

Tuesday, August 20, 2019

## BEFORE THE OPEN

Source: Thomson Reuters

**Canada's main stock index futures** edged up, supported by firmer **gold** prices against the backdrop of global growth concerns. **U.S. stock index futures** were little changed after a three-day rally that was driven by hopes that major economies will take measures to ward off a potential economic slowdown. **European equities** gained and **Asian shares** closed mostly higher. The **dollar index** was slightly up as the focus turned to U.S. Federal Reserve policy statements. **Oil** prices were trading in the red.

## STOCKS IN THE NEWS

Source: Thomson Reuters

### Carlyle Group LP (CG):

Private equity firms Bain and Carlyle are considering raising their offer for German lighting group Osram, two people familiar with the matter told Reuters. This is one of several options the two investors are examining, the people said. Bain and Carlyle have offered 35 euros per Osram share, while Austria's AMS has unveiled plans to bid 38.50 euros apiece.

### Home Depot Inc (HD):

The company cut its full-year sales forecast, blaming a slump in lumber prices and the potential impact of the ongoing U.S.-China trade war on consumer spending. The home improvement chain said it now expects its 2019 sales to rise about 2.3%, down from a prior forecast of a 3.3% increase. Home Depot also cut its full-year same-store sales growth forecast to 4% from 5%.

### Nike Inc (NKE):

Michael Avenatti, the lawyer and critic of U.S. President Donald Trump, on Monday said he did nothing "wrongful" in dealing with the company and asked a federal judge to dismiss the criminal extortion case against him. Avenatti made his request in Manhattan federal court five days after saying the government's case should also be dismissed because it was a "vindictive and selective prosecution" stemming from his "feud" with Trump.

### United States Steel Corp (X):

The company will temporarily lay off hundreds of workers at its Great Lakes facility in Michigan in coming weeks, according to a filing the steelmaker made with the State of Michigan. In a Worker Adjustment and Retraining Notification filed on Aug. 5, the company said it expects to let go fewer than 200 workers following its decision to halt production at the Michigan facility.

## THINGS TO KNOW

Source: Bloomberg Finance L.P.

U.S. regulators will roll out "Volcker 2.0" next week, which is expected to simplify the rules restricting Wall Street banks' access to private equity and hedge funds set by the post-crisis Volcker Rule. U.K. Prime Minister Boris Johnson made his first public attempt to renegotiate Brexit yesterday, deciding to focus on solutions to the Irish border problem, although there seems to be little hope for a breakthrough.

## STOCKS

Source: FactSet (5pm EST)

	Price	Change	YTD
S&P TSX	16,304.05	0.96%	13.83%
S&P TSX 60	974.30	0.96%	13.38%
S&P/TSX Venture	569.85	-0.10%	2.27%
INK Canadian Insider	10.72	1.47%	4.74%
S&P 500	2,923.65	1.21%	16.63%
NASDAQ Composite	8,002.81	1.35%	20.61%
Russell 3000	1,715.46	1.15%	16.53%
iShares MSCI ACWI ex U.S. ETF	44.45	0.66%	7.77%

## COMMODITIES & CURRENCIES

Source: FactSet (5pm EST)

	Price	Change	YTD
Crude Oil WTI (NYM \$/bbl)	56.14	2.43%	20.45%
Nat Gas Fin LD (NYM \$/btu)	2.21	0.27%	-22.38%
Gold (NYM \$/ozt)	1,511.60	-0.79%	15.51%
Silver (NYM \$/ozt)	16.94	-1.06%	7.09%
High Grade Copper (NYM \$/lbs)	2.60	0.25%	-1.63%
Lumber (CME \$/bft)	371.90	2.48%	8.22%
CAD/USD	0.75	0.14%	2.80%
Bitcoin USD (CME)	10,745.00	2.19%	194.38%
10Y Canada Govt Bond (MOD)	146.22	-0.37%	6.33%
10Y US T-Note (BMF)	130.92	0.00%	7.64%
CBOE VIX (CBF)	18.08	-6.47%	-50.84%

## GLOBAL INDICES

Source: FactSet (5pm EST)

	Price	Change	YTD
France - CAC 40	5,371.56	1.34%	13.55%
Germany - DAX	11,715.37	1.32%	10.95%
Italy - FTSE MIB	20,715.49	1.93%	13.05%
Japan - Nikkei 225	20,563.16	0.71%	2.74%
U.K. - FTSE 100	7,189.65	1.02%	6.86%
Shanghai - SSE Composite	2,883.10	2.10%	15.61%

