

Morning Report: ARC insiders buy at multi-decade lows

April 2, 2020

Canada's morning overview of insider filings with a special focus on companies that may interest active and momentum-oriented investors.

Canadian Company Insider Filing Tally* - Yesterday



INK Market-Wide Sentiment Indicator*



INK Market-Wide Sentiment Indicator: **423.3%**

INK Sentiment Reading: **Undervalued**

INK Venture Sentiment Reading: **Undervalued**

*Filing Tally represents Toronto Stock Exchange and Venture companies with public-market transaction SEDI filings of directly-owned equity securities. Indicators represent companies with buy-only transactions divided by companies with sell-only transactions of direct ownership equity securities in the public-market by officers and directors (exclusive of officers and directors of subsidiaries or insiders) filed over the last 60 days. The chart line shows insider sentiment trends by connecting the historic indicator daily readings going back one year. See our market report for commentary on indicator readings.

[Report Tutorial Video : http://www.inkresearch.com/pdf_tutorial/morning.html](http://www.inkresearch.com/pdf_tutorial/morning.html)

English 国语 粵語

Overview: Sentiment and Stocks

The stock of Canadian natural gas-focused ARC Resources (ARX) hit a multi-decade low of \$2.42 on March 18th. While there was some officer buying as the stock traded near those lows, there was also a director selling. While we do not know for sure, those sales have the appearance of potentially being forced sales near the lows.

Generally, forced selling is something we often see near share price lows. Indeed a few days before the low, on March 13th, ARC announced that, in order to help maintain balance sheet strength, it was cutting its originally planned 2020 capital spending budget of \$500 million by 40% to \$300 million. It is also replacing its 5-cent monthly distribution with a 6-cent quarterly dividend. According to Refinitiv, ARC has a total debt to equity ratio of about 27. According to INK estimates, that is less than half the sector or market averages of 72 and 79 respectively for the most recent fiscal year.

The stock is already up 70% from its lows. Given market volatility these days, perhaps lower entry points will be seen in the days ahead for those who are looking to bet that ARC can help lead the way of out the oil-patch and COVID-19 wilderness.

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Today's Chart

ARC Resources Ltd. (ARX)

