



INVEST LIKE A PRO, WITH THE PROS!



Good morning.



We're lining up a live legalization show with some notable CEOs and money managers. Stay tuned for details.

Morning Need to Know

Getting you ready for your investing day

October 5, 2018

Written & compiled by Mark Bunting, Publisher,



CANADIAN ANALYSTS' CALLS

INITIATIONS

Boyd Group Income Fund (TSX:BYD.UN)

Scotiabank begins coverage of the this multi-year winner at "outperform" and target of \$145.

Canadian Natural Resources (TSX:CNQ). CIBC starts coverage on a number of exploration and production and integrated oil and gas companies with a Mafia theme, rating CNQ (The Godfather), **Suncor (TSX:SU)** (The Untouchables), and **Cenovus (TSX:CVE)** (Scarface), as "outperformer".

**

Theratechnologies (TSX:TH) Mackie Research maintains "buy" and a price target of \$19.50 (Canadian), giving the shares upside of 127%, after the company beat estimates with its quarterly revenue, EPS and adjusted EBITDA.

RBC ups the target to \$12, implying 40% gains,

and maintains "sector perform".

Aritzia (TSX:ATZ). RBC ups the target to \$22 from \$21, suggesting 36% gains, and maintains "outperform" after the company's earnings results.

CIBC boosts the target to \$23 from \$22 and reiterates "outperformer", calling the company's sales results "exceptional".

Canaccord Genuity lifts the target to \$21 from \$20 and raises its 2019 and 2020 EPS estimates.

Canadian Pacific (TSX:CP;NYSE:CP). RBC moves the target to \$329 from \$320, indicating 18% upside, and maintains "outperform" after the company delivered "powerful" message at its annual investor day.

TD upgrades to "buy" with a \$325 target.

Citi raises the target to \$260 (U.S.) from \$242, and maintains a "buy".



U.S. ANALYSTS' CALLS

INITIATIONS

Carbonite (NASDAQ:CARB) RBC starts coverage with an "outperform" on this data protection company for small and medium-sized businesses, and gives it a target of \$42, meaning the stock has 24% upside potential.

Eli Lilly (NYSE:LLY). BMO starts at "outperform", saying the company's growth prospects are improved due to the potential of a diabetes drug it's developing.

STOCKS THAT MAY MOVE

Precision Drilling (TSX:PD) has trumped **Ensign Energy Services (TSX:ESI)** with a winning bid of \$1.03 billion (Canadian) or \$2.11 per share for **Trinidad Drilling (TSX:TDG)**.

Brookfield Asset Management (TSX:BAM.A;NYSE:BAM) is leading a consortium considering a bid for London-based shopping mall owner Intu Properties.

Unilever (NYSE:UN;NYSE:UL) will keep its headquarters in London instead of moving to Amsterdam following a shareholder backlash.

Snap (NYSE:SNAP) moved off an all-time low after the company announced new strategic initiatives in order to achieve profitability in 2019.

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

MARKETS

TSX and U.S. equity futures spiked and then moved lower after the Canadian economy added 63,000 jobs in September, the most this year and ahead of the 32,000 expected. The unemployment rate dipped to 5.9%.

In other data, Canada's trade surplus hit the highest level since December, 2016.

In the U.S., non-farm payrolls for September came in at 134,000, lower than the 168,000 expected.

However, job creations in August and July were revised upward. The unemployment rate fell to 3.7%, the lowest since 1969.

The U.S. 10-year bond yield is at a seven-year high of 3.229%.

CURRENCIES

The Canadian dollar is flat at \$0.7740 U.S.

Bitcoin is unusually dormant at \$6,550.

COMMODITIES

West Texas Intermediate is up 0.3% at \$74.57 a barrel (U.S.).

Gold is higher 0.5% at \$1,207.80 an ounce.

Daily Update

Next week's **Digest** will focus on a rare find in the materials sector, whose products are increasingly used in electric and hybrid vehicles. Find out why the stock has nearly 40% upside.

Get 25% off the annual subscription price for the *Capital Ideas Digest* by becoming a [premium member](#) and receive immediate access to all of our best research-based insights and ideas.

[Capital Ideas TV](#)

[Capital Ideas Digest](#)

[Capital Ideas Radio](#)

Access, insight and ideas.

Have a great long weekend!

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 T5J 3P4 · Canada