## TSX SECTORS

Source: FactSet (5pm EST)

	Price	Change	YTD
S&P/TSX Energy	1,924.03	1.64%	3.96%
S&P/TSX Materials	2,372.64	0.17%	17.59%
S&P/TSX Industrials	3,497.02	1.20%	21.19%
S&P/TSX Consumer Discretionary	2,246.74	1.52%	15.50%
S&P/TSX Consumer Staples	5,598.32	0.31%	17.89%
S&P/TSX Health Care	434.37	-0.52%	7.66%
S&P/TSX Financials	2,706.39	0.89%	9.39%
S&P/TSX Information Technology	466.57	1.10%	54.29%
S&P/TSX Communication Services	1,574.32	0.84%	8.98%
S&P/TSX Utilities	2,349.17	0.92%	25.19%
S&P/TSX Real Estate	3,664.19	0.99%	18.33%

## CANADIAN EQUITIES OF INTEREST

Listed Alphabetically by Symbol

### Inovalis Real Estate Investment Trust\* (INO.UT: \$10.06), Net Change: \$0.01, Change: 0.10%

#### Q2/19 results in line with expectations

- For Q2/19, Inovalis reported FFO per diluted unit of \$0.21, flat y/y but slightly ahead of consensus estimates of \$0.20, although occupancy declined to 91.7% this quarter, down 1.3% sequentially and 5.1% y/y
- Inovalis closed the quarter with a weighted-average interest rate of 2.03% and a D/GBV of 52.4%, a level which management now believes gives them capacity to continue to grow the real estate portfolio
- In addition, during the quarter Inovalis signed several new leases, including an 18,417 sf renewal for a nine-year term at the REIT's Baldi property in the Greater Paris Region
- Management forecasts positive impacts from leasing efforts in the total portfolio that should cause occupancy to improve throughout the remainder of 2019 and into 2020

### Lithium Americas Corp.\* (LAC: \$4.73), Net Change: \$0.08, Change: 1.72%

#### Calm in a storm

- Lithium Americas and Jiangxi Ganfeng Lithium have closed the transaction whereby Ganfeng's exposure to the Caucharí-Olaroz lithium brine project in Jujuy, Argentina increases, and project construction continues, on time and on budget
- Ganfeng subscribed for newly issued shares in Minera Exar S.A. for US\$160 million taking its ownership to 50% from 37.5% while Lithium Americas' ownership in Minera Exar is now 50%
- In September, the partners expect to deliver the results of a feasibility study looking at expanding initial production capacity to 40,000t/a battery-quality lithium carbonate from the currently targeted 25,000t/a
- Last week, LAC released Q2/19 results and reported that a total of 10 wells are currently pumping brine to the ponds with seven more in preparation and that first lithium carbonate production was expected by the end of 2020

### Precision Drilling Corporation\* (PD: \$1.71), Net Change: \$0.26, Change: 17.93%

#### Hunkering down amidst growing fundamental uncertainty

- On Monday morning, Precision trimmed its 2019 capital program by \$25 million to \$144 million (a 15% decrease) following the completion of its Kuwait new build project
- The company has also received Board approval for an NCIB and has announced a modest preliminary 2020 capital program along with debt reduction goals for next year
- Precision reiterated its full-year debt reduction target, having reduced debt by \$136 million YTD against its previously announced 2019 target of \$200 million
- The company's preliminary 2020 capital guidance calls for spending of \$60-\$80 million (comprising mostly maintenance capital), which management expects to allow the company to reduce its debt by a further \$100-\$150 million next year

### Troilus Gold Corp.\* (TLG: \$0.70), Net Change: \$-0.03, Change: -4.11%

#### Initial 2019 results from Z87 South

- Troilus Gold released initial 2019 drill results from the Z87 South Zone at its Troilus Gold project near Chibougamau, Quebec, located directly southwest of the 87 Zone and former main Z87 open pit
- Highlights include 5.06 g/t gold equivalent (AuEq) over 6m within a broader intersection of 1.10 g/t AuEq over 48m (TLG-Z87S19-133) and 3.85 g/t AuEq over 2m within a broader intersection of 0.96 g/t AuEq over 16m, (TLGZ87S19-139)
- Mineralization at Z87 South is comparable to Z87, although the company notes that the host rock is more felsic and contains stronger silicic alteration before transitioning into a unit of massive sulphides
- The company believes that these initial results demonstrate mineral continuity south of the Z87 limit, believed to be the result of a structural influence, which appears to extend across the deposit and could be a regional trend

