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## Morning Need to Know

Getting you ready for your investing day

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## CANADIAN ANALYSTS' CALLS

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### INITIATIONS

**Greenlane Renewables (TSXV:GRN).** Canaccord Genuity starts coverage with a "speculative buy" and a price target of \$0.80 (Canadian), which implies about 100% upside.

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**AltaGas (TSX:ALA).** Scotia Capital upgrades to "outperform" and lowers the target to \$20 from \$22.

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## U.S. ANALYSTS' CALLS

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## INITIATIONS

**D.R Horton (NYSE:DHI), Lennar (NYSE:LEN) and PulteGroup (NYSE:PHM)** are all started with "buy" ratings by Citi with targets of \$51 (U.S.), \$53 and \$32, respectively, calling 2020 a "lost year" for homebuilders but that they're trading at "historically attractive" valuations.

**Tesla (NASDAQ:TSLA).**

Goldman Sachs begins coverage with a "buy" and a target of \$864. More on Tesla's China sales below.

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**Canada Goose (TSX:GOOS;NYSE:GOOS).**

D.A. Davidson upgrades to "buy" and raises the target to \$30 (U.S.) from \$20.

**Amazon.com (NASDAQ:AMZN)** shares are at an all-time high and Baird thinks they can get to \$2,550 in a year, up from the previous target of \$2,275, as it believes the e-commerce giant will emerge with a greater share of groceries and essentials and will improve its logistics. The company said its suspending operations in France.

**Target (NYSE:TGT).** BMO Nesbitt Burns upgrades to "outperform" and hikes the target to \$125 from \$115.

**Eli Lilly (NYSE:LLY)** gets its target boosted to \$160 from \$145 by Cowen & Co.

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## STOCKS THAT MAY MOVE

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**Planet 13 (CSE:PLTH)** reported Q4 revenue of 16.5 million, a jump of nearly 100% from last year, while

the Vegas-based cannabis retailer took a net loss of \$2.6 million, smaller than the \$3.1 million a year ago.

The company said it has shifted its sales online amid the pandemic, and increased its delivery truck total to 25 from eight, with a 100% focus on local customers.

**Valens GroWorks (TSXV:VLNS)** grew its Q1 revenue to \$32 million (Canadian) from \$2.2 million last year at the same time, had net income of \$2.5 million against a loss a year ago, and said it has more than \$44 million in cash on its books.

**Aphria (TSX:APHA;NYSE:APHA)** is up after it reported it had fiscal Q3 revenue of more than \$144 million, up 96% from last year, net income of \$5.7 million versus a loss last year, and \$515 million in cash. The company has also suspended its financial guidance.

**Ag Growth Int'l (TSX:AFN)** has cut its annual dividend to 60 cents per share from \$2.40.

**Vermilion Energy (TSX:VET)** has suspended its monthly dividend.

**Shaw Communications (TSX:SJR.B)** will temporarily lay off 10% of its workforce or about 1,000 employees, mostly in retail and sales roles.

**Fairfax Financial (TSX:FFH)** said it would lose about \$1.4 billion in Q1 due to the impact of COVID-19.

**Tesla (NASDAQ:TSLA)** is higher after its China car registrations in March jumped 450%.

**Teladoc Health (NYSE:TDOC)** expects Q1 revenue above estimates as it provided about 1.8 million virtual medical visits, 70% higher than last year.

**ASML (NASDAQ:ASML)**. The Dutch semiconductor equipment manufacturer reported weaker than expected Q1 profit but said orders remain strong and revenue should rise by about 50% in Q2 from last year.

**GlaxoSmithKline (NYSE:GSK)** and **Sanofi (NYSE:SNY)** will jointly develop a COVID-19 vaccine that they hope to have available by the second half of 2021.

**Procter & Gamble (NYSE:PG)** raised its dividend by 6% and moved its earnings release forward to April 17.

**UnitedHealth (NYSE:UNH)** beat quarterly profit estimates and maintained its 2020 financial projections. The company also said its president is taking a leave of absence to work with the World Health Organization on COVID-19 vaccine development.

**Best Buy (NYSE:BBY)** plans to furlough 51,000 hourly workers.

**Bank of America (NYSE:BOA)** continues the trend with big U.S. banks by saying profit fell in its latest quarter by nearly 49% and that it set aside \$3.6 billion in loan loss provisions. **Goldman Sachs** and **Citigroup** had similarly weak numbers.

**Carnival (NYSE:CCL)** has cancelled all cruises until at least the end of June and said that it has enough

cash reserves to last through 2020 even without any new revenue.

**McDonald's (NYSE:MCD)** is at odds with some of its franchisees after the fast-food retailer rejected their requests to not collect some rent and royalty payments for March.

**J.C. Penney (NYSE:JCP)**. This one's not surprising as the long-struggling retailer is considering filing for bankruptcy protection after having to close its 850 stores , which upended its turnaround plan.

**Frontier Communications (NYSE:FTR)**. The high-speed internet provider has filed for bankruptcy protection and has received \$460 million in debtor-in-possession financing from its bondholders.

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## MARKETS

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**S&P/TSX and U.S. equity indices** are lower after U.S. retail sales in March plunged a record 8.7%, higher than the 8% estimate, and New York state manufacturing fell to -78, more than double the estimate, and the weakest number on record going back to 2001.

In other unpleasant news, the **International Monetary Fund** warned of the worst global recession since the 1930s.

**The Bank of Canada** will announce an interest rate decision this morning along with the latest monetary policy report.

Some economists believe the BOC will also announce further efforts to stabilize the economy.

**StatsCan** says early estimates show GDP fell a record 9% in March.

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## **CURRENCIES**

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**The Canadian dollar** is down 1.5% at 0.709 (U.S.) as the U.S. dollar pushes higher following the bleak economic data.

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## **COMMODITIES**

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**West Texas Intermediate** crude oil is lower by 1.3% to \$19.84 a barrel after the International Energy Agency said global demand could fall by as much as 30 million barrels a day in April and that production cuts will not be enough to offset that decline.

**Gold** is consolidating its recent gains, down 1.5% at \$1,741.30 an ounce.

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Access, insight and ideas.

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