



INVEST LIKE A PRO, WITH THE PROS!



Good morning!



Going global in the cannabis sector has been a winning strategy for the likes of Cronos Group.

Can **LGC Capital (TSXV:LG)** pull off the same trick? CEO *John McMullen* says yes.

Hear about the company's plan in our [new podcast](#). The stock has lagged but McMullen says a number of catalysts in 2019 will move it higher.

Please note: The Morning Note will go on hiatus from December 25 and return on January 3.

The Capital Ideas Digest will return on January 8 with its Best Ideas of 2019 issue.

Morning Need to Know

Getting you ready for your investing day

December 21, 2018

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Capital Ideas Media



CANADIAN ANALYSTS' CALLS

Orocobre (TSX:ORL)

Eight Capital reduces the target to \$6.60 (Canadian) from \$7 on uncertainty of lithium prices for junior producers.



U.S. ANALYSTS' CALLS

INITIATIONS

Applied Materials (NASDAQ:AMAT)

Needham starts with a 'buy' and a price target of \$45 (U.S.), expecting a recovery in the U.S. semiconductor sector in the second half of 2019.

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Nike (NYSE:NKE) upgraded to "overweight" at J.P. Morgan. See below.

STOCKS THAT MAY MOVE

Brookfield Asset Management (TSX:BAM.A;NYSE:BAM)

has extended its exclusive talks with Healthscope of Australia by a month. BAM's takeover target says a rival company remains interested, which could reignite a bidding war. BAM has offered 4.5 billion aussie dollars for Healthscope.

BCE (TSX:BCE) and **Telus (TSX:T)** are warning the Canadian federal government that a ban on using equipment made by Huawei of China could increase costs and delay the rollout of 5G wireless services.

Exxon Mobil (NYSE:XOM) is cancelling a planned \$25 billion liquefied natural gas project in B.C.

Nike (NYSE:NKE) is a rare bright light as

quarterly earnings and revenue beat Wall Street estimates on strength in North America with the shoe and apparel company selling more full-priced gear online.

Zynga (NASDAQ:ZNGA) is buying mobile game maker Small Giant Games out of Finland for about \$700 million.

Boeing (NYSE:BA) has struck the largest-ever aircraft deal in Africa with Nigeria's Green Africa Airways committing to buy 100 (50 firm, 50 options) 737 MAX 8 planes for \$11.7 billion.

Freeport-McMoRan (NYSE:FCX) is selling control of Grasberg, the world's second-largest copper mine, to Indonesia's state-run PT Inalum for \$3.85 billion after a year of contentious negotiations.

Campbell Soup (NYSE:CPB) has named former Pinnacle Foods CEO Mark Clouse as CEO. He's also worked at Mondelez and Kraft Heinz, and before that was in the U.S. Army.

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

MARKETS

TSX and U.S. equity indices are pointing to another soft open with the major indices experiencing their worst December in years, as U.S. President Trump is threatening a partial government shutdown today

if the Democrats don't vote in favour of funding for a border wall.

In economic data, Canada's GDP in October new at a slightly better than expected 0.3%, the fastest pace in five months.

CURRENCIES

The Canadian dollar is off 0.3% at \$0.7384 (U.S).

COMMODITIES WHAT WE'RE READING

West Texas Intermediate is down 0.9% at \$45.48 a barrel.

Gold is lower by 0.3% to \$1,264.60 an ounce.

WHAT WE'RE READING

The index that led the record-breaking bull market is now on the [*brink of a bear*](#).

Daily Update



Have a listen to the [podcast version](#) of our interview with **Traci Costa**, founder and CEO of **Peekaboo Beans (CSE:BEAN)**.

She details the company's strategy shift to an omni-channel model, its partnership with Shopify, and Peekaboo's move deeper into social media.

Have a great weekend!

Access, insight and ideas.

Mark Bunting
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