

Friday, February 8, 2019

## BEFORE THE OPEN

Source: Thomson Reuters

**Futures for Canada's main stock index** edged lower, as trade tensions between the United States and China remained unresolved, slowing global economic growth. **U.S. stock futures** were lower, tracking global equities. The **U.S. dollar** edged higher against its major rivals as trade tensions remained dominant. Gloomy economic outlook weighed on **oil** prices. **Gold** held steady.

## STOCKS IN THE NEWS

Source: Thomson Reuters

### Amazon.com Inc (AMZN):

Jeff Bezos, chief executive of Amazon.com, has accused the owner of the National Enquirer of trying to blackmail him with the threat of publishing "intimate photos" he allegedly sent to his girlfriend unless he said in public that the supermarket tabloid's reporting on him was not politically motivated. "Of course I don't want personal photos published, but I also won't participate in their well-known practice of blackmail, political favors, political attacks, and corruption," Bezos wrote.

### Deutsche Bank AG (DB):

German Finance Minister Olaf Scholz said he was in talks with banks about their future and called reports of a merger of Deutsche Bank and Commerzbank "speculation". Media reports have said Germany would want a merger of its two main banks to go through before European Parliament elections in May.

### Starbucks Corp (SBUX):

The world's largest coffee chain is unlikely to cede its leading position in China, the company's fastest-growing major market, to Chinese startup Luckin in 2019, Starbucks CEO Kevin Johnson said in an interview on Thursday. "I think it's unlikely," said Johnson when asked if Luckin might overtake Starbucks in China by the end of 2019, pointing to the 18 percent growth in new Chinese stores the company racked up in the fourth quarter.

### Johnson & Johnson (JNJ):

The company said on Thursday it will start adding the price of its medicines to television commercials by next month, becoming the first drugmaker to heed a call by U.S. President Donald Trump for price transparency of drugs advertised directly to consumers on TV. The healthcare conglomerate said it will include both the list price of a product - the price before any rebates or discounts to insurers or pharmacy benefit managers - as well as potential out-of-pocket costs that patients will pay.

## THINGS TO KNOW

Source: Bloomberg Finance LP.

Markets are having a rough time of it, after Europe practically gave up on the whole idea of economic momentum for the time being and Tariff Man said he won't meet Chinese President Xi Jinping before the March 1 expiry of the current truce. Oh, and the trade cease-fire between the U.S. and EU? That's not looking too good either. Net result: An already dubious rally is facing that familiar existential crisis.

## STOCKS

Source: FactSet (5pm EST)

	Price	Change	YTD
S&P TSX	15703.36	-0.06%	9.64%
S&P TSX 60	937.61	-0.05%	9.11%
S&P/TSX Venture	614.88	-0.91%	10.35%
INK Canadian Insider	11.06	-0.94%	8.11%
S&P 500	2706.05	-0.94%	7.95%
NASDAQ Composite	7288.35	-1.18%	9.84%
Russell 3000	1599.97	-0.89%	8.68%
iShares MSCI ACWI ex U.S. ETF	44.76	-1.15%	6.67%

## COMMODITIES & CURRENCIES

Source: FactSet (5pm EST)

	Price	Change	YTD
Crude Oil WTI (NYM \$/bbl)	\$52.64	-2.54%	15.92%
Nat Gas Fin LD (NYM \$/btu)	\$2.55	-4.17%	-10.52%
Gold (NYM \$/ozt)	\$1,314.20	-0.02%	2.57%
Silver (NYM \$/ozt)	\$15.71	0.08%	1.11%
High Grade Copper (NYM \$/lbs)	\$2.83	-0.28%	7.51%
Lumber (CME \$/bft)	\$424.50	-3.41%	27.67%
CAD/USD	\$0.75	-0.64%	2.99%
Bitcoin USD (CBF)	\$3,342.50	-0.07%	-8.49%
10Y Canada Govt Bond (MOD)	\$137.89	0.50%	0.82%
10Y US T-Note (BMF)	\$121.89	0.00%	0.22%
CBOE VIX (CBF)	\$17.38	6.11%	-28.13%

