



INVEST LIKE A PRO, WITH THE PROS!



Good morning!

Watch for the new [Capital Ideas Digest](#) later today when we revisit a tech company that supplies some of the largest semiconductor equipment companies in the world. **The order backlog is bulging, record earnings are on the way, and the research says the stock could gain another 65%.**

See the [Daily Update](#) at the end of this note for more details on the new [Capital Ideas Digest](#) and the latest episode of [Capital Ideas TV](#).

Morning Need to Know by Capital Ideas Research

Getting you ready for your investing day

March 27, 2018

Written & compiled by Mark Bunting, Publisher, Capital Ideas Media

MARKETS

TSX equity futures and U.S. futures are solidly higher following the big gains in the U.S. on Monday. The major U.S. indices yesterday had their largest jumps in nearly three years as global trade tensions eased.

The major European stock indices are sharply higher.

In Asia, Japan's Nikkei jumped 2.65% on easing trade concerns. The broader Topix was up 2.74%, with all sectors in the black. Hong Kong's Hang Seng rose 0.79%, while the Shanghai Composite Index rose 1%.

CURRENCIES

The Canadian dollar is down 0.3% to \$0.7762 U.S.

Bitcoin is lower by 2.6% at \$7,921, according to CoinDesk.

COMMODITIES

West Texas Intermediate is higher by 1.3% \$66.38 a barrel.

Gold is down 1% at \$1,342.

STOCKS THAT MAY MOVE

Extendicare Inc. (TSX:EXE) is raising \$110 million (Canadian) in a bought deal financing through a offering a syndicate of underwriters, which is buying convertible unsecured subordinated debentures.

Brookfield Property Partners LP (TSX:BPY.UN; NSYE:BPY) & GGP Inc (NYSE:GGP) The commercial real estate company said it would acquire the 66% of GGP that it does not already own in a cash-and-stock deal that values GGP, one of the largest owners and operators of U.S. shopping centers, at about \$15.3 billion (U.S.). (See Analysts' Calls)

Walmart Inc (NSYE:WMT) has placed a bet on **Tencent Holdings (OTC:TCEHY)** mobile payment system, giving the tech giant a boost in its battle with Alibaba Group for pole position in China's fast-growing payments market. The retailer said it had dropped Alibaba-linked Alipay in all its stores in the western region of the country, after agreeing a tie-up with Tencent to use its popular WeChat payment system.

Carlyle Group (NYSE:CG) Akzo Nobel has agreed to sell its specialty chemicals business to investors led by Carlyle Group for 10.1 billion euros, including debt.

Deutsche Bank (NYSE:DB) is seeking to replace Chief Executive John Cryan amid an intensified boardroom row over the bank's future and alarm at its performance, the Times newspaper reported. The bank has approached Richard Gnodde, a senior executive of Goldman Sachs, to take on Cryan's role less than two years into his tenure.

Lowe's Cos Inc (NYSE:LOW) said its chief executive officer is retiring, the latest executive departure as the home improvement chain tries to move out of the shadow of larger rival Home Depot that has outperformed it for years.

With files from The Globe and Mail, Reuters and Bloomberg.



CANADIAN ANALYSTS' CALLS

This is an overview of some of today's analyst research. We'll have more details on many of these reports in the next *Capital Ideas Digest* and on *Capital Ideas TV*.

INITIATIONS

Advantage Lithium (TSXV:AAL) National Bank Financial starts coverage with a "buy" and a price target of \$1.90 (Canadian). Current price is \$1.01.

Horizon North Logistics (TSX:HNL) TD Securities starts coverage with a "buy" rating and target of \$3.

Frontera Energy (TSX:FEC) Eight Capital begins coverage with a "buy" rating and target of \$52.50.

**

Profound Medical (TSXV:PRN) Beacon Securities maintains "buy" and a price target of \$3.10 suggesting upside of 210%, after the company announced its quarterly results, which included nearly \$5 million in revenue compared to nil last year at the same time. We interviewed Profound's CEO Arun Menawat about the company's prostate treatment technology. Watch it [here](#).

Brookfield Property Partners LP (TSX:BPY.UN; NSYE:BPY) Canaccord Genuity upgrades to "buy" and keeps target at \$24 (U.S.).

SilverCrest Metals (TSXV:SIL) Beacon Securities upgrades to "buy" from speculative buy, target stays at \$4 (Canadian), indicating 70%

upside.

Detour Gold (TSX:DGC) RBC upgrades to "outperform", maintains price target of \$20, giving the shares 54% upside, based on the stock's "compelling" valuation.

Intact Financial (IFC-T) GMP upgrades to "buy", and keeps the target at \$107.50. Stock closed Monday at \$95.80.

Husky Energy (TSX:HSE) AltaCorp makes the following moves on these energy names. Upgrades to "outperform" and the target is bumped higher to \$20 from \$19.

Journey Energy (TSX:JOY) Raises to "outperform" with a target of \$4, rising from \$2.15.