**Torex Gold Resources Inc.\* (TXG: \$18.94), Net Change: \$-0.16, Change: -0.84%**

#### Company overview

- Torex's flagship asset is the Morelos project (Guerrero, Mexico), which comprises the producing ELG Mine Complex and the Media Luna development project
- The ELG Mine Complex (comprising multiple sub-zones) entered commercial production in early 2016; to date, Torex has produced ~1.1Moz from the ELG Mine Complex (primarily open-pit), at an average AISC of US\$902/oz Au
- The Media Luna project, located ~7km south of the ELG Mine Complex, presents a medium-term growth opportunity for Torex, with the initial project PEA (2018) highlighting an average gold production profile of ~200,000oz over 11 years
- Torex's proprietary Muckahi underground mining system presents an opportunity to significantly optimize the Media Luna project, given its potential to reduce development capex by 30%, opex by 20%, and time to commercial production by one year (46% AT-IRR at US\$1,200/oz) according to its 2018 PEA

## US EQUITIES OF INTEREST

Listed Alphabetically by Symbol

**Castle Biosciences, Inc.\* (CSTL: \$19.50), Net Change: \$-0.75, Change: -3.70%**

#### Castle Biosciences answers large unmet needs in skin cancer

- Castle is a fast-growing market leader in melanoma diagnostics and is just ~4% penetrated in its immediate melanoma diagnostics TAM
- The company generates revenues primarily through sales of its DecisionDx-Melanoma test (89% of total volumes in 2018) and subsequent billing to third-party payors and patients
- Castle helps more dermatologists and medical oncologists choose to help their patients forego unnecessary sentinel lymph node biopsy (SLNB) surgeries, which have an 18% false negative rate and yield positive results on only 12% of patients
- The company targets commercial launch of two new tests by the end of 2020 – a test for squamous cell carcinoma (the company estimates a US TAM of \$820 million) and one for suspicious pigmented skin lesions (\$450 million estimated US TAM)

**Fibrocell Science, Inc.\* (FCSC: \$1.88), Net Change: \$0.06, Change: 3.30%**

#### Ph3 DEFI-RDEB underway

- Last Wednesday, FCSC reported its Q2/19 results and announced the start of its pivotal trial for lead program FCX-007 in severe recessive dystrophic epidermolysis bullosa (RDEB)
- FCSC ended Q2/19 with \$13.7 million in cash, up from \$11.3 million due to the receipt of its portion (50%) of the \$7.5 million upfront payment from Castle Creek Pharmaceuticals, LLC, less operating burn
- In late July, FCSC initiated Ph3 DEFI-RDEB, an open-label, intra-patient controlled trial which is expected to enroll 15-20 RDEB patients, with the company planning to complete Ph3 dosing in Q3/20 with data in Q4/20
- In April, FCSC announced a partnership with privately held Castle Creek Pharmaceuticals to develop and commercialize FCX-007 for RDEB

**Indus Holdings, Inc.\* (INDS: \$4.85), Net Change: \$-0.16, Change: -3.19%**

#### California distribution beachhead driving strong brand growth

- INDS is a leading cannabis branded products company operating in California, and offers a portfolio of house brands, "agency" brands that it manufactures for third parties, and other brands utilizing a range of the company's distribution services
- Vertically integrated, with substantial and expanding cultivation and production capacity, INDS maintains one of the largest wholesale distribution networks in the state, servicing 84% of California's regulated dispensaries
- INDS is entering the large Nevada and Oregon legal cannabis markets with the acquisition of WVape (expected to close in Q4), which will also add a 24k sf cultivation and production facility located near the Las Vegas Strip
- The company utilizes two distribution centers (a 15k sf facility in Salinas and a 25k sf facility in Los Angeles) with a fleet of 14 delivery vehicles to service Northern and Southern California

**THE REIT REVIEW**

**Q2/19 earnings recap**

Source: Canaccord Genuity Research

**Earnings results highlights**

- Residential REITs posted FFO per unit growth of 4.0% on a weighted-average basis, as strong rental apartment fundamentals across Canada are driving healthy rental rate growth on tenant turnover
- Growth was also robust for commercial REITs, which achieved solid leasing activity and internal growth during the quarter, reflected in FFO per unit growth of 2.5% on average

