



A \$10,000 Investment in Aphria (TSX:APHA) 4 Years Ago Is Worth a Fortune Today

Description

Canadian cannabis producer **Aphria** (TSX:APHA)(NYSE:APHA) is back in the limelight. But this time, there is no [negative publicity](#). Investors are elated to receive good news from the cannabis sector for a change.

Investors who have stuck with the weed stock for the last four years could be harvesting a huge bounty today. The third-largest licensed cannabis producer announced positive earnings in its latest quarterly earnings report. From all indications, [greener pastures](#) are ahead for prospective investors.

Investment returns

Aphria posted an all-time high of \$22.89 on January 9, 2018, only to fall by 61% to \$8.92 a year later. It was during that time that short-seller reports emerged followed by a hostile unsolicited offer. Currently, APHA is trading at \$8.47. On a year-to-date basis, the stock is up by 7.9%.

If you're the investor who believed in the potential of the company and invested \$10,000 in APHA four years ago, you'd be collecting a fortune right now. You bought the stock at less than \$1.00, or \$0.90 to be exact. At the current price, there is an appreciation of 841.11%.

Your \$10,000 investment would be worth \$94,111 today. You have the option to cash in or hold on to the stock now that the growth outlook for Aphria is starting to brighten.

Growth initiatives

Aphria is looking ahead and focusing on the near term. Early bets are on that Aphria's revenue in fiscal 2020 could soar by 193.2% to \$695.3 million from fiscal 2019. The company is planning to drive sales through domestic and international expansion. Aphria needs to cement its foothold at home and establish a strong presence abroad.

Aphria One, the company's flagship cultivation facility, is running at full capacity. The second facility, Aphria Diamond, has obtained approval from Health Canada. If this 100-acre campus becomes operational, the total annual production capacity could swell to 255,000 kilograms. We expect these growth initiatives to drive domestic sales in fiscal 2020.

Aphria could be the global cannabis leader, with a presence in more than 10 countries across five continents. The company is targeting the German market to introduce and sell cannabidiol or CBD-based products. Aphria's subsidiary CC Pharma has access to more than 13,000 pharmacies.

Aphria will continue to increase sales in the Latin American and Caribbean markets. Sales in Latin America have already reached \$4.1 million in fiscal 2019, and the company is scouting for more opportunities.

The company is also gearing up for Canada's recreational market. Since vapes and concentrates are expected to comprise 30% of that market, Aphria has forged a strategic partnership with the PAX Era brand. The plan is to develop a portfolio of vapes and concentrates to capture a bigger slice of the pie in 2021.

Changing fortunes

Investors are beginning to marvel at the growth initiatives presented by this once-maligned cannabis company. The wheels of fortune are turning. Aphria's time has come, and the stock is due for a massive rebound. If you had to choose one marijuana stock for your portfolio, you should consider Aphria as your pick.

CATEGORY

1. Cannabis Stocks
2. Investing

POST TAG

1. Cannabis

PARTNER-FEEDS

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

Category

1. Cannabis Stocks
2. Investing

Tags

1. Cannabis

Date

2025/08/28

Date Created

2019/08/13

Author

cliew

default watermark

default watermark