

The PotStockNews Investor Guide 2019

The global cannabis industry took the world by storm in 2018, setting up 2019 for even bigger growth.

Cannabis adoption, both medically and recreationally, continues to spark public interest, gaining momentum across the globe. From Canada to the United States to elsewhere in the world, cannabis is becoming the market to watch for investors everywhere.

Regulatory Outlook

Canada

Canada leapt forward in 2018, legalizing recreational cannabis, also known as adult-use cannabis, in October.

The move made Canada the first G7 nation to legalize both medical and recreational cannabis and the fourth country in the world to legalize recreational use.

Provinces and territories are responsible for setting specific restrictions and regulations for the sale, distribution, and use of cannabis.

Some of these differences include the minimum age for use, usage in public, and whether sales are done via public or private retailers.

The minimum age for use ranges from 18–21, depending on where you live, with Alberta on the lowest end and Québec on the highest end.

Manitoba, New Brunswick, Newfoundland and Labrador, Prince Edward Island, Saskatchewan, and the Yukon do not allow usage in public. All other provinces and territories allow public usage, with certain exceptions (such as only where tobacco use is allowed).

Most provinces and territories allow for public and/or private retailers; however, New Brunswick, Nova Scotia, Prince Edward Island, and the Yukon only allow sale through government-run retailers.

Currently, edible cannabis, cannabis extracts, and cannabis topicals are not legal for purchase in Canada.

United States

Under federal law, cannabis use and possession remain illegal in the United States, thanks to the Controlled Substances Act of 1970.

However, at the state level, more and more doors are opening for both recreational and medical use. Whether this is decriminalization or full legalization, the conversation is leaning more heavily than ever in the direction of cannabis.

Recreational Use States

Recreational use is now legal in 10 states, along with the District of Columbia and the Northern Mariana Islands.

The 10 states include Alaska, California, Colorado, Maine, Massachusetts, Michigan, Nevada, Oregon, Vermont, and the state of Washington. Michigan and Vermont legalized in 2018, with Vermont being the first state to legalize via state legislature rather than voter approval.

A further 13 states, along with the U.S. Virgin Islands, have decriminalized recreational use. These include Connecticut, Delaware, Illinois, Maryland, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New York, North Carolina, Ohio, and Rhode Island. New York was one of the states to decriminalize in 2018.

Medical Use States

Medical use is now legal in 33 states, plus the District of Columbia and the territories of Guam and Puerto Rico.

The most recent states to legalize medical use include Missouri, which in 2018 allowed for the distribution and regulation of medical cannabis. Also in 2018, voters in Oklahoma approved State Question 788, legalizing medical marijuana.

Alabama, Georgia, Indiana, Iowa, Kansas, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Texas, Virginia, Wisconsin, and Wyoming are among the states that have legalized medical use but have limited the allowable THC content and/or only allow CBD oil.

There are now only 3 states where cannabis use is completely illegal (Idaho, Nebraska, and South Dakota.)

Around the World

Recreational Use

There are currently a total of four countries around the world that have legalized recreational cannabis use.

Those countries include Georgia, legalized in July 2018; South Africa, legalized in September 2018; Canada, legalized in October 2018; and Uruguay, which began the legalization process as early as December 2013.

In Georgia and South Africa, possession and consumption are both legal; however, the sale of cannabis is not legal. Uruguay's legislation prohibits foreigners from buying.

In all of these countries, medical use is also legal; however, in Georgia and South Africa, there is currently no system in place for how to dispense medicinal cannabis.

Countries considering legalizing recreational use include Luxembourg.

Several other countries, such as Argentina and Peru, among others, have decriminalized recreational use.

Medical Use

Including the above-mentioned countries, there are currently a total of 34 countries where medical cannabis use has been legalized.

