



## This Is the Only Marijuana Stock I'd Consider Investing in Today

### Description

The cannabis industry is an exciting one to invest in given all the growth potential it possesses. However, there's also a lot of risk, and investors often have to pay big premiums to own stocks that haven't generated much in sales. That's why I've avoided the industry, as there are better, more value-oriented investments to make out there. However, there is one stock that is proving to be an intriguing buy that I believe might just be the best investment in the industry right now.

**Charlotte's Web Holdings** ([TSX:CWEB](#)) [recently crossed over to the TSX](#), and its business model has proven to be very strong. By focusing on the hemp market, the company has been able to avoid the legal challenges that come with selling marijuana in the U.S. One of those is not being able to list on the TSX itself. With marijuana still being illegal south of the border, being in violation of federal laws is something that the exchange has made very clear could result in a company being [de-listed](#).

That's why U.S. producers have instead looked to the NEO or Canadian Securities Exchange as options to raise capital. Charlotte's Web, however, doesn't have to worry about those issues. It also doesn't have to worry about moving its product from one state to the other. The company doesn't have to worry about acquiring a company or having to set up operations in every state that it wants to sell its products in, which is what marijuana companies would have to do today. Instead, it can ship its products freely and not have to tie up money or dilute shareholders by taking on big acquisitions.

What I like about Charlotte's Web is it has had a more structured and logical approach to the industry. The company has still done an excellent job growing its presence in the U.S. with more than 6,000 locations across the country carrying its products. Despite focusing on hemp, Charlotte's Web has still managed to be very aggressive in the market, focusing on a variety of different products and getting into a lot of different retailers.

It may be no surprise then that the company has also consistently posted a profit over the past four quarters. With a profit margin of more than 14%, it's done a whole lot more than just squeak out a positive net income figure. And it hasn't benefited from other income or non-operating items the way that other cannabis companies have in order to get into the black. Even at the operating level, Charlotte's Web has been able to post profits, and they've actually been higher over the past year than

the company's bottom line.

Overall, there's a lot to like about the stock, as it has built a business that is sustainable and one that can achieve real, long-term growth while also being profitable. While it might not be as lucrative as marijuana, there's still a lot of potential in the hemp market. The only downside today is that, unsurprisingly, investors have shown a willingness to pay significant multiples for Charlotte's Web given its impressive results. And so, although it's got a great business, it won't come cheap to investors that want to buy a piece of it.

## CATEGORY

1. Cannabis Stocks
2. Investing

## POST TAG

1. Cannabis

## TICKERS GLOBAL

1. TSX:CWEB (Charlotte's Web Holdings, Inc.)

## PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

## Category

1. Cannabis Stocks
2. Investing

## Tags

1. Cannabis

## Date

2025/08/23

## Date Created

2019/07/04

## Author

djagielski

default watermark

default watermark