



## Why This Is the Only Pot Stock You Need in 2019

### Description

Cannabis stocks such as **Hexo** ([TSX:HEXO](#)) have seen some [substantial gains](#) over the past few years. Apart from the lucrative run-up towards legalization, Hexo and others have been spending like mad to increase their production capabilities, branch out to new markets, and establish complementary product streams that will be exposed to the market over the next few years.

Despite being neither the most well-known or largest player in the still-young market, Hexo presents a number of compelling opportunities for potential investors to consider, particularly those with long-term objectives.

Here's a look at some of those opportunities.

### Hexo is planning major growth

One thing that is consistent across all the major players in the cannabis market is the need to expand and do so rapidly. Whether this is through negotiating supply agreements with the provinces or setting up an international presence for both distribution and production, the possibilities are nearly endless.

In the case of Hexo, that major growth has been accommodated so far along several parallel routes. In the domestic market, the company has already established a multi-year supply agreement with the province of Quebec, and the recently announced acquisition of Newstrike Brands last month will see Hexo's distribution reach expand to eight provinces.

To support that growing domestic distribution network is Hexo's equally expanding production facilities. The company's new one-million-square-foot flagship facility, which more than double the size of the previous flagship location, opened only last year, is set to be further augmented by nearly 1.8 million square feet through the Newstrike deal that was allocated towards diversified growing and production techniques.

Perhaps the most publicized and anxiously awaited product offering will come in the form of Truss, which is the name of the company that was set up by Hexo alongside **Molson Coors Canada** charged

with bringing cannabis-infused beverages to market.

Finally, there's Hexo's movement into international markets to take into consideration. The company has forged an agreement to construct a large production facility in Greece, which can then be used as a starting point to expand into the growing European medicinal market.

## Should you buy?

Hexo's impressive array of growth initiatives should be sufficient to attract the interest of even the most skeptic investor, but the most important point that investors should consider is time.

Despite the massive coverage that legalization has attracted, the market is still very much in its infancy, and a slew of new products, ranging from edibles and incense to clothing and oils, are still gradually coming to market, all of which could be beneficial to long-term investors.

In short, Hexo is a great investment to [buy-and-forget stock](#) for long-term gains.

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