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Morning Need to Know

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Written & curated by the Capital Ideas Media team



CANADIAN ANALYSTS' CALLS

WSP Global Inc. (TSX:WSP). Desjardins Securities analyst Benoit Poirier raised his target price on the stock to \$117 per share from \$98 with a “Buy” rating.

“The Golder acquisition checked many boxes for WSP as it will position the combined entity to benefit from the green transition,” he said.

“This global structural change should continue to drive business for the consulting sector for years to come. We derive adjusted EPS accretion of 14 per cent in 2022, although there is likely more upside as WSP realizes cross-selling opportunities along the way

(the main rationale behind this transaction). We reiterate our bullish stance.”

Intact Financial Corporation (TSX:IFC). Raymond James analyst Stephen Boland upgraded the stock to “Strong Buy” from “Outperform,” while increasing his target price to \$180 per share from \$160, following the Company's announced acquisition of RSA Insurance Group.

“We believe this is a positive transaction for several reasons: 1. This continues to consolidate the Canadian market for IFC generating material synergies; 2. Expands the business into the UK & Europe with a high proportion of profitable Specialty Lines; 3. Most importantly, the transaction is materially accretive to IFC's NOIPS and BVPS,” the analyst wrote.



U.S. ANALYSTS' CALLS

Carvana Co. (NYSE:CVNA). Jefferies analyst John Colantuoni initiated coverage on the online car sales

stock with a “Buy” rating and \$300 target price, saying Carvana is also one of the few stocks in the market that will be a secular winner from the 2020 pandemic.

“We estimate ~60% revenue CAGR and ~25% upside to 2022 consensus if CVNA's historical market share progression continues into the future,” Mr. Colantuoni said.

Snowflake Inc. (NYSE:SNOW). Piper Sandler analyst Bent Bracelin boosted his price target on the stock to \$312 per share from \$264, while maintaining an “Overweight” rating, saying he has increased confidence in the company's longer-term growth trajectory on robust multi-year contract signings in the third quarter.

“We remain bullish on SNOW based on a promising 5-8 year growth trajectory and would opportunistically add to positions on weakness,” he wrote.



STOCKS THAT MAY MOVE

Mainstreet Equity Corp. (TSX:MEQ) reported that its Q4 revenue rose 9%, its funds from operations increased 11%, and its net operating income improved 8%.

Northern Vertex Mining Corp. (TSXV:NEE) announced that it has agreed to merge with **Eclipse Gold Mining Corp. (TSXV:EGLD)**. Eclipse shareholders will receive 1.09 shares of Northern Vertex for each Eclipse share held.

MARKETS

S&P/TSX and U.S. equity futures are pointing to a lower open Monday on rising tensions between China and the United States.

CURRENCIES

The Canadian dollar is down 0.17 at 0.7805 (U.S.).

COMMODITIES

West Texas Intermediate crude oil fell 1.1% at \$45.74.

Gold slipped 0.4% to \$1,833.60 an ounce.

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