



# PAUL COHEN'S *Marijuana Hub*

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## HOW TO MAKE MONEY IN THE MARIJUANA STOCK MARKET THE COHEN GRASSROOTS MARIJUANA INDEX 310 STOCKS

IT IS INTERESTING TO REVIEW OUR MODEL BETWEEN 2105 AND 2016.

A YEAR AGO OUR MODEL HAD 286 STOCKS;

TODAY IT HAS INCREASED TO 310 STOCKS. IT IS DIFFICULT TO KEEP TRACK OF THOSE ACTIVE COMPANIES, STOCKS THAT HAVE GONE OUT OF BUSINESS, AND MULTI PRODUCT COMPANIES.

WE HAVE 14 SUB-SECTORS THAT WE CAN COMPARE ONE AGAINST ANOTHER TO CALCULATE VALUE.

A QUICK GLANCE TELLS US THAT THE \$0 TO \$5 MILLION MARKET CAP SECTOR HAS ALMOST DOUBLED.

THE CONCLUSION IS THAT AS THE INDUSTRY HAS MATURED, THE STOCK MARKET IN TERMS OF MARKET CAP HAS BEEN CRUSHED.

CANADIAN STOCKS HAVE DONE WELL BECAUSE OF A FEW REASONS.

THEY INCLUDE ACCESS TO CAPITAL, REGULATORY EASING, SMALLER MARKET THAT INVESTORS UNDERSTAND AND BETTER MANAGEMENT ON BALANCE.

THE GREATEST CONCERN OVERALL ARE SHARES OUTSTANDING. AUTHORIZED SHARES HAVE INCREASED , BUT IT IS SHARES OUTSTANDING THAT HAVE FURTHER BLOATED.

THUS, ANY GOOD BUSINESS WITH, LET US SAY, 50 MILLION SHARES OR LESS (OR A BIT MORE) CAN FINANCE ITSELF VIA RULE 144 STOCK OR CONVERTIBLE SECURITIES.

THIS IS AN INDUSTRY THAT CANNOT FINANCE ITSELF VIA CASH, AND IS WOEFULLY CASH POOR. HENCE BLOATED SHARES OUTSTANDING.

ANY INDUSTRY GROUP CAN BE MEASURED BY ITS SHARE PERFORMANCE. ITS FOUNDATION IS ALWAYS VALUE. THIS INDUSTRY'S VALUE IS POOR AT BEST.