UNCOVERING THE BEST CANNABIS STOCKS TO BUY DURING THE CORONAVIRUS PANDEMIC

NATIONAL INSTITUTE *for* CANNABIS INVESTORS

Uncovering the Best Cannabis Stocks to Buy During the Coronavirus Pandemic

We know there's a lot on everyone's minds.

Routines are being completely disrupted, and everyone has to adjust to the realities of the situation we are all in together.

Companies are feeling the pressure, and investing is volatile.

But there are two ways of looking at things right now. The first is to panic and put your head in the sand. Just ignore everything that is going on and hope things get better.

That's not going to work.

For the determined and watchful investor like yourself, we know you're going to go with the second option – that's operating from a position of strength, being patient, and striking when the opportunity is right.

Truth is this is like buying cannabis stocks two or three years ago, when companies were just launching. This is a reset in your favor.

If you liked a company trading at $100, you should love them at $50!

But here's the thing you already know – prices aren't going to stay this low forever.

So, with that knowledge at hand, we're going to share the six companies you are going to want to add to your portfolio today before prices start going back up.

Stock to Buy in 2020 on the Dip – No. 1: Medicine Man

The first company on our list is **Medicine Man Technologies** (OTC: MDCL).

Founded in 2014 in Colorado, Medicine Man runs a consulting service serving investors, cultivators, and aspiring cannabis entrepreneurs.

It also offers branding services, and this is one savvy way to make money from a booming industry without touching the cannabis plant directly.

While some made their fortunes during the California Gold Rush by mining for gold, Levi Strauss saw that the miners needed durable pants. From just that, he was able to launch an empire that is now worth over $7 billion.

What Strauss set up is what's called an ancillary business, and Medicine Man has done the same.

But the company is also now getting a foothold in every aspect of the cannabis industry. Not only will it make money from providing consulting services but it will also make money starting in the cannabis cultivation process and all the way through to products being purchased in a dispensary, also known as from seed-to-sale.

And there's a good reason why Medicine Man has been so aggressive.

Being based in Colorado, Medicine Man wasn't allowed to receive money from out-of-state investors. That was obviously a big hold-up for the company in terms of expansion.

Fortunately, that law changed on May 29, 2019.

And Medicine Man is using that flood of cash to scoop up as many cannabis companies as it possibly can. For example, in September alone, the company announced at least seven acquisitions of other Colorado-based cannabis companies.

Most of the deals were expected to close between March and June of 2020. That may be delayed a bit because of what is happening right now, but when all of those deals close, Medicine Man could have one of America's largest vertically integrated operations.

And once the company dominates all of Colorado, it's going to expand across the United States.

"We are laser-focused on getting these acquisitions closed and getting integration underway. Then we will begin to look outside the state, expanding our footprint in all verticals in the cannabis space," co-founder **Andy Williams** said in a statement.

Medicine Man isn't well known now, but that's going to change this year.

Stock to Buy in 2020 on the Dip – No. 2: Acreage Holdings

The story of **Acreage Holdings** (OTC: ACRGF) starts back in 2011 when **Kevin Murphy** invested in a Maine cannabis license.

That led Murphy to launch High Street Capital in 2014, which was rebranded as Acreage in 2017.

That brings us to today. Acreage currently has 28 dispensaries open in 11 states. In total, the company is licensed to open 88 dispensaries in 17 states.

The company's brands currently include The Botanist, Prime, Live Resin Project, and Natural Wonder.

And because of Acreage's impressive growth in such a short period of time, Murphy's company attracted the attention of **Canopy Growth Corp.** (NYSE: CGC).

When the United States legalizes the production and sale of cannabis, the deal will close for $3.4 billion. Canopy could have gone with the idea of starting something from scratch, but it takes time and money to build a brand.

Acreage already has its brands established, distribution networks in place, and revenue coming in.

So instead of building something that would eventually grow, Canopy just bought the growth.

For Acreage, the company will not have to worry about trying to raise money and can use Canopy's massive war chest of cash to grow and expand. The deal would also eventually allow Acreage access to international markets.

Overall, this deal will work out for everyone, but it is still going to take some time before it closes.

