



# PAUL COHEN'S

## *Marijuana Hub*

*A Division of Cohen Grassroots Research, Inc. [www.cohengrassroots.com](http://www.cohengrassroots.com)*



Newsletter: March 16, 2015, Issue #112 -- [www.cohenresearch.com](http://www.cohenresearch.com)

Cohen Grassroots Research, Inc. is the Nation's Number #1 Micro Cap and Cannabis Research Firm  
IR Research Reports (1,000+) - Distribution to 100s of thousands of investors

### HOW TO MAKE MONEY IN THE MARIJUANA STOCK MARKET

#### ISSUE #5: INVESTOR SENTIMENT: "HEY MAN, THAT AIN'T RIGHT"

- ▶ NFL Legend, Dion Sanders's mantra is: "hey man, that ain't right". We've all heard it on NFL media many times.
- ▶ Well, the collapse of the marijuana/cannabis stock market ain't right. Why has this market tanked?
- ▶ First, the Cohen Grassroots Marijuana Index is now down 20% since the beginning of the 2015 year. In 2014, the market exploded, got crushed, taking a round trip after the SEC halted trading in Growlife, PHOT, in April of 2014. Growlife was the industry's poster child. Invalidating PHOT was all it took to knock the air out of the balloon.
- ▶ Since that time period, the cannabis industry has exploded: new products, new companies, massive hype, new newsletters, new magazines, new people, new inventions, conventions, new innovations...the list goes on and on.
- ▶ Logic dictates that with all of this good stuff happening, the marijuana stock market should be following all of the hype and good stuff. It should be going up. In fact, it has done the opposite. Investors don't want any part of it.
- ▶ The BETTER the industry growth explosion, the WORSE that stock market has performed. "Hey man, that ain't right..."
- ▶ Let's make a few guesses. This is an industry with little cash, little ability to raise cash, poorly managed for the most part, many companies will go out of business, an industry that cannot sell much of anything for the most part, has bloated capital structures in the form of shares of stock issued and authorized. This industry has not performed fundamentally. Hype and Press Releases rule the day. News releases do not create revenues and cash flow.
- ▶ These are keys: The new U.S. Attorney General is against legalization. The Federal government can shut down Colorado any time it wants to. The industry is illegal and is Schedule 1. Legalization is down to 51% and 52%. If it drops into the 40% area, this nation is saying no to the power of THC. While medical will survive, I see the opposition to this industry as becoming socially stronger. Families don't want this stuff available to their kids.
- ▶ The marijuana industry has been compared to alcohol's legalization. This country may be waking up to the fact that marijuana today may be much stronger and more dangerous than alcohol, despite the rationale that it is not. Stock markets reflect the will and view of the people. Performance of this marijuana stock market reflects investor and social