



Why Tilray Stock Jumped 36% on Thursday

Description

Tilray ([TSX:TLRY](#))([NASDAQ:TLRY](#)) jumped an incredible 36% on Thursday and was already up 19% on Friday. This came from news the MORE Act would pass once more through the United States House of Representatives.

What happened?

Tilray stock was one of many cannabis stocks rising on Thursday. This was due to news that the Marijuana Opportunity Reinvestment and Expungement Act, or MORE Act, would be on the House floor by Monday. The Act would decriminalize and even legalize marijuana and would also expunge prior cannabis convictions.

Tilray stock has a major presence in both the United States and Canada at one of the largest medical cannabis providers in the world. Furthermore, it recently grew even larger through the [acquisition](#) of US\$211 million worth of convertible notes issued by **HEXO** to take on its debt.

So what?

Why did Tilray stock climb so high and its peers climb but not nearly as much? It all comes down to one thing: [profit](#). Tilray may be just as large as some other cannabis stocks out there, but it's the only massive one working with a profit on hand. That profit has allowed the company to expand through acquisition, a sure-fire way to become a behemoth in any industry.

There is a lot of excitement building around the MORE Act, but it's likely not to pass through the Senate. Why do I say that? Because this already happened in December 2020. The MORE Act went through the House, stopping at the Republican-controlled Senate. But does that mean things are over for Tilray stock and others? Absolutely not.

Now what?

There is another Act making its way through Congress, and that's the SAFE Act, for Secure and Fair Enforcement Act. SAFE is designed to protect banks from being prohibited from working with cannabis companies in states that have legalized the substance. While it's not as large a leap, it's certainly a step in the right direction and could lead to more cannabis research.

Furthermore, this all is to get lawmakers to start pushing for other baby steps towards legalization. The United States is missing out on a massive industry, and it's clear many companies, lawmakers, and statesmen realize that.

As for Tilray stock, it stands to make a killing with its set up in the U.S. and beyond. The company continues to operate with a positive EBITDA, adding more production and even more long-term growth opportunities ahead. That includes for both recreational and medicinal use. By 2024, the company aims for \$4 billion in revenue. And that's something to buy into.

Tilray stock was up 4% on Friday and 32% in the last five days.

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