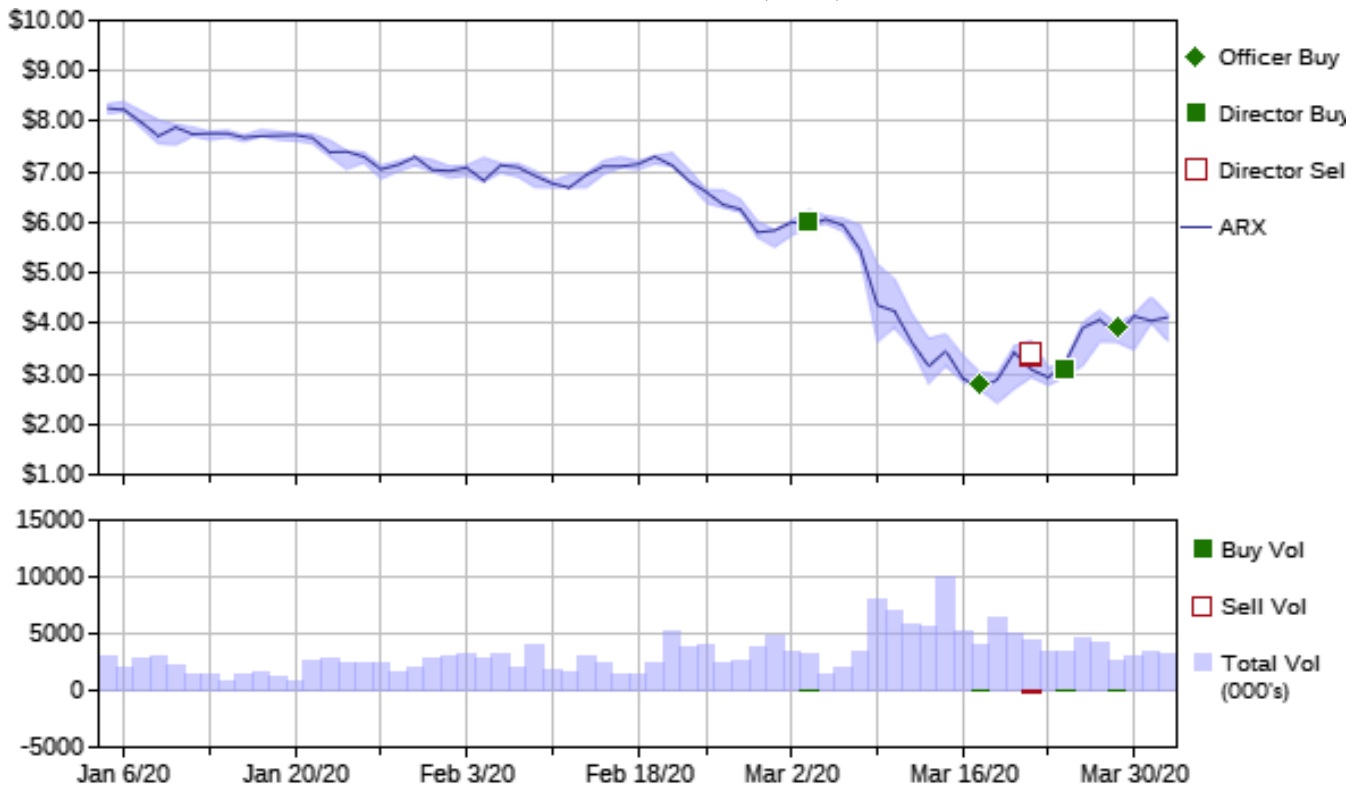


Chart reflects public-market and option-exercise transactions of common shares (unit trusts) by company officers and directors. USD transactions are converted to Canadian dollars by us using the Bank of Canada noon rate on the transaction date.

On March 17th, ARC Resources (ARX) Chief Operating Officer Terry Michael Anderson bought 50,000 shares at \$2.80 in the public market. He now holds 264,730 shares of the company representing about 0.8% of all shares outstanding.

Another officer, Larissa Marianne Conrad, bought 8,152 shares at \$3.92 on March 27th. The insider now holds 79,723 shares.

Meanwhile, Director Fred J. Dyment (ZCL) sold 150,000 shares on March 20th between the prices of \$3.35 and \$3.38. He continues to hold 150,413 ARC shares.

ARC Resources has above median ownership (direct & indirect holdings) by Officers and Directors compared to other mid-cap stocks in the Energy sector according to SEDI filings as of April 1st, 2020.

The stock currently holds a mostly sunny INK Edge outlook on the equally weighted V.I.P. criteria of valuations, insider commitment and price momentum which places it in the top 30% of all stocks ranked. INK outlook categories are designed to identify groups of stocks that have the potential to out- or under-perform the market. However, any individual stock could surprise on the up or downside. As such, outlook categories are not meant to be stock-specific recommendations. For background on our INK Edge outlook, please watch our short video or visit our FAQ #5 at INKResearch.com.

Video summaries of our morning reports are available on INK Ultra Money and, during the COVID-19 crisis, we are also making a number of these videos available for free on CanadianInsider.com/Ultramoney

Disclosure: One or more INK employee owns shares of ARX

Top-10 Tables: Yesterday's Activities

Tables represent public market transactions of directly held equity securities plus purchases and sales of these securities from the exercise of options by company officers and directors filed on or after April 1, 2020. Transactions filed on Saturday and Sunday are aggregated into Friday's number. INK may adjust certain filings for common filing errors on a reasonable efforts basis.

M - Public market transaction

O - Exercise of options

Top 10 Net "CO2" Buying (By dollar amount, 000's)	
M Chartwell Retirement Resi (CSH)	\$161.5
M GDI Integrated Facility (GDI)	\$130.0
M Hudbay Minerals (HBM)	\$100.1
M Power of Canada (POW)	\$89.9
M WPT Industrial REIT (WIR)	\$53.9
M Total Energy Services (TOT)	\$33.5
M Geodrill (GEO)	\$19.5
M Solarvest BioEnergy (SVS)	\$2.2
M Royal Nickel (RNX)	\$1.1
M Labrador Gold (LAB)	\$1.0

Top 10 Net "CO2" Selling (By dollar amount, 000's)	
M O TFI International (TFII)	\$-291.4
M Spin Master (TOY)	\$-198.9
M O North American Constr. (NOA)	\$-92.7
M O Belo Sun Mining (BSX)	\$-54.7
M Ridgewood Cdn Invtmt Grad (RIB)	\$-8.1

"CO2" may include Board chairs, CEOs, Presidents, CFOs, Treasurers, and Controllers of companies. See data description above.

Top 10 Net Insider Buying (By dollar amount, 000's)	
M Chartwell Retirement Resi (CSH)	\$161.5
M WPT Industrial REIT (WIR)	\$160.5
M Keyera (KEY)	\$148.4
O Plus Products (PLUS)	\$133.5
M GDI Integrated Facility (GDI)	\$130.0
M Hudbay Minerals (HBM)	\$126.7
M Timbercreek Financial (TF)	\$122.3
M Quartz Mountain Resources (QZM)	\$100.0
M Power of Canada (POW)	\$89.9
M Royal Nickel (RNX)	\$62.1

