



## 3 Reasons Why Millennials Prefer Aurora Cannabis Inc. (TSX:ACB) Over Canopy Growth Corp. (TSX:WEED)

### Description

There's no question that **Canopy Growth** ([TSX:WEED](#))(NYSE:CGC) is the current king of the cannabis scene. As Canada's favourite pot stock, the company has been a go-to favourite for many because of the durable competitive advantages it has over many of its peers in the space. Canopy arguably has the most transparent (and intelligent) CEO in Bruce Linton, a remarkably solid international footprint, an extensive portfolio of robust recreational brands, and most important, Canopy has one of the most attractive dance partners with **Constellation Brands**.

**Aurora Cannabis** ([TSX:ACB](#))(NYSE:ACB) is more of a wild card, as it doesn't have a behemoth of an investor. Due to the lower degree of transparency in the business, I find there to be more marijuana smoke that's clouding the company's future.

Despite all these additional uncertainties in an already highly uncertain industry, millennials prefer Aurora Cannabis over Canopy Growth. According to *Markets Insider*, Aurora Cannabis recently took the top spot in *Robinhood*, a trading app loved by the millennial cohort, for the highest user-base ownership of the stock, with nearly 250,000 users holding onto Aurora Cannabis, which is considerably higher than almost any other stock.

So, what is there to like about Aurora? And why is it seen as the [one pot stock to rule them all](#) at this juncture (at least through the eyes of *Robinhood* users)?

### Having no dance partner may be a good thing

While it's good news for Canopy that it has a well-established investor in Constellation Brands, as Canopy now has deep pockets relative to many other peers in the marijuana space, the upside from Constellation Brands' investments are already baked (pun intended) into the stock and then some.

I've often referred to Canopy as the most investable of pot stocks because of the advantages granted by having such a huge investor standing in its corner. But despite Canopy's stronger positioning today, millennials are hanging onto their Aurora shares over a potential blockbuster investment made with

some pharmaceutical giant that may be even more powerful than Constellation Brands.

Such a deal would cause Aurora stock to skyrocket like a bat out of hell, and given the *Robinhood* data, it's clear that millennials would rather partner up with a stock that's sitting on the sidelines, waiting for someone to ask them to dance, rather than a stock that's already doing to tango.

## **Aurora stock is less overheated than Canopy**

Canopy stock has had a heck of a run, primarily due to the [advantages](#) and the existence of its major investor. While Canopy looks a heck of a lot better than Aurora at this juncture, it's important to remember that the stock market isn't about where the puck has been or where it's at right now.

It's about where the puck is headed *next*, and it's clear that millennials (or at least *Robinhood* users) are skating to get open for a pass to get that one-time slapshot on net that'll likely result in a higher probability of scoring a big goal.

Aurora may not have as many promising deals in the bag as Canopy, but such deals are contingent events that could happen unexpectedly. Should one happen for Aurora, its stock could rally much higher than that if Canopy disseminated a similar event.

## **The heavy emphasis on the medicinal side of cannabis may be an overlooked advantage**

Canopy is a top-notch player in both the recreational and medical marijuana markets, and while they may seem better, Aurora may have a potential advantage when it comes to international expansion, as government regulators will probably be way more willing to give the green light to a pot firm that focuses more on the medicinal side of things, especially if further research proves additional therapeutic benefits of cannabinoids.

When it comes to long-term growth in the world of marijuana, it's not just about Canada. As other G7 countries observe how well things are going for Canada and pot legalization, they may be more willing to follow through with their own legalization. And with the international taboo still high (pun intended) on cannabis usage, this taboo is likely to be muted for medically-focused pot players who aim to use cannabis to combat various ailments.

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