



INVEST LIKE A PRO, WITH THE PROS!





www.capitalideasmedia.com

Morning Need to Know

Getting you ready for your investing day

September 6, 2019

**Written & compiled by Mark Bunting, Publisher,
Capital Ideas Media**



CANADIAN ANALYSTS' CALLS

Tecsys (TSX:TCS). Beacon Securities raises the price target to \$18 (Canadian) from \$15 and maintains a "buy" rating, while Laurentian Bank Securities ups the target to \$19 from \$17 and maintains a "buy".

Yamana Gold (TSX:YRI;NYSE:AUY). CIBC moves the price target to \$4.40 (U.S.) from \$4 and reiterates "outperformer".

Alimentation Couche-Tard (TSX:ATD.B). Desjardins Securities raises the target to \$93 (Canadian) from \$88, lifts its EPS estimates for 2020, and maintains a "buy" after the company's earnings release.

Cardinal Resources (TSX:CDV). Beacon Securities raises the target to \$1.25 from \$1.15, which implies a gain of nearly 190%, and maintains a "buy" rating on Cardinal Resources (not Cardinal Energy as was reported yesterday).

Canadian Natural Resources (TSX:CNO;NYSE:CNO). Wells Fargo downgrades to "underperform" and cuts the target to \$29 from \$38.

U.S. ANALYSTS' CALLS

Lululemon (NASDAQ:LULU).

J.P. Morgan hikes its price target to \$230 (U.S.) from \$200 and RBC lifts its target to \$215 from \$200 and maintains "outperform" on the retailer, which beat analysts' quarterly earnings estimates, saw direct-to-consumer revenue rise 30%, and raised its forecast.

PepsiCo (NYSE:PEP). Credit Suisse raises the target to \$117 from \$110 saying the company's U.S. beverages business is showing signs of improvement.

Costco (NASDAQ:COST). Stifel Nicolaus raises the target to \$310 from \$289.

STOCKS THAT MAY MOVE

Inter Pipeline (TSX:ITP). Li Ka-Shing's CK Infrastructure made a \$12.4 billion (Canadian) offer to buy the company at \$30 a share, a 30% premium to where the company was trading at the time, according to The Globe and Mail. ITP rejected the offer for a number of reasons including perceived political risks.

Innergex Renewable Energy (TSX:INE) is raising \$125 million by issuing convertible debentures through a syndicate of underwriters. The proceeds will be used to pay down debt and

redeem outstanding debentures.

Slate Office REIT (TSX:SOT.UN) is selling a building in Burlington, Ontario for \$52.2 million.

Marathon Gold (TSX:MOZ) has struck a \$20 million bought deal private placement with a syndicate of underwriters which will buy a combination of flow-through units and common share units. **Franco-Nevada (TSX:FNV;NYSE:FNV)**, which acquired a 2% net smelter return royalty in February, intends to participate in the offering.

CannTrust Holdings (TSX:TRST;NYSE:CTST). Further fallout from the company's illegal grow rooms scandal as it's cutting its workforce by about 180 people, or 20%, which it says will save about \$9 million annually and cost \$2 million in severance.

BNN Bloomberg is also reporting that black market cannabis seeds made their way into the company's operations.

Alibaba (NYSE:BABA) is buying the e-commerce business Koala from **NetEase (NASDAQ:NTES)** for \$2 billion (U.S.). It's also investing \$700 million in the music streaming business of NetEase.

Exxon Mobil (NYSE:XOM) has agreed to sell

its oil and gas assets in Norway for as much as \$4 billion to Var Energi, according to Reuters, which would end the company's production in the country where it started operations more than 100 years ago.

MARKETS

S&P/TSX and U.S. equity futures pared their gains after the U.S. added 130,00 jobs in August, fewer than the 160,000 expected, with the unemployment rate staying at 3.7%. June and July job gains were revised downward.

Canada's economy added 81,100 in August versus expectations for a gain of about 20,000. The country has created 471,300 jobs in the past 12 months, the most in a year since 2003. The unemployment rate held steady at 5.7%.

China has cut banks' reserve ratios, the amount of cash they have to have in reserve, for the third time this year, to the lowest level since 2007, releasing more than \$126 billion in liquidity.

CURRENCIES

The Canadian dollar is up 0.3% at \$0.7580 (U.S.) after the strong jobs data.

COMMODITIES

West Texas Intermediate is down 1.7% to \$55.36 a barrel.

Gold is treading water at \$1,524.60 an ounce following a sharp downturn on Thursday.

DAILY UPDATE

This week's [*Capital Ideas Digest*](#) updates its outperforming Dividend All-Stars list and reveals **three new additions** that make the grade.

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

Access, insight and ideas.

[**Mark Bunting**](#)
Publisher,
[**Capital Ideas Media**](#)

www.capitalideasmedia.com





The information and recommendations made available here (“Information”) by CIR and/or all affiliates is for informational purposes only and not to be used or construed as an offer to sell or a solicitation of an offer to buy any services or securities. You further agree that neither Capital Ideas Research will be liable for any losses or liabilities that may be occasioned as a result of the information or commentary provided in the letter. By accessing the site and reading this note, you accept and agree to be bound by and comply with the terms and conditions set out herein. If you do not accept and agree to the terms, you should not use this site or accept this email.

CIR is not registered as an adviser under the securities legislation of any jurisdiction of Canada and provides the Information pursuant to an exemption from the registration requirements that is available in respect of generic advice. The recommendations contained on the site and in this email are not tailored to the needs of particular persons and may not be appropriate for you depending on your financial position or investment goals or needs. You should apply your own judgment in making any use of the Information, especially as the basis for any investment decision. Prior to making any investment decision, we recommend that you seek outside advice from a qualified and registered investment advisor.

In no event will CIR be responsible or liable to you or any other party for any damages of any kind arising out of or relating to the use of, misuse of or inability to use this site and email. The Information is directed only at persons resident in Canada. Nothing in this site shall constitute an offer or solicitation to anyone in the United States of America or any jurisdiction where such offer or solicitation is not authorized or to any person to whom it is unlawful to make such a solicitation. If you choose to access this site or email from outside of Canada, you acknowledge that the Information is intended for use by persons resident in Canada only.

This is not an investment advisory, and should not be used to make investment decisions. Information in CIR is often opinionated and should be considered for information purposes only. No stock exchange anywhere has approved or disapproved of the information contained herein. There is no express or implied solicitation to buy or sell securities. The writers and editors of CIR may have positions in the stocks discussed above and may trade in the stocks mentioned. Don't consider buying or selling any stock without conducting your own due diligence.

Copyright © 2016 Capital Ideas Research, All rights reserved.

You are receiving this email because you are part of our investment network.

[Add us to your address book](#)

[update subscription preferences](#)

This email was sent to <<Email Address>>

[why did I get this?](#) [unsubscribe from this list](#) [update subscription preferences](#)

Capital Ideas Research · HSBC Bank Place · 10250 101 Street Suite 1803 · Edmonton, Alberta T5J 3P4 · Canada