Top 10 Net Insider Selling (By dollar amount, 000's)	
M Barrick Gold (ABX)	\$-70,968.5
M Algonquin Power & Util (AQN)	\$-1,467.4
M Endeavour Mining (EDV)	\$-450.7
M Spin Master (TOY)	\$-323.0
M O TFI International (TFII)	\$-291.4
M Thomson Reuters (TRI)	\$-198.8
M O North American Constr. (NOA)	\$-92.7
M O Belo Sun Mining (BSX)	\$-73.1
M GoldMoney (XAU)	\$-54.0
M Firm Capital Mortgage Inv (FC)	\$-19.1

Top 10 Net Insider Buying (By volume, 000's)	
M Quartz Mountain Resources (QZM)	909.1
M Royal Nickel (RNX)	198.2
M O Belo Sun Mining (BSX)	162.4
M Halo Labs (HALO)	60.0
M Hudbay Minerals (HBM)	45.8
M Yangarra Resources (YGR)	33.0
M Solarvest BioEnergy (SVS)	30.5
M Total Energy Services (TOT)	20.0
M Mountain Boy Minerals (MTB)	20.0
M Chartwell Retirement Resi (CSH)	19.1

Top 10 Net Insider Selling (By volume, 000's)	
M Barrick Gold (ABX)	-2,632.2
M Algonquin Power & Util (AQN)	-83.2
M CEMATRIX (CVX)	-40.0
M Spin Master (TOY)	-25.8
M Canada Cobalt Works (CCW)	-25.1
M GoldMoney (XAU)	-20.0
M Copper Mountain Mining (CMMC)	-20.0
M Endeavour Mining (EDV)	-20.0
M James E. Wagner Cultiv. (JWCA)	-14.5
M STEP Energy Services (STEP)	-2.9

Top-10 Tables: Yesterday's Activities (cont'd)

Tables represent public market transactions of directly held equity securities plus purchases and sales of these securities from the exercise of options by company officers and directors filed on or after April 1, 2020. Transactions filed on Saturday and Sunday are aggregated into Friday's number. INK may adjust certain filings for common filing errors on a best efforts basis.

- - Public market transaction
- - Exercise of options
- I - Information that has been adjusted or estimated by INK
- ▲ - Amended filing
- - CEO Buy
- ▲ - CFO Buy
- ◆ - Officer Buy
- - Director Buy
- - CEO Sell
- ▲ - CFO Sell
- ◆ - Officer Sell
- - Director Sell

Yesterday's Top 10 Individual Buy Filings					
(By volume)					
Company Name	Insider Name	Security	Unit/Share	Price	
Quartz Mountain Resources (QZM)	Dickinson, Matthew Robert	Common Shares	909,091	0.11	■
Belo Sun Mining (BSX)	Eaton, Mark Price	Common Shares	263,000	0.22	I
Belo Sun Mining (BSX)	Tagliamonte, Peter Wilson	Common Shares	263,000	0.22	■
Belo Sun Mining (BSX)	Ptolemy, Ryan Jeffery	Common Shares	181,834	0.22	▲
TFI International (TFII)	Bédard, Alain	Common Shares	76,200	20.18	■
Royal Nickel (RNX)	Hand, Scott Mckee	Common Shares	75,000	0.32	■
Halo Labs (HALO)	Turman, Andrew	Common Shares	60,000	0.15	■
Royal Nickel (RNX)	Goudie, Peter James	Common Shares	53,100	0.31	■
Royal Nickel (RNX)	Williams, Chad	Common Shares	50,000	0.32	■
Hudbay Minerals (HBM)	Kukielski, Peter Gerald J	Common Shares	35,800	2.80	■

Yesterday's Top 10 Individual Sell Filings					
(By volume)					
Company Name	Insider Name	Security	Unit/Share	Price	
Barrick Gold (ABX)	Thornton, John Lawson	Common Shares	-1,745,000	18.80	◆
Barrick Gold (ABX)	Thornton, John Lawson	Common Shares	-703,078	19.56	◆
Barrick Gold (ABX)	Thornton, John Lawson	Common Shares	-184,075	19.53	◆
Belo Sun Mining (BSX)	Ptolemy, Ryan Jeffery	Common Shares	-181,834	0.42	▲
Belo Sun Mining (BSX)	Eaton, Mark Price	Common Shares	-181,811	0.42	▲
Belo Sun Mining (BSX)	Tagliamonte, Peter Wilson	Common Shares	-181,811	0.42	○
TFI International (TFII)	Bédard, Alain	Common Shares	-59,463	30.76	○
Algonquin Power & Util (AQN)	Norman, Jeffery Todd	Common Shares	-48,000	17.58	◆
CEMATRIX (CVX)	Benson, Bob	Common Shares	-40,000	0.33	■
Algonquin Power & Util (AQN)	Norman, Jeffery Todd	Common Shares	-35,500	17.71	◆

Daily Marker Trading Reports

The TSX no longer provides marker reports. SEDI data is not impacted.

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