



## Is NYSE Uplisting a Timely Move for This Marijuana Stock?

### Description

Market analysts in the cannabis space have great expectations for cannabis companies in 2019, particularly **Hexo Corp.** ([TSX:HEXO](#)). Prior to the October 17, 2018 legalization of adult-use marijuana in Canada, people were overenthusiastic. But after the law took effect, nearly all weed stocks went on a freefall.

The year-end beating of cannabis stocks spooked investors. Many concluded that investing in cannabis stocks is purely speculative. However, the industry as a whole started strong this year. For HEXO, the growth prospects might be for real this time. And the decision to uplist on the NYSE is a wise and timely move.

### HEXO's NYSE uplisting

When HEXO and **Molson-Coors Brewing Co.** ([TSX:TPX](#))([NYSE:TAP](#)) sealed their joint venture deal last October, uplisting on the U.S. stock market next was the company's promise to investors. Last week, on January 23, 2019, the ticker HEXO appeared on the NYSE to replace the OTC symbol HYYDF.

HEXO fulfilled the promise to investors and hopefully things will begin to perk up. American institutional investors will now take HEXO seriously, as these funders usually avoid companies listed on the OTC exchange. Exposure to retail investors has been broadened as well. HEXO can also penetrate the U.S. markets as more states legalize cannabis.

### Recapturing lost ground

The pressure is on for HEXO to prove skeptics wrong. Last year, the inflated demand for recreational marijuana was unmet due to supply shortages and supply chain snags. HEXO did not falter to deliver all cannabis orders. The company refilled stocks and promptly sent them out to the satisfaction of stores and distributors.

HEXO ended 2018 at \$4.71 and as of January 25, the price per share is \$6.77, which represents a 43.73% increase. The stock hit a peak of \$8.95 mid-October last year before the downtrend. Analysts

are saying the impressive start in 2019 is [a portent of bigger things to come](#).

### Year of reckoning

The honeymoon stage is over and investors want to see consistent and steady revenues. At this juncture, all roads lead to that. First, HEXO is primed to be among the top 10 cannabis producers. The company's new production facility can yield 108,000 kilograms of cannabis annually.

Second, HEXO's explosion could come from cannabis drinks when the company exploits the [partnership with Molson Coors](#). The non-alcoholic and cannabis-infused beverage market is potentially the next big thing in addition to the consumables.

Third, the company has begun a global expansion move; capturing the EU market is in the works. HEXO might be the first to be granted a license in Greece. Once obtained, the plan is to set up a Eurozone processing, production and distribution station housed in Greece.

HEXO's uplisting on the NYSE is a clever move and came in the nick of time. Besides enhancing the credibility and legitimacy of the legal cannabis industry, HEXO stands alongside with the big and iconic corporate names. If there's a cannabis company that can overcome the market challenges and offers potential growth, HEXO is the one. The message is clear.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:HEXO (HEXO Corp.)

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