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Morning Need to Know

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Capital Ideas Media**



CANADIAN ANALYSTS' CALLS

People Corp. (TSXV:PEO). This cover story from our January 29 issue has been rated a new "buy" at Desjardins Securities with a price target of \$9.50 (Canadian), which gives the shares more than 20% upside.

The analyst sees *"tremendous organic and M&A runway over the near and medium term."*

CLS Holdings USA (CSE:CLSH).

Canaccord Genuity starts coverage on this Miami-based cannabis producer and retailer with a "speculative buy" and a price target of \$1.50.

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Village Farms Int'l (TSX:VFF;NASDAQ:VFF).

Beacon Securities doubles the target to \$32 from \$16, implying 177% upside, and maintains a "buy" as the cannabis producer starts trading on the Nasdaq.

We've followed VFF since our first interview with the CEO in September of 2017 when the stock was trading below \$2. It closed Thursday at \$12.99.

Cargojet (TSX:CJT). Beacon Securities hikes the target to \$105 from \$94, raises the 2019 revenue and EBITDA estimates, while lowering the

EPS expectation, and maintains a "buy" after the company beat forecasts with its quarterly earnings.

CJT was our December 18, 2018 cover idea when it was trading just under \$66. It closed yesterday at \$83.40, a gain of 27%.

theScore (TSXV:SCR). The company has been named to the TSX Venture Exchange's annual Venture 50 list, which highlights the fastest-growing small cap stocks. The stock rose 88% in 2018.

First Quantum (TSX:FM). CIBC hikes the price target to \$18 from \$17, increases the earnings estimates, and reiterates "outperformer".

Kirkland Lake Gold (TSX:KL). CIBC boosts the target to \$53 from \$48 and reiterates "outperformer".

TD raises the target on KL to \$55 from \$52 and lowers the rating to "hold".

Loblaw (TSX:L). CIBC moves the target to \$76 from \$70 and maintains "outperformer".

Raymond James lifts the target on the retailer to \$71 from \$66.

Desjardins downgrades to "hold" on valuation

and raised the target to \$70 from \$66.

Gildan Activewear (TSX:GIL). CIBC lifts the target to \$34 (U.S.) from \$31 and reiterates a "neutral" rating.

Exchange Income Fund (TSX:EIF). CIBC raises the price target to \$38.50 (Canadian) from \$37.50, increases the earnings estimates, and maintains a "neutral" rating.



U.S. ANALYSTS' CALLS

Kraft Heinz (NASDAQ:KHC). JP Morgan cuts to "neutral" and lowers the target to \$37 (U.S.) from \$52. See below for "*disastrous*" news from the company.

Winnebago (NYSE:WGO) gets its target raised to \$40 from \$34 by SunTrust RH.

STOCKS THAT MAY MOVE

Barrick Gold (TSX:ABX;NYSE:ABX), which is busy digesting Randgold, is said to be studying a \$19 billion (Canadian) hostile offer for Newmont Mining, which is busy digesting Goldcorp. This according to The Globe and Mail.

Saputo (TSX:SAP) has made an offer of \$1.7 billion to buy Dairy Crest of the U.K.

RBC (TSX:RBC) matched earnings expectations and raised its quarterly dividend as it kicked off earnings season for the big banks.

Kraft Heinz (NASDAQ:KHC) is down 20% in pre-market trading after posting a quarterly loss, announcing a SEC investigation, cutting its dividend and taking write downs of \$15.4 billion. Not what Warren Buffet and Berkshire Hathway had in mind when it orchestrated the big merger a few years ago.

Canopy Growth (TSX:WEED;NYSE:CGC) and **Alimentation Couche-Tard (TSX:ATD.B)** have struck a multi-year deal for cannabis products.

SNC-Lavalin (TSX:SNC). The controversial company took a quarterly loss as it absorbed a \$1.2 billion charge and cut its quarterly dividend from \$0.287 per share to \$0.10 per share.

Hudson's Bay (TSX:HBC) is closing all 37 of its Home Outfitters stores in Canada and 20 of its Saks Off 5th stores in the U.S.

Enerflex (TSX:EFX) says its CEO is retiring and will be replaced by the COO.

MARKETS

The TSX and U.S. equity futures have started

higher as U.S. President Donald Trump meets today with China's Vice Premier about trade.

CURRENCIES

The Canadian dollar is up 0.3% \$0.7581 (U.S.).

COMMODITIES

West Texas Intermediate is up by 1.3% to \$57.73 a barrel

Gold is up 0.2% to \$1,331.10 an ounce.

Daily Update



Paul Beattie of the BT Global Growth hedge fund

was very informative in our live show on Wednesday.

[Watch the replay](#) for Beattie's **Five Top Picks**, his cash flow-focused criteria for picking stocks, and how you can profit from the inefficient Canadian stock market - with **Stelco**, being a great example.

The [new Digest](#) features **Nine Top-Ranked Canadian REITS**, and opinion on why it's too early to buy U.S. cannabis stocks.

And you can listen to the [podcast version](#) of our live show with **Bruce Campbell**.

Please email questions, comments or concerns to:

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