

Cronos Group Inc

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Buds & Duds: Cannabis stocks start the week with a thud; Cronos and Tilray lag on price cuts

Cannabis stocks started the week with an abrupt thud, with significant drops across North American markets.

The North American Marijuana Index, which tracks the top cannabis stocks in the US and Canada, was down 0.7% to 286.02 points by Monday afternoon. The Horizons Marijuana Life Sciences Index ETF was down 0.2% at C\$20.93.

Duds

There were a host of laggards on Monday.

Cronos Group Inc (NASDAQ:CRON) (TSE:CRON) shares continued to drop on Monday, down 3.3% at US\$16.02 in New York and down 3.3% at C\$21.53 in Toronto.

Last week, analyst Piper Jefferies cut the target price for Cronos Group (CRON) to C\$15 from \$17 Canadian dollars, on the back of expectations of a lower share in Canada's recreational market.

Tilray Inc (NASDAQ:TLRY) shares were also lagging on Monday, down 1.6% at US\$49.41. Jefferies also cut Tilray's price target last week, to \$57 from \$61 due to concerns about Tilray's cost of purchasing from a third-party, a result of a supply shortage, how upgraded its rating to Hold from Underperform.

Joining in the broad decline of cannabis stocks was Planet 13 Holdings Inc (OTCMKTS:PLNHF), which fell 1.1% to US\$2.34.

The cannabis megastore released its financial results last week. In the fourth quarter ended December 31, 2018, the company reported revenues of US\$8.3 million as compared to US\$3.4 million, an increase of 145%. However, it reported a net loss of US\$4.0 million as compared to a net profit of \$259,493 in the same period in 2017.

Buds

A number of stocks bucked the trend on Monday and gained ground.

True Leaf Medicine International Ltd (CSE:MJ) (OTCMKTS:TRLFF) soared 7% at C\$0.46 in Toronto.

The Vernon, BC-based cannabis and hemp wellness brand for pets announced last week it was raising C\$1 million in capital from exercising warrants.

READ: True Leaf Medicine International raises C\$1 million in capital from exercising warrants

CEO Darcy Bomford said the capital infusion will help the company expand operations globally, among other uses.

"This additional capital will strengthen our balance sheet and allow us to continue to execute on our growth plans, including bringing a legally-compliant CBD product for pets to market and expanding our global distribution, including

Price: 9.48

Market Cap: \$3.39 billion

1 Year Share Price Graph



March 2020 September 2020 March 2021

Share Information

Code: CRON

Listing: NASDAQ

52 week	High	Low
	15.82	4

Sector: Pharma & Biotech

Website: thecronosgroup.com

Company Synopsis:

A geographically diversified and vertically integrated cannabis group that operates within Health Canada's Access to Cannabis for Medical Purposes Regulations and distributes globally.

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entering new markets in the Asia Pacific region and Australia," he said in a statement.

Other gainers on Monday included Aleafia Health Inc (TSE:ALEF) (OTCMKTS:ALEAF), which saw its shares up 13.3% at US\$1.16 in New York as the company announced it was entering the German medical cannabis market via its joint-venture with German pharmaceutical wholesaler Acnos Pharma GmbH.

Auxly Cannabis Group Inc (CVE:XLY) (OTCMKTS:CBWTF) stock was also on the rise Monday, up 1.2% at C\$0.85 in Canadian trading on no news.

The cannabis streaming company has operations across Canada and Uruguay.

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