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Please note the Morning Need to Know will not be published next Monday through Thursday and will return on Friday, January 24.

That's because we'll be at the Vancouver Resource

Investment Conference (VRIC) conducting tons of interviews with notable mining CEOs and investment luminaries such as **Frank Holmes** and **Benj Gallander**.

If you're in the Vancouver area and would like a free ticket, click below and use the promo code SCP100.

https://cambridgehouse.com/vancouver-resource-investment-conference?utm_source=smallcappower&utm_medium=banner&utm_campaign=100OFF

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Morning Need to Know

Getting you ready for your investing day

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



CANADIAN ANALYSTS' CALL

INITIATIONS

Granite REIT (TSX:GRT.UN). Industrial Alliance Securities start coverage with a "buy" and a price target of \$75 (Canadian), saying it is:

"...well positioned for growth" and is "laying a rock-solid foundation as a blue-chip North American and European Industrial Operator."

Bird Construction (TSX:BDT). Raymond James calls this its "top pick" in the Canadian engineering and construction sector, rating BDT an "outperform" and lifting the target to \$10 from \$9.

WSP Global (TSX:WSP). Raymond James also boosts the target on this one to \$100 from \$90 and maintains an "outperform", while it hikes the target on **First Service (TSX:FSV;NASDAQ:FSV)** to \$105 (U.S.) from \$95 and reiterates "outperform".

Wesdome Gold Mines (TSX:WDO) gets upgraded to "buy" by Echelon Wealth with a \$10 (Canadian) target.

AGF Management (TSX:AGF.B)

The asset manager gets its target boosted by CIBC to \$8.50 from \$8 with the rating held steady at "outperformer" ahead of the company's fiscal Q4 earnings results on January 22.

Barrick Gold (TSX:ABX;NYSE:GOLD) gets upgraded by Credit Suisse to "outperform" and the target is boosted to \$22 (U.S.) from \$21.

TransAlta (TSX:TA). Credit Suisse also upgrades this one to "outperform" with a target of \$14 (Canadian), up from \$10.

Bombardier (TSX:BBD.B). Citi cuts the target to \$2.10 from \$2.70, maintains a "buy" and begins what it calls a "negative, 30-day Catalyst Watch" after the

company issued a profit warning. More on that below.



U.S. ANALYSTS' CALLS

Digital Realty Trust (NYSE:DLR) gets upgraded to "buy" by Jefferies after the company acquired InterXion to give it a European platform.

Lululemon (NASDAQ:LULU) sees its target raised by RBC to \$265 (U.S.) from \$250.

Blackrock (NYSE:BLK) gets its target raised to \$585 from \$550 by Evercore ISI after the company's earnings report which showed solid money inflows and assets under management exceeding \$7 trillion for the first time.

Goldman Sachs (NYSE:GS) has its target moved to \$267 from \$250 by Evercore ISI, which says the bank is getting closer to resolving the 1MDB scandal and that its earnings results are a reminder of the kind of strong performance the company is capable of.

Tesla (NASDAQ:TSLA) gets downgraded by Morgan Stanley to "underweight" on valuation and risks in China with the target raised to \$360 from \$250. Tesla shares have doubled in the last three months.

The electric vehicle maker said it plans to build a design and research centre in China to make "Chinese-style" vehicles.

STOCKS THAT MAY MOVE

Organigram (TSX:OGI;NASDAQ:OGI) has secured a medical cannabis supply deal with Shoppers Drug Mart, a day after the company's shares surged 44% on a better than expected financial picture.

Iamgold (TSX:IMG) says long-time CEO Stephen Letwin is retiring and will be replaced by COO Gordon Stothart.

Lucara Diamond (TSX:LUC) has struck a deal with Louis Vuitton and diamond manufacturer HB Company to manufacture its historic, record-setting, 1758 carat Sewelô diamond recovered from its Karowe Diamond Mine in Botswana into a collection of fine jewelry.

Bombardier (TSX:BBD.B) is cutting its 2019 EBIT estimates to about \$400 million (Canadian), down from as much as \$800 million, and says negative free cash flow will be about \$1.2 billion as deliveries for last year of its Global 7500 business jet will be 11 instead of the expected 15-20.

Bombardier also says its looking for "balance sheet relief" and that it may pull out of its joint venture with Airbus. The company will release Q4 and full-year earnings on February 13.

Magna Int'l (TSX:MG;NYSE:MGA) lowered its 2020 sales forecast due in part to lower output in Europe but its financial projections are in line with analysts' expectations.

The auto parts maker also cancelled its autonomous vehicle joint venture with Lyft into which it had invested about \$200 million.

Canadian Tire (TSX:CTC) has named Gregory Craig as its CFO, replacing Dean McCann, who is retiring.

Taiwan Semiconductor (NYSE:TSM) forecast a spike in revenue in January–March of up to 45% and increased its capital expenditure program as the chipmaker expects strong demand for 5G smartphones.

Apple (NASDAQ:AAPL)

The iPhone maker is buying artificial intelligence startup Xnor.ai for about \$200 million (U.S.).

Morgan Stanley (NYSE:MS) has followed Goldman Sachs and J.P. Morgan with profit that rose 53% from last year, handily beat estimates, as bond trading revenue more than doubled.

American Outdoor Brands (NASDAQ:AOBC) said its CEO has left the company after the board found he had engaged in conduct *"inconsistent with a non-financial company policy"*, without being specific.

MARKETS

S&P/TSX and U.S. equity futures are higher as the major indices look set to push further into all-time high territory with the Dow, for example, just a little more than 3% away from the symbolic level of 30,000.

CURRENCIES

The Canadian dollar is directionless at \$0.7668 (U.S.).

COMMODITIES

West Texas Intermediate is up 0.5% at \$58.08 a barrel as the International Energy Agency says it expects production of crude oil to outstrip demand in 2020.

Gold is flat at \$1,554 an ounce.

DAILY UPDATE

The new [*Capital Ideas Digest*](#) neatly summarizes analyst research on eight **special situations stocks for 2020**, companies with catalysts to drive their stocks higher.

We also feature research highlights, including great charts, on a profitable, newly public pure play healthcare logistics company that could gain nearly 50%.

Please email questions, comments or concerns to:

[*customercare@capitalideasresearch.com*](mailto:customercare@capitalideasresearch.com)

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

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