## GLOBAL INDICES

Source: FactSet (5pm EST)

	Price	Change	YTD
France - CAC 40	4985.56	-1.84%	5.39%
Germany - DAX	11022.02	-2.67%	4.39%
Italy - FTSE MIB	19478.32	-2.59%	6.30%
Japan - Nikkei 225	20751.28	-0.59%	3.68%
U.K. - FTSE 100	7093.58	-1.11%	5.43%
Shanghai - SSE Composite	2584.57	0.35%	3.64%

## TSX SECTORS

Source: FactSet (5pm EST)

	Price	Change	YTD
S&P/TSX Energy	2051.00	-1.17%	10.82%
S&P/TSX Materials	2147.65	0.08%	6.44%
S&P/TSX Industrials	3128.27	0.37%	8.41%
S&P/TSX Consumer Discretionary	2154.00	-0.80%	10.74%
S&P/TSX Consumer Staples	5097.80	0.73%	7.35%
S&P/TSX Health Care	597.09	1.39%	47.99%
S&P/TSX Financials	2701.62	0.07%	9.20%
S&P/TSX Information Technology	340.14	-0.03%	12.48%
S&P/TSX Communication Services	1527.45	0.23%	5.73%
S&P/TSX Utilities	2034.21	0.33%	8.41%
S&P/TSX Real Estate	3439.36	1.14%	11.07%

## CANADIAN EQUITIES OF INTEREST

Listed Alphabetically by Symbol

**Canadian Tire Corporation, Limited Class A\* (CTC.A: \$151.85), Net Change: \$-0.67, Change: -0.44%**

### Late start to winter to weigh on results

- Expect the quarter to benefit from seasonally strong results at Helly Hansen, which Canadian Tire acquired early in Q3/18
- Expect all banners to benefit from the increased penetration of Canadian Tire's portfolio of owned-brands, particularly Helly Hansen as well as the company's Triangle Rewards program, which was successfully rolled out in April of 2018
- Expect Mark's to continue to outperform this quarter, as the banner's rebranding initiatives and Well Worn marketing campaign continue to support above-average same-store sales growth
- The roll-out of Canadian Tire's e-commerce platform is expected to negatively impact margins this quarter

**Ivanhoe Mines Ltd. Class A\* (IVN: \$3.15), Net Change: \$-0.13, Change: -3.96%**

### 18 and life

- IVN announced the first of these catalysts - a major expansion scenario at the Kamo-a-Kakula complex
- Specifically, the company presented a PEA-level analysis of an 18mtpa processing scenario over 37 years
- Scenario cements the complex as ultimately one of the world's largest and, more importantly, most profitable copper mines
- IVN intends to release a Feasibility level analysis on Kakula West and Kansoko (i.e., the first 12mtpa sources) by year-end, and we expect a comprehensive financing package to be announced by then as well

**Jamieson Wellness, Inc.\* (JWEL: \$18.91), Net Change: \$-1.80, Change: -8.69%**

### Challenging near-term outlook

- The challenges related to the Specialty Brands business in Q3/18 are likely to persist during Q4/18 and into 2019
- It will take a couple of quarters before the company's amalgamated sales force begin to demonstrate tangible improvements in cross-selling activity
- Believe the company's 2019 guidance may come in softer than Jamieson's medium-term growth targets of 6-7% top-line growth and 11-12% EBITDA growth, given the expected near-term softness within the Specialty Brands division
- Believe the key issue which led to weakness in the division in Q3/18 was a lack of training and cross-selling between the respective sales divisions

**Mullen Group Ltd.\* (MTL: \$11.75), Net Change: \$-0.46, Change: -3.77%**

### Q4/18 First look: in-line quarter while 2019 guidance calls for modest EBITDA growth

- Mullen reported Q4/18 results that were in line with our consolidated revenue and EBITDA expectations but modestly below consensus EBITDA of ~\$53.2 million
- Despite a challenging fundamental backdrop Mullen realized y/y revenue and EBITDA growth in Q4/18, driven primarily by acquisition and T&L fuel surcharges
- Concurrent with its Q4/18 release, Mullen announced its 2019 capital budget of \$75 million, which management believes will support EBITDA of ~\$200 million this year
- Guidance implies modest (~5%) y/y EBITDA growth and is in line with consensus

