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Morning Need to Know

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Written & curated by the Capital Ideas Media team



CANADIAN ANALYSTS' CALLS

CareRx Corporation (TSX:CRRX). Industrial Alliance Securities analyst Chelsea Stellick initiated coverage on the seniors specialty pharmacy services stock with a “Buy” recommendation and a target price of \$7 per share, saying acquisitions and several growth initiatives are helping the Company “consolidate its leading market position.”

“CareRx Corp. (formerly Centric Health Corp) recently completed a major acquisition of Remedy’sRx Specialty Pharmacy, bringing the beds serviced to 50,000, representing 12 per cent of the national market share,” she said.

“We believe CRRX will continue to execute on additional accretive acquisitions to consolidate market leadership and improve scale. The Company is targeting 100-per-cent growth in beds serviced in three years, which will be achievable through a combination of acquisitions, segment growth, and organic market share capture.”

Exro Technologies Inc. (TSXV:EXRO). Raymond James analyst Michael Glen initiated coverage on the stock with an “Outperform” rating and a \$7 per share price target, calling the Company “an emerging leader” in powertrain technology for electric vehicles.

“One of the key developments that we will continue to monitor through 2021 is the potential establishment of a commercial/strategic relationship with a larger global OEM/Tier 1 supplier for the rollout and use of Exro’s Coil Driver in their platform,” the analyst wrote.

“This would represent a substantial catalyst for the stock, and we believe that management is actively engaged in such discussions to varying degrees

across a range of light-vehicle and medium/heavy-duty mobility applications. Additionally, we also believe that the recent disclosure regarding success in the testing of the 100V Coil Driver was a key milestone in pushing some of these conversations forward.”



U.S. ANALYSTS' CALLS

ExxonMobil Corporation (NYSE:XOM). Goldman Sachs analyst Neil Mehta upgraded the oil giant to “Buy” from “Neutral,” while raising his price target to \$52 per share from \$42.

The analyst cited the Company's potential for capital cost reductions, the upside in its Guyana and Chemicals businesses, improved free cash flows relative to its historical performance, the underweight positioning in the stock, as well as his constructive view on crude oil prices.

The RealReal Inc. (NASDAQ:REAL). Piper Sandler analyst Erinn Murphy initiated coverage on the

online marketplace for used luxury goods with an “Overweight” rating and \$19 per share price target.

“While the profitability story has been pushed out—at least until 2022 (we have adjusted EBITDA as positive in 2023), we see limited risk to shares at this level and could see a pathway for positive news flow in 2021,” she wrote.



STOCKS THAT MAY MOVE

Aphria Inc. (TSX:APHA) announced that it will merge with rival Tilray Inc, creating the largest cannabis producer by revenue. Aphria shareholders will receive 0.8381 shares of Tilray for each Aphria share held.

Equinox Gold Corp. (TSX:EQX) said it will acquire Premier Gold Mines Limited (TSX:PG) in an all-stock transaction valued at \$611.7 million and simultaneously spin-out Premier’s U.S. production assets. Premier Gold shareholders will receive 0.1967 of an Equinox share for each Premier share held in

addition to 0.4 of a share in the spin-out company i-80 Gold Corp.

MARKETS

S&P/TSX and U.S. equity futures are pointing to a higher open Wednesday ahead of the final US Federal Reserve decision of 2020 as well as US stimulus talk hopes.

CURRENCIES

The Canadian dollar is down 0.32 at 0.7842 (U.S.).

COMMODITIES

West Texas Intermediate crude oil fell 0.02% at \$47.61.

Gold gained 0.3% to \$1,860.90 an ounce.

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