



INVEST LIKE A PRO, WITH THE PROS!





Today's new *Capital Ideas Digest* suggests **adding some spark** to your holdings for the second half.

We also take a look at some of our cover story ideas this year and their returns. **The leader is up 161%.**

A former turnaround hero is **quietly rising again and could gain 34%.**

Plus, strong leadership can help to **drive this stock 120% higher.**

Look out for the usual email alert at 7 pm eastern time.

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Morning Need to Know

Getting you ready for your investing day

July 2, 2019

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CANADIAN ANALYSTS' CALLS INITIATIONS

Cormark Securities starts coverage of three software-as-a-service (SaaS) companies.

Kneat.com (TSXV:KSI) is up about 12% since our January 15 cover story, and gets started with a "speculative buy" rating and a price target of \$1.85 (Canadian) target, which suggests 86% upside potential.

OneSoft Solutions (TSXV:OSS) is also started with a "speculative buy" with a \$1.25 target.

VersaPay (TSXV:VPY) is a "speculative buy" with a \$2.25 target.

Stingray Digital (TSX:RAY.A) gets started at "buy" with a target of \$10 by Canaccord Genuity due, in part, to management's strong eye for acquisitions.

Lift & Co. (TSXV:LIFT) gets started at Mackie Research with a "speculative buy" and a target of \$0.80, implying 207% upside.

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Enghouse (TSX:ENGH). RBC has added a number of companies to its Canadian Small Cap Conviction List including Enghouse.

Encana (TSX:ECA). RBC has also added this name to its Best Ideas List.

Endeavour Mining (TSX:EDV) gets its target raised to \$24.35 from \$22.55 by Berenberg as the company transitions from investing in growth projects to cash generation and debt repayment.

Blackline Safety (TSXV:BLN) gets its target raised to \$9 from \$7.50 with its rating maintained at "outperform" by



U.S. ANALYSTS' CALLS

INITIATIONS

Paysign (NASDAQ:PAYS) gets started at Canaccord Genuity with a "buy" rating.

Revolve Group (NYSE:RVLV) gets an "outperform" rating and a target of \$40 (U.S.) from Cowen & Co.

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Newmont Goldcorp (NYSE:NEM). Citi raises the price targets on a number of metals and mining companies including this newly-formed name as the target goes to \$44 from \$40 and the rating is kept at "buy".

STOCKS THAT MAY MOVE

Brookfield

Infrastructure (TSX:BIP.UN;NYSE:BIP)

is buying **Genesee & Wyoming (NYSE:GWR)** for \$8 billion (Canadian).

Just Energy Group (TSX:JE) has increased

its senior secured credit facility to \$370 million from \$352.5 million.

Cascades (TSX:CAS) is buying Orchids Paper Products out of bankruptcy for \$207 million (U.S.).

Dollarama (TSX:DOL) is buying 50.1% of Dollarcity for as much as \$95 million (Canadian). DOL will pay \$40 million up front and the rest in 2021.

Dollarcity owns 180 stores as of March 31, 2019 including 44 in El Salvador, 54 in Guatemala and 82 in Colombia, and plans to have 600 stores by 2029.

TransCanna Holdings (CSE:TCAN) is buying **Lifestyle Delivery Systems (CSE:LDS)** for nearly \$52 million in common shares of TransCanna.

Maxar Technologies (NYSE:MAXR). Italy's Leonardo and France's Thales are considering a joint acquisition of Maxar's MacDonald, DettWiler & Associates, which could fetch about \$1 billion (U.S.).

AB InBev (NYSE:BUD) plans to raise as much as \$9.8 billion by listing its Asian-Pacific business on the Hong Kong Stock Exchange.

Amazon.com (NASDAQ:AMZN) plans to add 1,800 jobs in France, its largest European

market after England and Germany.

MARKETS

S&P/TSX and U.S. equity futures are:

indicating a mixed to lower opening after some manufacturing reports were weak and the U.S. threatened increased tariffs on European goods.

CURRENCIES

The Canadian dollar is inching up at \$0.7617 (U.S.),

COMMODITIES

West Texas Intermediate is lower by 1.3% at \$58.34 a barrel as weak economic data trumps OPEC and its allies led by Russia agreeing to extend production cuts until March of 2020.

Gold is higher 0.4% at \$1,394.20 after its largest drop in a year.

Daily Update

We've posted two podcasts.

One is the audio version of our live stream show with [Aaron Dunn](#) of KeyStone Financial.

The other is my appearance on the CSE's [#Hashtag Finance](#) podcast.



During my conversation with *Grace Pedota*, we discuss a number of different topics, and play the word game Blurt.

Please email questions, comments or concerns to: customercare@capitalideasresearch.com

Access, ideas and insight.

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