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Morning Need to Know

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Written & curated by the Capital Ideas Media team



CANADIAN ANALYSTS' CALLS

Shopify Inc. (TSX:SHOP). Citi analyst Walter Pritchard said Shopify took “another victory lap” with its “strong” quarter, maintaining a “Neutral” rating and a US\$1,200 per share target price on the stock.

“As we suspected in our preview, significant additions in capacity (merchants) to the Shopify platform kept pace through Q3 where Street estimates were again caught flat-footed,” he said.

“This, combined with persistence of trends on the consumer side benefitting e-commerce generally

have positioned Shopify to capitalize on what is a large and evolving market opportunity. Despite the company's continued success, we continue to believe that shares are more fully valued at these levels, and giving credit for compounding growth rates for the foreseeable future. Upside to shares from here will likely come from further articulation around monetization levers in MS, particularly fulfillment, and magnitude of contribution to incremental topline over time.”

Cargojet Inc. (TSX:CJT). Canaccord Genuity analyst Doug Taylor increased his target price on the stock to \$240 per share from \$200, while keeping a "Hold" rating, reflecting "expectations of continued outsized demand for dedicated cargo freighters in the near term.”

“Cargojet shares have increased 32.8 per cent since reporting June-quarter results,” the analyst wrote.

“Heading into its Q3 results, we continue to view Cargojet as a premium story that has only strengthened over the duration of the pandemic. With international cargo belly capacity remaining severely depressed heading into Q4, despite some

airlines converting passenger jets to handle more cargo, there remains a significant capacity gap being filled largely by dedicated freighters such as Cargojet's Charter business. We are increasing our near-term Charter estimates slightly and target price to \$240 (from \$200). However, our target represents a modest gain over the company's current trading price, resulting in a HOLD rating."



U.S. ANALYSTS' CALLS

Etsy, Inc. (NASDAQ:ETSY). Needham analyst Rick Patel reiterated a "Buy" on Etsy and upped his price target to \$155 per share from \$150, calling the Company a "compelling long-term story."

"While Etsy initially defined its TAM [total available market] to be \$100 billion based on 'special' or handmade/craft products, its performance during the COVID-19 pandemic shows that its TAM is likely in the trillions, in our view, as it gains market share in more traditional product categories," Mr. Patel said.

Gildan Activewear Inc. (NYSE:GIL). RBC Dominion Securities analyst Sabahat Khan raised his target price on Gildan stock to US\$26 per share from US\$18, while upgrading it to “Outperform” from “Sector perform,” as he sees the Company “moving in the right direction.”



STOCKS THAT MAY MOVE

SNC-Lavalin Group Inc. (TSX:SNC) reported that it swung to a third-quarter loss of \$85.1 million from a profit of \$2.76 billion during the same period last year, while revenue for the quarter slipped to \$2.01 billion from \$2.43 billion.

WELL Health Technologies Corp. (TSX:WELL) said it has introduced six new digital apps on its apps.health marketplace in the areas of doctor billing, COVID-19 screening, clinic directory, online booking and reminders.

Ballard Power Systems (TSX:BLDP) announced that it has signed definitive agreements with AUDI

AG, expanding Ballard's right to use the FCgen -HPS product, which is a high-power density fuel cell stack for vehicle propulsion.

MARKETS

S&P/TSX and U.S. equity futures are pointing to a lower open Friday after the outlook from Amazon and Apple iPhone sales disappointed.

CURRENCIES

The Canadian dollar is up 0.13 at 0.7517 (U.S.).

COMMODITIES

West Texas Intermediate crude oil fell 0.4% at \$36.04.

Gold gained 0.7% to \$1,880.90 an ounce.

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