

This Pot Stock Has Soared Past Canopy Growth Corp (TSX:WEED)

Description

While pot stocks have been slowing down lately, that doesn't mean the opportunity to get a good return isn't there anymore. However, how much of a return you can still earn with an established, well-known stock like **Canopy Growth** ([TSX:WEED](#))(NYSE:CGC) is debatable, although it has been rising lately.

Instead, the Canadian Securities Exchange can offer some attractive up-and-coming stocks that are still in their early growth stages or are based in the U.S. and can't list on the TSX due to the legal issues surrounding cannabis south of the border.

Pot stocks on that exchange have been doing well, and one in particular has quietly been soaring in value. **MedMen Enterprises** ([CNSX:MMEN](#)) recently launched on the TSX, and in the past three months it has soared by more than 80%. Even in the past month, while Canopy Growth has [declined](#) by more than 10%, MedMen has soared by nearly 40%. **Aurora Cannabis**, which is often more volatile, has also dropped more than 25% in just the past month of trading.

The big names of the TSX have been struggling, and a stock like MedMen still has many growth opportunities ahead of it.

What makes MedMen special?

What's appealing about MedMen is that the company has a presence in many U.S. states, and a recent acquisition will only add to that tally. Gaining a large foothold across the U.S. is very challenging because transporting across state lines is illegal, which means that a company will have to have operations in every state that it wants to sell its products in.

This makes acquisition the quickest way for a company to expand its business. When the time comes that marijuana inevitably gets legalized in the U.S., a company like MedMen will have a lot of value and could be a prime acquisition target of a big pharmaceutical or alcohol company looking to jump into the industry.

We've already seen a lot of interest from [other industries](#), and a stock like MedMen could offer a lot of value to prospective buyers. Unfortunately, the legality of cannabis remains a big hurdle, and that has kept many big brands in the sidelines thus far.

As more states move to legalize cannabis, there will be even more opportunities for MedMen to expand into, and that could make the stock an even better buy. While the stock has risen a lot in value lately, MedMen is still in the very early stages of its growth. And with the stock being only listed on the CNSX, the pool of investors it has access to will be limited, and it could take off when the day comes that it makes the move onto a big exchange like the TSX or NYSE.

Many other pot stocks to choose from

MedMen is one of the more popular options on the CNSX, but it's not hard to find other pot stocks as

well. But investors should be aware that while the opportunities are significant, so too are the risks.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:CGC (Canopy Growth)
2. TSX:WEED (Canopy Growth)

PARTNER-FEEDS

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

Category

1. Investing

Tags

1. Editor's Choice

Date

2025/08/27

Date Created

2018/11/07

Author

djagielski

default watermark

default watermark