



Is Tilray Inc. (NASDAQ:TLRY) Really Worth More Than Canopy Growth Corp. (TSX:WEED)?

Description

Don't look now but **Tilray** ([NASDAQ:TLRY](#)) just booted **Canopy Growth** ([TSX:WEED](#))(NYSE:CGC) from the cannabis throne and is now the largest Canadian pot stock by market cap. Tilray, the new king of cannabis, may be based out of Nanaimo B.C., but its shares aren't available on the **S&P/TSX Composite Index**.

So, unless you saw something special in Tilray that made you believe it was worthwhile to make the USD/CAD exchange at an unfavourable level so that you could invest in the NASDAQ-traded shares, odds are you missed out on most the trough-to-peak eleven-bagger move that happened in just under a month's time.

Don't you wish you could go back in time?

The latest source of "rocket fuel" for Tilray was courtesy of the DEA, who went ahead and approved the exporting of marijuana across from Canada into the U.S. border. The news caused the stock to rocket and capitulate in a single day, leaving Canopy Growth behind as shares retreated by 6%.

At the time of writing, Tilray commands a \$20 billion market cap, leaving Canopy with a now less impressive \$14.5 billion market cap. So, now that Canopy lost its seat at the top is the company led by CEO Bruce Linton capable of re-capturing the throne? Or should you may the jump to Tilray?

Canopy may have lost its appeal in recent weeks, but from a fundamental perspective, the company still looks like a dominant leader in the space. With a [Canopy Rivers](#) (TSXV:RIV) VC spin-off underway, a portfolio of strong recreational brands (Tokyo Smoke, Tweed, Snoop Dogg), and an emphasis on international growth, Canopy remains a premier player in the space and a likely candidate to "leapfrog" Tilray, depending on the series of developments that'll be up ahead.

Moreover, Tilray looks severely way too hot to hand, and its shares could stand to correct after the shorts are squeezed out of their positions. A scenario in which Tilray surrenders the throne back to Canopy is a more probable outcome, so if you're keen on [buying pot at these frothy levels](#), Canopy

would probably be the lesser of two evils.

Foolish takeaway

While the bubbly marijuana industry continues to inflate, some names are swelling up faster than others. Most pundits believe that pot stocks are in bubble territory, and if that's the case, Tilray looks like a bubble within a bubble.

So, unless you're actively seeking to maximize your risk, I'd stick with Canopy, but wait for shares to dip, reset, and get ready for the next boom.

Tilray may be the king of cannabis now, but I think it'll be temporary, whether it's through a Tilray crash or a Canopy pop.

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