

# WeedMD Inc

17:15 04 Sep 2019

## North American cannabis market could be worth US\$47.3bn annually by 2024

New findings from a research report predict North America's legal cannabis industry could be worth more than \$47.3 billion annually by 2024.

The North American Cannabis report, published by consultancy group Prohibition Partners, finds that despite Canada becoming the first G7 country to legalize adult-use cannabis, cannabis growth south of the border will greatly outstrip Canada. According to the report, the US is expected to post triple-digit growth in the industry by 2024, despite not having legalized cannabis federally.

"Although North America's legal cannabis industry could be worth more than US\$47.3 billion within the next five years, the true value of the market is likely to be much larger than current estimates," noted Daragh Anglim, Managing Director at Prohibition Partners. "This is because, contrary to the hopes of regulators, legalization is unlikely to eradicate black market sales, particularly in Canada."

### READ: Buds & Duds: Cannabis stocks stumble but BevCanna shares shine on cannabis cultivation deal with Clearwater CannGrow

The report predicts the Canadian cannabis market will be worth US\$3.4 billion by 2024, however, the growth in Canada - estimated at 33% annually - will likely be much slower than in the US, where it is predicting triple-digit growth.

Medicinal cannabis is legal in 33 US states, and adult-use cannabis is legal in 11 states plus Washington DC. The report suggests sales of medicinal cannabis will dwarf the recreational market.

"We expect the total cannabis market to be worth US\$47.3 billion by 2024. By then, we believe medicinal cannabis, as well as recreational cannabis, will be legal across the region, integrated across a number of industry verticals from pharma to food."

### Eyes on CBD, edibles

The report pointed to the potential of CBD lifestyle products in the upcoming year.

"CBD has existed for quite some time in a legally grey area, and, as such, it has retained its underground status, based on word-of-mouth 'marketing'. However, this is changing and a new industry is growing, virtually out of nowhere," noted the report's authors. "Pivotal to industry change was the passing of the 2018 Farm Bill in December 2018."

According to the report, as western countries experience a decline in smoking rates and alcohol consumption remains flat, tobacco and beverage companies are looking to boost growth by investing in the sector - examples including deals from Constellation Brands and Altria.

The report also pointed to the beauty market, which is seeing strong activity with a "growing number of high-end

**Price:** 0.315

**Market Cap:** \$66.23 m

#### 1 Year Share Price Graph



September 2019 March 2020 September 2020

#### Share Information

**Code:** WMD

**Listing:** TSX-V

**52 week High Low**  
1.46 0.26

**Sector:** Cannabis

**Website:** www.weedmd.com

#### Company Synopsis:

WeedMD Inc. is the publicly-traded parent company of WeedMD Rx Inc. , a federally-licensed producer of cannabis products for both the medical and adult-use markets. The Company owns and operates a 158-acre state-of-the-art greenhouse, outdoor and processing facility located in Strathroy, Ontario. WeedMD also operates CX Industries Inc. , a wholly-owned subsidiary of WeedMD Inc.

action@proactiveinvestors.com

retailers adding cannabis products to their stock."

The report pointed to the fact that cannabis edibles are currently not legal across all of North America - expected to shift in October 2019 in Canada - which could signify a further expansion of the industry.

### **Looking beyond North America**

The report made note that the North American market plays a significant role in the wider industry.

"From an international perspective, the regulatory frameworks across Europe mirror the patchwork of legislation across the US," wrote the authors, noting that countries considering reform will likely look to learnings from Canada. "As the industry continues to develop, Europe, and indeed the international market, will continue to monitor developments in North America closely."

Contact Katie Lewis at [katie@proactiveinvestors.com](mailto:katie@proactiveinvestors.com)

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 [action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

### No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of WeedMD Inc named herein, including the promotion by the Company of WeedMD Inc in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).