



PAUL COHEN'S

Marijuana Hub

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HOW TO MAKE MONEY IN THE MARIJUANA STOCK MARKET

COMMISSIONS EAT UP DAY-TRADERS

- ▶ Alan Brockstein's 420 Investor is one of the most valuable resources in the cannabis industry.
- ▶ Any investor should subscribe to Alan's service. Having a CFA follow an entire industry's public companies and press releases is unique in the history of industry group investing. Alan is one sharp guy. His information is pristine.
- ▶ Alan's stock index is down about -13.6%+ year to date, about -18.6%+ during the last 90 days.
- ▶ The 39 public company stocks comprising the Benzinga 420 Marijuana index is down about -25% since the beginning of the year. The 365 day performance is down a whopping 33.47%, no fault of Alan's work. Since Alan's suggestions are down less than the whole market, should you trade penny stocks in this market? The answer is no.
- ▶ If a day trader or investor with, let us say, \$15,000 to invest took every one of Alan's suggestions, I would guess that brokerage commissions would eat up this performance by a significant amount; possibly 25% - 50% or as much as double the negative performance of Alan's stated performance. This performance with commissions (a guess) could very well be down more than -26% -27% year to date.
- ▶ This commission 'eat up' depends on how much each commission would be at which brokerage or on line firm.
- ▶ Day traders have about a 1 in 9 chance to make money in any industry group. In the cannabis markets, I would think it would be at least double that; about 1 in 20. Day trading in the penny stock market is in my view, a dead end street.
- ▶ We first noted Pazoo at \$0.0042 cents was the outstanding undervalued stock in our 278 name Cohen Grassroots Marijuana Index. Pazoo stock has more than tripled, trading at \$0.014 today on large volume in a short term time period. Buying some shares on the way up does not eat up performance, commission wise.
- ▶ Hello? Do your research, invest in one or two issues, be right, and forget about day trading and being greedy. You only need one winner, not multiple trade suggestions.