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Morning Need to Know

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CANADIAN ANALYSTS' CALLS

Shopify Inc. (TSX:SHOP). Goldman Sachs analyst Christopher Merwin raised his rating for the eCommerce company to "Buy" from "Neutral," while maintaining a target price of US\$1,127 per share.

The analyst believes Shopify is likely to maintain its “hyper-growth for longer than the market expects.”

AirBoss of America Corp. (TSX:BOS). Canaccord Genuity analyst Yuri Lynk has a "Buy" rating on the

stock and has upped his target price to \$31 per share from \$27, in response to the Company's announcement Monday of new contracts worth US\$123 million.

“AirBoss’ impressive EBITDA generation should drive down its already modest debt even further,” he said.

“We forecast the company will be net cash positive in Q2/2021. Therefore, we continue to see upside to the dividend and believe the company is well positioned to move on select M&A.”



U.S. ANALYSTS' CALLS

Tesla Inc. (NASDAQ:TSLA). Bernstein analyst Toni Sacconaghi downgraded the stock to "Under Perform" from "Market Perform," while maintaining a \$900 per share price target, calling the current valuation “mind boggling” as “Tesla now even looks expensive versus large cap growth tech.”

“Despite our relatively bullish stance on electric

vehicle evolution, and structural advantages we believe Tesla may hold, we find it difficult to justify Tesla's current valuation even under our most bullish/imaginative scenarios," he said.

Beyond Meat, Inc. (NASDAQ:BYND). Canaccord Genuity analyst Bobby Burleson says the plant-based meat provider is "helping to accelerate substantial change in the diets of consumers," as he initiated coverage of the stock with a "Hold" rating and a \$140 per share target price, believing its "lofty valuation precludes a higher rating, with the stock trading at a significant premium to its peer group."

"With a broadening consumer brand portfolio and healthy distribution footprint in both the food service and retail sales channels, BYND is positioned for strong top-line growth and margin expansion. Principal revenue drivers include further growth in storefronts, new food service opportunities, and the introduction of new products. We believe margin expansion is likely on higher production unit volumes and supply chain and manufacturing efficiencies," Mr. Burleson wrote.



STOCKS THAT MAY MOVE

West Fraser Timber Co. Ltd. (TSX:WFT) reported better-than-expected Q2 2020 financial results on higher prices and increased shipping volumes.

First National Financial Corporation (TSX:FN) announced that its second-quarter revenue rose 3% to \$344.6 million, while its net income for the period jumped to \$69.8 million from \$44.2 million a year earlier.

Crescita Therapeutics Inc. (TSX:CTX) said it is entitled to receive a one-time payment of US\$3.9 million, following an amendment to the development and commercialization agreement with Taro Pharmaceuticals with regard to Pliaglis in the United States.

MARKETS

S&P/TSX and U.S. equity futures are pointing to a lower open on Tuesday as investors await some big U.S. tech earnings this week.

CURRENCIES

The Canadian dollar is down 0.20 at 0.7468 (U.S.).

COMMODITIES

West Texas Intermediate crude oil slipped 0.5% at \$41.41.

Gold fell \$3.50 to \$1,927.50 an ounce even as Goldman Sachs raised its 12-month outlook for the precious metal to US\$2300 per ounce.

Please email questions, comments or concerns to:

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