



INVEST LIKE A PRO, WITH THE PROS!



Good morning.



Today's Digest will be posted at 7 pm eastern time.

One investment idea is a defensive stock that has gained about 20% in the last year and set to do it again in the next 12 months.

The other two are micro-caps that are partners with Microsoft, are involved in all of the hottest tech sectors, and have as much as 329% upside.

Morning Need to Know

Getting you ready for your investing day

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Capital Ideas Media



CANADIAN ANALYSTS' CALLS

INITIATIONS

Altius Minerals (TSX:ALS) Canaccord Genuity starts coverage with a "buy" and a target of \$18.50.

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Teck Resources (TSX:TECK.B) CIBC reiterates "top pick" and lowers the target to \$43 (Canadian) from \$44. The stock closed Monday at \$24.80.

Russell Metals (TSX:RUS) Raymond James puts the stock on its Canadian Analyst Current Favourites list with a "strong buy" and a target of \$36.

Capital Power (TSX:CPX) National Bank ups the target to \$34 from \$33 after earnings results.



U.S. ANALYSTS' CALLS

INITIATIONS

Elastic N.V. (NYSE:ESTC) RBC starts coverage on this software company with an "outperform" and a price target of \$71 (U.S.), giving the stock 14% upside.

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Mercer Int'l (NASDAQ:MERC) CIBC moves the target to \$24 from \$23, increases its EBITDA estimates, and reiterates an "outperformer" rating. The stock closed Monday at \$15.76.

Nvidia (NASDAQ:NVDA) gets upgraded to "overweight" by J.P. Morgan.

Mondelez (NASDAQ:MDLZ) RBC ups the target to \$52 from \$51, implying a 32% gain, and maintains "outperform".

Here's a read on inflation as MDLZ says it will increase prices on biscuits, gums and candies in the U.S. and certain emerging markets to offset rising transportation and freight costs.

Hershey (NYSE:HSY) Credit Suisse hikes the

target to \$104 from \$85 as it sees stabilizing sales trends at the chocolate maker.

STOCKS THAT MAY MOVE

Brookfield Asset Management (TSX:BAM.A;NYSE:BAM) is close to buying the power solutions business of **Johnson Controls (NYSE:JCI)** for between \$13 billion and \$14 billion, according to Reuters.

Chesapeake Energy (NYSE:CHK) is buying Wildhorse Resource (NYSE:WRD) for about \$4 billion in cash and stock. WRD is up 19% in pre-market trading.

Westjet (TSX:WJA) saw quarterly net profit fall 66% from last year due to higher expenses but that beat estimates as higher fares offset an increase in fuel costs. Passenger traffic rose 8.6% as the airline increased capacity by nearly 10%.

Sony (NYSE:SNE) has quietly been a solid winner the last couple of years and the company has raised its forecast for annual profit by 30% partly on the strength of its gaming division, which increased profit in the latest quarter by 65%.

Aphria (TSX:APH) will start trading on the New York Stock Exchange on Friday under the ticker APHA. The cannabis company will change its TSX ticker to match the New York listing.

MasterCard (NYSE:MA) said quarterly profit rose 33% from last year, which beat estimates.

Under Armour (NYSE:UA) is up about 5% in pre-market after raising its profit forecast.

General Electric (NYSE:GE) is taking a previously announced nearly \$23 billion charge, slashing its quarterly dividend to \$0.01 a share, and is splitting its power business into two as new CEO Larry Culp embarks on an attempted turnaround of the struggling company.

BP (NYSE:BP) saw quarterly profit hit a five-year high.

Coca-Cola (NYSE:KO) beat Wall Street's sales estimates in its latest quarter.

Facebook (NASDAQ:FB) is expected to deliver a quarterly revenue rise of 34% after the closing bell.

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

MARKETS

TSX and U.S. equity futures are set for a modestly higher open, after falling in the latter part of yesterday's session, as U.S. President Trump sees a "great deal" with China but, almost in the same breath, threatened more tariffs.

Trump also says stocks are "taking a little pause." Feel better?

European stock indices are mixed after euro-area growth in Q3 was the weakest in four years, and **Asian stock indices** finished higher.

CURRENCIES

The Canadian dollar is drifting lower at \$0.7611, while China's yuan is at a 10-year low against the U.S. dollar.

COMMODITIES

West Texas Intermediate is down 1.2%% to \$66.23 a barrel (U.S.).

Gold is down by 0.3% at \$1,224.30 an ounce.

Daily Update

The new Capital Ideas Digest will also have new research on a gold company with superior traits, and another miner that analysts like whose stock is breaking out technically.

And look out for an on location CEO video interview this week.

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Access, insight and ideas.

Have a great day!

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