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Morning Need to Know

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CANADIAN ANALYSTS' CALLS

Yamana Gold Inc. (TSX:YRI). RBC Dominion Securities analyst Josh Wolfson kept his “Sector Perform” rating on shares of the gold miner with a US\$7.50 per share target price, saying balance sheet strength and high free cash flow “provides an opportunity for additional dividend growth.”

“Following a 5-year deleveraging period, Yamana’s net debt to EBITDA has declined to less than 1.0 times today, a material improvement from peak levels of greater than 3.0 times,” he said.

“With AUY now entering a period of high FCF generation (RBC estimates \$400-million/\$685-million in 2020/21 at spot), the company is positioned to deliver further dividend growth.”

Pinnacle Renewable Energy (TSX:PL). ATB Capital Markets analyst Nate Heywood raised his target price on PL stock to \$8 per share from \$7, while maintaining an “Outperform” rating, saying the Company has “successfully managed” to deliver “strong results,” despite facing “its fair share of headwinds.”

“We expect production volumes to remain strong in H2/20, as Entwistle utilization, additional efficiency initiatives, and increase to sawmill residuals are expected to support production levels. With its Q2/20 results, management commented that it had realized strong production quarter-to-date in Q3/20, with some weeks providing record output,” the analyst wrote.



U.S. ANALYSTS' CALLS

Apple Inc. (NASDAQ:AAPL). Citi analyst Jim Suva increased his target price to US\$125 per share from US\$112.50, while maintaining a "Buy" rating on the stock, based on expected gains for its Wearables segment with the release of its latest Apple Watch.

“While smartphone growth remains tempered near term, wearables, services revenue growth and installed base growth are positives,” Mr. Suva said.

“The full product + software + service package is what makes Apple unique as others do not control this. We see Apple shares as attractive given the revenue diversification, unique product + service set and potential for strong cash flow generation and shareholder returns.”

Oracle Corporation (NYSE:ORCL). RBC Dominion Securities analyst Alex Zukin raised his rating on the stock to “Outperform” from “Sector Perform,” while upping his target price to US\$68 per share from US\$60, seeing its minority investment and acquisition of TikTok Global are potential catalysts for its share appreciation.

“Oracle has confirmed a 12.5-per-cent interest in TikTok Global and announced that TikTok will

become an Oracle Cloud Infrastructure (OCI) customer,” he wrote.

“We view the deal as a meaningful positive for Oracle. We believe the 12.5-per-cent minority investment, which Bloomberg reported [Sunday] night may be valued at \$60-billion (implying \$7.5-billion investment from Oracle) is a wise use of capital for what may be the defining social media asset of a generation.”



STOCKS THAT MAY MOVE

CI Financial Corp. (TSX:CIX) announced that it will acquire Bowling Portfolio Management LLC of Cincinnati, Ohio, a woman-owned registered investment advisory firm with US\$450 million in assets under management.

Alimentation Couche-Tard Inc. (TSX:ATD.B) reported that it has acquired ownership and control over about 13.1 million common shares of **Fire & Flower Holdings Corp. (TSX:FAF)**,

representing approximately 7.4% of the Company.

TC Energy Corporation (TSX:TRP) said its President and Chief Executive Officer Russ Girling will retire effective December 31, 2020.

MARKETS

S&P/TSX and U.S. equity futures are pointing to a sharply lower open Monday on rising COVID-19 infections globally.

CURRENCIES

The Canadian dollar is down 0.33 at 0.7540 (U.S.).

COMMODITIES

West Texas Intermediate crude oil fell 2.6% at \$40.04 on the possible return of Libyan oil production.

Gold slipped 1.9% to \$1,924.60 an ounce.

Please email questions, comments or concerns to:

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