



**INVEST LIKE A PRO, WITH THE PROS!**



Good morning!



If you missed the *Mid-Summer Cannabis Investing* live webinar yesterday, not to worry because we'll be interviewing two of the participating companies this week - ***Cannex Capital (CSE:CNNX)***, and ***Isodiol Int'l (CSE:ISOL)***.

One dominates the Washington State production market and is expanding into California, and the other already has more than 30 hemp-derived cannabinoid products on the market. Watch for these interviews next week.

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The *Capital Ideas Digest* will return August 21.

The *Morning Note* continues with its regular schedule.

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**Morning Need to Know by Capital Ideas Research**  
Getting you ready for your investing day



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## CANADIAN ANALYSTS' CALLS INITIATIONS

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### INITIATIONS

**CannaRoyalty (CSE:CRZ)** and **iAnthus Capital (CSE:IAN)**

PI Financial starts coverage of these two U.S.-focused cannabis companies with "buy" ratings. CRZ gets a price target of \$8 (Canadian). It closed yesterday at \$4.53. IAN gets a target of \$9.50. The stock closed at \$6.65. Analyst Jason Zandberg expects the U.S. Federal government will eventually ease its restrictions on cannabis and both companies should benefit. Zandberg helped introduce us to Canopy Growth, Aphria and Organigram two years ago, and anyone heeding the advice would have done very well.

**Rubicon Minerals (TSX:RMX)** Canaccord Genuity starts coverage with a "speculative buy" and a price target of \$2.30. The stock closed Monday at \$1.23. Acknowledging the company's "tumultuous" past, Canaccord lists five reasons as to why it likes RMX, including its "massive" optionality on its land position in Red Lake, Ontario.

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**Badger Daylighting (TSX:BAD)** Industrial Alliance upgrades to "buy" and moves the price target to \$36.50 from \$34.50.

Canaccord Genuity boosts the target to \$39 from \$38 and keeps a "buy" rating. Badger is involved in heated battle with a short seller.

**Point Loma Resources (TSXV:PLX)** Here's one we've presented before based on research from Mackie Research. The analyst reiterates a "buy" rating and a price target of \$2.24 (Canadian), which gives the stock upside of 286%, and says the market is missing the massive potential of the company's new Banff oil play.

**Indiva (TSXV:NDVA)** Mackie Research maintains a "buy" and a \$1.50 target, implying 108% gains. India on Monday was granted a license by Health Canada for the sale of dried cannabis flower. The stock popped on four times the regular volume.

**Cargojet (TSX:CJT)** RBC ups the target to \$85 from \$73, suggesting 21% upside, and maintains an "outperform", saying *"Another quarter of very strong demand for CJT's capacity confirms our thesis the multi-year outlook for overnight capacity is expected to remain very robust"*. CIBC lifts the target to \$77 from \$74 and reiterates "outperformer".

**Element Fleet Management (TSX:EFN)** RBC moves the target to \$9 from \$8, which implies a projected return of 58%, and maintains an "outperform".

**Neo Performance Materials (TSX:NEO)** RBC lifts the target to \$25 from \$24, indicating 41% upside, and maintains an "outperform" following the company's earnings report.

**Boyd Group Income Fund (TSX:BYD.UN)** CIBC moves the target to \$134 from \$122 and maintains an "outperformer" rating.

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## U.S. ANALYSTS' CALLS

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**PayPal (NASDAQ:PYPL)** J.P. Morgan raises the price target to \$102 (U.S.) from \$83.

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## STOCKS THAT MAY MOVE

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**K-Bro Linen (TSX:KBL)** had Q2 revenue of nearly \$61 million (Canadian), an increase of 50% compared to last year at the same time, which handily beat estimates. Net income came in at \$2.6 million or 25 cents a share, also beating expectations.

**Magellan Aerospace (TSX:MAL)** has signed a six-year deal with Pratt & Whitney to manufacture aluminum castings for their next generation engines. The transaction will be worth \$81 million in revenue for Magellan through 2023.

**Crius Energy Trust (TSX:KWH.UN)** has combined its existing credit facilities into a single consolidated credit facility with a limit of \$140 million (U.S.). The company has also arranged a syndicated working capital facility with an initial limit of \$11 million (U.S.) for cash advances and letters of credit.

**The Home Depot (NYSE:HD)** beat earnings and sales estimates with same-store sales higher by 8% from last year.

**Tesla (NASDAQ:TSLA)** The company has formed a special committee to examine taking the electric car maker private while it's has hired Goldman Sachs and Silver Lake to help with the process.

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

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## MARKETS

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TSX and U.S. equity futures are indicating a solid open as the Turkish lira rebounds as much as 6% against the U.S. dollar, and other emerging market currencies stage a relief rally.

European stock indices are higher, while Japan's Nikkei jumped more than 2% overnight.

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## CURRENCIES

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The Canadian dollar is up 0.4% at \$76.43 U.S.

Bitcoin is down 2% to \$6,122, according to CoinDesk,

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## COMMODITIES

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West Texas Intermediate is higher by 1.5% to \$68.21 a barrel (U.S.).

Gold is back above \$1,200 at \$1,203.00 an ounce.

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## Daily Update

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Have a great day!



***Mark Bunting*** | *Publisher*  
***Capital Ideas Media***

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