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Note: We'll be sending you a survey on Wednesday at 7 pm ET.

There will be 10 questions. It'll take you two minutes or so to complete.

We'd love it if you took the time to fill it out so we can enhance our service for you. More details to come.

This week, the new Digest will feature research on **why stocks are on the verge of a new four-year cycle.**

We'll also examine two cannabis companies that could become global leaders...

...we'll have an interview with the CEO of a visionary company...

...and we'll be posting some 'Best of' podcasts.

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Morning Need to Know

Getting you ready for your investing day

January 21, 2019

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Capital Ideas Media



CANADIAN ANALYSTS' CALLS

INITIATIONS

Trulieve Cannabis (CSE:TRUL) is started at a "buy" by Beacon Securities with a Bay Street high target of \$28 (Canadian).

Kirkland Lake Gold (TSX:KL).

Canaccord Genuity begins coverage with a "buy" and a target of \$44.

Iamgold (TSX:IMG). Macquarie starts with "buy" and a target of \$6.

Granite REIT (TSX:GRT.UN) Echelon Wealth Partners starts coverage with a "buy" and a price target of \$62.

It says the company has a top-notch management team, among other factors, and that the stock has about 12.3% return potential in the next year, including its nearly 5% yield.

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Yamana Gold (TSX:YRI) CIBC has done some broad research on the precious and base metals sectors. Yamana is getting upgraded to "outperformer" and the price target is moved to \$3.75 from \$3.20.

Top Picks for CIBC in the gold sector include **Agnico Eagle (TSX:AEM)**, **Franco-Nevada (TSX:FNV)** and **Kirkland Lake Gold (TSX:KL)**.

First Quantum (TSX:FM) CIBC upgrades to "outperformer" saying it has "*one of the best copper growth profiles in the sector*".

Shawcor (TSX:SCL) Industrial Alliance

Securities is "positive" on the company's deal to buy ZCL Composites (see below), maintaining a "strong buy" and a \$26.50 target.



U.S. ANALYSTS' CALLS

None due to the holiday.

STOCKS THAT MAY MOVE

Village Farms International (TSX:VFF) has filed an application to list its common shares on Nasdaq Capital Market under the symbol "VFF."

The company's joint partner Pure Sunfarms has also completed the conversion of the growing area of the fourth and final phase of its 1.1 million square foot greenhouse facility in Delta, B.C. VFF is awaiting Health Canada to amend its cultivation license.

We first featured VFF in September of 2017 when it was trading around \$1.85 a share. It closed Friday at \$5.10 and got as high as \$9.30 or so about a year ago.

U.S. Bancorp (NYSE:USB) Barron's magazine held its 2019 roundtable.

Scott Black, founder of Delphi Management, specializes in small cap value stocks. One of his picks is this regional bank.

Shawcor (TSX:SCL) is buying **ZCL Composites (TSX:ZCL)** for about \$312 million in cash, or \$10 per share, a 37% to the closing price on Friday. ZCL is a manufacturer and supplier of fibreglass reinforced plastic underground storage tanks.

MTY Food Group (TSX:MTY) is raising its quarterly dividend by 10%, the seventh increase since 2010.

Organigram Holdings (TSXV:OGI) says a class action lawsuit related to its medical cannabis recall in 2016 and 2017 was certified against the company on Jan. 18. The company says:

... "it's reviewing the decision to determine whether it will appeal, and intends to vigorously defend itself against this class action."

"Organigram management does not anticipate that the class action (including the resolution thereof) will impact its business or operations in any material manner."

Glaxosmithkline (NYSE:GSK). The CEO is stepping down after nearly four years at the helm as the company moves to split itself into two companies.

MARKETS

TSX and U.S. equity futures are lower as a quiet trading day is expected with U.S. stock and bond markets closed for the Martin Luther King Jr. holiday.

The TSX has risen in 15 of the last 16 sessions, while U.S. indices are off to their best start to a year since 1987.

China's reported 2018 GDP growth came in at the weakest since 1990 at 6.6%, although some of the Q4 factory and services data was stronger than expected.

The major European indices are modestly higher.

CURRENCIES

The Canadian dollar is down by 0.3% at \$0.7516 (U.S).

COMMODITIES

West Texas Intermediate is up 0.2% to \$54.17 a barrel

Gold is down 0.4% at \$1,277.00 an ounce.

Daily Update



EPISODE 025 - FABRICE TAYLOR, FOUNDER & PUBLISHER, PRESIDENT'S CLUB INVESTMENT LETTER

January 18, 2019

One of Canada's foremost stock pickers isolates five top picks he thinks have been abandoned by the market "because they're not weed". Taylor, a Capital Ideas Media contributor, also gives valuable investment insights, takes viewer questions, and explains why he believes management at Aphria, a company in which he was an early investor, got "lazy and dumb".



Listen to the [podcast version](#) of our live show with *Fabrice Taylor*.

Even though I already knew the substance of our conversation – because I was there – I still found it very compelling listening to this show while I was driving the other day.

Fabrice dispenses all kinds of nuggets of invaluable information.

Access, ideas and insight.

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