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Morning Need to Know

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June 12, 2020

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Publisher, Capital Ideas Media



CANADIAN ANALYSTS' CALLS

HEXO Corp. (TSX:HEXO). Canaccord Genuity analyst Matt Bottomley raised his target price on shares of the Quebec-based cannabis company to \$1.50 from \$1.30, while maintaining a "Hold" rating, saying HEXO's better-than-anticipated third-quarter results were "a meaningful positive step in the right direction."

"The company continues to hold a more than 30-per-cent market share in Quebec, and as can be inferred from its pricing vs. volume growth above, HEXO continues to place importance on securing/increasing market share throughout Canada as opposed to maximizing average pricing in the near term," he wrote, adding that HEXO also achieved an improved adjusted gross margin at the high end of the industry range.

Superior Plus Corp. (TSX:SPB). Desjardins Securities analyst David Newman raised his target price for SPB by \$1 to \$13.50 with a "Buy" rating (unchanged).

“We are increasing our target price ... given SPB’s resilience against COVID-19/recession (propane is an essential commodity, more driven by the weather), as we expect to be highlighted in 2Q20, imminent tuck-in acquisitions in the U.S. and a substantially improved balance sheet (augmented by the recent Brookfield investment).”



U.S. ANALYSTS' CALLS

lululemon athletica inc. (NASDAQ:LULU). RBC Dominion Securities analyst Kate Fitzsimons cut her target price on the stock to US\$348 from US\$360 while keeping an "Outperform" rating on the shares.

"That LULU saw its biggest market share gains in the athletic category in years (on product margins up 180 basis points!) affirms our view that structural tailwinds for LULU will be at the brand's back post-COVID-19, with additional tailwinds in a WFH world as consumers emphasize comfort and wellness."

Tesla (NASDAQ:TSLA). Goldman Sachs downgraded the stock to "Neutral." Morgan Stanley also

downgraded the stock to "Underweight" with a \$650 per share target price.



STOCKS THAT MAY MOVE

Guyana Goldfields Inc. (TSX:GUY) announced that it has agreed to be acquired by Zijin Mining Group for C\$1.85 per share in cash, or a total consideration of approximately C\$323 million.

B2Gold Corp. (TSX:BTO) said it will increase its quarterly dividend by 100% to US\$0.02 per share.

American Airlines (NASDAQ:AAL) shares are gaining altitude in pre-market trading on Friday after the company reported that it is targeting a zero cash burn rate by the end of 2020.

MARKETS

S&P/TSX and U.S. equity futures are pointing to a sharply higher open on Friday following the biggest one-day selloff since March 2020.

CURRENCIES

The Canadian dollar is up 0.32 at 0.7369 (U.S.).

COMMODITIES

West Texas Intermediate crude oil rose 0.7% at \$36.60.

Gold gained 0.5% to \$1,748.30 an ounce.

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