



Another Big Pot Stock Hit the NYSE This Week

Description

Marijuana stocks have come a long way over the past few years. From being listed only on the TSX, many big names now find themselves on the NASDAQ and NYSE as they look to add credibility with investors. While it may seem like just meeting more listing requirements, for a company, it's big news, since it's an opportunity to reach new investors that may have otherwise not invested in the stock.

Cannabis giant **Aurora Cannabis** ([TSX:ACB](#))(NYSE:ACB) began trading on the NYSE back in October. Although we haven't seen any real benefit in the stock price as Canadian marijuana stocks have struggled since legalization, we've definitely seen a big uptick in Aurora's volume since then. There have definitely been more eyeballs on the stock, but there's good and bad that comes with that.

The good is that a stock could see a lot more jump if it has a good news day or strong earnings report. However, it also means more analysts are covering the stock, which translates into more expectations and pressure for the stock. Unfortunately for Aurora, the company is coming off a quarter where it [fell short](#) of its sales expectations. Although year to date it is up 35%, over the past 12 months it is still down more than 13%.

If Aurora can bounce back next quarter with a strong earnings report, we could see the stock soar back to previous highs, especially with many more investors following the stock.

However, if you're looking for the next big opportunity on the NYSE, it might just be **CannTrust Holdings** (TSX:TRST)(NYSE:CTST). Not only has it begun trading on the NYSE, but year to date the stock has nearly doubled in value. CannTrust has been very volatile over the past year, but the medical marijuana company has done something many of its peers have failed to do: generate a profit from its operations.

In four of its last five quarters, CannTrust has posted a positive operating income number and in the trailing 12 months it has accumulated \$15 million before other income and expenses. It's a refreshing change to see a pot stock that has been able to turn a profit with some consistency, and it definitely [separates CannTrust from the pack](#).

Is CannTrust a Buy?

With its Q4 earnings yet to be released, CannTrust is likely going to see some strong growth as the recreational market will likely give its sales a big boost. In Q3, CannTrust's sales were up 167%. Another strong quarter like that could generate a lot of hype around the stock. And if it can combine that with a profitable quarter, the stock could be well on its way to a new 52-week high.

With a modest market cap of a little over \$1 billion, CannTrust is still an up-and-coming stock that is likely to have a lot more upside than an established, popular stock like Aurora Cannabis will have. There aren't many pot stocks I'd consider investing in, but CannTrust is definitely near the top of the list.

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