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## Morning Need to Know

Getting you ready for your investing day

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Written & curated by the Capital Ideas Media team

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### CANADIAN ANALYSTS' CALLS

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**Wajax Corporation (TSX:WJX)**. Scotia Capital analyst Michael Doumet upgraded the industrial parts and components maker to “Sector Outperform” from “Sector Perform,” while increasing his target price to \$25 per share from \$22, following the close of the company's acquisition of Tundra Process Solutions.

“The shares have had a strong run from their lows,” he said.

“Regardless, we see the macro setup as very favorable for Wajax; its higher operational and financial leverage provide the torque we think

investors should look for at this stage in the cycle. Based on that view, we also think the timing of the Tundra deal looks good, and the deal metrics, even better.”

**Voyager Digital Ltd. (CSE:VYGR).** H.C. Wainwright analyst Kevin Dede initiated coverage on the cryptocurrency brokerage firm with a “Buy” rating and a \$12 per share target price.

“Voyager’s meteoric and sudden stock rise has clearly complicated the valuation process, but note our \$12 price target sits modestly above recent closing high of \$8.39 hit on January 19,” the analyst wrote.

“Note too, while not statistically validated, it clearly appears that Voyager Digital shares trade in line with the fluctuations of Bitcoin pricing, and perhaps more interestingly, Bitcoin has emerged as the bellwether of public company whipsaws across the entire cryptocurrency industry. Some may see the current Voyager Digital entry point as a touch difficult, to phrase it diplomatically; however, we see the company well positioned, and its fundamentals improving rapidly as clearly evidenced by the increase in assets under management.”



## U.S. ANALYSTS' CALLS

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**Silvergate Capital Corporation (NYSE:SI).** Canaccord Genuity analyst Joseph Vafi raised his target price on the stock to \$90 per share from \$40, while maintaining a “Buy” rating.

“With every passing quarter, the network effect of the Silvergate Exchange Network (SEN) is widening, its competitive moat is deepening, and its value proposition expanding. Exiting a historic quarter in Bitcoin price appreciation, Silvergate is rapidly solidifying its position as an almost irreplaceable cog within the rapidly maturing digital asset ecosphere,” Mr. Vafi said.

“We believe that the franchise value Silvergate has created could indeed be greater than the earnings ramp conveys, as the company becomes an essential banking partner to a profitable, rapidly growing new industry.”

**Apple Inc. (NASDAQ:AAPL).** Wedbush analyst Dan Ives boosted his target price on Apple shares to US\$175 from US\$160, with a new bull case of US\$225, while maintaining his “Outperform” recommendation.

Mr. Ives thinks the “iPhone 12 supercycle hype” is set to become “a reality” this week when the tech giant reports its results after the bell on Wednesday.

“If Apple continues to execute at this pace, a \$3 trillion+ market cap could be on the horizon over the 12 months,” he wrote.



## STOCKS THAT MAY MOVE

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**CareRx Corporation (TSX:CRRX)** announced that it has agreed to acquire SmartMeds Pharmacy Inc, a specialty pharmacy serving over 2,400 residents in Ontario long-term care homes, in a cash-and-stock deal.

The company said the transaction is expected to be immediately accretive to its earnings and is expected to contribute run-rate revenue and EBITDA of approximately \$13 million and \$1.5 million, respectively, to CareRx on an annualized basis.

**Enerplus Corporation (TSX:ERF)** said it has agreed to acquire Bruin E&P HoldCo, LLC, a pure-play Williston Basin private company, for US\$465 million in cash. Bruin E&P has approximately 24,000 BOE per day of existing production.

## **MARKETS**

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**S&P/TSX and U.S. equity futures** are pointing to a higher open Tuesday despite concerns over the progress of U.S. President Joe Biden's proposed US\$1.9-trillion stimulus package.

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## **CURRENCIES**

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**The Canadian dollar** is up 0.13 at 0.7860 (U.S.).

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## **COMMODITIES**

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**West Texas Intermediate crude oil** rose 0.6% at \$53.07.

Gold slipped 0.05% to \$1,854.20 an ounce.

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[customercare@capitalideasresearch.com](mailto:customercare@capitalideasresearch.com)

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