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## Morning Need to Know

Getting you ready for your investing day

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Written & curated by Sean Mason, Associate  
Publisher, Capital Ideas Media



### CANADIAN ANALYSTS' CALLS

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**MTY Food Group Inc. (TSX:MTY).** Raymond James analyst Michael Glen raised his target price on the stock to \$30 from \$26, while reiterating his “Market Perform” rating, saying the Company's Q2 results benefited from taking very quick actions at the onset of the COVID-19 pandemic.

“Such actions included significant cuts at the corporate level (with \$10 mln in the current expense reductions considered temporary in nature), exceptionally strong working capital management (which included a 40% royalty abatements to

franchisees on royalty payments....and renegotiation of the company's credit facility to incorporate more lenient covenants. These actions were coupled with a strong performance from the Papa Murphy's franchise, which was indicated to have contributed 50% of the company's EBITDA in 2Q," he wrote.

**Pinnacle Renewable Energy (TSX:PL).** Desjardins Securities analyst David Newman upgraded the stock's rating to "Buy" from "Hold," while reducing his target price to \$7 per share from \$7.50, citing stability in demand for its products, improving supply and processing picture, and recent favourable amendments to its credit facility.

“PL has effectively worked through the high-cost, coarse feedstock from late 2019 and continues to build its strategic inventories of higher-quality fibre, which should reduce its future reliance on third-party pellets. Further, we are cautiously optimistic that lumber demand could be sustained by DIY/home improvement projects, resilient housing demand and China's recovering economy, which should ensure a growing supply of sawmill residuals, aided by a reduction in stumpage fees. While 2Q could be a transitional quarter, conditions have progressively

improved heading into the summer, with the company poised to begin monetizing its C\$6.9b backlog,” the analyst said.



## U.S. ANALYSTS' CALLS

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**Amazon.com (NASDAQ:AMZN).** Mizuho analyst James Lee upped his price target on the eCommerce giant by 11% to US\$3,450 per share, while keeping a "Buy" rating on the stock.

“Demand in key verticals such as financial services and retail is accelerating, for the migration to cloud. For healthcare, which has been lagging in cloud adoption, we believe it reached an inflection point recently as hospitals are migrating to cloud due to increased demand for telemedicine, CRM and patient database management,” he wrote.

**Disney (NYSE:DIS).** Goldman Sachs initiated coverage of the stock with a "Buy" rating and a US\$137 per share target price.



## STOCKS THAT MAY MOVE

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**Torstar Corporation (TSX:TS.B)** said NordStar Capital LP has raised its takeover price for the media company by 17.5% to \$0.74 per share.

**B2Gold Corp. (TSX:BT0)** reported record Q2 revenue that surged 65% year over year to US\$442 million.

### **Else Nutrition Holdings**

**Inc. (TSXV:BABY)** announced that, as part of its pathway to commercialization in the U.S. market, it has completed and signed broker agreements with two natural food retail brokers, and is close to signing with a third broker, in order to get its product on the shelves of U.S. Natural Food chains.

## MARKETS

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**S&P/TSX and U.S. equity futures** are pointing to a higher open Monday on COVID-19 vaccine hopes and ahead of the start of earnings season this week.

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## CURRENCIES

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The Canadian dollar is up 0.17 at 0.7373 (U.S.).

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## COMMODITIES

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West Texas Intermediate crude oil fell 1.2% at \$40.06 as markets await a meeting of an OPEC technical committee later in the week, which is expected to recommend easing current output cuts.

Gold gained \$12.30 to \$1,814.20 an ounce.

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Please email questions, comments or concerns to:

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

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Sean Mason  
Associate Publisher,  
**Capital Ideas Media**

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

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