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What's the **best retail stock** to buy today?

We've got it in today's new *Capital Ideas Digest*,

which we'll publish at 7 pm eastern time, accompanied by the usual email alert.

And we're putting the finishing touches on our video interview with *Ken d'Entremont*, the CEO of **Medexus Pharmaceuticals (TSXV:MDP)**.

This overlooked specialty pharma company's flagship product grew revenue 122% from last year.

Medexus is also sitting on \$27 million in cash that it's close to deploying.

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Morning Need to Know

Getting you ready for your investing day

October 22, 2019

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



CANADIAN ANALYSTS' CALLS

INITIATIONS

IPL Plastics (TSX:IPLP). TD Securities starts coverage with a "buy" and a price target of \$11 (Canadian), which is below analysts' average of \$13.50.

Ayr Strategies (CSE:AYR.A). Beacon Securities begins coverage of this U.S. multi-state cannabis operator with a "buy" rating and \$31 target.

European Residential REIT (TSX:ERE.UN)
Scotiabank starts coverage with an "outperform" rating and \$5.25 target.

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goeasy (TSX:gsy). Raymond James moves the target to \$73 from \$64 and maintains "outperform".

Knight Therapeutics (TSX:GUD).

Canaccord Genuity moves the target to \$10 from \$8.50 and maintains "buy" after the company struck a big deal.

Orla Mining (TSX:OLA). CIBC upgrades to "outperformer" from neutral and lifts the price target to \$2.20 from \$1.85 after the company

announced a \$125 million financing package to help fund its Camino Rojo Oxide Project.

MEG Energy (TSX:MEG). Morgan Stanley cuts to “underweight” with a price target of \$5.

Cenovus Energy (TSX:CVE). Morgan Stanley also cuts to “underweight” with a \$13 target.

Canopy Growth (TSX:WEED;NYSE:CGC). Piper Jaffray has reduced the targets on a number of cannabis companies as WEED is maintained at “overweight” with the target moving to \$36 (U.S.) from \$40.

Aurora Cannabis (TSX:ACB;NYSE:ACB) is kept at “neutral” with the target cut to \$4 from \$7.

Tilray (NASDAQ:TLRY) is maintained at “overweight” with the target slashed to \$31 from \$72.

Cronos Group (TSX:CRON;NASDAQ:CRON) is held at “overweight” with the target cut to \$12 from \$18.

U.S. ANALYSTS' CALLS

Edwards Lifesciences (NYSE:EW). RBC raises

the target to \$250 (U.S.) from \$217.

STOCKS THAT MAY MOVE

AltaGas Canada (TSX:ACI). CIBC moves the target to \$33.50 (Canadian) from \$31 and maintains "outperformer" after the company received a \$33.50 a share all cash offer from a consortium led by PSP Investments and Alberta Teachers' Retirement Fund Board, which CIBC views as "attractive" and representing full value.

The offer represents a healthy 33% gain for Capital Ideas subscribers who chose to buy ACI based on RBC's research in our July 9, 2019 Digest article "*Five Small Cap Conviction List Ideas*" when the stock was trading at \$25.25.

Biogen (NASDAQ:BIIB) is up 40% premarket and on pace for its largest one day gain ever after the biotech said it would pursue FDA approval for its Alzheimer's treatment following positive trial results, and after the company reported Q3 earnings well above estimates.

McDonald's (NYSE:MCD). Strong but not strong enough is what the market is telling the world's largest fast food chain as the shares fell more than 3% in premarket trading after the company reported year-over-year, same-store U.S. sales growth of 4.8%, below analysts estimates of 5.2%.

PulteGroup (NYSE:PHM) quarterly profit beat estimates but was down from last year, and revenue rose slightly as lower mortgage rates boosted demand for houses.

Under Armour (NYSE:UAA) founder Kevin Plank will step down as CEO in the new year to become the athletic gear company's executive chairman and brand chief. President and COO Patrik Frisk will become the firm's second CEO since it was founded in 1996, and take a seat on the board.

Infosys (NYSE:INFY). The Indian software company is looking into whistleblower complaints that claim the company's top two executives engaged in "*unethical practices*" to boost revenue and earnings.

MARKETS

S&P/TSX and U.S. equity indices have started the session higher.

CURRENCIES

The Canadian dollar is down 0.2% at \$0.7626 (U.S.) in the wake of the Liberals being reduced to a minority government from a majority in the federal election.

COMMODITIES

West Texas Intermediate is up 0.8% to \$53.96 a barrel with price action, according to one trader, similar to "watching paint dry" as trade and global growth concerns put a lid on any bullish sentiment.

Gold is flat at \$1,488.50 an ounce.

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

Access, insight and ideas.

Mark Bunting
Publisher,
Capital Ideas Media

www.capitalideasmedia.com



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