



**INVEST LIKE A PRO, WITH THE PROS!**





***AviCanna (TSX:AVCN)*** is not just another cannabis company.

**The well-bred firm goes public tomorrow on the TSX and will ring the opening bell.**

We'll be there to record the event and interview AviCanna CEO, Chairman and Co-Founder, ***Aras Azadian***.

Ahead of that, we're pleased to make available ***[this video interview](#)*** with Azadian, in which he details how AviCanna goes about its business the right way, and can scale up to be a global

**leader in the sector.**

Nurtured at **Johnson & Johnson's JLABS** at the respected medical startup launchpad **MaRS Discovery District** in Toronto, partnered with **Princess Margaret, Sick Kids** and other highly-regarded hospitals, and run by Azadian, an entrepreneur with a **biotech background**, **AviCanna** is far from a Johnny-come-lately to the sector.

The company is steeped in the **science of cannabinoids**, has **ultra low-cost cultivation** in temperate Colombia, is comprised of **four complementary divisions** - agriculture, medical, consumer and pharmaceutical - and has **global ambitions** to be a leading, gold standard cannabis company.

You can also [watch the ad](#) that Capital Ideas Media produced for **AviCanna** - featuring yours truly - which will start running tomorrow on **BNN Bloomberg** for a month.

*Capital Ideas Media provides marketing services to AviCanna.*

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In the new [Capital Ideas Digest](#), guest contributor **Nick Waddell**, founder and editor of the CanTech Newsletter, rounds up **nine tech and healthcare top picks**.

We also examine two ways to capitalize on the **e-commerce food boom**.

And *Ed Sollbach* of Spartan MM Fund updates his 2019 Best Idea, up more than 70% since January, and explains why it can accelerate higher.

Note: The Morning Note will not be published tomorrow and will return on Friday, July 19.

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## Morning Need to Know

Getting you ready for your investing day

July 17, 2019

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Capital Ideas Media



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## CANADIAN ANALYSTS' CALLS

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### INITIATIONS

**High Tide (CSE:HITI).** Canaccord Genuity starts coverage with a "speculative buy" on the company's growing retail presence in Canada and accretive acquisitions.

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**Firan Technology (TSX:FTG).** Beacon Securities raises its price target for the second time in four days to \$6.50 (Canadian) from \$6, implying 75% upside, and maintains a "buy" as it raises the earnings multiple to 10x from 9x after the company closed an acquisition.

**Sangoma Technologies (TSX:STC).** Cormark Securities resumes coverage with a "buy" and a target of \$2.40, suggesting a 50% gain, after the company raised \$23 million in a financing in which Cormark participated.

STC is higher by 26% since being named one of our Best Ideas of 2019 on January 8.

**Bellus Health (TSX:BLU).** Mackie Research hikes the target to \$4.10 from \$1.90, indicating a potential return of 39%, and maintains "speculative buy" on prospects for the company's chronic cough treatment.

**Alaris Royalty (TSX:AD).** Cormark ups the target to \$22.75 from \$22 and maintains "buy" after the company invested a further \$60 million into Planet Fitness.

**Valens GroWorks (TSXV:VGW).** Mackie Research moves the target to \$8 from \$6.50, which implies about a double from current levels, and maintains "buy" after the



company delivered "strong" financial results.

Valens' stock fell more than 5% on Tuesday partly because the company's net loss was wider than expected due to share-based compensation.

**Canadian Pacific Railway (TSX:CP)** RBC raises the target to \$356 from \$342 on volume growth and operating efficiencies, which could drive meaningful EPS growth.

CIBC raises CP'S target to \$345 from \$326 and reiterates "outperformer" rating after "strong" Q2 results, which saw net income jump by more than two-thirds and revenue rise 13%.

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## U.S. ANALYSTS' CALLS

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**J.P. Morgan Chase (NYSE:JPM)**. Credit Suisse moves the target to \$135 (U.S.) from \$132 after the company's earnings results.

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## STOCKS THAT MAY MOVE

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**Curaleaf (CSE:CURA)** is buying GR Companies for \$875 million in cash and stock.

**Siyata Mobile (TSXV:SIM)**. Yesterday it was a

nearly \$1 million (Canadian) contract for its Uniden UV350 device, now Siyata has landed a \$700,000 deal for:

*"...a single end-use customer to equip their mobile workers and vehicles assets with UR7 rugged handsets and CP250 in-vehicle device for a national railway company."*

**Knight Therapeutics (TSX:GUD)** says Health Canada has approved Nerlynx for early-stage breast cancer. Knight has the exclusive right to commercialize Nerlynx in Canada under a license agreement with **Puma Biotechnology (NASDAQ:PBYI)**.

**Drone Delivery Canada (TSXV:FLT)** says the United States Patent Office awarded the company its first U.S. patent for its proprietary drone delivery technology. Chief Technology Officer Paul Di Benedetto says:

*"This is our first United States Patent Office grant, which provides strong protection for our flight management system and our 'Railway in the Sky' concept. This patent win again demonstrates our industry lead in this very disruptive industry."*

**Martello Technologies Group (TSXV:MTLO)** is the company whose shares shot up when former Canopy Growth CEO Bruce Linton wore the company's name on a t-shirt on

TV. Martello had Q4 sales of \$3.4 million, up from \$1.7 million a year earlier. Its net loss was \$1.5 million versus a loss of \$480,000 a year ago.

**Adventus Mining (TSXV:ADZN)** has arranged a \$10 million bought-deal private placement through underwriters, which are buying 10 million common shares for \$1 each. The shares closed Tuesday at \$1.12 .

**Bank of America (NYSE:BAC)** beat analysts estimates with its quarterly earnings on healthy loan growth.

**CSX (NYSE:CSX)** missed analysts estimates and the rail company cut its full-year revenue forecast.

**DouYu Int'l (DOYU)**. China's largest live streaming company has sold \$775 million (U.S.) worth of American Depository Shares (ADS) at \$11.50 each, the lower end of the indicative range, for a valuation of \$3.73 billion, making it the largest Chinese IPO in the U.S. this year.

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## MARKETS

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**S&P/TSX and U.S. equity futures** are pointing lower.

**European stock indices** are modestly lower and **Asian indices** finished slightly down.

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# CURRENCIES

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The Canadian dollar continues higher to \$0.7652 (U.S.), near nine month highs.

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# COMMODITIES

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West Texas Intermediate is higher by 1% at \$58.22 a barrel.

Gold is lower at \$1,407.60 an ounce as the U.S. dollar firms.

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Please email questions, comments or concerns to: [customercare@capitalideasresearch.com](mailto:customercare@capitalideasresearch.com)

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Access, ideas and insight.

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