

# Ranking Canada's Top Marijuana Stocks for 2018

## Description

In a [previous piece](#), I'd ranked Canada's top four marijuana stocks for the long haul, but in this piece, I'm considering the best ones to own at this point in time for the next year. Marijuana stocks have been surging at an exponential rate of late, so before you back up the truck on the top-ranked stock, I'd advise you to be patient and wait for a meaningful pullback before accumulating a majority of your shares.

Without further ado, here are what I believe are the best pot stocks to own over the next year:

### 4. Aphria Inc. (TSX:APH)

Aphria is an incredible cannabis producer which clocked in industry-leading efficiency results last year, but most of the attention was not on management's abilities to drive down the cost per gram of marijuana; instead, the spotlight was on Aphria's U.S. assets and the risks they pose to the stock's future on the TSX.

CEO Vic Neufeld stated that he's doing everything in his power to ensure that "Aphria shareholders are not damaged in any which way." That means the company is planning to lower its U.S. exposure to comply with U.S. laws and remain listed on the TSX. That means management will be scrambling to offload assets at well below their book value to remain a tradeable security on the TSX.

Although the [fundamentals of the business are sound](#), I'm not a fan of the sharp turn in strategy that's being forced upon management. Who knows? Aphria may be delisted before management has a chance to divest its U.S. assets. And that's a can of worms that can be avoided with another one of Canada's fine producers.

### 3. Canopy Growth Corp. ([TSX:WEED](#))

The management team led by CEO Bruce Linton has laid down the foundation to become an absolute juggernaut over the next decade. The company has been opening its wallet really wide to double down on the longer-term opportunity, and I believe this strategy is what will put Canopy head and shoulders above its peers, as the industry matures.

If you're looking for the "big brand" of cannabis, it's quite possible that Canopy has the Marlboro of its industry in Tweed. I'm a huge fan of management and their seemingly aggressive expansion plans, but the only thing I dislike is its valuation, which is far too rich for my taste, even for a cannabis stock.

### 2. MedReleaf Corp. (TSX:LEAF)

MedReleaf is the smallest of the "Big Four" Canadian pot stocks at \$2.24 billion, but I think it's one of the most underrated marijuana plays, and I believe it has potential to become a market leader.

The federally licensed producer has gained a huge following from the extremely satisfied customers of

its premium-quality product. The drug isn't legal yet, but MedReleaf has been recognized by the Lift Awards, winning "Top High-CBD," "Top Sativa," and "Top Indica" over the past few years.

MedReleaf prides itself on being a producer of premium medical-grade cannabis. As the first and only ISO 9001 certified cannabis producer, MedReleaf is a great play for investors who want a "pharma-like" play, since MedReleaf is slated to reinvest a great deal back into R&D and product innovation.

#### 1. **Aurora Cannabis Inc.** ([TSX:ACB](#))

Aurora is hungry — not just for acquisitions, but for the title of Canada's favourite pot stock. The company's 800,000-square-foot Aurora Sky facility is slated to complete around the same time as legalization day. Not only is the timing impeccable, but the tech within the greenhouse could produce industry-record efficiency results, all while scaling up. This means the top and bottom line could be ripe for take-off in the latter part of 2018.

As you may be aware, Aurora's planned takeover of **CanniMed Therapeutics Inc.** hasn't gone as planned, but I don't think investors should think too much of it, even if things get uglier with lawsuits being thrown into the mix.

Aurora has the best near-term catalysts, and I think cannabis investors should favour it because of the potential to deliver off-the-charts numbers in the quarters following legalization day.

Stay hungry. Stay Foolish.

#### **CATEGORY**

1. Investing

#### **TICKERS GLOBAL**

1. TSX:ACB (Aurora Cannabis)
2. TSX:WEED (Canopy Growth)

#### **PARTNER-FEEDS**

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

#### **Category**

1. Investing

#### **Date**

2025/08/25

#### **Date Created**

2018/01/17

#### **Author**

joefrenette

default watermark