

Better Cannabis Stock: Aurora (TSX:ACB) or Green Organic (TSX:TGOD)?

Description

One is top tier; one is starting expansion.

One is inexpensive; the other is ridiculously cheap.

But are either Aurora Cannabis (TSX:ACB)(NYSE:ACB) or Green Organic Dutchman Holdings (TSX:TGOD) worth your investment? lefaul

Aurora

Aurora has long been touted as one of the top three cannabis stocks out there, but with that title has come endless scrutiny. The company's recent announcement that it would not be partnering outside the cannabis industry if it meant giving up its independence sent the stock even lower to where it is at the time of writing at about \$10.75 per share.

The decision came from strategic advisor Nelson Peltz, who believes having multiple partners in several industries could be a better option. This could mean greater returns over the long run rather than an influx of sudden cash.

But what investors don't like is this likely means a continuation of using shareholder funds to pay for these partnerships, like the company's acquisitions. It means being even more patient while the company continues to expand, grow, and hopefully create a base that will explode when everything is up and running.

Analysts put the stock's movement at between \$10 and \$15 over the next 12 months, so if you're looking for a quick sell, I wouldn't hold your breath. But for those already with Aurora in hand, just hold on and ignore this stock for the next while.

Green Organic Dutchman

This company is finally coming out strong, with news that sent shares up last week when the cannabis

company secured a supply agreement with the province of Ontario. This was after further news that the company was expanding into the U.S. market by co-founding and becoming a strategic partner with Californulations LLC to create hemp-based CBD beverages.

While other cannabis companies have already done things like this, Green Organic is finally making the moves that could send its stock up — not to potentially be in a top-tier position, mind you, but perhaps in a spot where it could be a takeover opportunity. After all, peak production of 220,000 kilograms per year at the end of 2020 isn't anything to sneeze at and would make a handsome addition to some of the bigger cannabis companies.

So, whereas you'll have to wait and see with Aurora, there could be some major moves with Green Organic over the next while. Depending on how your portfolio is positioned and what you're looking for, this could be an opportunity to make some quick cash. Especially since the stock is down after its latest announcements.

Foolish takeaway

Like I've said, it really depends for what you're looking for as an investor when it comes to these two cannabis stocks. If you're looking for the excitement of the early days, I would choose Green Organic. This stock is bound to make some more moves in the next year that could send the stock from its price at \$3.84 at the time of writing to as high as \$10 per share in the next 12 months! That's an increase of 160%!

But if you're looking for a long term, slightly more stable investment, I would go with Aurora. While this company isn't as exciting as it once was, it's playing a game of chess right now, setting up its pieces for an explosion in profit in the future. When that future is, however, I can't be certain.

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