



Is Aurora Cannabis (TSX:ACB) Stock a Buy Today?

Description

The 2019 rally in [marijuana stocks](#) has investors scouring the cannabis sector to see which marijuana companies might be the best picks to pocket some pot stock gains through the end of the year.

Let's take a look at **Aurora Cannabis** ([TSX:ACB](#))(NYSE:ACB) to see if it deserves to be on your [buy list](#) right now.

Big appetite

Aurora Cannabis currently has a market capitalization of just under \$12 billion. This makes it one of the largest players in the sector.

The company has been aggressive when it comes to acquisitions. Aurora Cannabis acquired CanniMed early last year for \$1.1 billion. The final agreement at \$43 in stock and cash turned out to be a lot more expensive than the initial bid of \$24 per share. At the time, this was the largest deal in the sector, but later in 2018, Aurora Cannabis bought MedReleaf in an all-stock deal valued at \$2.5 billion.

The purchases gave Aurora Cannabis important additional production capacity and new brands ahead of the launch of the recreational market in Canada last October.

International

Aurora Cannabis is also positioning itself to capitalize on growing demand for medical marijuana in international markets. The company has sales and operations in more than 24 countries.

A big opportunity lies in Europe where Aurora Cannabis is building two large facilities in Denmark. The company has an exclusive supply relationship with Luxembourg and recently secured five or 13 available lots in a tender for the cultivation and distribution of medical cannabis in Germany.

In Latin America, Aurora Cannabis recently bought a major pharmaceutical chain in Mexico. Farmacias

Magistrales is the first federally licensed importer of medical marijuana in the country. The firm has 500 pharmacies and hospitals as well as 80,000 retail points of sale.

Aurora Cannabis is also positioned well to capture market share in South America. The company bought Uruguay-based ICC Labs for \$290 million, giving it a foothold in the region.

Should you buy?

Aurora Cannabis has yet to announce a major partnership with an international beverage company. If that occurs, the stock could get a nice boost, as investors would anticipate even higher revenue through the anticipated cannabis-infused drinks market in Canada that is expected to launch later this year.

Given the history of acquisitions, it wouldn't be a surprise to see Aurora Cannabis take a run at **HEXO**, which already has a partnership in place with **Molson Coors Canada**.

If you are of the opinion the marijuana market is going to expand as expected, Aurora Cannabis should emerge as one of the dominant players. I wouldn't back up the truck, but it might be worthwhile to add a bit of the stock to your cannabis portfolio.

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