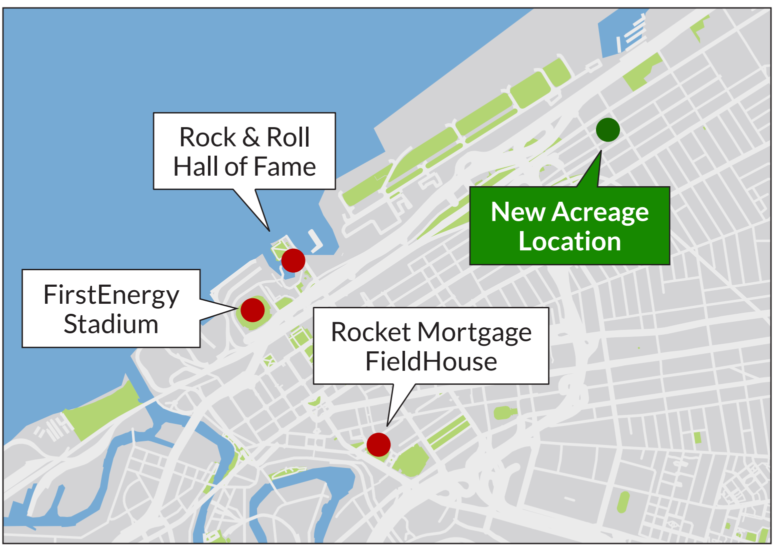
Until it does, Acreage is operating as an independent company, but the market is not viewing things this way.

It's not rewarding the company for its massive growth and dominant presence throughout the United States. In fact, Acreage just opened two locations in Ohio at the end of October 2019 while other companies were cutting down on their staffs and looking for ways to save money.

Ohio is a medical-only state right now, but sales are expected to reach over $1 billion by 2025.

And with the new Acreage location in Cleveland, it's easy to tell the company is playing the long game and expects full U.S. legalization soon.

In the map below, you can see that its location at 3865 Lakeside Avenue East is very close to the Rocket Mortgage FieldHouse, the Rock & Roll Hall of Fame, and FirstEnergy Stadium. In other words, it has a dispensary near popular tourist destinations.



It's just an eight-minute ride from where the Cleveland Cavaliers play basketball to the dispensary.

Over the next year, we expect the market to pay more attention to what Acreage is doing instead of just lumping it in with how Canopy Growth is performing.

At these prices, Acreage is offering a tremendous opportunity.

Stock to Buy in 2020 on the Dip – No. 3: Village Farms International Inc.

Village Farms International Inc. (Nasdaq: VFF) was founded in 1989 in Canada, and started out as a producer of greenhouse-grown tomatoes, cucumbers, and bell peppers. It owns several greenhouse facilities in British Columbia and Texas, giving the company a large and expansive client base.

It also owns and operates a power plant and sells the electricity generated from that plant to the British Columbia Hydro and Power Authority.

However, Village Farms can also be considered a cannabis stock.

And with the company's facilities and decades of experience with growing produce, it only makes since that Village would want a piece of the billion-dollar cannabis market.

In 2017, it formed a joint venture (JV) with **Emerald Health Therapeutics Inc**. for large-scale, high-quality, low-cost cannabis production.

As part of the JV that was named **Pure Sunfarms**, Village Farms serves as the cultivator and producer with its Delta 3 greenhouse facility in British Columbia, and Emerald brings its licensing and regulatory expertise to the table to help make sure all laws are being followed.

Thus far, this has been a very successful venture.

For Q2 2019, the JV had sales of $32 million and it was the third consecutive quarter of profitability.

Now, there's currently a $7 million spat between the two companies, which states that Emerald owes that money to the JV.

The matter was resolved in March. Village Farms now owns 57% of the joint venture instead of it being an even split.

Now, a bigger concern investors had was a report released by **Citron Research** that stated that Village Farms is really a $1 stock. That was enough to spook the market to send the stock price down from around $16 to $12 in just a few days.

But if you read the presentation from Citron, it mostly focuses on Emerald Health and the past relationships and business experience of Emerald's executive team.

The fact is that this JV with Emerald is generating money and has been profitable for three consecutive quarters. The issues that Citron believes will cause Village to drop to $1 have not materialized, and retail investors should know that Citron will also have short positions on companies it releases reports on.

