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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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**Agnico Eagle Mines Limited (TSX:AEM).** Industrial Alliance Securities analyst Puneet Singh initiated coverage of the gold miner with a “Strong Buy” rating and a \$135 per share target price, expecting that Agnico’s four main expansion projects will increase production at a more rapid pace than previously anticipated.

“Gold prices are in record high territory but Agnico is still lagging peer returns over the past year, and hasn’t garnered the relative premium valuation (averaged 12 points higher price-to-cash flow in

2008-2011 and 7 points higher over the last five years) it deserves with its lower risk portfolio. This is starting to reverse as investors see recent operational challenges being overcome, expecting a much stronger H2/20 and see near-term production expansions (mainly in Nunavut) take shape that will boost production to 2 million ounces or more starting next year,” he said.

**CanWel Building Materials Group Ltd. (TSX:CWX).**

Raymond James analyst Steve Hansen upped his target price on CanWel shares to \$7.50 from \$6.50 and has an “Outperform” rating on the stock, expressing a “greater” confidence in the macro outlook for the Company and expecting industry momentum to continue.

“CanWel’s early/relentless focus on working capital management at the outset of the pandemic allowed the company to reduce its associated borrowings by \$89.9 million quarter-over-quarter, an impressive feat given the sales momentum that ultimately materialized,” the analyst wrote.

“Coupled with the firm’s recent move to trim its dividend, we see the company’s balance sheet and capital structure as increasingly solid, arguably

providing significantly more strategic flexibility going forward.”



## U.S. ANALYSTS' CALLS

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### **Aerojet Rocketdyne Holdings, Inc.**

(NYSE:AJRD). RBC Dominion Securities analyst Michael Eisen upgraded shares of the manufacturer of aerospace and defense products to “Outperform” from “Sector Perform” with a target price of US\$45.

“The company’s position as the leading propulsion provider aligns the product portfolio with the defense verticals most likely to reap the benefits of sustained support in the current budget environment,” he said.

“While the competitive dynamics in the space launch side of the business remain, 2Q results show that AJRD will likely remain a key supplier in the \$10-billion launch market.”

**Freeport-McMoRan Inc. (NYSE:FCX). Morgan**

Stanley downgraded shares of the mining giant to "Equal Weight" with a \$12.50 target price on the stock.



## STOCKS THAT MAY MOVE

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**CI Financial Corp. (TSX:CIX)** announced that it will acquire Balasa Dinverno Foltz LLC of Itasca, Illinois, a private wealth management firm with US\$4.5 billion in assets.

**Great Bear Resources Ltd. (TSXV:GBR)** reported drill results from its 100% owned flagship Dixie Project in the Red Lake district of Ontario, which showed "significant thicknesses of very shallow high-grade gold mineralization starting at the bedrock surface" that included 81.22 g/t gold over 10.50 metres.

**Aphria Inc. (TSX:APHA)** said it has entered into a Strategic Supply Agreement with Canndoc Ltd., one of Israel's largest medical cannabis producers, to supply Canndoc with dried bulk flower over a two-

year period. The agreement will provide Aphria access to Israel's largest drugstore chain.

## **MARKETS**

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**S&P/TSX and U.S. equity futures** are pointing to a mixed open on Tuesday as investors continue to watch U.S. stimulus discussions between Congressional Democrats and the White House.

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## **CURRENCIES**

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**The Canadian dollar** is down 0.11 at 0.7456 (U.S.).

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## **COMMODITIES**

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**West Texas Intermediate crude oil** slipped 1.6% at \$40.34 on oversupply concerns as OPEC begins to lift supply cuts.

**Gold** gained \$7.90 to \$1,994.20 an ounce.

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