**Just Energy Group Inc.\* (JE: \$4.41), Net Change: \$-0.52, Change: -10.55%**

### Visibility on F'19 EBITDA guidance improves but balance sheet remains stretched

- Recent pricing initiatives did not lead to a sequential increase in customer churn rate, which we view as the key positive in the quarter
- Management reiterated its F2019 EBITDA guidance of \$200 - \$220M. JE is headed into seasonally strong Q4/F19, which may get a further modest tailwind from the polar vortex weather in January based on our discussions with industry participants
- The company's LTM payout ratio on dividends yielding 10% ticked up to 86% (82% in Q2/ F19) due to higher financing costs but was still better than 95% for F'18
- JE's net debt to EBITDA increased to 3.7x (3.5x in Q2/F19 and 2.8x for F'18). This was partially driven by high working capital requirements (-\$129M during the first nine months of F2019) given collateral requirements in Texas

## US EQUITIES OF INTEREST

Listed Alphabetically by Symbol

**Ceridian HCM Holding, Inc.\* (CDAY: \$43.44), Net Change: \$-2.60, Change: -5.65%**

### Another solid Dayforce quarter

- CDAY continues to execute well which has helped to chip away at the over-exuberance that investors pump into IPO's these days
- Just about every HR company is doing well these days, mostly because nobody knows when the next generation firms will run out of the easy pickings of taking market share from firms such as ADP
- The key to surviving what will be a more difficult market to land new ARR (because all of the next gen vendors are getting bigger), will be to upsell existing customers new modules
- Workday has the biggest play on this front with their General Ledger and Adaptive Insights financials add-on. However, we suggest that Ceridian has a compelling runway selling its legitimately good, but undermarketed until now, modern cloud Dayforce suite

**Capri Holdings Limited\* (CPRI: \$47.14), Net Change: \$-1.33, Change: -2.74%**

### Setting the stage for the 3 brand acceleration

- CPRI reported FQ3 adj. EPS of \$1.76c beating consensus at \$1.58
- Importantly, accessories (-LSD) improved sequentially as the mix of logo improved while footwear (+DD), women's RTW (+MSD) and men's (+MSD) continued to comp positively
- Encouraged to see the traction in product across accessories, footwear, women's RTW and men's - all of which bodes well for FQ4 and F20 particularly as the mix of logo continues to improve and is ameliorated by a significant step up in freshness in the spring/summer assortment
- Gross margins contracted by 71bps again mainly due to less logo product and markdowns

**Misonix, Inc.\* (MSON: \$20.36), Net Change: \$0.89, Change: 4.57%**

### MSON tracking in line; Nexus queued up for H2/19 launch

- MSON delivered continued solid execution driven by strong OUS sales, particularly in China, as well as continued utilization increases across BoneScalpel and SonicOne, despite inventory constraints on key consumable SKUs
- Additionally, management noted encouraging end market trends and procedural utilization and remains in the early innings of the cross-selling opportunity of BoneScalpel and Sonostar
- On the new product front, Nexus, which we believe has the potential to be a transformational product for MSON, was formally submitted to the FDA
- Continue to view MSON as a unique asset for investors who can play these smaller names and look for accelerating growth in FY19

## OraSure Technologies, Inc.\* (OSUR: \$9.63), Net Change: \$-3.18, Change: -24.82%

### Q1 guide really disappoints, but our thesis isn't Broken

- OSUR guided Q1/19 revenue 33% below the Street, a staggering shortfall, but management characterized the Q1 guide as a "worst-case scenario" it is taking with its large DTC customer
- OSUR initiated a Q1/19 revenue guide of \$29-30.5M, or 33% below the Street at the midpoint, and EPS of \$(0.06)-\$(0.07), below our \$0.02E/Street's \$0.07
- Management indicated that its large DTC customer has "changed its strategy" and indicated to OSUR it will not need as many kits in Q1/19
- DTC companies in Asia (Genesis Healthcare, WuXi NextCODE) are experiencing robust growth; and LunaDNA is looking to share the economics of its database with its customers, certainly a much different model than 23andMe