These include Argentina, Australia, Bermuda, Canada, Chile, Colombia, Croatia, Cyprus (only for cancer patients), Czech Republic, Denmark, Finland (with license), Georgia, Germany (with prescription), Greece, Israel, Italy, Jamaica, Luxembourg, Macedonia, Malta, Netherlands, Norway, Peru, Poland, Portugal, San Marino, South Africa, Sri Lanka, Switzerland, Thailand, United Kingdom (restrictions apply), Uruguay, Vanuatu, and Zimbabwe.

Some of those countries that legalized in 2018 include the United Kingdom, South Korea, and New Zealand.

Market Outlook

Canada

With recreational cannabis now under Canada's belt, the country has 2019 to hone in on its regulations and market.

What are the next steps? Canada is looking to legalize edibles in 2019, for starters. This will help to open the market more and further limit black market sales for cannabis-related products. In a study by researchers at Dalhousie University in Halifax, just over 45% of those asked said they would buy food containing cannabis. The study estimates the edibles market to be made up of 17 million consumers.

After recreational legalization, the Canadian recreational cannabis market was forecasted to be a \$900 million CAD industry. Many expect the market to experience rapid growth; the number of cannabis users is expected to grow by over half a million people within the first three years of legal cannabis sales.

The Canadian cannabis market is predicted to be between \$4.9 and \$8.7 billion CAD, which would put it on par with its hard liquor and wine market.

According to ArcView Market Research, Canada's medical cannabis market was expected to peak in 2018 and, upon recreational legalization, will begin to decline as the adult-use market takes its place. A study from Deloitte forecasts the total legalized recreational market (including transportation, licensing fees, and security) to have an economic impact of over \$22 billion CAD.

United States

Along with several more states opening up legalities surrounding recreational and medical use of cannabis, the U.S. made massive strides in 2018, readying for a 2019 set to grow.

2018 Farm Bill and the Burgeoning Hemp Market

December 2018 brought a monumental time to the United States for the cannabis industry. President Donald Trump signed into law the 2018 Farm Bill, having previously been passed by the Senate and the House of Representatives.

This updated Farm Bill, effectively, legalizes all iterations of industrial hemp, along with revamping various agricultural terms from prior farm bills.

Most exciting for the cannabis industry, of course, was the legalization of industrial hemp. With the 2018 Farm Bill, hemp can now be legally farmed across the country. This not only helps farmers, who have been struggling in years prior with falling crop sales, but will also contribute immensely to the hemp market, an extension of the cannabis market.

The first, most significant change brought by the 2018 Farm Bill was that for the first time ever, a cannabis-related substance was removed from the U.S. Drug Enforcement Agency's Schedule I list of controlled substances. Cannabidiol, or CBD, derived from hemp, is now officially a Schedule 5 substance, the lowest risk level that includes substances like cough medicine.

CBD is already a huge market. In 2017, CBD sales reached \$350 million USD. Now that hemp and hemp-derived CBD are fully legal, this burgeoning market is set to grow even more. Some estimate that the U.S. CBD market alone could reach \$23 billion USD by the 2020s.

The 2018 Farm Bill was the springboard cannabis has long-awaited. Now all that's left to do is jump.

Investment Opportunities

The companies listed here are those that are publicly traded on U.S. exchanges and have market capitalizations of over \$10 million USD, as of January 2nd, 2019.

The following companies are separated by their marijuana sector according to [The Marijuana Index](#) and show their stock performance for the year 2018.