**Office REITs reported robust internal growth driven by solid office fundamentals**

- Office REITs posted FFO per unit growth of, on average, 4.4% in Q2/19, which was driven by extremely strong performance from Allied Properties REIT and Dream Office REIT, which achieved FFO per unit growth of 21.7% and 10.0%, respectively
- Operating results were generally solid, particularly from REITs with exposure to the strong Toronto, Vancouver and Montreal office markets

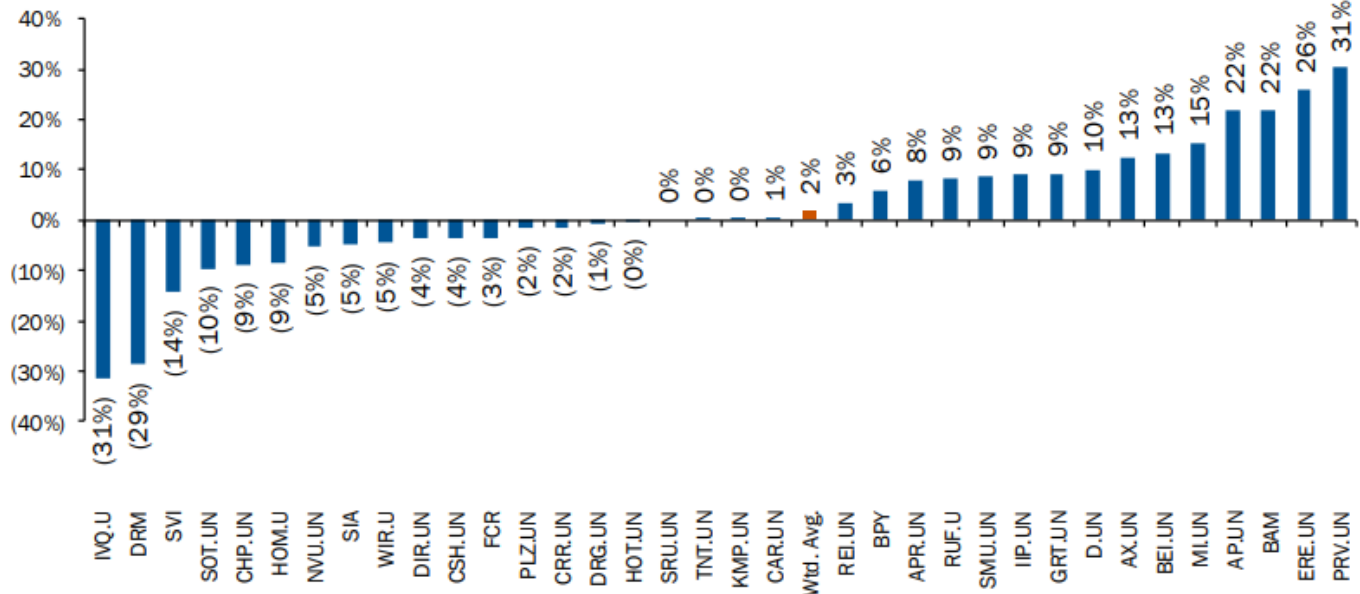
**Industrial REITs achieved healthy leasing results as Canada’s industrial supply remains well below demand**

- Industrial REITs posted, on average, a 4.6% increase in FFO per unit in Q2/19, primarily driven by higher same-property NOI and contributions from accretive acquisitions, which were partially offset by both non-recurring items and temporary dilution from recent equity offerings
- On average, industrial REITs achieved same-property NOI growth of 3.5% in Q2/19, with the strongest growth from Dream Industrial REIT and Summit Industrial Income REIT

**Robust rental housing fundamentals driving strong rent growth on suite turnover from residential REITs**

- Residential REITs delivered solid FFO per unit growth of, on average, 4.0% in Q2/19, driven by incredibly strong rental apartment fundamentals in most Canadian markets, which is leading to solid rent growth on tenant turnovers and has been somewhat diluted by recent equity issues
- Rental apartment vacancy across Canada’s major markets remains extremely low, and according to CMHC, the national average vacancy rate was 2.4% in 2018 down 60 bps from 2017

**FFO per unit growth for REITs in Q2/19**



Source: REIT Reports, Canaccord Genuity

## INDUSTRY UPDATE

Source: FactSet

### Oil

#### Market

- WTI (October) is up fractionally to \$56.16 and Brent (October) is up 0.1% at \$59.77
- WTI is little changed after yesterday's 2.4% gain
- Global macro was in focus yesterday, with markets boosted by positive headlines around potential stimulus measures in both China and Germany
- A report also noted that the US is studying leasing, but not closing, portions of the Strategic Petroleum Reserve
- Reports yesterday also noted Libya's Sharara field reached 295K bpd Monday after production was paused earlier this month
- Data today include the API weekly, followed by the DOE weekly tomorrow

