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Good morning.



Morning Need to Know

Getting you ready for your investing day

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Capital Ideas Media**



CANADIAN ANALYSTS' CALLS

INITIATIONS

Park Lawn (TSX:PLC) TD starts coverage of this death care company, whose [CEO Andrew Clark](#) (scroll to 9:50) we've interviewed a few times, with a "buy" and a price target of \$32 (Canadian). The stock closed yesterday at \$23.61. PLC traded at \$19 last August when we first talked to Mr. Clark.

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Lundin Mining (TSX:LUN) RBC upgrades to "outperform" and moves the target to \$8, which gives the stock a one-year projected return of 67%, seeing a *"compelling valuation and improving operations"*. **Raymond James** has a \$9 target and a "market perform" rating.

Aecon (TSX:ARE) Industrial Alliance raises to "strong buy" with a target of \$23 from \$19.50. More on Aecon below.

Mullen Group (TSX:MTL) Industrial Alliance also upgrades this one to "strong buy".

Methanex (TSX:MX;NASDAQ:MEOH) CIBC

moves the target to \$80 (U.S.) and maintains an "outperformer" rating. TD moves to "buy" from hold with a target of \$77. The stock closed Thursday at \$63.79.

Calfrac Well Services (TSX:CFW) RBC lifts the target to \$8 from \$7 (Canadian), which implies 88% upside, and maintains an "outperform" saying if investors are brave enough to buy an oil field services company, they should start with this one. BMO upgrades to "outperform" with a target of \$6.50.

Canadian Utilities (TSX:CU) TD upgrades to "buy" with a target of \$35.

Goldcorp (TSX:G;NYSE:GG) BMO upgrades to "outperform".

Constellation Software (TSX:CSU) RBC maintains an "outperform" and keeps the target at \$1,150, suggesting 34% upside, saying the serial acquirer is a buying opportunity.

Shopify (TSX:SHOP;NYSE:SHOP) RBC boosts the target to \$159 (U.S.) from \$157, implying 16% upside, and maintains "sector perform" after the company's earnings results.



U.S. ANALYSTS' CALLS

Amazon.com (NASDAQ:AMZN) RBC increases the target to \$2,300 from \$2,100, which implies 29% upside, and maintains an "outperform" pointing to the company's operating profit and record operating margin.

Alphabet (NASDAQ:GOOGL) RBC maintains "outperform" and a target of \$1,400, suggesting a 27% gain for the stock.

Expedia (NASDAQ:EXPE) RBC moves the target to \$163 from \$150, giving the stock 39% upside, and maintains an "outperform".

Tractor Supply Company (NASDAQ:TSCO) RBC ups the target to \$105 from \$87, indicating 18% gains, and maintains an "outperform" following earnings results.

Brunswick (NYSE:BC) RBC still sees 35% upside for the shares of this maker of outboard engines and other products, which we featured in our U.S. focused issue several weeks ago. The analyst reiterates an "outperform" and reduces the target to \$65 from \$71, saying the company's "strong trends" should continue into 2019.

Twitter (NYSE:TWTR) Cowen & Co. lifts the target to \$27 from \$24 after the company reported stronger advertising revenue.

STOCKS THAT MAY MOVE

Aecon (TSX:ARE) handily beat earnings estimates and reported a record order backlog. This was our cover story in late May. The stock is more than \$1 since then, closing yesterday at \$16.24.

Rogers Communications (TSX:RCI.B) is near a deal to sell most of its magazines, according to The Globe and Mail.

Royal Bank of Scotland (NYSE:RBS) has set aside \$128 million to cover possible bad loans related to Brexit uncertainty.

Alphabet (NASDAQ:GOOGL) has admitted it fired 48 employees for sexual harassment over the past two years. The New York Times reports that three senior executives were protected from accusations and given payouts.

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

MARKETS

TSX and U.S. equity futures are indicating another rough start to end the week after Amazon.com and, to a lesser degree, Alphabet disappointed investors with their earnings and forecasts.

U.S. Q3 GDP came in at 3.5%.

Wells Fargo says this is the best time to buy U.S. stocks since the Trump election.

CURRENCIES

The Canadian dollar is down 0.6% at \$0.7607.

COMMODITIES

West Texas Intermediate is down 0.9% at \$66.72 a barrel (U.S.).

Gold is higher by 0.3% at \$1,235.60 an ounce.

WHAT WE'RE READING

The [market bottom is in](#), according to these technical indicators.

Daily Update

The latest Capital Ideas Radio [podcast](#) is available.



Halo Labs (NEO:HALO) is ahead of the game in cannabis oils and concentrates, and is ramping revenue quickly. Hear from the CEO *Kiran Sidhu*.

We have some growth and safety stock ideas coming next week in the Digest, along with more CEO interviews.

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Access, insight and ideas.

Have a great weekend!

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