



Want to Play U.S. Cannabis Legalization? Consider This Top Canada-Listed Stock Today

Description

Most investors are quick to crown **Curaleaf Holdings** (TSXV:CURA) as the [king of pot stocks](#) today. That makes sense due to the company's U.S. market exposure relative to its peers.

However, **Trulieve Cannabis** (TSXV:TRUL) is another such company on my investment radar. Indeed, this stock shares a number of similarities to Curaleaf I like. I think Trulieve has the potential to be a great bet to play the U.S. pot market for those bullish on legislative reform in the U.S.

Here's more on why investors bullish on the U.S. cannabis market should consider this stock right now.

A play on U.S. cannabis legalization a good one

With the Biden administration broadly expected to produce some sort of cannabis legalization legislation soon, the cannabis sector has boomed in recent months. More recently, this boom has become more uneven. Indeed, investors appear to be picking and choosing winners from this catalyst more than ever.

Enter Trulieve.

Recently, Trulieve announced in its earnings report that it had become a U.S. reporting company starting February 2021. This transformation was welcomed by those investors who have been planning to make the most of the U.S. Federal's decision to legalize cannabis.

So far, Washington, D.C, and 15 other states have legalized weed in the U.S. for recreational purposes. Plus, 36 other states have given a green signal to use marijuana for medical use. I think with the rampant legalization of pot for both recreational and medical uses in the U.S. and Canada, investors have the potential to earn some decent change investing in such stocks over the medium term.

Indeed, the future is bright for companies like Trulieve and Curaleaf right now. At this current valuation,

the case can be made that these stocks are an interesting bet at this moment.

Trulieve's impressive results stoking optimism

Trulieve had a tremendous year even before it became a U.S. reporting company. In fact, it registered a record quarter alongside three consecutive years of profitability.

The company managed to achieve revenue of \$522 million this past year. This translates into triple-digit year-over-year growth of 106%. Likewise, the fourth quarter registered revenue of \$168 million represented a sequential increase of 24% quarter over quarter.

That's not bad.

Further, this past year, Trulieve recorded adjusted EBITDA of \$251 million, achieving year-over-year growth of a whopping 99%. Plus, it managed to generate \$100 million in cash from its yearly operations.

What's more impressive is that Trulieve ended 2020 with a market share of 49% in oils and 53% in flower in Florida. Also, it opened 11 retail dispensaries in Q4, ending the year with a total of 75 stores in the U.S.

Bottom line

Judging by the growing demand for this company's products and its successful expansion efforts, Trulieve stock is red hot right now. The company's strong business fundamentals and strategic focus on the U.S. make it a fruitful bet among most marijuana stocks.

Accordingly, I think Curaleaf now has a partner among the top picks in the cannabis space. Today, Trulieve is high on my radar.

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TICKERS GLOBAL

1. CNSX:CURA (Curaleaf Holdings, Inc.)

2. TSX:HLS (HLS Therapeutics Inc.)

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