



This Popular Cannabis Stock Is a Steal Right Now

Description

Bouncing 4% off its recent slump, **Aphria** (TSX:APHA)(NYSE:APHA) has a loyal fan base as one of the leading cannabis stocks to own in the legal Canadian weed space. Aphria is a lodestar business, [leading the way in a turbulent sector](#) after grasping the Holy Grail of pot stocks: profitability. By growing its sales, Aphria is showing other pot stocks how to do it with a top line that's seen a staggering 849% year on year growth.

Aphria is the hero that cannabis bulls need right now

Coming in at number six on the brand-new TSX 30, Aphria was part of a slew of cannabis stocks taking the Canadian investment scene by storm over the last three years. Growth in demand for pharma-grade marijuana for the medical market has also helped Aphria shoot to prominence. Its brand-focused approach has seen the integrated business soar over that three-year time period with its share price clocking up +479%.

Alongside hemorrhaging **Canopy**, market-spooking **HEXO**, and licence-dodging **CannTrust**, Aphria is the profitable stock that weed investors have been waiting to rally around. The whole sector has risen moderately on Aphria's recent positive quarterly results, despite cratering on HEXO's plunge. Indeed, such is Aphria's clout that Australian producer **Althea** tumbled on news of Aphria's divestment of its stake this week.

Extreme volatility does not equal a bear market

To some pundits doubtful of the profitability of the sector, it may well appear that cannabis is in a bear market. But this isn't quite the case — despite having suffered huge losses, marijuana keeps bouncing back. And while the sector has seen a huge percentage wiped off its value, the pot stock space has shown resilience, as investors weed out the weakest players and [reward the strongest with brief rallies](#).

Aphria's ditched half its value over 2019, and a newcomer may conclude that pot stocks are just one bug bust. However, the marijuana race is far from over, with edibles yet to hit shelves and a major

growth market — namely cannabis drinks — yet to be legalized in Canada. With foreign markets coming online and steady growth in sales, Aphria could still grow far beyond the \$14 high point it hit earlier in the year.

Aphria is also Canada's sixth fastest-appreciating growth stock over the last three years. Investors new to the marijuana patch should let that sink in for a moment. A highly volatile sector to be sure, but Canadian cannabis is far from a bear market. Week after week, the sector has bounced back from one sell-off after another. While frontline stocks like Aphria have seen disastrous losses this year, the weed patch is far from dead.

The bottom line

Pot stocks were bouncing heading into the weekend, proving after yet another bloodbath in the sector that pot stocks are likely to remain popular with Canadian investors. Aphria is looking like the best pick of the bunch, packing elusive profitability which is likely to see consistent upward momentum in its share price. While other pot stocks may tank in the year's final quarter, Aphria looks golden.

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