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The oil bear market is **setting up a bull** elsewhere, a counterintuitive idea with **30% upside**, and where **the S&P 500 goes from here**, from accomplished technician **Greg Schnell**.

That and more in today's new *Capital Ideas Digest*

published at 7 pm eastern time.

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Morning Need to Know

Getting you ready for your investing day

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CANADIAN ANALYSTS' CALLS

INITIATIONS

Lexagene (TSXV:LXG). Industrial Alliance Securities analyst becomes the first research house to cover this company with a "speculative buy" and a price target of \$1 (Canadian). Stock closed at \$0.84.

Lexagene is developing an automated pathogen detection system with plans to commercialize in the second half of this year.

Capital Ideas provided Lexagene with marketing services in the past by interviewing their executives.

Here's the most recent from March of last year:

<https://capitalideasmedia.com/video/lexagene-holdings-nearing-commercialization-buyout-insight/>

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Fiera Capital (TSX:FSZ). Canaccord Genuity ups the target to \$10.50 from \$7.50 and maintains a "buy" rating.



U.S. ANALYSTS' CALLS

INITIATIONS

AMC Networks (NASDAQ:AMCX).

RBC Dominion Securities starts coverage of several large cap U.S. media stocks giving this one an "outperform" rating and \$27 (U.S.) target.

Discovery (NASDAQ:DISCA). RBC rates an "outperform" with a \$26 target.

Fox (NASDAQ:FOXA) gets an "outperform" from RBC and a \$31 target.

American Tower (NYSE:AMT). Credit Suisse starts with an "outperform", saying the company will benefit from high growth in certain markets for its macro tower business.

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Shopify (TSX:SHOP;NYSE:SHOP) gets its target boosted at Wedbush to \$550 from 445.

Lockheed Martin (NYSE:LMT). JP Morgan hikes the target to \$395 from \$350.



STOCKS THAT MAY MOVE

Chorus Aviation (TSX:CHR) announced a shareholder rights plan.

"The rights plan is designed to ensure that all Chorus shareholders are treated fairly in connection with any take-over bid and to protect against 'creeping bids', which involve the accumulation of more than 20 per cent on an aggregate basis, of the Chorus' Class A Variable Voting Shares and Class B Voting Shares through purchases exempt from applicable take over-bid rules," the company said.

Cresco Labs (CSE:CL). The U.S. multi-state cannabis operator has released its Q4 and full-year 2019 earnings results.

The stock peaked at nearly \$18 in April of 2019, bottomed at \$3.75 last month and closed Monday at \$6.15.

Here are some of the hi-lights from Cresco's report:

Revenue

- Fourth quarter 2019 revenue of \$41.4 million, up 144% year-over-year and 14% quarter-over-quarter.
- First quarter 2020, estimated revenue of \$66.5 million, up 216% year-over-year and 61% quarter-over-quarter.

Adjusted EBITDA

- Fourth quarter 2019 adjusted EBITDA of \$2.9 million compared to \$(0.3) million in the prior-year period.

Net (Loss) Income

- Fourth quarter net loss of \$45.2 million compared to net loss of \$4.4 million in the prior-year period.

Balance Sheet

- As of December 31, 2019, the company had total assets of \$616.6 million, including cash and cash equivalents of \$49.1 million.

Capital Markets

- On April 27, 2020, the company announced the termination of the purchase agreement to purchase all outstanding equity of Tryke Companies.

COVID – 19

- The Company continues to operate all of its dispensaries with expanded hours using curbside pickup, online ordering, and delivery to ensure social distancing.

Barrick Gold (TSX:ABX;NYSE:GOLD). Papua New Guinea is threatening to take control of the company's Porgera gold mine after the miner suspended operations when the government refused to extend its lease.

Canadian National Railway (TSX:CNR) beat Q1 profit estimates and withdrew its 2020 forecast.

Caterpillar (NYSE:CAT). The heavy machinery maker said quarterly profit dropped 46%.

3M (NYSE:MMM) has withdrawn its 2020 financial outlook due to the pandemic.

UPS (NYSE:UPS) has slashed spending and suspended its share buybacks amid the "unprecedented" impact of the coronavirus.

BP (NYSE:BP) said profit fell by two thirds and debt hit the highest level in five years but the company is keeping its dividend in place.

HSBC (NYSE:HSBC) said profit fell and it's set aside \$3 billion for loan loss provisions.

MARKETS

S&P/TSX and U.S. equity futures are pushing higher

pointing to a positive opening.

CURRENCIES

The Canadian dollar is up 0.6% at 0.7168 (U.S.).

COMMODITIES

West Texas Intermediate crude oil continues its descent on the June contract to \$12.14 a barrel with some oil watchers predicting the U.S. will run out of storage space in a few weeks. Also, the big oil ETF USO selling exposure to the June contract.

Gold is up slightly to \$1,728.10 an ounce.

Please email questions, comments or concerns to:

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