## Regeneron Pharmaceuticals, Inc.\* (REGN: \$406.46), Net Change: \$-0.10, Change: -0.02%

### DUPIXENT beat encouraging, but EYLEA pricing future unclear as we stay on the sidelines

- EYLEA beats on increased inventory; government pricing proposals are key overhang
- Dupixent revenues saw a strong surge in growth quarter over quarter in 4Q18, which we believe can be attributed, at least in part, to the asthma launch
- LIBTAYO booked ~\$15M in US revenues during 4Q18 for cutaneous squamous cell carcinoma (CSCC), an interesting start, although the indication is small
- Believe Dupixent is in a strong position to capture meaningful share in the severe asthma market, including share from Xolair, but concerns on EYLEA pricing

## Spotify Technology SA\* (SPOT: \$131.19), Net Change: \$-4.26, Change: -3.15%

### Content investment puts pressure on margins

- Spotify's solid Q4 results and strong subscriber guidance were accompanied by the announcement that the company will start investing heavily in podcasts with \$400-500M spend set aside in 2019 for multiple acquisitions
- The lower gross margin outlook for 2019 incorporates this higher content investment and assumes no rate relief from upcoming label content cost negotiations this year
- While expanding the content base outside of music is likely a solid strategic move, the magnitude of investment, both from M&A and organically, could be worrisome to some investors
- MAUs reached 207M, up 29% y/y and ~1M above the high end of guidance, aided by increased customer retention and strong growth in emerging regions including the 13 countries in the Middle East and Africa where Spotify launched in mid-4Q

## Tyme Technologies, Inc.\* (TYME: \$2.67), Net Change: \$-0.03, Change: -1.11%

### Notes from the road

- Overall, discussions focused on prospective Ph2 SM-88 pancreatic cancer data at ASCO GI, SM-88's role as the first drug candidate selected for PanCAN's adaptive Precision Promise trial, and upcoming catalysts
- SM-88 monotherapy in 88-PANC Ph2 Stage 1: KOLs impressed with promising durability
- Precision Promise will be first adaptive clinical trial in 1L and 2L PC. PanCAN's Ph2/3 SM-88 monotherapy arm to start in 1H
- 2018 FDA NEJM review and updated draft guidance: supports potentially speedier adaptive trials.

## INDUSTRY UPDATE

Source: FactSet

### Oil

#### Market

- WTI (March) is down 0.5% to \$52.39 and Brent (April) is up 0.2% to \$61.78

#### Venezuela – WSJ

- Venezuelan state-run oil firm PDVSA has taken to mixing its extra heavy oil with its domestic Santa Barbara grade due to a shortage of imported dilutents
- PDVSA typically imports 100K bpd of naphtha (mostly from the US) to dilute up to 400K bpd of extra heavy oil produced by JVs in the vast Orinoco Belt
- The crude blends resulting from the mixture are being delivered to PDVSA by most of the JVs, allowing the company to export them without violating US sanctions

#### Libya – Bloomberg

- Libya's National Oil Company urged all parties to avoid escalation at the 315K bpd Sharara oilfield, and said it would not restore normal operations until security had been restored
- The statement by the NOC comes after forces loyal to eastern warlord Khalifa Haftar seized the region earlier this week, though it adds that an engineer in the field said these forces were only controlling a pumping substation

#### United States – Bloomberg

- A bipartisan voice vote the House Judiciary Committee yesterday passed the "No Oil Producing and Exporting Cartels Act," aimed to change US antitrust law to revoke the sovereign immunity that has long protected OPEC members from lawsuits
- US senators on Thursday rolled out their version of the NOPEC legislation, which will be considered by the Senate Judiciary Committee
- The legislative fate of these bills is uncertain, despite the likelihood that President Trump may support the move

#### Canada – Reuters

- A portion of TransCanada's 590K bpd Keystone pipeline between Steel City, Nebraska and Patoka, Illinois remains closed after a Wednesday shutdown related to a possible leak near St. Louis
- The pipeline is a critical artery taking Canadian crude from northern Alberta to US refineries, and that the shutdown comes at a time when Canadian pipelines are congested and Canadian heavy crude is in greater demand following US sanctions on Venezuela