The general fear caused by the Citron report sent the Village Farm stock price to under $9 at the start of November 2019 for reasons mostly outside of business fundamentals, at the time, even trading at around $9 made the company an attractive investment.

Now trading at under $3, it's an absolute bargain.

Stock to Buy in 2020 on the Dip – No. 4: Constellation Brands

You may know **Constellation Brands** (NYSE: STZ) as the maker of Corona, but it's becoming so much more than an alcoholic beverage supplier.

On August 15, 2018, Constellation made the biggest splash in cannabis history after making a $4 billion investment in Canopy Growth.

And yet, when people talk about investing in cannabis companies, they still tend to generally ignore Constellation.

Make no mistake, this is not a stock to trade.

It's a stock to buy more and more of over time.

Constellation now has the assets and logistical wherewithal to become the biggest name in the marijuana market, one that will continue to grow at high rates going forward.

It's a stable business and has a fixed infrastructure and multiple business relationships to leverage.

Remember that with its partnership with Canopy, Constellation now has the potential to add a new line of products to its current lineup. It has the first-mover advantage in marijuana beverages just as the market takes off.

Looking ahead, Constellation is also playing the long game to become a "Dividend Aristocrat," which is a company that must have a minimum of one dividend increase annually for at least 25 years.

Being on that list carries a lot of weight with risk-averse investors.

Stock to Buy in 2020 on the Dip – No. 5: Innovative Industrial Properties

Innovative Industrial Properties Inc. (NYSE: IIPR) has become one of our favorite plays in cannabis. The U.S.-based company is a real estate investment trust (REIT) that basically buys facilities – often from cannabis producers themselves – and then leases the properties back to the cannabis companies for their use.

REITs are very attractive to risk-averse investors and income seekers because to qualify as a REIT, a company must pay 90% of its taxable income to shareholders in the form of dividends.

And as you can see from the payouts below, IIPR has placed an emphasis on rewarding their shareholders with increased payouts.

Ex-Dividend Date	Type	Cash Amount	Declaration Date
03/30/2020	Cash	$1.00	03/13/2020
12/30/2019	Cash	$1.00	12/10/2019
09/27/2019	Cash	$0.78	09/13/2019
06/27/2019	Cash	$0.60	06/14/2019
03/28/2019	Cash	$0.45	03/12/2019
12/28/2018	Cash	$0.35	12/14/2018

But IIPR is not your average REIT.

Instead of owning malls or nursing homes, Innovative Industrial operates in the fastest-growing industry in the world. It can charge higher prices to lease out its properties because it is very difficult for cannabis companies, even ones operating in legal states, to find landlords who will allow them to rent their properties.

And there are two things that really stick out to us about this company – they're things most cannabis companies simply can't claim...

It's profitable – so the business is stable and has an even lower risk than many other cannabis companies because there isn't an issue with federal regulators.

It's available on a major U.S. stock exchange – there's no easier exchange to buy from than the New York Stock Exchange, which hosts IIPR stock.

Currently, IIPR has facilities in Arizona, California, Colorado, Florida, Illinois, Maryland, Michigan, Minnesota, Nevada, New York, Ohio, and Pennsylvania. The company has a good mix of being in recreational states and medical states.

With its specialty of being a cannabis landlord, full legalization means IIPR will have even more companies to work with.

Conclusion

Again, we know this is a difficult time.

But with a plan in place, you will put yourself in a position to succeed.

As a recap, these are the five pot stocks that could offer some of the biggest long-term gains from buying on the dip.

- **Medicine Man Technologies** (OTC: MDCL)
- **Acreage Holdings** (OTC: ACRGF)
- **Village Farms International Inc.** (Nasdaq: VFF)
- **Constellation Brands** (NYSE: STZ)
- **Innovative Industrial Properties Inc.** (NYSE: IIPR)

Of course, these are by no means all the profit opportunities that exist in the cannabis industry.

That’s why we created what’s referred to as “The Vault.”

In our system, we have over 200 cannabis investment opportunities rated from a 1–5, and in our analyst reports, we talk about the pros and cons of a company in plain English.

You can learn more about this comprehensive database on our website.

Again, we want to congratulate you on your foresight, and we are excited to be here with you on your cannabis investing journey!

To your success,

The National Institute for Cannabis Investors

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