



## Are Psychedelics the Next Pot Stocks?

### Description

Over the last decade, the pot stock wave was one of the best opportunities for investors to make money. However, by the time they became well known for most investors, almost all the money had already been made.

A few years down the road now, some stocks saw incredible growth, and the entire sector boomed for years. While most have come back down from their all-time highs, the sector is still valued considerably high. So, for long-term investors who held the whole time, you've made a considerable amount of money.

An opportunity like pot stocks doesn't come around very often. It's not like a pharmaceutical drug being approved or a new technology being made. [Cannabis](#) is something that can't be patented and has been around and used for a long time. It's a commodity that's been illegal until recently.

Now that cannabis has been legalized for a few years, much of the rapid growth potential is behind us. However, it looks like the next big opportunity could be in the legalization of psychedelics.

### The science of psychedelics

For years, it's been hypothesized by many scientists that psychedelics could offer some benefits much like cannabis. In the past, research has been done by Johns Hopkins University, one of the most famous medical research universities in the United States, to show the positive effects the psychedelics could have.

Today, Johns Hopkins is running a new study that seems the benefits could be even greater than what was once expected.

It's still early in the study, but it looks like psilocybin, the active drug in what's commonly referred to as magic mushrooms, could have numerous positive effects on severe mental health conditions such as anxiety, depression, and post-traumatic stress disorder.

Furthermore, in the most recent U.S. election, Oregon voted to allow the study of magic mushrooms, and the District of Columbia voted to decriminalize the drug.

This is a major positive and the first step on the road to mass acceptance and adoption. Since the election, the stock is up over 65%, showing how important a development it was.

## Big-name investors

Another reason that makes the psychedelic space so intriguing is the big-name investors behind these startups.

The first big-name investor showing the psychedelics could have a tonne of potential is Bruce Linton. Bruce is best known for being the CEO of **Canopy Growth** ([TSX:WEED](#))(NYSE:CGC). He was a pioneer in the pot sector, the co-founder and CEO of the first cannabis stock to be publicly traded. His vision is what made Canopy the most dominant player in the industry, so the fact that he is behind this company says a lot.

Another popular investor is Kevin O'Leary. Kevin is best known for his many appearances on TV, and if you've ever heard Kevin speak, he is more of a conservative investor. So, the fact the Kevin O'Leary sees an opportunity and has gotten behind psychedelic medicine says a lot.

Both these big-name investors are shareholders in **Mind Medicine (Mind Med)** (OTC:MMED). So, if you're looking for a stock to invest in, this looks to be your top choice.

## Pot stocks vs. psychedelics

Pot stocks like [Canopy Growth](#) still offer investors significant potential over the long term, but the days of massive short-term growth are over.

That can't be said for psychedelic stocks, which haven't even crossed the radar of several investors. While this could be an opportunity, it may still be early in the process. Plus, there is no telling how long until psychedelic medicine becomes mainstream. So, if you decide to buy a psychedelic stock today like Mind Med, it should be viewed as a long-term investment.

However, while you may have to hold the stock for five or 10 years to see some major growth, if it grows to the same degree as pot stocks when they finally skyrocketed, it will be well worth the wait.

### CATEGORY

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