



Aurora (TSX:ACB) Stock Nears All-Time Low: Is it Time to Buy?

Description

Most pot stocks are in the doghouse, including industry leaders like **Aurora Cannabis** ([TSX:ACB](#))(NYSE:ACB). Investors find it utterly disappointing to see [promising cannabis companies](#) lose market values one after the other. Aurora is no exception. However, with the stock price nearing its all-time low, is it time to buy?

Lost momentum

Aurora Cannabis was starting to gain momentum in January following the market selloff in December 2018. The price soared to \$13.22 in mid-March only to lose steam in mid-April. As of this writing, Aurora is trading at \$4.86, which is a sharp drop of 63.23% from seven months ago.

This cannabis company with the largest production capacity was named as one of Canada's Top 50 New Growth Companies for 2019. Many investors, however, would disagree, as growth is nowhere to be found.

High ranking

In the said list of new [growth companies](#), Aurora is in sixth place and was the lone cannabis producer to make the cut. The fallen cannabis stock was included in the list because of its 3,735% revenue growth in the last two years. Also, its revenue range of \$50-\$100 million was the highest versus the 49 other companies.

The inclusion of Aurora in the list has no bearing, as it did not boost the stock in any way. Aurora is nearing its all-time low of \$4.79 at the time of writing.

Cannabis 2.0

Cannabis 2.0 is a few days away, as Canada legalizes cannabis-infused products such as beverages,

edibles, vapes, and others. Maybe this could be the turning point for Aurora and the opportunity to regain lost ground. But it's not a sure thing given the historic moment when the Cannabis Act came into law.

Cannabis companies were able to deliver losses and not gains. Cannabis 2.0 could be a repetition and a disappointing event again. In all likelihood, Aurora won't be active in the controversial vape market. The company will focus instead on the edibles market.

Aurora was able to obtain a processing licence for Aurora Air from Health Canada. This particular facility will produce edible products, including chocolates and gummies. Aurora will launch and sell the products beginning December this year.

The company is making the right move by steering clear of vaping products. Canada's regulatory agency perceives edibles as a publicly acceptable product. It doesn't carry the stigma of vapes.

Wait for the moment

Aurora is far from reaching the road to profitability. Roadblocks are ahead, and the edibles market can't turn the company's mounting losses to instant profits. The critical factor that will make Aurora the top cannabis company is its 600,000 annual production capacity. The volume, however, is realizable by the end of June 2020.

If you own shares of Aurora, hold them. But for prospective investors looking to gain exposure to the nascent industry, Aurora is the only cannabis stock worth the gamble. Wait until Aurora completes its vaunted, GMP-compliant facilities next year before taking a position.

Let everything fall into place. By then, you will have a glimpse of Aurora's potential to rule the market in Canada as well as the international markets. This pot stock will beat all rivals beyond 2020.

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