



Invest like a pro, with the pros.



www.capitalideasmedia.com

Morning Need to Know

Getting you ready for your investing day

May 8, 2020

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



CANADIAN ANALYSTS' CALLS

INITIATIONS

Cematrix (TSXV:CVX). The micro-cap maker of cellular concrete that has a partnership with Lafarge gets started at M Partners with a "buy" rating and a price target of \$1.20 (Canadian), which projects to a 145% return. CVX has a market cap of about \$28 million.

Silvercrest Metals (TSX:SIL). National Bank Financial starts with an "outperform" and a price target of \$14.50.

Cargojet (TSX:CJT). Beacon Securities raises the price target to \$165 from \$130, which implies 25% upside, lifts its EPS estimates for this year and next, and maintains a "buy" rating after the overnight cargo shipper handily beat revenue and earnings estimates for the latest quarter due in part to the accelerated shift in the use of e-commerce.

We're pleased that this idea from December of 2018 is higher by 88% since we featured it.

DIRTT Environmental Solutions (TSX:DRT;NASDAQ:DRTT) raised to "speculative buy" by Industrial Alliance Securities with the target boosted to \$2.15 from \$1.40.

Photon Control (TSXV:PHO). Eight Capital raises the target to \$2.25 from \$1.50 after the company's Q1 results.

Atrium Mortgage Investment (TSX:AI). TD Securities upgrades to "buy" with an \$11 target, below the consensus of \$13.70.

Seven Generations (TSX:VII). Raymond James upgrades to "outperform" and moves the target higher by a dollar to \$3.50.

Canadian Natural Resources (TSX:CNQ;NYSE:CNQ). RBC raises the target to \$27 from \$24 and affirms the company in RBC's "Global Top 30" and "Best Energy Ideas" lists.

Ag Growth Int'l (TSX:AFN). Raymond James upgrades to "outperform", hikes the target to \$36 from \$30 and lowers its 2020 and 2021 financial estimates.

Stantec (TSX:STN). National Bank Financial moves the target to \$46.50 from \$44.50 and maintains an "outperform".

Magna Int'l (TSX:MG;NYSE:MGA). Citi lifts the target to \$57 (U.S.) from \$52 and maintains a "buy" rating.



U.S. ANALYSTS' CALLS

Uber (NYSE:UBER). RBC raises the target to \$52 (U.S.) from \$44 on the ride sharing company's market share, international exposure and business diversification. See more below.



STOCKS THAT MAY MOVE

TMAC Resources (TSX:TMR)

The gold producer is being acquired by China's Shandong for \$230 million (Canadian) in cash and stock, and TMAC'S key shareholders, including Newmont, have agreed to the deal.

Shopify (TSX:SHOP;NYSE:SHOP) is taking advantage of its record share price by raising nearly \$1.3 billion (U.S.) by selling 1.85 million Class A subordinate voting shares at \$700 per share. The stock is down about 3% in pre-market trading.

Brookfield Asset Management

(TSX:BAM.A;NYSE:BAM) will provide retailers, many of them tenants in its malls, with as much as \$5 billion (Canadian) in investment to help survive the economic slowdown brought on by the pandemic.

Recipe Unlimited (TSX:RECP) has temporarily suspended its dividend for the rest of the year.

TD Bank (TSX:TD;NYSE:TD) said it would take \$1.1 billion in Q2 loan loss provisions related to its U.S. retail banking business.

Walt Disney (NYSE:DIS). A glimmer of hope for the beleaguered company as tickets for the earliest days of the reopening of Shanghai Disney sold out quickly.

Uber (NYSE:UBER) is up about 7% pre-market despite losing \$3 billion (U.S.) in its quarter as the company said ride bookings have improved and that profitability is a matter of being a few quarters away and not years.

Dropbox (NYSE:DBX) had its first quarterly profit and beat revenue and earnings estimates as more people worked from home during the pandemic.

Roku (NYSE:ROKU) took a wider net loss even though revenue rose 55% as the maker of streaming devices saw higher cancellations, and advertisers cut back on spending.

MARKETS

S&P/TSX and U.S. equity futures added to their gains after the April non-farm payroll report showed **20.5 million jobs lost** and an **unemployment rate of 14.7%**.

In Canada, the economy **lost two million jobs** in April and the **unemployment rate jumped to 13%**.

China and the U.S. held conciliatory trade talks after some inflammatory rhetoric had been exchanged.

CURRENCIES

The Canadian dollar is higher by 0.3% to 0.7173 (U.S.).

COMMODITIES

West Texas Intermediate crude oil is up 2% to \$25.35 a barrel.

Gold is down by 0.6% to \$1,714.40 an ounce.

Please email questions, comments or concerns to:

customercare@capitalideasresearch.com

Access, insight and ideas.

Mark Bunting
Publisher,
Capital Ideas Media

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