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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

**MediPharm Labs (TSX:LABS).** AltaCorp starts coverage on the cannabis extractions services company with an "outperform" and a price target of \$7.50 (Canadian). The stock closed Friday at \$3.94. The analyst says:

*“The company achieved positive adjusted EBITDA and operating cash flow before working capital changes over the last two quarters...these results demonstrate the company’s early successes in the still-nascent cannabis industry and validate its execution and business strategy to date.”*

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**Cenovus (TSX:CVE).** Citi upgrades to "buy" and moves the target to \$15 from \$13.

**Equinox Gold (TSXV:EQX).**

CIBC ups the target to \$11 from \$10.50 and reiterates "outperformer". National Bank upgrades to "outperform".

**Cominar REIT (TSX:CUF.UN).** CIBC raises the target to \$14.50 from \$14 and maintains an

"outperformer" rating after the company's Investor Day.

### **Tidewater Midstream & Infrastructure (TSX:TWM).**

GMP FirstEnergy moves the target to \$2.25 from \$2 and maintains "buy" after the company bought a B.C. refinery from Husky Energy.

**Martinrea (TSX:MRE).** GMP lowers the target to \$20.50 from \$21 and maintains a "buy", seeing a modest negative impact from the GM strike assuming a quick resolution.

**Imperial Oil (TSX:OIL).** Citi downgrades to "sell" and cuts the target to \$30 from \$36.

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## **U.S. ANALYSTS' CALLS**

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### **INITIATIONS**

**SmiledirectClub (NASDAQ:SDC).** Citi is one of several investment banks starting coverage on the newly public direct-to-consumer medical technology company following a restriction period. Citi rates SDC a "buy" and gives the company a target of \$19 (U.S.).

J.P. Morgan begins coverage on SDC with a more bullish stance with an "overweight" rating and a target of \$31.

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## **Uber (NYSE:UBER).**

Citi upgrades to "buy", lowers its loss estimates for 2019, 2020 and 2021 and keeps the price target at \$45.

**Nvidia (NASDAQ:NVDA).** RBC hikes the target to \$217 from \$190.

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## **STOCKS THAT MAY MOVE**

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### **Hexo (TSX:HEXO;NYSE:HEXO)**

The cannabis producer said CFO Michael Monahan, who accepted the role last spring, has resigned effective immediately.

Monahan said the job requires him to spend the majority of his time in Gatineau and in Ottawa, which he would have been aware of when he took the job. Stephen Burwash, the vice-president of strategic finance, will become CFO.

**TerrAscend (CSE:TER)** has received approval from Health Canada to increase its licensed space at its facility in Mississauga, Ontario *"nearly three-fold from 17,800 sq. ft. to 51,800 sq. ft..."*

**Major Drilling Group (TSX:MDI)** is buying Norex Drilling for as much as \$19.7 million (Canadian) based on certain milestones.

**General Electric (NYSE:GE)** is up 2% premarket as it plans to freeze pension plans for about 20,000 U.S. employees, which may cut its

pension deficit by as much as \$8 billion (U.S.).

**HSBC (NYSE:HSBC)** plans to reduce its workforce by about 10,000 people or 4% of its workforce in an effort to cut debt, according to the Financial Times.

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## MARKETS

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S&P/TSX and U.S. equity futures are lower ahead of U.S. and China trade talks, which are expected to resume on Thursday.

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## CURRENCIES

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The Canadian dollar is slightly higher at \$0.7520 (U.S.).

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## COMMODITIES

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West Texas Intermediate is up 1.6% to \$53.65 a barrel

Gold is down 0.6% at \$1,504.20 an ounce.

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