



INVEST LIKE A PRO, WITH THE PROS!





CAPITAL IDEAS DIGEST

SHORT SELLING

Should you avoid the big banks and maybe even short them?

The [*new Capital Ideas Digest*](#) has the answers in a bullet point report from a well-respected bank analyst team.

Also, see research on a U.S. cannabis operator with the sector's "most experienced retail team in North America" and 120% upside.

Hey, have you see that the recently public [*NextLeaf Solutions \(CSE:OILS\)*](#) has nearly doubled on very heavy volume since we posted [*our interview*](#) last Monday?

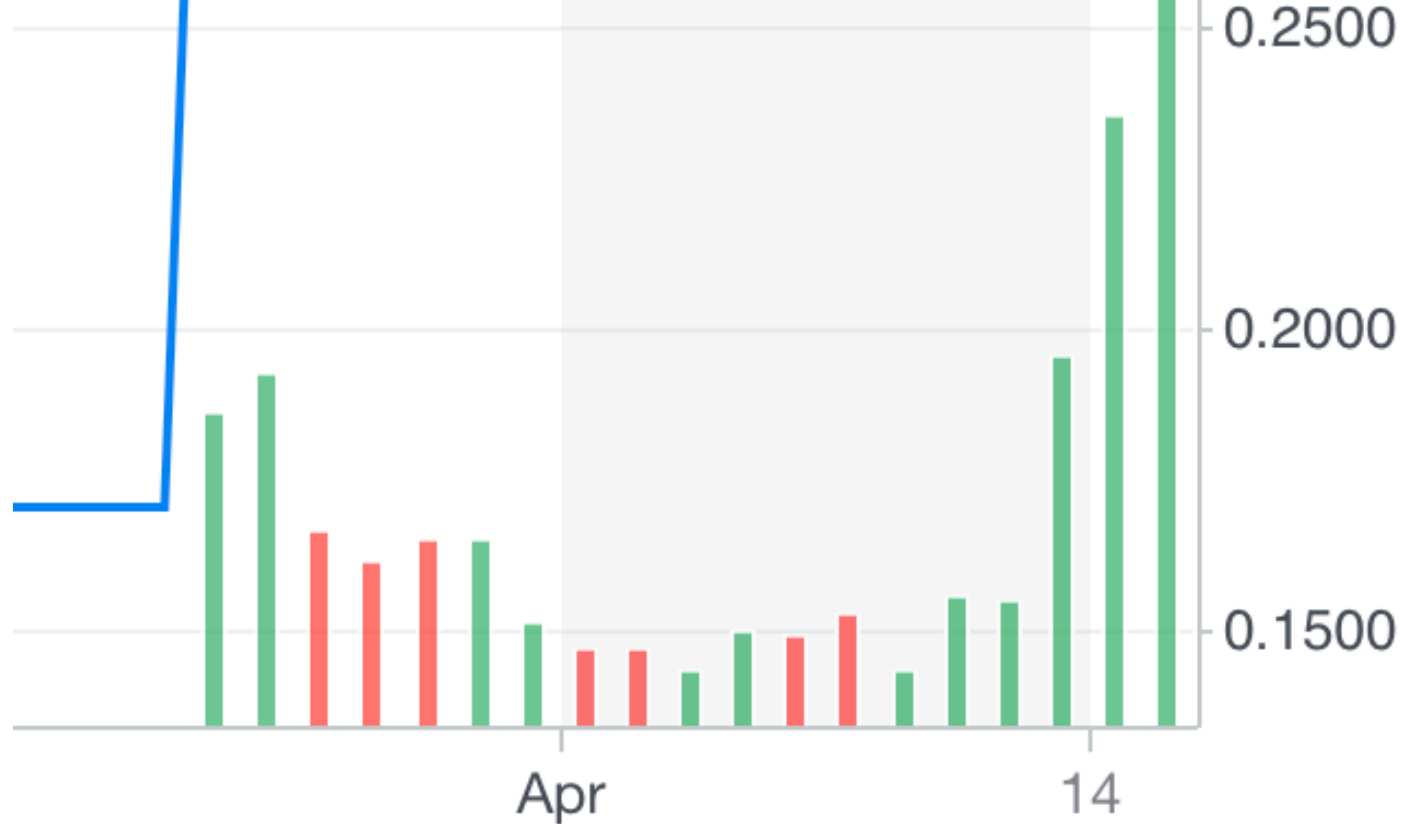
YAHOO!
FINANCE



0.6200

6.67M





Keep reading for news on the company, and about **another cannabis extraction company** whose CEO we just interviewed.

