venue rather than stock exchanges and didn't protect the interests of those clients from 'high speed' predatory traders, alleged New York Attorney General Eric Schneiderman.

Another bank out of favour with investors is Standard Chartered (LON:STAN), down 4%, after a profit warning.

Profits will be down 20% for the first half, the bank warned.

It blamed a tougher regulatory environment and a drop off of activity in its trading businesses, due to lower market volatility.

At the other end of the scale, the London Stock Exchange Group (LON:LSE) is the toast of the City after it confirmed a deal to buy the Frank Russell Company.

The LSE describes the US\$2.7bn deal as a rare opportunity, putting together the Russell and FTSE indexing units, as well as adding an investment management services business with US\$256bn of assets under management.

House builders are back on buyers' shopping lists after Bank of England governor Mark Carney proposed putting a cap on the size of mortgage loans in relation to the borrower's or borrowers' income(s).

The move to prevent a housing boom could have been more severe, and housing stocks such as Persimmon (LON:PSN) and Barratt Developments (LON:BDEV) racked up gains of more than 5%. Building materials group Travis Perkins (LON:TPK) and equipment hire firm Ashtead (LON:AHT) also piled on the pennies.

Among the tiddlers, radio frequency technology group LightwaveRF (LON:LWRF) shoots up 60% after it was accepted by consumer electronics giant Apple as a developer.

Shares in Hurricane Energy (LON:HUR) storm ahead 28%, to 38p thanks to a well testing result that promises to transform the company, and perhaps part of the North Sea.

At over 200mln barrels Hurricane's Lancaster discovery is about 10 times the size of the average North Sea oil find, and, being a fractured basement play, it is the first of its kind in British waters.

Kenmare Resources (LON:KMR) is up 25% at 14.875p after its management rebuffed a bid approach from Aussie firm Iluka. Based on the latest share price of Lukoil on the Australian stock exchange, the proposed terms value Kenmare

Share Information

MarketTopic Synopsis:

The Mid Session Wrap is a report on the biggest movers in the market and macroeconomic news that affects movements in share prices. The report also previews macroeconomic data that is due to be released over the course of the session.

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shares at 16.8p.

Shares in Tangiers Petroleum (ASX:TPT; LON:TPET) are up 11% after it said drilling has begun on the Galp Energia-operated TAO-1 exploration well offshore Morocco.

The Ralph Coffman jack-up rig will test up to three stacked targets: Assaka in the Upper Jurassic; the main target Trident in the Middle Jurassic and will move on to TMA if the well is deemed a success.

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