



Invest like a pro, with the pros.



www.capitalideasmedia.com

Morning Need to Know

Getting you ready for your investing day

July 3, 2020

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



CANADIAN ANALYSTS' CALLS

Goodfood Market Corp. (TSX:FOOD). Raymond James analyst Michael Glen raised his target price for Good Food shares to \$5.90 from \$5.40, while maintaining an "Outperform" rating, saying investors will have a "definite look" at what its path to positive EBITDA will look like when the Company releases its third-quarter results on Wednesday.

"We will be very focused on commentary regarding the marketing/advertising spend and how management will look to allocate such spend in

future periods. Pre-COVID, marketing expense represented the largest component of SG&A at 55-65 per cent of the overall figure (i.e., \$41.5-\$48.0-million of LTM at 2Q). As such, any adjustments to the overall strategy on the Marketing spend/budget could have important implications for that path to profitability,” he wrote, adding that Goodfood stock continues to lag its global peers.

BRP Inc. (TSX:DOO). Desjardins Securities analyst Benoit Poirier increased his target price on DOO stock to \$64 from \$57 per share, while maintaining a “Buy” rating, as he raised his financial projections in response to the release of retail sales numbers that displayed stronger-than-expected market demand.

“Overall, we are pleased with the strong retail numbers and view BRP’s investment as a strong commitment that management is focused on increasing its side-by-side vehicles (SSV) market share, a key lever for value creation,” the analyst said.

“We continue to like the name and remain confident that BRP’s long-term growth opportunities should create further value for shareholders.”



U.S. ANALYSTS' CALLS

Constellation Brands, Inc. (NYSE:STZ). BofA Securities analyst Bryan Spillane is keeping a “Buy” rating on Constellation Brands stock, while upping his target price to \$220 from \$190, saying Constellation seems poised to come out of the pandemic in a stronger position, as depletions in beer remain robust and the Company moves past overhangs like the Gallo transaction.



STOCKS THAT MAY MOVE

Ballard Power Systems (TSX:BLDP) said it has received a \$7.7 million purchase order for membrane electrode assemblies for use in manufacturing FCvelocity-9SSL fuel cell stacks from China's Guangdong Synergy Ballard Hydrogen Power Co., Ltd.

Argonaut Gold Inc. (TSX:AR) announced results of an updated life of mine plan for the Florida Canyon mine in Nevada, which is expected to generate after-tax free cash flow of approximately US\$326 million at a US\$1,700 per ounce gold price.

MARKETS

S&P/TSX and U.S. equity futures are pointing to a lower open on Friday, as COVID-19 cases south of border hit a daily record of 55,000 new cases on Thursday.

U.S. stock markets will be closed for the Independence Day holiday.

CURRENCIES

The Canadian dollar is down 0.03 at 0.7369 (U.S.).

COMMODITIES

West Texas Intermediate crude oil fell 1.3% at \$40.12 as rising U.S. COVID-19 cases is expected to weigh on fuel demand.

Gold slipped \$3 to \$1,786.90 an ounce.

Please email questions, comments or concerns to:

customercare@capitalideasresearch.com

Access, insight and ideas.

Sean Mason
Associate 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