Cultivation & Retail

Name	Ticker	Market Cap	2018 Stock Performance
Green Thumb Industries Inc	GTBIF	\$361.55 million	+40050.00%
Tilray Inc	TLRY	\$6.56 billion	+215.05%
Cronos Group	CRON	\$2.02 billion	+28.91%
Aleafia Health Inc - Ordinary Shares	ALEAF	\$162.58 million	+17.98%
Canopy Growth Corporation	CGC	\$9.91 billion	+3.83%
OrganiGram Holdings Inc	OGRMF	\$541.70 million	-1.11%
HEXO Corp - Ordinary Shares	HYYDF	\$761.24 million	-2.00%
MedMen Enterprises - Ordinary Shares - Class B (Sub Voting)	MMNFF	\$308.78 million	-16.57%
Canntrust Hldgs Inc	CNTTF	\$547.27 million	-38.91%
Green Organic Dutchman	TGODF	\$525.84 million	-42.17%
Aurora Cannabis Inc	ACB	\$5.23 billion	-44.73%
Supreme Cannabis Company Inc - Ordinary Shares	SPRWF	\$315.87 million	-56.22%
Emerald Health Therapeutics	EMHTF	\$321.08 million	-60.46%
Aphria Inc	APHA	\$1.50 billion	-64.77%
Liberty Health Sciences	LHSIF	\$239.38 million	-65.13%

Secondary Services

Name	Ticker	Market Cap	2018 Stock Performance
STWC Holdings Inc	STWC	\$65.03 million	+2375.00%
MariMed Inc	MRMD	\$737.73 million	+322.08%
KushCo Holdings Inc - Ordinary Shares	KSHB	\$447.78 million	+22.32%
Cannabis Strategic Ventures	NUGS	\$55.91 million	-7.77%

Cannex Capital Holdings Inc - Ordinary Shares	CNXXF	\$128.78 million	-36.45%
Americann Inc	ACAN	\$45.24 million	-54.19%
Medicine Man Technologies Inc	MDCL	\$37.23 million	-55.63%
Novus Acquisition and Development Corp	NDEV	\$28.75 million	-71.88%
Cannagrow Holdings Inc	CGRW	\$57.63 million	-76.82%
American Cannabis Co Inc	AMMJ	\$17.00 million	-77.94%
General Cannabis Corp	CANN	\$74.05 million	-81.60%
United Cannabis Corp	CNAB	\$25.79 million	-83.06%

Hemp Products

Name	Ticker	Market Cap	2018 Stock Performance
CV Sciences Inc	CVSI	\$422.80 million	+584.13%
Puration Inc	PURA	\$28.65 million	+42.86%
Charlotte's Web Holdings Inc	CWBHF	\$203.40 million	-14.01%
Sipp Industries Inc New	SIPC	\$14.73 million	-42.86%
Earth Science Tech Inc	ETST	\$39.09 million	-45.07%
Hempco Food & Fiber Inc	HMPPF	\$50.16 million	-55.36%
Lexaria Bioscience Corp	LXRP	\$73.72 million	-56.94%
Medical Marijuana Inc	MJNA	\$144.95 million	-58.82%
Global Hemp Group Inc	GBHPF	\$17.82 million	-62.96%
Phivida Holdings Inc	PHVAF	\$27.27 million	-63.96%
Isodiol International Inc	ISOLF	\$39.81 million	-92.08%

Investing & Finance

Name	Ticker	Market Cap	2018 Stock Performance
iAnthus Capital Holdings Inc	ITHUF	\$248.13 million	+74.36%

Origin House	ORHOF	\$289.13 million	+25.66%
Crop Infrastructure Corp	CRXPF	\$32.88 million	-35.29%
Amfil Technologies Inc	AMFE	\$51.17 million	-58.82%
Invictus MD Strategies Corp	IVITF	\$70.67 million	-59.12%
Auxly Cannabis Group Inc - Ordinary Shares	CBWTF	\$415.19 million	-61.63%
Alternate Health Corp	AHGIF	\$21.53 million	-79.39%

Tech & Media

Name	Ticker	Market Cap	2018 Stock Performance
Freedom Leaf Inc	FRLF	\$57.06 million	+271.43%
CBD Unlimited Inc - Ordinary Shares	EDXC	\$10.18 million	-37.50%
Helix TCS Inc	HLIX	\$68.51 million	-77.50%
Leafbuyer Technologies Inc	LBUY	\$20.58 million	-82.49%
Singlepoint Inc	SING	\$17.08 million	-90.00%
MassRoots Inc	MSRT	\$10.34 million	-93.88%

