



Pot Stocks to Win as America Roots for Decriminalizing Drugs

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The past six months haven't been favorable for the marijuana industry. The Horizons Marijuana Life Sciences ETF, one of the primary exchange-traded funds focused on marijuana, tanked nearly 35% from the end of March till last month.

However, marijuana stocks have reversed losses as a new report shows that Americans are currently in favor of decriminalizing all drugs. Almost 55% of adults polled by Cato Institute said that drug offenses should be treated as civil violations and that it shouldn't carry jail term. What's more, polls have found that Americans are strongly in favor of legalizing marijuana.

The FDA has already approved the first marijuana-derived drug, with quite a number of U.S. states green-lighting cannabis in some capacity last year. Nearly two-thirds of all states in the United States have legalized medical marijuana and 10 of them, in fact, allowed adult consumption. And how can we forget that President Trump signed the Farm bill into law last November, legalizing hemp and cannabis-based products throughout the country.

Canada, in the meantime, legalized recreational weed. This development had, undoubtedly, cemented the way for billions of dollars in legitimate annual sales and helped the pot market come out from the shadows as a reliable business model.

The Horizons Marijuana Life Sciences ETF had shed its earlier losses to trade up 1.6% on Oct 2, with 24 of its constituent stocks trading northward. Korey Bauer, portfolio manager at the Cannabis Growth mutual fund, added that "valuations on a select group of cannabis companies are starting to look appealing at these levels."

Last but not the least, global consumer marijuana outlays are estimated to climb 38% to \$16.9 billion this year from a projected \$12.2 billion last year, \$9.5 billion in 2017, and \$6.9 billion in 2016, according to Arcview Market Research and BDS Analytics. Additionally, compounded global annual sales growth of cannabis from 2017 to 2022 is expected at \$31.3 billion.

To top it, Investment bank Cowen & Co said that the legal weed market is expected to reach a worth of as much as \$75 billion by 2030. This indicates that there are plenty of opportunities for investors to make money from both direct and subsidiary players.

But a few skeptics may say that the current outbreak of severe lung disease that is tied to vaping may affect the marijuana market. However, people are largely indifferent to the outbreak and clearly consumers aren't discouraged from vaping cannabis products.

Fast-Growing Marijuana Stocks to Consider

As encouraging developments are expected to make marijuana stocks winners this month, take a look at these selected few poised to move north this year.

Innovative Industrial Properties, Inc. (IIPR - Free Report) focuses on the acquisition, ownership and management of specialized industrial properties leased to experienced, state-licensed operators for their regulated medical-use cannabis facilities. With more states in the United States giving cannabis the green light, Innovative Industrial Properties has incentive to acquire additional properties.

The company currently has a Zacks Rank #2 (Buy). The Zacks Consensus Estimate for its current-year earnings has climbed nearly 2% over the past 60 days. The company's expected earnings growth rate for the current year is 92.5%, in contrast to the REIT and Equity Trust - Other industry's projected decline of 1.8%.

GW Pharmaceuticals plc (GWPH - Free Report) focuses on discovering, developing, and commercializing cannabinoid prescription medicines using botanical extracts derived from the Cannabis plant. The cannabinoid drug maker is expected to see an uptick in sales this year, especially, after its lead drug Epidiolex became the first cannabis-derived drug to gain FDA approval.

The company currently has a Zacks Rank #1 (Strong Buy). The Zacks Consensus Estimate for its next-year earnings has moved up more than 100% over the past 60 days. The company, which is part of the Medical - Products industry, is expected to record earnings growth of 68.8% and 70.2% in the current and next quarter, respectively. You can see [the complete list of today's Zacks #1 Rank stocks here.](#)

Canopy Growth Corporation (CGC - Free Report) engages in growing, possessing and selling medical cannabis in Canada. In fact, in terms of aggregate sales, the company may find itself at the top spot. The company's annual production comes in at more than 500,000 kilograms and is positioned to increase on branding and partnerships.

The company currently has a Zacks Rank #3 (Hold). The Zacks Consensus Estimate for its next quarter earnings has risen 25% over the past 60 days. The company's expected earnings growth rate for the current year is 32.1%, compared with the Medical - Products industry's estimated rally of 8.3%.

Biggest Tech Breakthrough in a Generation

Be among the early investors in the new type of device that experts say could impact society as much as the discovery of electricity. Current technology will soon be outdated and replaced by these new devices. In the process, it's expected to create 22 million jobs and generate \$12.3 trillion in activity.

A select few stocks could skyrocket the most as rollout accelerates for this new tech. Early investors could see gains similar to buying Microsoft in the 1990s. Zacks' just-released special report reveals 7 stocks to watch. The report is only available for a limited time.