## MORNING INK REPORT

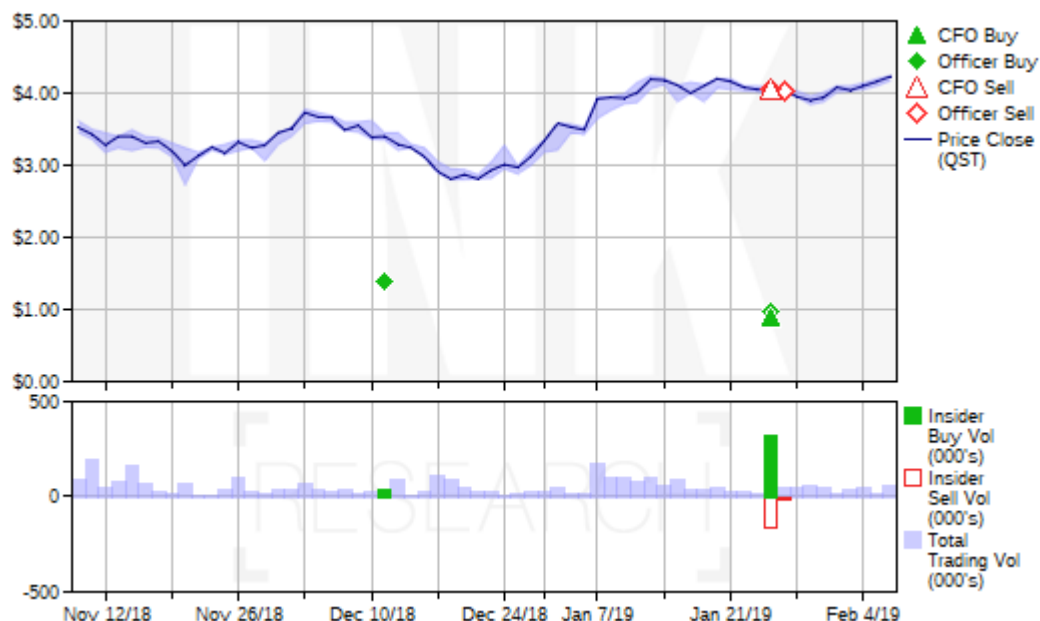
Insiders on a clean air quest

Source: INK Research

### Company Highlight: Questor Technology (QST)

- Questor Technology (QST) is an environmental clean technology firm
- While there has been some options-related public market selling, on a volume basis, insiders have added net 180,536 shares to their stakes in the company over that time
- Often a positive sign when insiders exercise options but do not sell all the newly acquired shares
- A big question facing firms like Questor in the clean energy space is how they will fare given the Trump administration's climate change denial stance. Questor, at least, has found some success on the state level
- On November 26th, Questor announced it had entered into \$5 million worth of rental contracts for its emissions control systems for clients in North Dakota, Texas, and Colorado
- On January 7th, Questor announced it had received a purchase order to supply its clean combustion incineration technology and power generation equipment for three oil and gas production facilities in Mexico for \$5.8 million
- Follows from new rules in Mexico established November 6, 2018 for the prevention and control of methane emissions from the oil and gas industry
- Mexico has targeted methane reduction as part of its environmental objectives to reduce emissions by up to 75% by 2025. Questor's incineration system destroys 99.99% of methane, volatile organic compounds, and other hazardous pollutants
- On January 24th, Questor Technology (QST) Corporate Secretary and CFO Danny Zivkusic acquired 218,750 common shares through options exercise
- On December 11th, Vice President of Sales & Marketing Justin Mahendra acquired 37,500 common shares through options exercise
- Subsequently, on January 25th, Mr. Mahendra sold 20,000 common shares at a price of \$4.02

