



## The Anti-Vaping Movement Could Put a Dent in Cannabis 2.0

### Description

Two weeks ago I raised the issue of the [health concerns surrounding vaping](#) and the impact they may have on the cannabis market. Well, things have escalated since then, with entire governments coming down on vaping like a tonne of bricks, and potentially leaving one of the biggest tobacco companies in the world with \$12.8 billion-worth of egg on its face.

## Anti-vaping could dent invested companies ahead of Cannabis 2.0

**Altria** might have made a big boo-boo by snapping up a 35% stake in **Juul**, potentially throwing billions of dollars down the toilet. Juul can't catch a break at the moment, with President Trump floating the idea of banning flavoured vaping products, China pulling Juul products from two of its biggest online retail sites, and India banning e-cigarettes outright.

This comes after the U.S. Food and Drug Administration and Centers for Disease Control warned young people and pregnant women not to vape, following a spate of lung disease cases. What does it mean for sin stocks? Nothing good. Altria, **Turning Points Brands**, and **British American Tobacco** have fallen in the past week, while cannabis investors will no doubt have watched their shares in **Canopy Growth**, **Cronos Group**, and **Aphria** (TSX:APHA)(NYSE:APHA) take a sickening lurch downhill.

While cannabis investors may try to put a brave face on it and claim that cannabis vaping products won't be affected by this worrying health care situation, it should be noted that some patients affected by the aforementioned lung diseases have reported the use of products containing marijuana. With anti-vaping taking off in a big way, any company that's been investing in the craze may find its bottom line dented.

Taking Aphria as a case in point, the cannabis producer dropped over 8% of its value this past week, but bounced Friday as investors spotted a value opportunity and piled back on. Aphria is one of a handful of pot stocks that made it through the staggered bloodbath that followed legalization to emerge

as frontrunners in the yet-to-stabilize marijuana market.

Aphria stock rose in June on the news that it had made a marijuana vaping deal with San Francisco company **PAX Labs**. Whether the products will face any kind of regulatory backlash or not come the end of October when Cannabis 2.0 kicks in remains to be seen, but growing anti-vaping sentiment has had a depressive effect on the market.

At the time, Aphria had gained 30% for the year, and at one point led a resurgence in the growing marijuana sector, which helped to offset the **CannTrust** debacle, a state of affairs that has now led to the latter company losing its licence to grow cannabis. Investors still have a heady play in Aphria, as it remains [one of the top pot stocks on the TSX](#), trading almost 100% higher than its 52-week low.

## The bottom line

Anti-vaping moves could hurt cannabis companies that have invested in high-potency vape oils, even if regulatory measures in the cannabis market aren't taken. With the markets in the U.S., China, and India coming down hard on vaping, any affected companies will have to scale back and focus on other areas of growth.

### CATEGORY

1. Cannabis Stocks
2. Investing
3. Stocks for Beginners

### PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

### Category

1. Cannabis Stocks
2. Investing
3. Stocks for Beginners

### Date

2025/08/16

### Date Created

2019/09/22

### Author

vhetherington

default watermark