



Canopy Growth Corp. (TSX:WEED) and HEXO Corp. (TSX:HEXO) Could Take Off Once Cannabis-Infused Beverages Hit Store Shelves

Description

We're on the verge of a cannabis-infused beverage boom, and leading the charge are **HEXO** ([TSX:HEXO](#)) and **Canopy Growth** ([TSX:WEED](#)) for obvious reasons. They're the cannabis producers that already have a [dance partner](#) in a major alcohol firm. It's these alcohol firms that'll be buying up considerable amounts of cannabis (the magic ingredient) on a regular basis for use in the production of massive quantities of cannabis-based beverages.

Don't discount the potential of cannabis-infused beverages

I believe the cannabis-infused beverage market will ultimately end up catering to a much wider audience than most would initially expect. Over the next decade, I don't think it'd be too far-fetched to see cannabis-infused beverages outselling alcohol, as **Molson Coors** ([TSX:TPX.B](#))([NYSE:TAP](#)) and **Constellation Brands** ([NYSE:STZ](#)), the partners of HEXO and Canopy, respectively, become known as more than just alcohol companies.

When you hear of cannabis-infused beverages, you're probably thinking of drinks that'll make you high after you've consumed them.

While Molson and Constellation are undoubtedly working on such intoxicating beverages based on THC, the psychoactive component of cannabis, I believe the market for CBD, the non-psychoactive cannabinoid with similar therapeutic properties of THC, drinks has far greater long-term growth potential.

Why?

The high is undesired for a vast majority of individuals, but the non-psychoactive therapeutic properties offered by CBD (or THC) are very much desired by folks who may wish to "unwind" after a long day without rendering themselves as unproductive.

"The cannabis market isn't just about catering to the folks who want to smoke bud or eat pot brownies. Only a small percentage of the population is interested in doing this on a consistent basis," I said in a [previous piece](#)

. “As non-intoxicating consumer packaged CBD edibles, vapeables, and smokeables become more prevalent over the next three years, I suspect the growth experienced by the CBD market could exceed even the most bullish of projections.”

The anti-caffeine: the rise of relaxation drinks

Consider the popularity of “relaxation beverages” like Mellow Mood created by the Marley Beverage Company, a partner of Bob Marley’s family. These beverages consist of natural herbal ingredients like chamomile flower extract, which were meant to mellow your mood and cause drowsiness for those looking to “unwind” after a long day.

These relaxation beverages have received fairly rave reviews, and some folks have reported that the beverage has helped with their sleep troubles. Now that CBD and THC can be used as ingredients, relaxation beverages are about to become much more potent.

There’s no telling how popular such CBD (or THC) relaxation drinks will be, but count me as not surprised if they become as popular in the evening as coffee is in the morning among the public.

Foolish takeaway

Coffee’s a drug that’ll wake you up, and indica-dominant weed is a drug that could put you to sleep, but for many, weed remains taboo.

CBD-dominant cannabis-infused beverages, on the other hand, are a more practical option for most, and if Molson and Constellation can find a spot with consumers, they’ll make their shareholders and the shareholders of their suppliers (HEXO and Canopy) very rich.

If you’re a prudent investor, I’d bet on either Molson or Constellation, and if you’re comfortable with speculation, you may want to nibble away at Canopy or HEXO stock on weakness. I think the supplier-brewer relationship will be very profitable for both parties involved over the long haul.

Stay hungry. Stay Foolish.

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joefrenette

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