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**A note to our paid subscribers: There will be no Weekly Digest this week. Our next edition will be published on September 8.**

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## Morning Need to Know

Getting you ready for your investing day

September 1, 2020

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## CANADIAN ANALYSTS' CALLS

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**Premium Brands Holdings Corporation (TSX:PBH).**  
Industrial Alliance Securities analyst Neil Linsdell raised his target price on the stock to \$110 per share from \$105, while maintaining a “Buy” rating, expecting the company to exhibit “solid” performance for the remainder of the year.

After announcing the acquisitions of Global Gourmet Foods Inc. and Allseas Fisheries Inc. on Monday “the company is returning to its acquisition plan, as

announced with its Q2 results. Management had previously indicated that it had an acquisition pipeline of 66 transactions with combined potential revenue contribution of over \$10 billion,” he said.

“With recently completed capital raises and available credit capacity of almost \$690 million (before these transactions), the company had recently confirmed that multiple transactions could close before year-end.”

**EnWave Corporation (TSXV:ENW).** Raymond James analyst Steve Hansen raised his rating on shares of the provider of technology for the dehydration of organic materials to “Outperform” from “Market Perform,” while keeping a target price of \$1.20 per share, emphasizing that Enwave maintains a “robust” balance sheet with \$15.6 million in cash and no debt, which he sees providing “significant flexibility to scale as demand recovers.”

“While the 1-month promotion (at Costco) carries a more significant trade discount versus past promotions, we view it as a good opportunity to bolster brand awareness, reduce aging inventory, improve plant fluidity, and bolster cash,” the analyst

wrote.



## U.S. ANALYSTS' CALLS

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**Zoom Video Communications, Inc. (NASDAQ:ZM).** BTIG analyst Matt VanVliet upgraded the stock to “Buy” from “Neutral,” while setting a target price of US\$500 per share, after the Company's quarterly results 'blew past' expectations.

“We are upgrading shares of Zoom to Buy after the company reported another quarter from a different planet, again far outpacing its peers in the UCaaS [unified communications as a service] space in terms of ease of use and global scalability,” Mr. VanVliet said.

“The company is setting new limits for how rapidly an enterprise software platform can grow at scale with triple-digit quarter-over-quarter revenue growth and profitable earnings — yes, you read that correctly, 102-per-cent growth quarter-over-quarter. So we are jumping into the deep end after its back-to-back monstrous quarters, as we believe that

global widespread adoption is still in the early stages, as the longer-term shift to a hybrid work model will likely drive outsized growth and market share gains over the next several years.”

**Tesla Inc. (NASDAQ:TSLA).** RBC Dominion Securities analyst Joseph Spak upped his target price to US\$290 per share from US\$170, while maintaining an “Underperform” rating on the stock, as he struggles to explain the steep jump in its stock price.

“We still view Tesla as Fundamentally overvalued and having to grow into its valuation. We aren’t dismissive of the clear advantages Tesla has including being ‘ahead’ of the competition, inexpensive access to capital, ability to attract talent, and an incredible brand,” Mr. Spak wrote.

“And we recognize that narrative, momentum, and other factors can impact stock price. But, we still believe that ultimately a company’s value is related to the PV of future FCF.”



## STOCKS THAT MAY MOVE

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**Crescent Point Energy Corp. (TSX:CPG)** said it is increasing its second half 2020 production guidance by about 20% to 110,000 boe/d.

**WELL Health Technologies Corp. (TSX:WELL)** announced its expansion into the U.S. market after agreeing to take a majority stake in Circle Medical Ltd. for a total consideration of approximately US\$14 million. The Company added that Circle Medical's current revenue run rate is almost US\$5 million per year.

**CloudMD Software & Services Inc. (TSXV:DOC)** reported Q2 revenue that surged 163% to \$2.8 million, while its net loss for the period increased to \$2.8 million from \$1.1 million a year earlier.

## MARKETS

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**S&P/TSX and U.S. equity futures** are pointing to a mixed open Tuesday following a report showing factory activity in China expanded at its fastest rate in almost a decade.

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## CURRENCIES

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The Canadian dollar is up 0.14 at 0.7678 (U.S.).

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## COMMODITIES

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West Texas Intermediate crude oil rose 1% at \$43.04, aided by a weaker U.S. dollar.

Gold gained 1.1% to \$1,999.50 an ounce.

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