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Morning Need to Know

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CANADIAN ANALYSTS' CALLS

Parkland Corporation (TSX:PKI). Desjardins Securities analyst David Newman raised his target price on shares of the supplier of fuel and petroleum products to \$40 from \$39, while maintaining a "Buy" rating, saying the Company is “accelerating out of the COVID-19-induced trough with a full tank.”

“We are encouraged by (1) a stronger-than-expected recovery in fuel sales across North America, resilient margins in Canada and robust margins in the U.S.; (2) slightly positive convenience store SSSG [same-store

sales growth]; (3) reduced operating and MG&A costs with various cost-saving initiatives; and (4) a healthy balance sheet, recently bolstered by \$400-million in senior notes (pushes its earliest debt maturity to 2024 at little incremental cost) and \$1.2-billion in liquidity,” he wrote.

CAE Inc. (TSX:CAE). RBC Dominion Securities analyst Steve Arthur maintained his “Outperform” rating on CAE stock, while trimming his target price by a \$1 to \$28 per share, seeing the Company as an “attractive” long-term, risk-reward proposition for investors.

“We expect CAE to scale disproportionately on an airline recovery, with pilots catching up to regulated training requirements. Through this, we expect relative stability in Defence, and opportunities in Healthcare,” he said.

“We have viewed Healthcare as a ‘free option’ for CAE, and recent contracts (in particular 10,000 ventilators) and industry tailwinds warrant greater attention.”



U.S. ANALYSTS' CALLS

American Airlines Group Inc.

(NASDAQ:AAL). Raymond James analyst Savanthi Syth upped his rating on the stock to "Market Perform" from "Under Perform."

"Our view remains that bankruptcy is not in the cards for American in 2020 with Chapter 11 only a potential avenue if the earnings recovery stalls over multiple years," the analyst wrote.

Dun & Bradstreet Holdings, Inc. (NYSE:DNB). RBC Dominion Securities analyst Seth Weber initiated coverage on shares of the provider of business decisioning data and analytics with an "Outperform" rating and a US\$31 target price.

"D&B's proprietary and important data assets align well with the trend toward more data/analytics in corporate decision making. New management should provide the framework to better leverage/expand its deeply embedded solutions, supporting more

consistent rev growth versus the ‘old’ D&B, with higher margins and cash flow,” he said.



STOCKS THAT MAY MOVE

NFI Group Inc. (TSX:NFI) said it has devised a plan that is expected to generate more than \$75 million in annualized cost savings by the end of fiscal 2022.

Alexco Resource Corp. (TSX:AXU) announced that it is on pace for mill commissioning and silver concentrate production in Q4 2020.

Azimut Exploration Inc. (TSXV:AZM) reported assay results from 14 holes on its 100% owned Elmer Property in Quebec, which included 2.77 grams per tonne (g/t) gold over 90.20 metres.

MARKETS

S&P/TSX and U.S. equity futures are pointing to a higher open on Monday despite elevated U.S.-China tensions and a new record high for the gold price.

CURRENCIES

The Canadian dollar is up 0.13 at 0.7468 (U.S.).

COMMODITIES

West Texas Intermediate crude oil rose 0.6% at \$41.54 on a weaker U.S. dollar.

Gold gained 1.5% to \$1,926.40 an ounce.

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