



You Won't Believe How Much \$10,000 Invested in Canopy Growth (TSX:WEED) in 2014 Is Worth Today

Description

It's no secret shares of **Canopy Growth** ([TSX:WEED](#))(NYSE:CGC) have done well over the last five years. Everyone knows this.

Canopy has been through a lot of changes over the last half-decade, working towards its stated goal of becoming Canada's dominant pot company. And it has succeeded, building up everything from production to its own finished products — complete with slick branding — and even rolling out its own retail presence in provinces that allow private ownership of marijuana shops.

It's little wonder why the stock has become the go-to name in the sector. It's the biggest, and bulls argue it's the best run as well.

One thing I like best about the company is that CEO Bruce Linton and his management team always have their foot on the gas pedal. Canopy is relentlessly growing, investing cash almost as fast as they can raise it. One recent investment saw the company commit \$500 million towards hemp production in Idaho — facilities that can easily be converted to growing marijuana once it [becomes legal across the U.S.](#) Bulls say this is only a matter of time.

Let's take a closer look at Canopy's performance over the last five years and just how much money an investor would have made if they put a mere \$10,000 into the company back then. You won't believe the results.

Canada's top stock

No other stock on the TSX has done better than Canopy Growth over the last five years.

Back in 2014, the company wasn't much more than a few employees, a tiny market cap, and a bold idea. Some investors saw the long-term potential in medical marijuana, but few saw just how close we were to legalizing the drug.

Liberal party leader Justin Trudeau pledged to legalize cannabis if his party was elected in 2015, but many investors saw this as an empty election promise designed to get younger voters excited about a Liberal government. Trudeau easily defeated incumbent Prime Minister Stephen Harper and the legalization plan was put in motion.

We've also seen a remarkable shift in attitude about cannabis over the last few years. Folks staunchly opposed to legalization have softened their stance. Formerly secret users are more open about their habit. You're often greeted with the pungent smell of marijuana when walking down a busy Canadian street nowadays.

And Canopy Growth investors have been the major beneficiaries of this trend.

On June 6, 2014, Canopy Growth shares were worth a mere \$2.75 each. As I type this, the stock is trading for \$53.80. This translates into a massive 1,891% return.

It's even more striking when you look at the annual return. Canopy Growth has compounded investor money by more than 89% *each year* since 2014. That's enough to turn a \$10,000 investment into one worth \$199,087.

It would take an investor earning 10% a year approximately 30 years to turn \$10,000 into \$200,000. It took Canopy Growth investors just five years.

Can Canopy do it again?

The short answer is no. Canopy cannot grow another 1,891% in the next five years. It is simply too big today.

But that doesn't mean it's a poor investment choice today. The stock could [easily double or triple](#) between now and 2024. That would still be a pretty satisfactory result.

As bulls have argued for years, the legal pot market is really just getting started. And Canopy is in a great position to benefit from that. Patient investors should do well on the stock. Just maybe not as well as before.

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