

Market Movers

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Buds & Duds: Cannabis stocks keep on rolling, Aphria shares rise as it exits the US market due to federal laws

Cannabis stocks kept on rolling up and down today, with significant movers including Hexo Corporation (OTCMKTS:HYYDF, CVE:THCS) up 20.5% at C\$7.10 in Toronto and at US\$5.38 in New York, up 20.7%.

Hexo's stock climbed on Thursday after a part-owner of the company urged it to explore more deals in Canada's cannabis space, which will legalize cannabis in Oct 2018.

Other significant boosters included Aphria Inc (TSE:APH, OTCQB:APHQF) after it announced it was exiting the US by completing the sale of its remaining holdings in Liberty Health Sciences Inc. Aphria has signed an agreement with a group of buyers to sell 64.1 million shares in Liberty Health for \$59.1 million.

Shares were up 15.0% at US\$16.25 in New York and up 15.5% at C\$21.35 in Toronto.

Aphria says it will re-enter the US market when US federal laws are changed.

"We view this decision as only a temporary departure from investment in the U.S. cannabis industry until such time as U.S. federal cannabis laws are reformed," said chief executive officer Vic Neufeld.

"We have always believed in the tremendous opportunity in the U.S. cannabis market, and that is no different today."

READ: WeedMD signs deal to supply Ontario Cannabis Store

Shares of WeedMD Inc (CVE:WMD) were up 1.5% at C\$2.07 as it announced Thursday it had signed a deal to supply to the Ontario Cannabis Store.

The company agreed with Ontario Cannabis Retail Corp (OCRC), operating as the Ontario Cannabis Store (OCS), to supply branded cannabis products to the adult-use market in the province.

The deal is the fifth supply agreement agreed by the firm.

In addition to Ontario, WeedMD also signed agreements with the Alberta Gaming, Liquor & Cannabis Commission (AGLC), the British Columbia Liquor Distribution Branch (BC LDB), the Nova Scotia Liquor Corporation (NSLC) and Shoppers Drug Mart.

Duds

Cronos Group Inc. (TSE:CRON, NASDAQ:CRON) shares were down 7.1% at C\$15.21 on Thursday in Toronto after the company released news that it was going to partner with Boston biotech Ginkgo Bioworks.

READ: Cronos Group stock jumps after partnering with Boston biotech Ginkgo Bioworks in a US\$122m deal to develop cultured cannabinoids

The biotech will genetically engineer cannabinoids so that Cronos can bring cannabinoid-based products to market with reliability and scalability.

Shares of Newstrike Brands Ltd (CVE:HIP) were down 5.3% at C\$0.71 in Toronto.

The North American Marijuana Index, a series of equally-weighted stock indices that track the leading cannabis stocks

Share Information

MarketTopic Synopsis:

This report focuses on major movers on the day with an emphasis on small and mid-caps.

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in the U.S. and Canada, reported that its North American Index was up 2.3% on Tuesday at \$308.42.

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