Bonavista Energy (TSX:BNP) Upgrades to "outperform" with a Street-high target of \$5, up from \$1.75.

Shopify (TSX:SHOP; NYSE:SHOP) CIBC says "buy the dip" after short seller Citron Research again targeted the company with "mostly a re-hash of the old argument". Maintains "outperform" and a target of \$160 (U.S.). Stock closed Monday at \$136.

First Quantum Minerals Ltd (TSX:FM) Jefferies cuts price target to \$21 (Canadian) from \$27, referring to the company's \$1 billion payment for a tax dispute settlement in Zambia and potential risk of additional penalties following the next round of audits.

Lassonde Industries Inc (TSX:LAS.A) Desjardins raises target price to \$285 from \$280 and 2018 and 2019 EPS estimates, following the release of strong fourth-quarter results, maintains "buy".

GlaxoSmithKline (NYSE:GSK) will buy Novartis's (NYSE:NVS) 36.5% stake in their consumer health care joint venture for \$13 billion (U.S.) in cash. GSK last week quit the race to buy Pfizer's consumer health care business, endangering an auction the U.S. drug maker hoped would bring in as much as \$20 billion.



U.S. ANALYSTS' CALLS WHAT WE'RE READING

Paycom Software Inc (NASDAQ:PAYC) Oppenheimer raises price target to \$120 from \$98, saying that it expects the company to reach \$1 billion in recurring revenue by 2021 increase its market cap over time.

Red Hat Inc (NYSE:RHT) Jefferies raises target price to \$154 from \$119, expecting the company to show higher cash flow and growth rates.

WHAT WE'RE READING

Has the [bear market](#) already started?

Daily Update

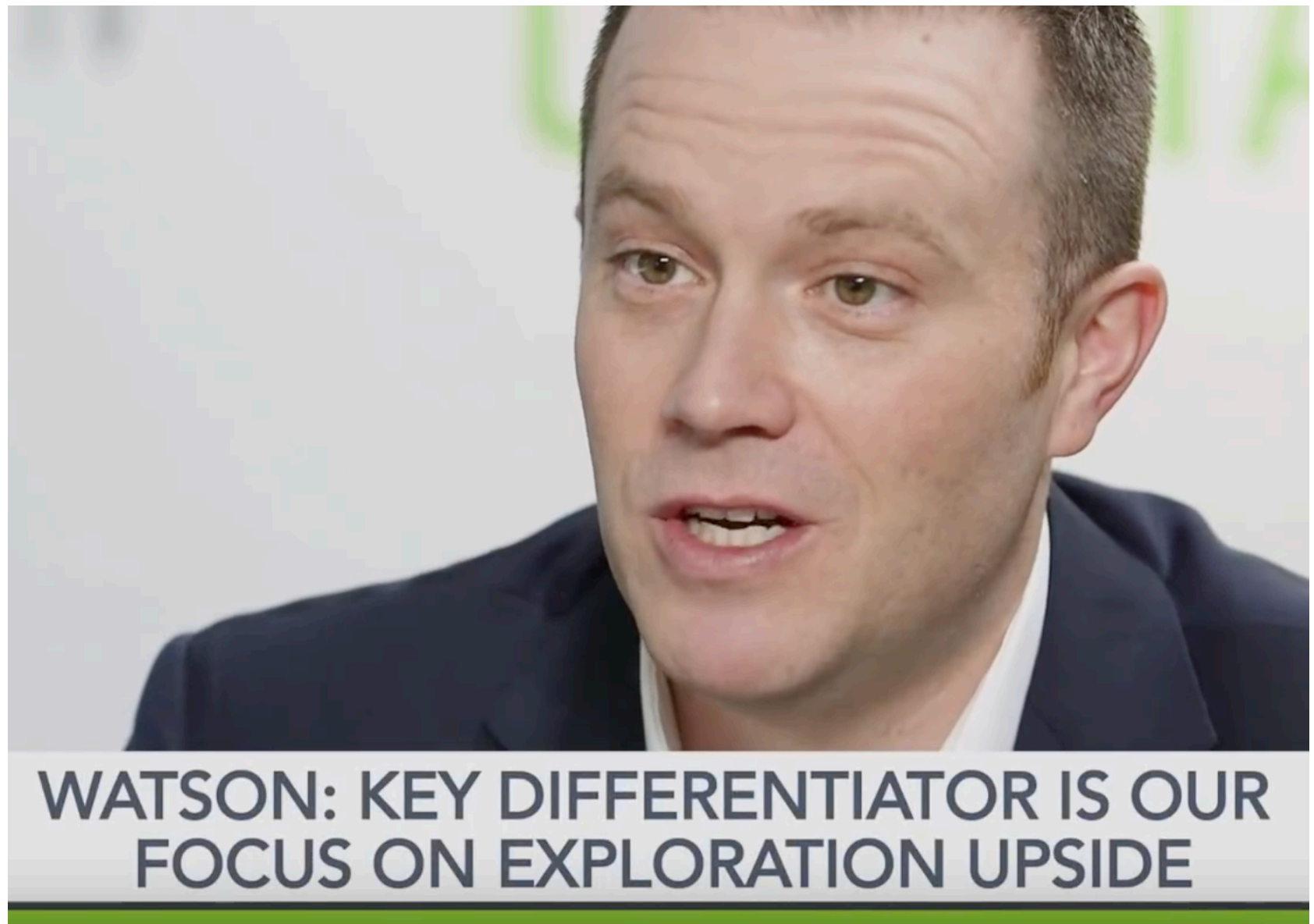
The new Digest also has new analyst coverage of a company perfectly suited to today's concerns about data security. **It destroys stuff. Blows it up good. And the shares could gain 30%.**

