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## Morning Need to Know

Getting you ready for your investing day

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### CANADIAN ANALYSTS' CALLS

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**Calian Group Ltd. (TSX:CGY).** Desjardins Securities analyst Benoit Poirier raised his target price to \$64 per share from \$53, while maintaining his "Buy" rating, increasing his revenue and earnings expectations for the Company in response to the CTS acquisition as well as a recent health contract from SNC-Lavalin PAE Joint Venture.

“The contract is expected to contribute \$22–26-million in revenue in 2H FY20, albeit at lower margins vs the Health segment (typical EBITDA margins of 15 per cent),” he wrote.

“This contract includes an opportunity for a second phase (pharmaceutical and labour work), which would provide additional revenue and a higher-margin profile.”

**TORC Oil & Gas Ltd. (TSX:TOG).** ATB Capital analyst Patrick O'Rourke raised his rating on the stock to “Outperform” from “Sector Perform” while increasing the target price to \$2.50 per share.



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

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**Amazon.com (NASDAQ:AMZN).** Citi analyst Jason Bazinet upped his price target on the eCommerce giant to US\$3,550 per share from US\$2,700, while keeping a "Buy" rating, expecting the Company's market share increases to continue.

“We estimate Amazon’s share of the U.S. eCommerce market increased from 28 per cent in 2015 to 38 per cent in 2019, and expect it to reach 43 per cent by 2022. Looking at total retail sales, we estimate

Amazon's share was 2 per cent in 2015, 4 per cent in 2019, and expect it to reach nearly 7 per cent by 2022," Bazinet said.

**Cloudflare, Inc. (NYSE:NET).** Piper Sandler analyst James Fish said he believes the Company is well positioned for over 35% multi-year growth across Web content delivery networks and cloud security, adding that Cloudflare could triple its business by 2023.

"Additionally, the convergence of networking, security, and CDN solutions into 'SASE' plays directly to Cloudflare's strengths," the analyst wrote.



## STOCKS THAT MAY MOVE

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**Aritzia Inc. (TSX:ATZ)** announced that its first-quarter revenue sank 43.4% to \$111.4 million, while its adjusted loss for the period was \$0.23 per share. Analysts expected revenue of \$108.4 million and a loss of \$0.25 per share.

**MTY Food Group Inc. (TSX:MTY)** reported Q2 revenue that fell to \$97.8 million from \$125.6 million a year earlier, although better than the \$87.7 million expected by analysts. Its net loss attributable to shareholders for the period was \$99.1 million. The large Canadian restaurant franchisor said that while it has been opening its businesses, customer traffic has been “weak.”

**Tamarack Valley Energy (TSX:TVE)** said it is buying assets in West Central, Alberta, including approximately 2,500 barrels of oil equivalent per day, for \$4.25 million.

## **MARKETS**

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**S&P/TSX and U.S. equity futures** are pointing to a lower open Friday on record daily COVID-19 infections in the United States along with worries about the upcoming earnings season.

## **CURRENCIES**

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**The Canadian dollar** is down 0.07 at 0.7355 (U.S.).

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## COMMODITIES

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West Texas Intermediate crude oil fell 1% at \$39.23 on demand concerns related to rising COVID-19 cases south of the border.

Gold gained \$11.70 to \$1,815.50 an ounce.

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