



Why You Should Buy Tilray (NASDAQ:TLRY) Stock and Forget About It

Description

Investing in [marijuana stocks](#) continues to remain a highly volatile trade. After the investment boom that preceded the Canadian legalization of the commodity for recreational use, many pot stocks are trading much lower than their peak last year.

The British Columbia-based medical marijuana company, **Tilray Inc.** ([NASDAQ:TLRY](#)), is certainly one of them. After reaching \$300 a share in the middle of that hype and speculation, Tilray stock is now trading around \$80 a share.

But that value is still offering more than two-fold returns to investors who bought this stock at the time of its IPO in the last summer and continue to hold it.

Going forward, the biggest question for the long-term investors is whether marijuana companies fit into their philosophy of buying stocks and holding them to benefit from their growth.

Besides the daily market noise about pot shares, I believe there are a few opportunities in the marijuana space that offer money-making opportunities to the long-term investors and Tilray is one of them. Here's why.

Long-term potential of Tilray stock

Tilray has recently gained approval from the U.S. Drug Enforcement Administration to import medical cannabis into the U.S. for testing purposes. The U.S. is the market where recreational marijuana is currently legal in 10 states, and many now see federal U.S. legalization as inevitable within the next five years.

Other than focusing on the U.S. market potential, Tilray is also making alliances and partnership to consolidate its leading position in the business.

Last month, Tilray signed a global partnership with **Sandoz AG** to develop and distribute its medical marijuana in legal jurisdictions worldwide. The agreement will boost the availability of medical cannabis products globally, building on an existing alliance with **Sandoz Canada Inc.**

The two companies will work together to commercialize Tilray's non-smokable medical marijuana offerings, co-brand certain products, develop new products and educate pharmacists and physicians about pot.

Earlier, [Tilray](#) announced a deal to acquire its partner in Chile. The agreement will give the company a solid base to import, produce, and distribute medical cannabis in the country, and the country will serve as Tilray's hub for the Latin American market.

Tilray has products available in 12 countries with operations in Canada, Australia, New Zealand, Germany, Portugal and Latin America.

The bottom line

Investing in marijuana stocks is a risky trade and should suit those investors who have the stomach to wait and ride out the market volatility. That said, there are a few solid companies with solid growth plans that should be a good fit for long-term buy-and-hold investors. Tilray, after a massive correction in its stock price, is a good candidate for such investors.

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