#### Global markets – Reuters

- Hedge funds cut their bullish positions in petroleum last week for the second week in a row on fears of a global growth slowdown
- Managers sold 37M barrels of Brent last week, but bought 30M barrels of WTI, noting new pipelines in the Permian basin to the coast reduced congestion near the oilfields and supported local prices
- Overall net long positions of 543M barrels was the lowest since June, and below the peak of 911M barrels in April

#### United States – Platts/Reuters

- The US Department of Energy is studying the future of the Strategic Petroleum Reserve, and is expected to recommend leasing unused portions of the reserve, rather than closing one of its four storage sites
- The study comes as the US sells of nearly 300M barrels of crude from the SPR, while Australia has continued talks with the US to store potentially millions of barrels of crude in the SPR to meet its International Energy Agency obligations
- The House of Representatives passed a bill in September 18 that would have allowed the DOE to lease unused portions of the SPR to private companies, though the bill was never taken up by the Senate
- A Congressional Research Service report from July also said that renting out SPR space to commercial clients may not fit the physical capabilities of the reserve
- Two pipelines out of the Permian to the Gulf Coast have started shipping oil to the Gulf Coast
- However, global buyers see Cushing-benchmarked crude as unattractive right now, with the spread between WTI and Brent collapsing to under \$4 a barrel from more than \$11 in late May
- The narrowing spread is due in part to the Permian producers sending barrels to the Gulf and reducing flow to Oklahoma, as well as Midwest refineries running at near full capacity
- Analysts also said that the narrower spread may hurt US exports as well, as exports fell to a 10-month low of 1.87M bpd in the week ended August 2, though rebounded the next week

#### Iran tensions – WSJ

- The US State Department warned Greece against hosting the Iranian tanker that had been held in Gibraltar until Sunday, saying those who facilitate the ship would face immigration and potential criminal consequences
- Sources said the vessel planned to get fresh supplies and a new crew in Kalamata
- The State Department warning came after Gibraltar's Justice Ministry rejected a warrant from the DoJ seeking its seizure for alleged violations of American sanctions

#### South Sudan – Bloomberg

- South Sudan found crude in the northern Adar oilfields, and plans production by the end of the year
- Output in South Sudan increased to 180K bpd from 130K bpd during its five-year civil war

## MORNING INK REPORT

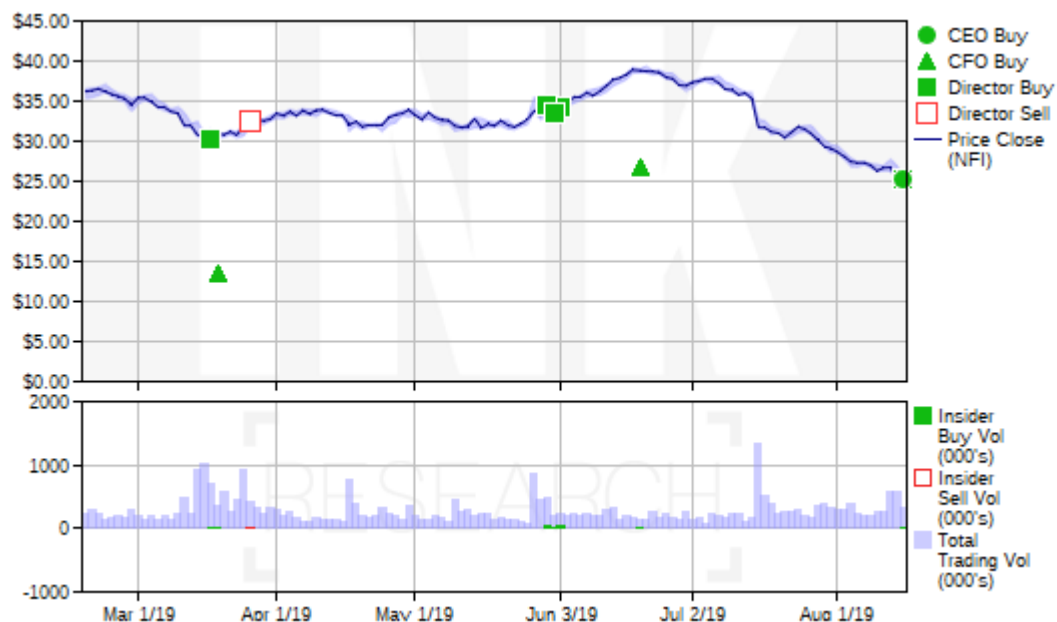
CEO bets NFI Group will shift back into high gear

