



Are Growth Investors Overlooking the Best Canadian Cannabis Stocks?

Description

A number of distinct plays are emerging in the cannabis space. Investors are choosing between taking long positions in perceived market leaders on the one hand and on the other are riding the positive momentum on offer from smaller but more easily maneuverable outfits.

Today we'll take a quick look at two of the latter types of pot stocks and see why they could offer a better play for investors focused on growth in the cannabis space.

A top pot stock for investors seeking consolidating companies

Namaste Holdings (TSXV:N) is an interesting choice for a new cannabis investor since the company is seeking to do something a bit different from the rest of the crowd.

Taking a lifestyle approach and weaving it into an online experience to create an innovative e-commerce platform, Namaste is positioning itself to carve out its own niche in the market. The company also had an intriguing second quarter with a focus on acquisitions.

By snapping up large stakes in **Pineapple Express** and **Choklat**, Namaste is extending its commercial range, while by adding to its board of directors and establishing an advisory board the company is bringing additional skill sets to its team.

In short, while market performance wasn't the overriding focus of its Q2, Namaste has demonstrated that it is strengthening its collective leadership capabilities.

In addition to getting into a stronger position in time for the coming edibles boom though its deal with Choklat, Namaste also beefed up its medical market access by buddying up with ARBR last month.

By gaining access to the medical cannabis referral site, Namaste is able to expand its patient base and build upon its market share. The stock is an informed buy thanks to this two-pronged approach to [growth in both edibles and medical marijuana](#).

An intriguing stock for cannabis partnership bulls

Meanwhile, innovative weed retailer **Fire & Flower Holdings** just sold a 9.9% stake to convenience king **Alimentation Couche-Tard** (TSX:ATD.B) along with the option for the grocery store giant to own up to half of the company.

While this may mean that fans of the green gold rush might want to simply buy shares in the convenience store parent company, things are set to get interesting when Fire & Flower [debuts on the TSX](#) as its own distinct investment option.

Readers may recall that this is not the first time that Alimentation Couche-Tard has invested in a cannabis company. Indeed, back in February, the grocery retailer announced that it had entered into an agreement with **Canopy Growth**, giving the pot stock another event-driven boost.

Indeed, cannabis is beginning to split off into two distinct investment styles, with event-based upside rewarding shorter-term traders, and patient investors taking careful long positions.

The bottom line

While the big league players have already been identified ahead of the race – correctly or incorrectly – there remains plenty of upside potential in a few overlooked companies.

Both Namaste and Fire & Flower have a world of possibilities at their disposal, and could reward momentum investors lavishly in the coming months or even years, depending on how the legal marijuana market shakes out in the long run.

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