

Why November Could Be a Big Month for Cannabis

Description

Marijuana legalization has made a lot of progress in the U.S. over the years, but it still has a long way to go, especially at the federal level. But as more states seek to legalize pot, it'll undoubtedly put more pressure on the federal government to make changes as well, as a federal ban on cannabis makes it illegal to cross state lines with the drug.

The midterm elections in the U.S. are coming up next month, which means many potential changes.

The first is that there are many political races that could shift the balance of power in the U.S., which currently sits with Republicans, who are still largely against legalizing marijuana. More Democrats in the Senate and running states will likely lead to more progress on marijuana legalization.

While it may not lead to a direct or even quick change on the topic, it will pave the way for future ballots and set the stage for more places where pot can be consumed.

Voting will take place on the legalization of marijuana in four U.S. states. North Dakota and Michigan will vote on whether to legalize marijuana for recreational use, while Utah and Missouri will decide on medical marijuana and under what circumstances it will be allowed.

Attitudes on marijuana have been changing

What's remarkable on the topic of marijuana is not that we're seeing legalization happen in many U.S. states, it's that even in largely Republic states we are seeing progress on the topic as well. For me, the big turning point was seeing former House Speaker John Boehner become involved with a cannabis company as an advisor.

While there may still be some people who are opposed to legalizing pot, it's clear that the movement to legalize marijuana is picking up steam. How long it will take for that to lead to changes federally, however, is another question.

Why this matters to Canadian cannabis investors

While these changes are big at the U.S. level, their impact is also significant for Canadian companies as well. **Aphria Inc** (TSX:APH) knows all too well how investing in U.S. pot could land companies in hot water, as the pot stock recently [divested](#) itself of its U.S. assets. Other cannabis companies have simply steered clear of the country entirely and decided that as lucrative as the market is, that it isn't worth the risk.

That's also why many big companies in other industries are staying on the sidelines. The industry will look very different once we see marijuana legalization take place in the U.S., as companies like Aphria could be swallowed up by big tobacco or beverage companies that would be able to ship cannabis along with other products across the country.

While we've seen some [big deals](#) take place already, we're likely to see many more once legal obstacles are out of the way.

Aphria and other cannabis companies have also been looking to expand in other parts of the world, and you can bet that the U.S. market, if it were to become accessible, would immediately become the focal point.

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Author

djagielski

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