



INVEST LIKE A PRO, WITH THE PROS!



Good morning!

- ▶ Market Cap: \$897 million
- ▶ Dividend Yield: 1.1%
- ▶ Five Year Return: 400%
- ▶ One Year return: 18%
- ▶ Projected One Year Return: 31%

Here's the Tale of the Tape for the cover story idea in the [*new Capital Ideas Digest*](#).

It's a company well positioned to continue to capitalize on e-commerce and a growing relationship with Amazon.com.

Also, we've [*revamped our podcast page*](#), where we'll be posting two new episodes today and tomorrow. Check it out.

Keep reading for my shopping review of Aritzia :)

Morning Need to Know

Getting you ready for your investing day

December 19, 2018

**Written & compiled by Mark Bunting, Publisher,
Capital Ideas Media**



CANADIAN ANALYSTS' CALLS

INITIATIONS

Flower One Holdings (CSE:FONE) Mackie Research starts coverage with a "buy" and a price target of \$4.50 (Canadian), implying 228% upside, on this Nevada-focused cultivator and producer of cannabis.

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IAMGold (TSX:IMG;NYSE:IAG) Credit Suisse upgrades to "outperform" and moves the target to \$6.50 (U.S.) from \$6.

theScore (TSXV:SCR) Mackie Research raises the target to \$0.70 (Canadian) from \$0.55, implying 155% gains, and maintains a "buy".



U.S. ANALYSTS' CALLS

INITIATIONS

ProQR Therapeutics (NASDAQ:PRQR) RBC starts coverage with an "outperform-speculative risk" rating and a price target of \$29 (U.S.), which gives the stock a projected 12-month return of 74%. RBC has done investment banking with ProQR within the last 12 months.

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Hershey (NYSE:HSY) gets upgraded to "buy" by Bank of America Merrill Lynch with the target increased to \$120 from \$92.

Jabil (NYSE:JBL) RBC ups the target to \$30 from \$29, indicating a 37% gain, and maintains "sector perform" following the company's earnings report.

Benefitfocus (NASDAQ:BNFT) RBC lifts the target to \$58 from \$51, implying 17% upside, and maintains "outperform".

McDonald's (NYSE:MCD) Barclays raises the target to \$208 from \$98.

Starbucks (NASDAQ:SBUX) Barclays hikes the target to \$69 from \$65.

STOCKS THAT MAY MOVE

Alexia (TSXV:ALEF) is buying **Emblem (TSXV:EMC)** for \$173.2 million (Canadian) in an all-share deal.

ATS Automation Tooling Systems (TSX:ATA) is buying Comecer for 113 million euros.

Wayland Group (CSE:WAYL) is considering strategic alternatives including a spin-out or European listing of its international assets.

FedEx (NYSE:FDX). The economic bellwether is down 6% in pre-market trading after cutting its forecast for 2019 due to weakness in Europe and global trade disputes.

Home Capital (TSX:HCG). Berkshire Hathaway's stake will drop below 10% after the company completed a share buyback program.

Martinrea (TSX:MRE) will increase its stake in **NanoXplore (TSXV:GRA)** to 16% by buying 11.5 million shares in a private placement.

Aritzia (TSX:ATZ) will be added to the S&P/TSX Composite Index after the close on December 21.

Full disclosure: I recently bought a "super

puff" jacket at the Aritzia store at the Eaton Centre in Toronto for my daughter, as requested. They didn't have the matte black in stock so I ordered it. (It's not a surprise and my daughter definitely does not read the Morning Note.) Aritzia's staff was friendly and efficient enough and the package arrived on time. Overall, a painless experience. Verdict: fine.

Conagra Brands (NYSE:CAG) is selling its Wesson brand to Canada's Richardson International for an estimated \$285 million, which is what Smucker agreed to pay for Wesson before the deal collapsed.

GlaxoSmithKline (NYSE:GSK) is higher in pre-market trading after announcing plans to split into two units with one of them being a joint venture with Pfizer of the companies consumer health businesses.

Aflac (NYSE:AFL) Japan Post is buying 7% of the company for \$2.4 billion.

Micron Technology (NASDAQ:MU) RBC downgrades to "sector perform" and cuts the target to \$40 from \$59 after the chip maker issued a forecast well below Wall Street estimates.

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

MARKETS

TSX and U.S. equity indices have opened mixed are higher ahead of an expected U.S. Federal Reserve interest rate hike and possibly dovish commentary from Chair Jerome Powell in the face of market volatility and recession concerns.

CURRENCIES

The Canadian dollar is higher at \$0.7429 (U.S).

COMMODITIES

West Texas Intermediate is up 1% at \$47.15 a barrel.

Gold is lower at \$1,252.40 an ounce.

Daily Update



Be sure to see a [new interview](#) with **Adam Cegielski**, the founder and CEO of *Eyecarrot*

Innovations (TSXV:EYC), which is disrupting the vision care market with new technology, and has big plans to ramp up revenue in 2019.

Enjoy your day!

Access, insight and ideas.

Mark Bunting
Publisher,
Capital Ideas Media



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