

Weed Stock Aficionados: 2 Up-and-Coming Stocks to Buy Now

Description

When the legalization of the cannabis industry began, it seemed like any company you chose for investment could double or triple your money.

Stocks exploded due to increasing awareness of weed and the subsequent legalization. Of course, it hasn't been a complete walk in the park for the marijuana industry.

During the second half of 2018 and a significant part of the first half of this year, most of the stocks saw massive drops in prices. The largest cannabis producers, such as **Canopy Growth**, still hold the top spots. At the same time, prominent companies are not experiencing impressive year-to-date gains right now.

Today, finding a weed stock that can offer massive returns on your investments is a difficult task, but not impossible. **Village Farms** (TSX:VFF)(NASDAQ:VFF) and **Neptune Wellness** (TSX:NEPT) (NASDAQ:NEPT) are two companies that are showing all the right signs. You should consider both of these weed stocks to buy-and-hold.

Village Farm's strength through a tough year

Where the most prominent names in the weed industry are struggling, <u>Village Farms</u> is a small-cap company that has seen three consecutive quarters of profitability. Just a few years ago, the company didn't have a positive outlook. Fast forward a few years and Village Farms is banking on CBD, cannabis, and hemp to make it big.

Village Farms is one of the longstanding greenhouse growers in North America. The company is also the only publicly-traded greenhouse produce company in Canada.

Village Farms relies on its vertically integrated greenhouse facilities for the production of premium products throughout the year. The company is well-known for growing tomatoes, cucumbers and peppers for the past 30 years. Using that same experience, the company's foray into the legal weed industry presents a healthy outlook.

Also, the company's partnership with Pure Sunfarms, one of the most extensive cannabis growing operations in the world, means Village Farms is going to be on the rise.

A cannabis extraction and nutrition company going up

Neptune Wellness Solutions is a company in the legal weed industry that focuses on extraction and nutrition. The company has accumulated vast knowledge within the industry. Neptune works with a few major producers for extraction purpose.

Tilray, **Canopy Growth**, and **Green Organic Dutchman** are three of the most significant clients for this company.

The partnership with Green Organic is the most significant multi-year extraction contract in Canada right now, with over 230,000 kilograms minimum. Neptune is ramping up facilities to increase extraction capacity to over 3,000,000 kilograms in the coming future.

To this end, Neptune is investing a great deal in the research and development. The company purchased Sugarleaf Labs in May of this year. Sugarleaf is one of America's leading hemp producers, giving Neptune significant exposure to American hemp production.

Neptune is one of the companies that ticks all the right boxes for a business ready to leverage the potential of a growing industry. At the time of writing, Neptune has a value of just \$500 million. I'm convinced that this is a very conservative figure right now and shouldn't be forgotten.

CATEGORY

- 1. Cannabis Stocks
- 2. Investing

TICKERS GLOBAL

- 1. NASDAQ:VFF (Village Farms International, Inc.)
- 2. OTC:NEPT.F (Neptune Wellness Solutions)
- 3. TSX:NEPT (Neptune Wellness Solutions)

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