



Can You Still Get Rich Investing in Weed Stocks?

Description

The legalization of recreational marijuana use in Canada has caused a massive boost in the pot stock market. Some of the biggest firms still cannot shake off the effects of the scandals and controversies surrounding the legal marijuana industry.

CannTrust's [latest scandal](#) involving the possibility of drug cartels funding the stock is bad enough, and with one of the industry leaders, **Aurora Cannabis** ([TSX:ACB](#))(NYSE:ACB) plummeting, investors fear that the legal weed industry stocks might not be the best option right now.

Aurora's precarious situation

Aurora is the second-largest Canadian cannabis producer, and it has been making big waves in the industry with the acquisition of [Hempco Food and Fiber](#), along with other positive results. But the company is far off from being profitable right now.

In the quarter that ended on March 31, 2019, the company reported a net loss of \$18.4 million. The company's chief corporate officer Cam Battley is convinced that the company is well on the way to profitability. As things stand, Aurora is not likely to realize any adequate profits until at least fiscal 2021.

These stocks might still make you rich

The current situation for the marijuana stock market might make things seem like the whole industry can crumble in the future. There is definitely hope for a positive future for this industry. **Green Organic Dutchman** (TSX:TGOD) and **Village Farms** (TSX:VFF)([NASDAQ:VFF](#)) are two up-and-coming stocks can still make you a wealthy investor.

An up-and-comer

TGOD recently announced that it applied to list its shares on NASDAQ. The stocks for Green Organic

are currently trading only at the TSX, but a listing on NASDAQ can allow the company to tap in more investors.

TGOD is using what the company calls “hybrid” facilities to keep the operating costs low. The company also minimizes the capital needed for capital investments compared to other producers that rely on solely indoor growing facilities.

Between Organic Dutchman’s partnership with multi-billion-dollar food processor Symrise, a strategic joint venture dedicated towards the Latin American market, and carving out a niche within the broader cannabis markets, the company is likely to become a far more profitable venture shortly.

David and Goliath

When you compare Village Farms with the likes of Aurora, you can see a David and Goliath comparison. Aurora has been in the business for longer, but Village Farms is taking the cannabis industry by storm. The company is an upstart in the weed industry, which is performing well right now.

Village Farms has gone through a dramatic transformation since 2014. What used to be a small company, its stocks traded at \$0.80, and it was speculated that this undervalued company would see a takeover offer any time soon. That takeover never came.

In 2019, Village Farms is a wholly transformed company. The Texas-based greenhouses are increasingly being used to grow hemp. Converting the 2.2 million square feet of greenhouse space to marijuana production has seen its annual yield go up to 150,000 kilograms. The company also boasts an additional 2.6 million square feet of greenhouse space, which is being used to grow vegetables.

Village Farms has already seen itself become a significant player in the marijuana industry overnight with the conversion of the 2.2 million square feet of greenhouse area. The option to increase its production further by converting the 2.6 million square feet can make things move a lot faster for this company compared to other pot producers.

With the stock value increasing from \$0.80 to \$13.95 at the time of writing in a matter of five years and a lot of potential growth, Village Farms is one stock I think you should look closely at in the coming few months.

CATEGORY

1. Cannabis Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:ACB (Aurora Cannabis)
2. NASDAQ:VFF (Village Farms International, Inc.)
3. TSX:ACB (Aurora Cannabis)

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Date

2025/07/04

Date Created

2019/09/04

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