### Questor Technology Chart



Source: INK Research

Friday, February 8, 2019

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## MARKET MOVERS

Source: FactSet

CANADA 52-Week Highs			CANADA 52-Week Lows		
<b>TSE Total 52-Week Highs</b>		<b>66</b>	<b>TSE Total 52-Week Lows</b>		<b>6</b>
<b>TSXV Total 52-Week Highs</b>		<b>6</b>	<b>TSXV Total 52-Week Lows</b>		<b>5</b>
Algonquin Power & Utilities Corp.	AQN	14.85	BonTerra Resources Inc.	BTR	2.26
Alimentation Couche-Tard Inc. Class B	ATD.B	73.82	Crescent Point Energy Corp.	CPG	3.37
Allied Properties REIT	AP	47.86	Frontera Energy Corporation	FEC	10.93
Choice Properties REIT	CHP.U	13.22	Greenbrook Tms, Inc.	GTMS	2.55
Exco Technologies Limited	XTC	10.20	Itafos	IFOS	0.78
Fortis Inc.	FTS	47.92	Leucrotta Exploration, Inc.	LXE	0.90
Gildan Activewear Inc.	GIL	45.87	Mountain Province Diamonds Inc.	MPVD	1.43
H&R Real Estate Investment Trust	HR.U	22.68	Mullen Group Ltd.	MTL	11.75
Intact Financial Corporation	IFC	110.99	Pinnacle Renewable Energy, Inc.	PL	10.15
InterRent Real Estate Investment Trust	IIP.U	14.16	PolyMet Mining Corp.	POM	0.98
Kirkland Lake Gold Ltd.	KL	43.37	ProMetic Life Sciences Inc.	PLI	0.27
Labrador Iron Ore Royalty Corporation	LIF	32.21			
Quebecor Inc. Class B	QBR.B	31.63			
Sandstorm Gold Ltd.	SSL	7.12			
Summit Industrial Income REIT	SMU.U	10.64			
U.S. 52-Week Highs			U.S. 52-Week Lows		
<b>NASDAQ Total 52-Week Highs</b>		<b>37</b>	<b>NASDAQ Total 52-Week Lows</b>		<b>25</b>
<b>NYSE Total 52-Week Highs</b>		<b>106</b>	<b>NYSE Total 52-Week Lows</b>		<b>17</b>
Alexandria Real Estate Equities, Inc.	ARE	132.72	Antero Resources Corporation	AR	8.73
AvalonBay Communities, Inc.	AVB	195.28	Atlantica Yield plc	AY	17.63
Chipotle Mexican Grill, Inc.	CMG	585.78	CenturyLink, Inc.	CTL	14.12
Cincinnati Financial Corporation	CINF	84.30	CNX Resources Corporation	CNX	9.97
Equity LifeStyle Properties, Inc.	ELS	109.42	Hain Celestial Group, Inc.	HAIN	16.15
Equity Residential	EQR	73.54	Hard to Treat Diseases Incorporated	HTDS	0.00
Essex Property Trust, Inc.	ESS	277.46	Phibro Animal Health Corporation Class A	PAHC	30.60
Federal Realty Investment Trust	FRT	135.59	Proto Labs, Inc.	PRLB	101.58
IQVIA Holdings Inc	IQV	129.65	Sangamo Therapeutics, Inc.	SGMO	8.31
O'Reilly Automotive, Inc.	ORLY	365.46	Tapestry, Inc.	TPR	33.48
Prologis, Inc.	PLD	70.43	Weight Watchers International, Inc.	WTW	29.38
Realty Income Corporation	O	70.10			
Sun Communities, Inc.	SUI	113.25			
W. P. Carey Inc.	WPC	75.15			
W. R. Berkley Corporation	WRB	80.84			

