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Morning Need to Know

Getting you ready for your investing day

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CANADIAN ANALYSTS' CALLS

Intertape Polymer (TSX:ITP). RBC Dominion Securities upgrades to "outperform" and raises the target to \$14 (Canadian) from \$12.

Canadian Pacific (TSX:CP). Scotiabank ups the target to \$330 from \$322 after the company's earnings report. More below.

Canadian Tire (TSX:CTC.A). Canaccord Genuity slashes the target to \$108 from \$160 citing challenging quarters ahead due to the pandemic.

Teck Resources (TSX:TECK.B;NYSE:TECK). Citi downgrades to "neutral", cuts the earnings estimates for this year and next and lowers the price target to \$10 from \$21 following the company's earnings results.

RBC Dominion Securities is more optimistic about Teck keeping an "outperform", lowering the

earnings estimates for 2020, and the target to \$21 from \$23 but seeing a positive 2021:

"Uncertainty around the pandemic is likely to linger for at least a few months and met coal could drift lower, however, Teck offers considerable upside to a potential recovery in 2021."



U.S. ANALYSTS' CALLS

Johnson & Johnson (NYSE:JNJ). Bank of America raises to a "buy" rating and hikes the target to \$175 (U.S.) from \$150 citing the company's historic ability to outperform during difficult times.

Netflix (NASDAQ:NFLX). RBC Dominion Securities raises the target to \$500 from \$420 after the company added far more Q1 subscribers than expected. More below.

Chipotle Mexican Grill (NYSE:CMG)
Jefferies boosts the target to \$795 from \$765 as the company benefits from higher demand during the pandemic. More below.



STOCKS THAT MAY MOVE

ATS Automation Tooling Systems (TSX:ATA).
Business continues for ATA as it's won a \$65 million

(Canadian) order from Tessy Plastics for two automated manufacturing systems, which will enable the production of 10 million units per month of critical components for testing kits to detect COVID-19.

Organigram Holdings (TSX:OGI;NASDAQ:OGI)

The cannabis producer announced a so-called an at-the-market (ATM) equity program allowing it to issue up to \$49 million of common shares from treasury from time to time.

Canadian Pacific Railway (TSX:CP) expects revenue ton miles this year to fall about 5% and profit to be flat due to the impact from COVID-19.

Rogers Communications (TSX:RCI.B) has withdrawn its 2020 forecast and said Q1 subscriber revenue fell about 5%.

Chipotle Mexican Grill (NYSE:CMG) beat earnings estimates as Q1 delivery orders soared 150% and mobile pickup orders jumped 120% driven by the COVID-19 crisis.

CMG also agreed with the U.S. Department of Justice to pay \$25 million (U.S.) to settle criminal charges related to the company's involvement in food borne illness outbreaks between 2015 and 2018.

Netflix (NASDAQ:NFLX) is down slightly in pre-market trade after the streaming service handily exceeded expectations by adding 15.7 million new subscribers in Q1, as people hunkered down amid the pandemic and watched Tiger King and other shows, but warned those gains are not sustainable.

NFLX also announced its raising \$1 billion in debt.

Snap (NYSE:SNAP) is up 20% in pre-market trade after it said revenue rose 44% in its quarter and daily active users jumped 20%, both ahead of estimates, as users sought entertainment during the shutdown. But the company still took a narrower net loss of nearly \$306 million.

Activision Blizzard (NASDAQ:ATVI) The video game maker had its highest quarterly sales since 2008 as the company produced the two most popular videos games including Animal Crossing: New Horizons.

Facebook (NASDAQ:FB) is buying a nearly 10% stake in Reliance Industries digital unit Jio Platforms for \$5.7 billion and will team it with WhatsApp to serve millions of small grocers in India. It's FB's biggest deal since buying WhatsApp in 2014 for \$22 billion.

Delta Airlines (NYSE:DAL) took its first Q1 loss in nine years and said revenue would fall about 90% in Q2.

Macy's (NYSE:M) is looking to raise \$5 billion in debt to avoid bankruptcy protection, according to a report.

LendingClub (NYSE:LC) is laying off about 460 employees or roughly a third of its workforce including its president.

MARKETS

S&P/TSX and U.S. equity futures are up after the major indices were lower for two sessions in a row triggered in part by a historic collapse in the price of

oil.

CURRENCIES

The Canadian dollar is up 0.4% at 0.7074 (U.S.).

COMMODITIES

West Texas Intermediate is trading up 13% to \$13.42 a barrel on the June contract while Brent crude has hit its lowest level since 1999 with a global glut of oil and lack of demand.

Gold is rebounding nearly 2.5% to \$1,728.30 an ounce.

Please email questions, comments or concerns to:

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