We've got coverage of an undervalued gold company with a respected management team and **shares that could more than double.**

Plus, a stock that is breaking out from a 'massive', nearly two-year consolidation pattern.

We interviewed **Namaste Technologies** CEO *Sean Dollinger* yesterday at the company's shiny, new CannMart facility. This hard-charging company has a lot going on. Don't be surprised if a major LP knocks on the door at some point because it wants to bring Namaste's e-commerce platform, leadership in vaporizers, and international breadth under its own roof.

Our current episode hi-lights streaming and royalty company ***Sandstorm Gold (TSX:SSL; NYSE:SAND)***. Its CEO, Nolan Watson, was once the youngest-ever CFO of a New York Stock Exchange-listed company - at 26! Now, at 38, he's quietly building one of the best players in the space. Watch our interview with Watson [here](#).



In our *Best of PDAC* episode of [Capital Ideas TV](#), we also talk to the CEOs of three companies that are gunning for a healthy piece of the electric vehicle battery market. Get investment insights on ***LSC Lithium (TSXV:LSC)***, ***Far Resources (CSE:FAT)***, and ***Pacific Rim Cobalt (XSE:BOLT)***.

**

Join more than 75,000 people who watch [Capital Ideas TV](#) every week on YouTube, BNN, through our partners at SmallCapPower, and on

social media. Get access to innovative, growth company investment ideas.

**

We are redesigning our website into a dynamic, video-first destination with lots of new, useful features for investors. Coming soon!

**

Get access to live webinars and ask questions of investment experts by [signing up](#) as a premium member for just \$25 a month.

**

[Capital Ideas TV](#) - *Thursdays on YouTube at 7 pm ET, 4 pm PT. Sundays on BNN at 9 pm ET, 6 pm PT.*

[Capital Ideas Digest](#) - *Tuesday's at 7 pm ET, 4 pm PT.*

Access, insight and ideas!

Have a great day!



Mark Bunting | *Publisher*
Capital Ideas Media



The information and recommendations made available here (“Information”) by CIR and/or all affiliates is for informational purposes only and not to be used or construed as an offer to sell or a solicitation of an offer to buy any services or securities. You further agree that neither Capital Ideas Research will be liable for any losses or liabilities that may be occasioned as a result of the information or commentary provided in the letter. By accessing the site and reading this note, you accept and agree to be bound by and comply with the terms and conditions set out herein. If you do not accept and agree to the terms, you should not use this site or accept this email.

CIR is not registered as an adviser under the securities legislation of any jurisdiction of Canada and provides the Information pursuant to an exemption from the registration requirements that is available in respect of generic advice. The recommendations contained on the site and in this email are not tailored to the needs of particular persons and may not be appropriate for you depending on your financial position or investment goals or needs. You should apply your own judgment in making any use of the Information, especially as the basis for any investment decision. Prior to making any investment decision, we recommend that you seek outside advice from a qualified and registered investment advisor.

In no event will CIR be responsible or liable to you or any other party for any damages of any kind arising out of or relating to the use of, misuse of or inability to use this site and email. The Information is directed only at persons resident in Canada. Nothing in this site shall constitute an offer or solicitation to anyone in the United States of America or any jurisdiction where such offer or solicitation is not authorized or to any person to whom it is unlawful to make such a solicitation. If you choose to access this site or email from outside of Canada, you acknowledge that the Information is intended for use by persons resident in Canada only.

This is not an investment advisory, and should not be used to make investment decisions. Information in CIR is often opinionated and should be considered for information purposes only. No stock exchange anywhere has approved or disapproved of the information contained herein. There is no express or implied solicitation to buy or sell securities. The writers and editors of CIR may have positions in the stocks discussed above and may trade in the stocks mentioned. Don't consider buying or selling any stock without conducting your own due diligence.

Copyright © 2016 Capital Ideas Research, All rights reserved.

You are receiving this email because you are part of our investment network.

[Add us to your address book](#)

[unsubscribe from this list](#) [update subscription preferences](#)

This email was sent to <<Email Address>>

[why did I get this?](#) [unsubscribe from this list](#) [update subscription preferences](#)

Capital Ideas Research · HSBC Bank Place 10250 101 Street Suite 1803 · Edmonton, Alberta T5G-3P4 · Canada