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Morning Need to Know

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CANADIAN ANALYSTS' CALLS INITIATIONS

INITIATIONS

Storagevault Canada (TSXV:SVI). Scotia Capital starts coverage with an "outperform" rating and a price target of \$4.25 (Canadian).

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Bird Construction (TSX:BDT). Calling it a "*once in a decade opportunity*", Raymond James analyst Frederic Bastien upgrades to "strong buy" from outperform with a \$10 target, giving it **nearly 100% upside.**

Bastien said:

"There is some logic to how our coverage of infrastructure and property services firms have navigated one of the fastest market corrections in history.

No stock has been spared, but generally speaking we have seen large, diversified and quality businesses hold their own better than Canadian small-cap stocks.

On this basis, the 23% pullback in Bird Construction may not look that bad.

But these losses come at a time when BDT's diversification efforts are bearing fruit, its earnings per share are poised to triple in 2020, and the balance sheet is the strongest it's been in three years.

We see a disconnect, and it's time for us to be more vocal about it.

Accordingly, we are upgrading our recommendation to "strong buy" and adding BDT to Raymond James' Analyst Current Favourites list".

Canaccord Genuity also upgrades BDT to "buy" with a target of \$7, implying 43% upside.

Air Canada (TSX:AC). Canaccord Genuity cuts the target to \$40 from \$55 and maintains a "buy" rating on reduced travel demand due to the coronavirus, COVID-19, saying that the airline's "robust" balance sheet is now a "saving grace".

"While investment here in AC may require bravery and the bottom will be tough to call, we believe this pullback will ultimately yield an extraordinarily attractive entry point."

Wesdome Gold Mines (TSX:WDO).

Canaccord Genuity upgrades to "buy" and moves the target to \$11.50 from \$10. **Laurentian Bank** upgrades to "buy" and lifts the target to \$10.50 from \$9.50.

Wheaton Precious Metals (TSX:WPM;NYSE:WPM).

National Bank raises the price target to \$52 from

\$50.

Parkland Fuel (TSX:PKI). Industrial Alliance Securities has cut the targets on a number of midstream companies but maintained "buy" ratings, including on PKI, which sees its target lowered to \$47 from \$53.



U.S. ANALYSTS' CALLS

Boeing (NYSE:BA). J.P. Morgan has given up on its "overweight" call on the plane maker after three years, cutting the target to \$160 (U.S.) from \$210.

American Express (NYSE:AXP). Piper Sandler cuts the target to \$119 from \$146 on uncertainty about consumer and corporate spending as a result of the coronavirus.

STOCKS THAT MAY MOVE

Inovio (NASDAQ:INO) is up 19% pre-market as it gets a \$5 million grant from the Bill and Linda Gates Foundation to develop a COVID-19 vaccine.

TC Energy (TSX:TRP) is buying the Pioneer Pipeline from TransAlta and Tidewater for \$255 million.

Quebecor (TSX:QBR.B) said profit rose in its most recent quarter and it's raising its dividend.

Canadian Tire (TSX:CTC.A) has appointed its head of retail, Greg Hicks, as its new CEO.

Bombardier (TSX:BBD.B) CEO Alain Bellemare is stepping down after five years and will be replaced by former Bombardier executive and current Hydro One CEO Eric Martel.

Birchcliff Energy (TSX:BIR) is “*immediately deferring approximately \$65 million of capital expenditures,*” or about 19% of its previously announced capital budget, “*as a result of weakening and volatile oil prices.*” It also reduced its 2020 guidance and commodity price assumptions.

Chemtrade Logistics Income Fund (TSX:CHE.UN) has cut its distribution rate by 50% to 5 cents per unit, down from 10 cents due to the:

"...current uncertainty in the global economy and reduced visibility into the future..."

Airline Stocks. European airline stocks are getting battered and U.S. and Canadian airline equities are set to do the same as the travel ban imposed by the U.S. on trips from Europe piles on more damage to an already battered sector.

CME Group (NYSE:CME) will close its Chicago trading floor after business hours on Friday as a precaution amid the coronavirus outbreak. Electronic trading will continue.

Marathon Petroleum (NYSE:MPC) is looking at selling the assets of its pipeline subsidiary for about \$15 billion to raise cash as lower oil prices weigh on its prospects.

Occidental Petroleum (NYSE:OXY). Activist investor Carl Icahn has increased his stake in the company to 10% as he tries to take control of the

company. He's already called for the board to be replaced and other large shareholders appear to share his goals.

MARKETS

S&P/TSX and U.S. equity indices are indicating another steep drop for the major indices with the S&P 500 expected to trigger a circuit breaker at the open. This as fear continues to grip investors and confidence has evaporated as U.S. President Donald Trump's speech about the coronavirus response failed to comfort and he announced a travel ban from Europe to the U.S.

The European Central Bank today as expected announced a stimulus package to fight the impact of the coronavirus.

CURRENCIES

The Canadian dollar is lower at \$0.7238 (U.S.).

COMMODITIES DAILY UPDATE

West Texas Intermediate is down by 7% to \$30.64 a barrel.

Gold is down 2% at \$1,610.70 an ounce.

DAILY UPDATE

Bespoke Research has come up with 21 U.S. stocks that could benefit in the "COVID-19 economy".

Here's the list:

Stocks for the COVID Economy

Ticker	Company	Industry	Price
CLX	Clorox	Bleach/Wipes	175.00
GILD	Gilead	Corona Treatments	72.34
REGN	Regeneron	Corona Treatments	475.02
TDOC	Teladoc	Digital Doctor Visits	146.07
WORK	Slack	Digital Workforce	25.06
ZM	Zoom Video	Digital Workforce	108.49
PTON	Peleton	Home Exercise	22.97
CHGG	Chegg	Online Education	38.97
TWTR	Twitter	Online News	34.31
PETS	1-800-PetMeds	Online Pet Health Care	26.80
CHWY	Chewy	Online Pet Shopping	27.11
AMZN	Amazon	Online Shopping	1891.82
FB	Facebook	Social	178.19
CPB	Campbell Soup	Staples Food	51.26
HRL	Hormel	Staples Food	43.76
JNJ	Johnson & Johnson	Staples Health	141.64
PG	Procter & Gamble	Staples Health	120.55
NFLX	Netflix	Streaming Content	364.13
ATVI	Activision	Video Games	60.71
EA	Electronic Arts	Video Games	103.38
TTWO	Take Two	Video Games	118.75

We know it's painful out there for most but the new [*Capital Ideas Digest*](#) is worth checking out for research on **15 high conviction stocks at compelling prices** that may look good in a portfolio a year or two out.

Please email questions, comments or concerns to:

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Access, insight and ideas.

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