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## **Morning Need to Know**

Getting you ready for your investing day

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Capital Ideas Media**

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## CANADIAN ANALYSTS' CALLS

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### INITIATIONS

**Park Lawn (TSX:PLC).** Scotiabank begins coverage with an "outperform" rating and a price target of \$32.50 (Canadian). The stock closed Wednesday at \$28.82.

We interviewed Park Lawn CEO Andrew Clark in August of 2017 when the stock was trading around \$18.45 and have featured bullish research since then.

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**A&W Revenue Royalties Income Fund (TSX:AW.UN).** Laurentian Bank Securities upgrades to "buy" and maintains a price target of \$45, saying the units are trading at an *"attractive entry point"*.

**Loblaw (TSX:L).** Desjardins Securities ups the target to \$78 from \$73 and maintains a "buy" rating.

**SilverCrest Metals (TSX:SIL).** National Bank moves the target to \$9.50 from \$9.

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# U.S. ANALYSTS' CALLS

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## INITIATIONS

**Campbell Soup (NYSE:CPB)**. RBC Dominion Securities has started coverage on a number of packaged food stocks including Campbell Soup with an “outperform” rating and \$55 target (U.S.), and...

**Mondelez International (NASDAQ:MDLZ)** with an “outperform” and \$66 target.

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**CSX (NYSE:CSX)** gets its target raised to \$78 from \$76 following the rail company's earnings report.

**Netflix (NASDAQ:NFLX)**. RBC cuts the target to \$420 from \$450 due to weakness in Q3 U.S. subscriber additions and elevated churn i.e. subscribers cancelling the service. Macquarie downgrades to "neutral" from outperform. See below for more on Netflix's earnings.

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## STOCKS THAT MAY MOVE

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**Cronos Group (TSX:CRON;NASDAQ:CRON)** surged as much as 41% in the U.S. after hours session on Wednesday and is currently up 24% at \$8.40 per share.

According to MarketWatch it was not immediately clear why the stock jumped in the extended session but two block trades totaling roughly 1.2 million shares crossed at 5:09 p.m. eastern time at a price of \$8.40 a share.

**Barrick Gold (TSX:ABX;NYSE:GOLD)** estimates lower gold production this quarter due to restrictions at its operations in Tanzania.

**DHX Media (TSX:DHX;NASDAQ:DHXM)**, which is changing its name to WildBrain, says former CEO Michael Donovan has stepped down from the board.

**Honeywell (NYSE:HON)**. This global industrial has missed revenue estimates in its quarter and cut its full-year sales forecast as clients rein in spending amid a slowing global economy.

**Netflix (NASDAQ:NFLX)** is up about 8% in premarket trading after adding 6.77 million subscribers in its recent quarter, slightly ahead of estimates. The media streaming company warns the current quarter "*will be noisy*" and have "*modest headwinds*" as Disney and Apple prepare to launch their streaming services.

**Morgan Stanley (NYSE:MS)** is higher premarket after it beat estimates with its earnings and revenue in the quarter.

**B. Riley Financial (NASDAQ:RILY)**, along with



Authentic Brands and Saks Fifth Avenue, has an agreement to buy the assets of retailer Barneys, which is in bankruptcy protection, for \$271 million. Other bids are allowed until October 22.

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## MARKETS

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**S&P/TSX and U.S. equity indices** are higher and European indices surged to an 18-month high after the EU and Britain announced they had finally reached a deal on Brexit. The deal agreement still needs approval in British parliament.

The German government has cut its 2020 growth forecast.

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## CURRENCIES

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**The Canadian dollar** is up 0.3% to \$0.7595(U.S.).

The British pound jumped nearly 1% against the U.S. dollar on the Brexit deal news but is now lower as investors worry the agreement may not pass in Britain's parliament.

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## COMMODITIES

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**West Texas Intermediate** is down 0.6% to \$53.06 a barrel after the American Petroleum Institute reported inventories in the latest week jumped 10.5 million barrels, more than triple what was expected. U.S. government figures are

due from the Energy Information Administration at 10:30 am eastern time. .

Gold is flat at \$1,493.50 an ounce.

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## DAILY UPDATE

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