Biotechnology

Name	Ticker	Market Cap	2018 Stock Performance
Nemus Bioscience Inc	NMUS	\$50.87 million	+122.22%
22nd Century Group Inc	XXII	\$332.15 million	-22.43%
GW Pharmaceuticals Plc	GWPH	\$3.09 billion	-27.37%
Tetra Bio-Pharma Inc	TBPMF	\$108.89 million	-47.01%
Cannabis Science Inc	CBIS	\$98.75 million	-66.67%
Insys Therapeutics Inc	INSY	\$323.07 million	-69.64%
Zynerba Pharmaceuticals Inc	ZYNE	\$65.57 million	-77.14%
InMed Pharmaceuticals Inc	IMLFF	\$49.50 million	-82.52%
Cannabics Pharmaceuticals	CNBX	\$41.67 million	-88.02%

Inc			
Axim Biotechnologies Inc	AXIM	\$53.86 million	-92.31%

Real Estate

Name	Ticker	Market Cap	2018 Stock Performance
Innovative Industrial Properties Inc	IIPR	\$448.81 million	+24.12%
MJ Holdings Inc	MJNE	\$71.67 million	-78.71%
Praetorian Property Inc	PRRE	\$38.81 million	-78.95%

Marijuana Products

Name	Ticker	Market Cap	2018 Stock Performance
Neptune Wellness Solutions Inc	NEPT	\$220.47 million	+6.28%
Advantis Corp	ADVT	\$16.14 million	0.00%
CLS Holdings USA Inc	CLSH	\$54.08 million	-12.00%
Integrated Cannabis Co Inc	ICNAF	\$10.16 million	-48.00%
Marijuana Company of America Inc	MCOA	\$49.79 million	-66.67%
Nutritional High International Inc	SPLIF	\$71.99 million	-71.01%
Golden Leaf Holdings Ltd	GLDFF	\$72.11 million	-71.43%
Tinley Beverage Co Inc	TNYBF	\$35.07 million	-72.19%
Lifestyle Delivery Sys	LDSYF	\$26.32 million	-80.87%
International Cannabrands Inc	GEATF	\$10.26 million	-81.48%

Consumption Devices

Name	Ticker	Market Cap	2018 Stock Performance
Agraflora Organics International Inc	PUFXF	\$74.10 million	-29.17%

Wildflower Brands	WLDFB	\$28.96 million	-63.64%
Namaste Technologies Inc	NXTTF	\$233.44 million	-79.21%

Other Ancillary

Name	Ticker	Market Cap	2018 Stock Performance
Lifeloc Technologies Inc	LCTC	\$12.64 million	-30.41%
CB Scientific	CBSC	\$16.67 million	-43.14%
Cannabix Technologies Inc	BLOZF	\$112.71 million	-57.74%

AgTech

Name	Ticker	Market Cap	2018 Stock Performance
MCIG Inc	MCIG	\$68.73 million	-61.54%
SMART Cannabis Corp	SCNA	\$133.23 million	-75.00%
Future Farm Technologies Inc	FFRMF	\$22.22 million	-88.80%
Nuvus Gro Corp	NUVG	\$7.30 million	-98.91%

Legal Disclaimer

Except for the historical information presented herein, matters discussed in this article contain forward-looking statements that are subject to certain risks and uncertainties that could cause actual results to differ materially from any future results, performance or achievements expressed or implied by such statements. Market Jar Media Inc., which owns PotStockNews, is not registered with any financial or securities regulatory authority, and does not provide nor claims to provide investment advice or recommendations to readers of this release. Market Jar Media Inc., which owns PotStockNews, may from time to time have a position in the securities mentioned herein and will increase or decrease such positions without notice. For making specific investment decisions, readers should seek their own advice and that of their own professional advisers. Market Jar Media Inc., which owns PotStockNews, may be compensated for its Services in the form of cash-based and/or equity-based compensation in the companies it writes about, or a combination of the two. For full disclosure please visit:

<https://potstocknews.com/disclaimer/>.