



Aurora Cannabis Inc.'s (TSX:ACB) New "Aurora Cloud" Lineup Could Send the Stock Flying Into the Stratosphere

Description

Aurora Cannabis ([TSX:ACB](#))(NYSE:ACB) left a bad taste in the mouth of investors last year after management went on its [shareholder-dilutive acquisition spree](#) at what appeared to be a time of extreme overvaluation. The company's two most significant acquisitions, CanniMed Therapeutics and MedReleaf Corp., made Aurora a force to be reckoned with in the medical marijuana space, but still, investors made it clear that they weren't fans of the high prices that Aurora ultimately ended up paying.

In spite of management's apparent lack of consideration for valuation, Aurora still possesses one of the most promising talent pools in the entire industry. And after suffering a steeper drop than most of its peers during the early 2018 cannabis correction, I think aggressive, upside-seeking investors may want to consider jumping back into Aurora Cannabis stock at today's depressed levels.

It's not just Aurora's beefed-up production capacity, its new international partnerships, or its distribution agreements that investors should be excited about, though. It's Aurora's impressive positioning within the red-hot CBD market, a cannabis sub-industry that could experience an unfathomable amount of sustained growth over the next five years.

Enter the Aurora Cloud

Last month, Aurora announced that it had received the green light from Health Canada to sell its innovative vape-ready CBD oil product line under the "Aurora Cloud" brand.

The move makes Aurora the first licensed Canadian producer to have a CBD vape-ready cartridge offering in its lineup and could allow the company to form a moat within an industry that's been overlooked by both investors and other marijuana companies alike.

"We identified a significant unmet market need, and our technical and regulatory teams rapidly executed on this opportunity," said Aurora CEO Terry Booth. "We are very proud of this accomplishment by our teams, and will continue to leverage our leadership in executing on our strategy to develop a robust portfolio of high value-add, higher-margin products for all markets and

jurisdictions that we participate in.”

The first CBD cartridge is going to be composed of 550 mg of CBD and 30 mg of THC and will be launched under the “medical and wellness” segment.

Foolish takeaway

While other marijuana producers are ramping up on pot production to meet the short-term marijuana demand spike, Aurora is building up a long-term moat around the medical cannabis market.

Aurora Cloud could be the first of many unique products that could allow the company to become a force to be reckoned with, so I’d encourage investors to nibble away at the stock today before other investors discover what the company is really capable of.

At this juncture, Aurora looks like the [undisputed king of CBD](#).

Stay hungry. Stay Foolish.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:ACB (Aurora Cannabis)
2. TSX:ACB (Aurora Cannabis)

PARTNER-FEEDS

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

Category

1. Investing

Tags

1. Editor's Choice

Date

2025/08/26

Date Created

2018/11/16

Author

joefrenette

default watermark