## ASSET CLASS PERFORMANCE

Source: FactSet

\*All numbers presented on the table below is based on total return

As of: 2/7/2019		Simple Price Return					CAGR		
Index	Price	Daily	Weekly	Monthly	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
S&P TSX	15703.36	-0.06%	1.05%	8.27%	9.64%	2.43%	10.36%	5.72%	8.87%
S&P TSX 60	937.61	-0.05%	0.90%	7.95%	9.11%	3.39%	10.93%	6.64%	8.75%
S&P/TSX Venture	614.88	-0.91%	-1.26%	4.11%	10.35%	-25.98%	6.54%	-8.56%	-3.83%
INK Canadian Insider	11.06	-0.94%	0.36%	6.35%	8.11%	-11.16%	5.68%	-	-
S&P 500	2706.05	-0.94%	0.07%	6.13%	7.95%	0.91%	15.24%	10.79%	14.42%
NASDAQ Composite	7288.35	-1.18%	0.09%	6.81%	9.84%	3.35%	19.99%	13.34%	17.75%
Russell 3000	1599.97	-0.89%	0.21%	6.57%	8.68%	1.06%	15.54%	10.32%	14.53%
iShares MSCI ACWI ex U.S. ETF	44.76	-1.15%	-0.60%	4.00%	6.67%	-5.31%	7.04%	0.00%	4.68%
China - SSE	2618.23	0.00%	0.63%	4.99%	4.99%	-24.04%	-0.88%	5.18%	2.77%
France - CAC 40	4985.56	-1.84%	-0.14%	5.64%	5.39%	-5.14%	9.49%	6.82%	8.71%
Germany - DAX	11022.02	-2.67%	-1.35%	2.55%	4.39%	-12.46%	5.88%	3.45%	9.03%
Italy - FTSE MIB	19478.32	-2.59%	-1.28%	2.77%	6.30%	-15.26%	8.05%	3.13%	4.26%
Japan - Nikkei 225	20751.28	-0.59%	-0.11%	3.55%	3.68%	-4.13%	9.35%	9.50%	11.97%
U.K. - FTSE 100	7093.58	-1.11%	1.79%	4.15%	5.43%	-2.55%	11.02%	5.53%	9.17%
Australia - ASX 200	6092.50	1.10%	3.88%	7.20%	7.90%	3.67%	11.72%	8.00%	10.59%
Saudi Arabia - TASI	8612.84	-0.24%	0.62%	7.02%	10.04%	16.12%	-	-	-
Commodity	Price	Daily	Weekly	Monthly	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Crude Oil WTI (NYM \$/bbl)	52.64	-2.54%	-2.14%	8.49%	15.92%	-14.81%	19.44%	-12.02%	2.74%
Nat Gas Fin LD (NYM \$/btu)	2.55	-4.17%	-9.35%	-10.40%	-10.52%	-5.59%	6.08%	-10.79%	-5.81%
Gold (NYM \$/ozt)	1314.20	-0.02%	-0.83%	1.88%	2.57%	-0.03%	4.32%	0.80%	3.69%
Silver (NYM \$/ozt)	15.71	0.08%	-2.23%	-0.27%	1.11%	-3.23%	2.07%	-4.65%	1.79%
High Grade Copper (NYM \$/lbs)	2.83	-0.28%	1.58%	7.26%	7.51%	-8.39%	10.38%	-2.66%	5.68%
Lumber (CME \$/bft)	424.50	-3.41%	1.99%	28.33%	27.67%	-14.02%	18.86%	3.69%	9.78%
Miscellaneous	Price	Daily	Weekly	Monthly	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
CAD/USD	0.75	-0.64%	-0.97%	0.39%	2.99%	-5.45%	1.44%	-3.66%	-0.64%
Bitcoin USD (CBF)	3342.50	-0.07%	-1.26%	-16.33%	-8.49%	-59.70%	-	-	-
10Y Canada Govt Bond (MOD)	137.89	0.50%	0.18%	0.62%	0.82%	4.76%	-1.38%	1.01%	1.03%
10Y US T-Note (BMF)	121.89	0.00%	-0.47%	-0.13%	0.22%	0.74%	-2.21%	-0.66%	-
CBOE VIX (CBF)	17.38	6.11%	1.46%	-18.90%	-28.13%	-25.83%	-10.36%	2.31%	-8.58%