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Morning Need to Know

Getting you ready for your investing day

April 17, 2019

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Capital Ideas Media



CANADIAN ANALYSTS' CALLS

INITIATIONS

Hexo (TSX:HEXO) gets started at "buy" with a target of \$10 (Canadian) by Bank of America Merrill Lynch (BOAML), which calls the Quebec-based company a "*top pick in cannabis*".

Aurora Cannabis (TSX:ACB;NYSE:ACB) and **Canopy Growth (TSX:WEED;NYSE:CGC)**. BOAML starts coverage of these two with a "buy", as well, with respective targets of \$15 and \$70.

North American Construction Group (TSX:NOA) gets started at "outperformer" at CIBC with a price target of \$23. The stock closed Monday at \$12.17.

Athabasca Oil (TSX:ATH). CIBC starts coverage with an "outperformer" and a target of \$1.35. The stock closed yesterday at \$1.07.

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Valens GroWorks (CSE:VGW). Mackie Research resumes coverage with a "buy" and a price target of \$6 after assisting the company in raising more than \$43 million. The stock

closed Tuesday at \$3.70.

Valens CEO *Tyler Robson* tells us the issue was oversubscribed and that the company could have raised in excess of \$100 million.

See below for more information about our new video with Robson.

Organigram (TSXV:OGI). Mackie maintains a "buy" and moves the target to \$12.50 from \$10.75 after the company's quarterly earnings release.



U.S. ANALYSTS' CALLS

Qualcomm (NASDAQ:QCOM) has been raised to "overweight" by JP Morgan on its leadership in 5G technology, and the fact Apple has dropped a long-running legal dispute and agreed to a multi-year deal with the chipset maker.

Netflix (NASDAQ:NFLX) gets its target raised to \$425 (U.S.) from \$400 by Stifel Nicolaus. See more below.

STOCKS THAT MAY MOVE

NextLeaf Solutions (CSE:OILS) surged 19% on

Monday on volume of nearly 7 million shares after announcing it was raising \$2 million in a non-brokered private placement.

Clean Seed Capital (TSXV:CSX) dropped 11% after saying it would not go through with its acquisition of Harvest International.

Chorus Aviation (TSX:CHR). Chorus Aviation Capital has struck a deal to deliver five new Bombardier Q400 aircraft to SpiceJet of India under a sale and leaseback transaction. The company says:

"...CAC's portfolio will consist of 45 aircraft comprising 33 turboprops and 12 regional jets valued at approximately \$960 million (U.S.)."

Knight Therapeutics (TSX:GUD). In an escalating battle with the company Madison Biotech, which says it holds a 7.3% stake in GUD, issued a news release this morning saying:

"...an independent report authored by leading corporate governance expert Dr. Richard Leblanc reveals and confirms acute conflicts of interest and governance deficiencies at Knight."

Golden Star Resources (TSX:GSC;NYSE:GSS) say its president and CEO Sam Coetzer will be leaving the company as of April 30 and the board has appointed Andrew Wray to replace him.

Kraken Robotics (TSXV:PNG) says its Kraken Robotic Systems subsidiary has been awarded \$1 million from the Newfoundland and Labrador government, under the Innovation and Business Development Funding program.

CSX (NYSE:CSX) beat estimates as the railway company increased prices and contained costs.

Ericsson (NASDAQ:ERIC). The telecom equipment maker swung to a profit from a loss last year, beat estimates and raised its forecast.

ASML (NASDAQ:ASML). The chip equipment maker saw lower profit in its quarter but beat estimates, and forecast that growth would accelerate thanks in part to demand from Chinese chipmakers.

Netflix (NASDAQ:NFLX) beat estimates but its forecast for subscriber growth was below analysts expectations. The stock is higher.

ABB (NYSE:ABB) says its CEO of nearly six years has stepped down. No reason was given. The chairman will take over while ABB looks for a replacement.

MARKETS

The TSX and U.S. stock futures are indicating a positive open as China says its economy grew in

Q1 at a 6.4% clip, led by improvements in industrial production and consumer demand.

CURRENCIES

The Canadian dollar is ticking up at \$0.7522 (U.S.) as it benefits from higher oil prices.

COMMODITIES

West Texas Intermediate is near a high for the year partly on the China data at \$64.37 a barrel.

Gold is inching higher at \$1,278.50 an ounce.

Daily Update



We'll be posting our conversation tomorrow with **Valens GroWorks (CSE:VGW)** CEO **Tyler Robson**.

Valens is the **largest cannabis extractor** in Canada, and has supply deals with **Canopy Growth, Tilray, Organigram** and others.

The company is gearing up for "**Legalization 2.0**" of edibles, infused beverages etc., when Valens' expertise will come to the fore.

Valens' stock is up about 80% since our **first interview** with Robson on our Legalization live

special. (Scroll to 28:00)

Please email questions, comments or concerns to:

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Access, ideas and insight.

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