Source: INK Research

### Company Highlight: NFI Group (NFI)

- For the past year, it has been a downhill ride for shareholders of global bus-maker NFI Group (NFI), formerly known as New Flyer Industries
- The stock is off about 50% as NFI experienced production delays, leading management in the spring to revise its guidance downwards for deliveries this year
- That downgrade was followed by another downgrade on July 16th when management projected 3.4% fewer deliveries than originally planned, sending the stock tumbling about 10% on the day
- Production concerns are overshadowing any growth potential associated with NFI's Q2 purchase of UK-based double-decker bus maker Alexander Dennis Limited (ADL) which serves markets at home, Asia, North America, and Europe
- A fall in Q2 earnings has not helped matters, as EPS fell to US\$0.14 from US\$0.81 in Q2 2018 and manufacturing adjusted EBITDA decreased by 22.6% to US\$61.9 million for the quarter
- Financing-related costs have also been on the rise as the company increased its long-term debt to US\$1.1 billion from US\$639 million at year-end to help fund its ADL acquisition
- In terms of operating issues, this month CEO Paul Soubry said, "We know the issues that need to be addressed and are focused on recovering to improve deliveries in the second half of 2019" and has backed up his words with share purchases
- Paul Soubry, CEO of NFI Group (NFI), acquired 4,000 common shares on a direct ownership basis at a price of \$25.151 through the public market on August 16, 2019, representing a \$100,605 investment into the company's shares and an account share holdings change of 1.1%
- Earlier in June, CFO Carl Glenn Asham acquired 6,700 common shares through the exercise of options at the price of \$26.75 and has not subsequently sold any shares

### NFI Group Chart



Source: INK Research

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## MARKET MOVERS

Source: FactSet

CANADA 52-Week Highs			CANADA 52-Week Lows		
<b>TSE Total 52-Week Highs</b>		<b>35</b>	<b>TSE Total 52-Week Lows</b>		<b>13</b>
<b>TSXV Total 52-Week Highs</b>		<b>6</b>	<b>TSXV Total 52-Week Lows</b>		<b>18</b>
Algonquin Power & Utilities Corp.	AQN	17.23	Advanz Pharma Corp.	ADVZ	13.38
Allied Properties REIT	AP	51.98	Axion Ventures Inc	AXV	0.46
Brookfield Asset Management Inc. Class A	BAM.A	68.79	Cryptologic Corp	CRY	1.90
Brookfield Renewable Partners LP	BEP.U	49.11	Falcon Oil & Gas Ltd.	FO	0.22
Canadian Apartment Properties REIT	CAR.U	53.01	Freehold Royalties Ltd.	FRU	7.48
Dream Industrial REIT	DIR.U	12.42	Global Gaming Technologies Corp	GGAM.U	0.03
Dream Office REIT Class A	D.U	26.87	Indigo Books & Music Inc.	IDG	6.60
Emera Incorporated	EMA	57.19	Josemaria Resources Inc.	JOSE	0.80
Empire Co. Ltd. Class A	EMP.A	36.69	Largo Resources Ltd.	LGO	1.45
George Weston Limited	WN	107.54	Logistec Corporation Class B	LGT.B	37.00
Hydro One Limited	H	24.35	Nevada Copper Corp.	NCU	0.32
iA Financial Corporation Inc.	IAG	55.89	OceanaGold Corporation	OGC	3.00
InterRent REIT	IIP.U	15.50	Tidewater Midstream & Infrastructure Ltd.	TWM	1.07
Mainstreet Equity Corp.	MEQ	64.08	Trilogy Metals Inc.	TMQ	2.04
Ritchie Bros. Auctioneers Incorporated	RBA	52.37			
U.S. 52-Week Highs			U.S. 52-Week Lows		
<b>NASDAQ Total 52-Week Highs</b>		<b>61</b>	<b>NASDAQ Total 52-Week Lows</b>		<b>32</b>
<b>NYSE Total 52-Week Highs</b>		<b>180</b>	<b>NYSE Total 52-Week Lows</b>		<b>18</b>
American Tower Corporation	AMT	225.19	Bloomin' Brands, Inc.	BLMN	15.37
AT&T Inc.	T	35.38	Domino's Pizza, Inc.	DPZ	232.02
CME Group Inc. Class A	CME	216.70	Hudson Ltd. Class A	HUD	10.88
Crown Castle International Corp	CCI	144.86	Lions Gate Entertainment Corp Class A	LGF.A	10.99
Ecolab Inc.	ECL	208.57	Meredith Corporation	MDP	44.45
Equinix, Inc.	EQIX	555.73	Merit Medical Systems, Inc.	MMSI	35.07
Fidelity National Information Services, Inc.	FIS	138.89	Shenandoah Telecommunications Company	SHEN	32.80
Fiserv, Inc.	FISV	107.75	Sirius International Insurance Group Ltd.	SG	10.00
Kimberly-Clark Corporation	KMB	142.74	Tallgrass Energy LP Class A	TGE	15.94
Lockheed Martin Corporation	LMT	380.47	Telephone and Data Systems, Inc.	TDS	24.85
Medtronic Plc	MDT	104.18			
Prologis, Inc.	PLD	83.86			
Sherwin-Williams Company	SHW	528.44			
Waste Management, Inc.	WM	120.02			
Zoetis, Inc. Class A	ZTS	126.75			