All prices are in local currencies



## MACRO-EVENT SCHEDULE

Source: Bloomberg

Feb. 4 - 8		Event	Actual	Estimate
<b>Monday</b>	US	Factory Orders	-0.60%	0.30%
	US	Durable Goods Orders	0.70%	1.50%
	US	Durables Ex Transportation	-0.40%	0.10%
<b>Tuesday</b>	US	ISM Non-Manufacturing Index	56.7	57.0
<b>Wednesday</b>	US	Trade Balance	-49.3bln	-54.0bln
	CA	Building Permits MoM	6.00%	-1.00%
<b>Thursday</b>	US	Initial Jobless Claims	234k	223k
<b>Friday</b>	CA	Unemployment Rate	5.80%	5.70%
	CA	Housing Starts	208k	205k
	CA	Net Change in Employment	66.8k	5.0k

## EARNINGS

Source: TMX Money

CANADA					
Company	Ticker	Exchange	Period	Time	Est.EPS
CI Financial Corp.	CIX	TSE	Q4 2018	BO	0.57
Cameco Corporation	CCO	TSE	Q4 2018	AC	0.25
Valener Inc.	VNR	TSE	Q1 2019	BO	0.48
USA					
Company	Ticker	Exchange	Period	Time	Est.EPS
The Goodyear Tire & Rubber Comp.	GT	NASDAQ	Q4 2018	BO	0.60
Hasbro Inc.	HAS	NASDAQ	Q4 2018	BO	1.68
Euronet Worldwide Inc.	EEFT	NASDAQ	Q4 2018	BO	1.21
CAE Inc.	CAE	NYSE	Q3 2019	BO	0.25
Pacific Gas & Electric Co.	PCG	NYSE	Q4 2018	-	0.62
Phillips 66	PSX	NYSE	Q4 2018	BO	2.76
Ventas Inc.	VTR	NYSE	Q4 2018	BO	0.95

## MOST READ NEWS

Source: Bloomberg Finance LP.

- 1)Bezos Stunning Blackmail Charge Intensifies Proxy War With Trump
- 2)Stocks Fall as Pessimism Builds on Growth, Trade: Markets Wrap
- 3)Mysterious Turkish Firm Helped Maduro Move \$900 Million in Gold
- 4)Trump Sees No Xi Summit by Tariff Date, Stoking Trade Worry
- 5)Jeff Bezos: Extortion and Embarrassing Pics Won't Distract Me
- 6)How Santander Call Confusion Is Roiling \$340 Billion CoCo Market
- 7)German Minister Signals Support for 'National Champion' Bank
- 8)Jaguar Woes Lead to Tata Motors Loss for the History Books
- 9)Thailand's Movie Star Princess Is Running for Prime Minister
- 10)Ghosh to Reimburse Versailles Palace for 2016 Wedding Costs

**THE LAST DROP:** "If money is your hope for independence you will never have it. The only real security that a man will have in this world is a reserve of knowledge, experience, and ability."

— Henry Ford



## Appendix: Important Disclosures

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Quest® triAngle is Canaccord Genuity's proprietary 15-factor, stock-picking tool, which systematically measures Value, Quality and Momentum and presents the results in a simple, easy to understand score. It takes a multi-pronged approach to Value, Quality and Momentum using five factors for each component, which adds more consistency of performance unlike a reliance on one single measure. It uses a mix of historic and forecast data, and combines absolute valuation data with comparisons relative to history. The triAngle is designed to generate stock ideas and provide a consistent framework for analysis of portfolio holdings.

### Quest® Methodology

Quest® is an analytical tool that involves use of a set of proprietary quantitative algorithms and value calculations to derive a number of corporate performance and valuation metrics, including assigning a Default Quest® value per share and generating a triAngle Score, which is a relative ranking based on a number of operational and valuation metrics. These algorithms and value calculations are consistently applied to all the companies included in the Quest® database. Third-party data (including consensus earnings estimates) are systematically translated into a number of default variables and incorporated into the algorithms. The source financial statement, pricing, and earnings data provided by outside data vendors are subject to quality control and may also be adjusted to more closely measure the underlying economics of firm performance. These adjustments provide consistency when analyzing a single company across time, or analyzing multiple companies across industries or national borders. As the third-party data are updated, the triAngle Score generated by Quest®, and the Default Quest® value per share may change. The default variables may also be adjusted by the user to produce alternative values, any of which could occur. Additional information about the Quest® methodology is available on request.

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