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Keep reading for news on Valens' solid quarter.

Today's new *Capital Ideas Digest*, available at 7 pm eastern time, examines two ways to capitalize on the e-commerce food boom.

It rounds up nine tech and healthcare top picks, some with triple digit potential.

And features a 2019 Best Idea, up more than 70%, that can accelerate higher.

Morning Need to Know

Getting you ready for your investing day

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CANADIAN ANALYSTS' CALLS

People Corp. (TSXV:PEO). CIBC moves the price target to \$9.75 (Canadian) from \$9.25, ups its EPS estimates, and reiterates an "outperformer".

CCL Industries (TSX:CCL.B). RBC hikes the target to \$73 from \$66.



U.S. ANALYSTS' CALLS

Microsoft (NASDAQ:MSFT). Evercore ISI moves the target to \$150 (U.S.) from \$140 citing the company's cloud business and strength in its commercial business.

Snap (NYSE:SNAP). Evercore ISI hikes the target to \$16 from \$12 citing user trends. The analyst is also catching up to the stock which closed Monday at \$15.50.

STOCKS THAT MAY MOVE

Valens GroWorks (TSXV:VGW). This cannabis oils extraction company was trading around \$2 a share when we first interviewed CEO Tyler Robson last October.

Now, after its recent graduation to the Venture Exchange, Valens closed Monday at \$4.32, a **gain of 116%**.

The stock could be on the move today because the company is delivering based on what appear to be robust Q2 numbers.

Here are some of the key financial and operational highlights from Valens' Q2:

- Revenue increased to \$8.8 million, a **296% increase** over the first quarter of 2019.
- Gross profit increased to \$5.1 million, or

58.0% of revenue, for the second quarter of 2019 compared to \$0.9 million or 38.3% of revenue in the first quarter.

- Adjusted EBITDA of \$2.0 million in the second quarter, or **23.0% of revenue**.
- Strong balance sheet with **\$65.5 million in cash** and cash equivalents and short-term investments and a net working capital position of \$76.3 million as at May 31, 2019.
- 8,547,000 grams of dried cannabis and hemp biomass was processed in the second quarter of 2019, a **376% increase** over the first quarter of 2019. The company has already processed 7,348,000 grams of biomass in the first 45 days of the third quarter.

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Siyata Mobile (TSXV:SIM) has received its "first U.S. purchase order for its 4G/LTE Uniden® UV350 in-vehicle device. The order is for a single end-use customer to equip their fleet of yellow school buses, as part of a contract valued at over \$925,000."

Canopy Rivers (TSXV:RIV) reported a loss of \$1.8 million in its latest quarter versus a profit

of \$14.6 million in the same quarter last year. For the full year, the venture capital arm of Canopy Growth earned \$3.9 million compared with a profit of \$36.4 million a year ago.

Minto Apartment REIT (TSX:MI.UN) says its subsidiary, Minto Apartment Limited Partnership, is buying Minto Properties Inc.'s 40% stake in the High Park Village apartment complex in Toronto for \$131.2 million.

Pure Gold Mining (TSXV:PGM) is issuing up to 23.7 million units at \$0.55 for proceeds of up to \$13 million to go along with the \$32.5 million it had already announced that it's raising in a bought deal private placement. AngloGold Ashanti and an institutional investor are buying 11.85 million of the units.

goeasy (TSX:GSY) has appointed Hal Khouri as executive vice-president and CFO, effective Aug. 12. He comes over from from DuoBank (formerly Walmart Bank of Canada) where he has been CFO since 2011.

Blue Apron (NYSE:APRN). The struggling meal kit company has surged in pre-market trading after announcing a partnership with **Beyond Meat (NASDAQ:BYND)**.

J.P. Morgan (NYSE:JPM) beat analysts estimates with its quarterly earnings on strength in consumer banking but

the stock is down pre-market as the bank has cut its net interest income outlook.

Goldman Sachs (NYSE:GS) is up in pre-market trade after the bank handily beat estimates with its earnings and revenue, which fell from last year, and Goldman has raised its dividend.

Johnson & Johnson (NYSE:JNJ) beat analysts estimates with its quarterly earnings numbers, partly on strong demand for its cancer drugs, and slightly raised its sales forecast.

MARKETS

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

CURRENCIES

The Canadian dollar continues higher to \$0.7671 (U.S.).

COMMODITIES

West Texas Intermediate is higher by 0.5% at \$59.90 a barrel.

Gold is slightly lower at \$1,411.90 asm ounce.

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

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