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## ASSET CLASS PERFORMANCE

Source: FactSet

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

As of: 08/19/2019		Price Return					CAGR		
Index	Price	Daily	Weekly	Monthly	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
S&P TSX	16,304.05	0.96%	0.41%	-1.10%	13.83%	-0.12%	6.67%	4.13%	7.42%
S&P TSX 60	974.30	0.96%	0.59%	-1.00%	13.38%	0.03%	7.76%	5.00%	7.36%
S&P/TSX Venture	569.85	-0.10%	-4.18%	-3.74%	2.27%	-15.95%	-11.88%	-10.58%	-6.99%
INK Canadian Insider	10.72	1.47%	0.05%	-3.03%	4.74%	-14.00%	-1.32%	-	-
S&P 500	2,923.65	1.21%	1.41%	-1.78%	16.63%	2.58%	12.44%	10.34%	13.71%
NASDAQ Composite	8,002.81	1.35%	1.77%	-1.76%	20.61%	2.39%	16.44%	13.35%	16.36%
Russell 3000	1,715.46	1.15%	1.30%	-1.95%	16.53%	1.35%	12.07%	9.85%	13.61%
iShares MSCI ACWI ex U.S. ETF	44.45	0.66%	-0.58%	-5.10%	7.77%	-2.96%	2.42%	-1.38%	1.91%
China - SSE	2,883.10	2.10%	2.42%	-1.41%	15.61%	8.02%	-2.51%	5.10%	0.33%
France - CAC 40	5,371.56	1.34%	1.15%	-3.26%	13.55%	0.50%	10.42%	8.33%	8.38%
Germany - DAX	11,715.37	1.32%	0.31%	-4.44%	10.95%	-4.06%	3.57%	4.65%	8.39%
Italy - FTSE MIB	20,715.49	1.93%	2.23%	-4.28%	13.05%	1.47%	12.36%	4.72%	3.45%
Japan - Nikkei 225	20,563.16	0.71%	-0.59%	-4.21%	2.74%	-7.67%	9.66%	7.91%	9.29%
U.K. - FTSE 100	7,189.65	1.02%	-0.51%	-4.25%	6.86%	-4.88%	5.87%	5.35%	8.39%
Australia - ASX 200	6,467.40	0.97%	-1.86%	-3.48%	14.54%	2.02%	9.99%	7.48%	8.67%
Saudi Arabia - TASI	8,565.79	0.18%	0.18%	-5.18%	9.44%	8.88%	-	-	-
Commodity	Price	Daily	Weekly	Monthly	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Crude Oil WTI (NYM \$/bbl)	56.14	2.43%	2.31%	0.79%	20.45%	-16.75%	4.56%	-9.57%	-2.70%
Nat Gas Fin LD (NYM \$/btu)	2.21	0.27%	4.53%	-1.91%	-22.38%	-24.96%	-5.46%	-10.75%	-3.37%
Gold (NYM \$/ozt)	1,511.60	-0.79%	-0.37%	5.06%	15.51%	24.35%	3.94%	3.11%	4.81%
Silver (NYM \$/ozt)	16.94	-1.06%	-0.77%	4.60%	7.09%	11.82%	-4.28%	-2.69%	2.02%
High Grade Copper (NYM \$/lbs)	2.60	0.25%	0.64%	-5.49%	-1.63%	-3.14%	6.28%	-3.37%	-0.59%
Lumber (CME \$/bft)	371.90	2.48%	8.49%	5.15%	8.22%	-21.86%	4.89%	1.07%	7.57%
Miscellaneous	Price	Daily	Weekly	Monthly	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
CAD/USD	0.75	0.14%	-0.38%	-1.57%	2.80%	-1.51%	-1.04%	-3.85%	-1.84%
Bitcoin USD (CME)	10,745.00	2.19%	-7.05%	2.72%	194.38%	65.82%	-	-	-
10Y Canada Govt Bond (MOD)	146.22	-0.37%	0.07%	2.65%	6.33%	9.28%	-0.34%	1.17%	1.88%
10Y US T-Note (BMF)	130.92	0.00%	0.42%	2.66%	7.64%	8.87%	-0.26%	0.73%	-
CBOE VIX (CBF)	18.08	-6.47%	-8.74%	19.43%	-50.84%	-8.49%	7.19%	6.01%	-4.40%

