



Invest like a pro, with the pros.



The new [\*Capital Ideas Digest\*](#) has a nice mix of ideas including a pipeline "well ahead of its peers" with growth, and a healthy, sustainable dividend yield of nearly 8%.

We also have new research coverage of a disruptor in the concrete sector with a projected return of 170%.

And a gold junior with a well-situated mine and a major investor that could easily size it up for a takeover.

---

[www.capitalideasmedia.com](http://www.capitalideasmedia.com)

---

## Morning Need to Know

Getting you ready for your investing day

May 20, 2020

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

---



## CANADIAN ANALYSTS' CALLS

---

### INITIATIONS

**Uranium Participation (TSX:U).** Canaccord Genuity starts coverage with a "buy" rating and a price target of \$6.25 (Canadian), calling it the "*cleanest investment vehicle for uranium exposure.*"

\*\*

**SilverCrest Metals (TSX:SIL).** Beacon Securities hikes the target to \$16.25 from \$12.50, giving the stock a projected return of 34%, and maintains a "buy" rating. Beacon has provided investment banking services to SIL within the last 12 months.

**Protech Home Medical (TSXV:PTQ).** Industrial Alliance Securities nudges the target to \$2.60 from \$2.40 and maintains a "buy" following the company's earnings report.

**WELL Health (TSX:WELL).** Catching up to this call from Echelon Wealth which moves the target to \$3.50 from \$2.75 and maintains a "buy" rating after the company's earnings report.

Separately, WELL said it's buying Indivica, an OntarioMD certified electronic medical records provider, for \$6.2 million in cash and stock.

**Canadian Western Bank (TSX:CWB).**

Canaccord Genuity lowered its price targets for the big six banks ahead of Q2 earnings but raised its target for this bank to \$24 from \$22 and maintained a "buy" rating.

---



## **U.S. ANALYSTS' CALLS**

---

**The Home Depot (NYSE:HD).** RBC raises the target price to \$266 (U.S.) from \$261, citing better customer service, improved merchandising, additional supply-chain enhancements, and strong returns to shareholders through dividends and stock buybacks.

---



## STOCKS THAT MAY MOVE

---

**Trulieve (CSE:TRUL).** The Florida focused cannabis operator continues to be one of the more impressive U.S. companies in the sector as it reported record revenue in its quarter of \$96.1 million (U.S.), up 21% from the previous quarter, and had net income of \$14 million. TRUL also said COVID-19 is not hurting business.

The stock tends to trade in a range between around \$9.50 (Canadian) and close to \$20. It's doubled off the March bottom and closed Tuesday at \$18.55.

**Real Matters (TSX:REAL).** You'll recall this company was our cover story idea last week with the stock up 5% in a week.

Refinitiv did a screen of companies using various criteria such as price momentum and a company's ability to pay back its debt. REAL was one of six stocks that came up. Here's a brief excerpt from an article that appears in today's The Globe and Mail:

*"The tech firm beat second-quarter estimates on May 6, when it reporting earnings a share of 21 cents, significantly higher than analyst consensus at 6 cents... It is likely that the company is also able to take advantage of the prevailing low interest-rate environment, fuelling greater demand for U.S. mortgage holders to refinance at lower rates in the coming year."*

**Pure Gold Mining (TSXV:PGM)** has arranged a non-brokered private placement of more than 9.86 million charity flow-through common shares at \$1.52 per share for \$15 million. Eric Sprott has agreed to be the “*the back-end buyer*” of all of the flow-through shares.

The company said: “*Mr. Sprott is a cornerstone investor of PureGold and continues to be a strong supporter of our vision to becoming a high margin, long-life gold producer uniquely positioned in the Red Lake camp.*”

Pure Gold common shares have broken out lately to a record high of \$1.19. The company has a market cap of about \$430 million.

**Spotify Technology (NYSE:SPOT)** shares are higher after the streaming company scored a coup in the podcast arena which some analysts are calling a “game-changer”.

The company has signed up hugely popular comedian and podcaster Joe Rogan, whose show, *The Joe Rogan Experience*, will be available exclusively on the platform starting September 1.

Financial details are not available but Rogan is believed to have made about \$30 million (U.S.) in advertising dollars in 2019.

**Target (NYSE:TGT)** reported a 64% drop in

quarterly profit hit by costs to tackle the coronavirus outbreak.

**Lowe's (NYSE:LOW)** reported a more than 11% rise in quarterly same-store sales as coronavirus lockdowns led people to spend more on tools and paint for home remodelling and repairs.

**Johnson & Johnson (NYSE:JNJ)** will stop selling baby powder talc in Canada and the U.S. due to what the company calls misinformation about the product. J&J has fended off numerous lawsuits that link the talc to cancer.

---

## **MARKETS**

---

**S&P/TSX and U.S. equity futures** are higher as investors continue to be enthused about economies reopening.

In economic data, inflation in Canada has fallen below zero for the first time since 2009.

---

## **CURRENCIES**

---

**The Canadian dollar** is up 0.5% to 0.7205 (U.S.).

---

## **COMMODITIES**

---

**West Texas Intermediate crude oil** is trading up by 2.4% at \$32.74 per barrel.

**Gold** is up slightly to \$1,750 an ounce.

---

Please email questions, comments or concerns to:

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

---

Access, insight and ideas.

Mark Bunting  
Publisher,  
Capital Ideas Media

[www.capitalideasmedia.com](http://www.capitalideasmedia.com)



---

The information and recommendations made available here (“Information”) by CIR and/or all affiliates is for informational purposes only and not to be used or construed as an offer to sell or a solicitation of an offer to buy any services or securities. You further agree that neither Capital Ideas Research will be liable for any losses or liabilities that may be occasioned as a result of the information or commentary provided in the letter. By accessing the site and reading this note, you accept and agree to be bound by and comply with

the terms and conditions set out herein. If you do not accept and agree to the terms, you should not use this site or accept this email.

CIR is not registered as an adviser under the securities legislation of any jurisdiction of Canada and provides the Information pursuant to an exemption from the registration requirements that is available in respect of generic advice. The recommendations contained on the site and in this email are not tailored to the needs of particular persons and may not be appropriate for you depending on your financial position or investment goals or needs. You should apply your own judgment in making any use of the Information, especially as the basis for any investment decision. Prior to making any investment decision, we recommend that you seek outside advice from a qualified and registered investment advisor.

In no event will CIR be responsible or liable to you or any other party for any damages of any kind arising out of or relating to the use of, misuse of or inability to use this site and email. The Information is directed only at persons resident in Canada. Nothing in this site shall constitute an offer or solicitation to anyone in the United States of America or any jurisdiction where such offer or solicitation is not authorized or to any person to whom it is unlawful to make such a solicitation. If you choose to access this site or email from outside of Canada, you acknowledge that the Information is intended for use by persons resident in Canada only.

This is not an investment advisory, and should not be used to make investment decisions. Information in CIR is often opinionated and should be considered for information purposes only. No stock exchange anywhere has approved or disapproved of the information contained herein. There is no express or implied solicitation to buy or sell securities. The writers and editors of CIR may have positions in the stocks discussed above and may trade in the stocks mentioned. Don't consider buying or selling any stock without conducting your own due diligence.

*Copyright © 2016 Capital Ideas Research, All rights reserved.*

You are receiving this email because you are part of our investment network.

---

This email was sent to <<Email Address>>

[why did I get this?](#) [unsubscribe from this list](#) [update subscription preferences](#)

Capital Ideas Research · HSBC Bank Place · 10250 101 Street Suite 1803 · Edmonton, Alberta T5J 3P4 · Canada