



2 Marijuana Stocks Wall Street Thinks Will Double

Description

It can be frustrating seeing your stocks fall, and in the last few months that's pretty much been the cannabis industry as a whole. While a recession certainly could be playing a factor, it seems the honeymoon phase is over for investors looking to get in on the green stuff. With huge growth expected in this industry, some projecting US\$200 billion in annual sales in the next decade, some investors might be wondering when they'll start seeing the benefit of their investment.

When a door closes, a window opens, and that could be what's happening now for a few cannabis companies. In fact, with the marijuana industry at such a low, there are quite a few stocks out there that Wall Street believes will actually double in the near future. After all, these stocks have already slumped, so it wouldn't be overly difficult for them to double if you look in the right place.

Aleafia

Aleafia Health (TSX:ALEF) has taken a big hit over the last few months, with shares falling 62% since its peak in February for the company. What caused the fall? The company acquired medicinal marijuana producer Emblem in March, and as the news broke, so too did the method of payment: shares.

This dilution of shares has sent the stock lower and lower, even though the deal with Emblem led to record sales for the company. In fact, almost immediately after the merger, it made a \$1,000,000 sale, the biggest in the company's history. The merger also means Aleafia can produce 138,000 kilograms of marijuana per year, and that, apparently, is only the beginning.

Aleafia also announced it would be expanding its Port Perry Outdoor Grow facility from 292,000 square feet to 1.1 million square feet, quadrupling the size after the go ahead from Health Canada. These two moves have put it solidly in the top 10 of marijuana producers in Canada. So, with share prices [trading at \\$1](#) as of writing, I think it's clear that as this company continues to prove it can bring in sales, that share price will double in no time.

Green Thumb

Green Thumb Industries ([CNSX:GTII](#)) also hit a high note, trading at about \$22 per share before falling by half to where it is now at about \$11.50 per share. Where Wall Street sees the potential for this stock to rise again is through its [multi-state dispensary operators](#), and that's where Green Thumb shines.

Green Thumb now holds 95 retail licences, putting it in the top five in the United States. These include licences in the highly lucrative area of Nevada and, most recently, in New York, Connecticut, and New Jersey with the acquisition of Fiorello Pharmaceuticals. The acquisition makes Green Thumb one of only 10 licence holders to operate in New York.

As the company continues to expand its medical marijuana operations, its setting itself up for huge long-term gains in the meantime with quick entry into the market of recreational marijuana should the U.S. make it legal. With licences in literally dozens of states, this company could make a quick comeback when strong sales come in.

CATEGORY

1. Cannabis Stocks
2. Investing

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1. Cannabis

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1. CNSX:GTII (Green Thumb Industries)
2. TSX:AH (Aleafia Health)

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Date

2025/08/16

Date Created

2019/08/29

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