All prices are in local currencies

Tuesday, August 20, 2019

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## MACRO-EVENT SCHEDULE

Source: Bloomberg Finance L.P.

August 19-23		Event	Actual	Estimate
<b>Wednesday</b>	US	MBA Mortgage Applications	-	-
	CA	CPI YoY	-	1.7%
	CA	CPI NSA MoM	-	0.2%
	US	Existing Home Sales	-	5.40m
<b>Thursday</b>	US	Initial Jobless Claims	-	216k
	US	Markit US Manufacturing PMI	-	50.5
	US	Leading Index	-	0.3%
<b>Friday</b>	CA	Retail Sales MoM	-	-0.3%
	US	New Home Sales	-	645k

## EARNINGS

Source: TMX Money

### CANADA

Company	Ticker	Exchange	Period	Time	Est.EPS
Josemaria Resources Inc.	JOSE	TSE	Q2 2019	-	-

### USA

Company	Ticker	Exchange	Period	Time	Est.EPS
Cree Inc.	CREE	NASDAQ	Q4 2019	AC	-
Fanhua Inc.	FANH	NASDAQ	Q2 2019	AC	0.39
Jack Henry & Associates Inc.	JKHY	NASDAQ	Q4 2019	AC	0.77
Nordson Corporation	NDSN	NASDAQ	Q3 2019	AC	1.80
Photronics Inc.	PLAB	NASDAQ	Q3 2019	BO	0.10
Premier Inc.	PINC	NASDAQ	Q4 2019	BO	0.61
ScanSource Inc.	SCSC	NASDAQ	Q4 2019	AC	0.83
Urban Outfitters Inc.	URBN	NASDAQ	Q2 2020	AC	0.59
Alcon Inc.	ALC	NYSE	Q2 2019	AC	0.48
Amcort plc	AMCR	NYSE	Q4 2019	AC	0.15
CooTek (Cayman) Inc.	CTK	NYSE	Q2 2019	BO	0.01
Home Depot Inc. (The)	HD	NYSE	Q2 2020	BO	3.07
Kohl's Corporation	KSS	NYSE	Q2 2020	BO	1.51
La-Z-Boy Incorporated	LZB	NYSE	Q1 2020	AC	0.33
Medtronic plc.	MDT	NYSE	Q1 2020	BO	1.18
TJX Companies Inc. (The)	TJX	NYSE	Q2 2020	BO	0.62
Toll Brothers Inc.	TOL	NYSE	Q3 2019	AC	0.82

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## MOST READ NEWS

Source: Bloomberg Finance L.P.

- 1) Hasenstab's Huge Bet Against Treasuries Is Getting Wiped Out
- 2) JPMorgan's Dimon Among CEOs Rejecting Investor-Centric Model
- 3) Donald Trump Is Coming for Europe's Most Important Alliance
- 4) Hong Kong's Lam Offers Olive Branch After Latest Mass Protest
- 5) 'Wall of New Money' Flees Negative Rates for American Credit
- 6) Stocks Rally on Trade as Dollar Rises to 2019 High: Markets Wrap
- 7) Boris Johnson's Bid to Renegotiate Brexit Starts on Irish Border
- 8) Stocks Drift While Trade, Economic Momentum Mulled: Markets Wrap
- 9) Ross Says U.S. to Ease Huawei Sanctions for Another 90 Days
- 10) Germany Readying Stimulus Plan as Contingency for Deep Recession

**THE LAST DROP:** "The real key to making money in stocks is not to get scared out of them."

— Peter Lynch



## Appendix: Important Disclosures

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### 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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