



PAUL COHEN'S *Marijuana Hub*

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HOW TO MAKE MONEY IN THE MARIJUANA STOCK MARKET MARIJUANA STOCK MARKET CONTINUES TO CRASH

The Benzinga Index is down about -62% or so since the beginning of this year.

When I look at this industry's stock market performance, it is the fundamentals of companies have not performed.

While there are some very good solid companies, on balance the industry simply does not have enough cash to build out its business models. Sales, cash and the ability of raising cash have resulted in massive bloating of capital structures and shares outstanding.

This industry has to finance itself with paper. The more paper, the less is the intrinsic value of each issuing company.

There are other factors in this stock market that have contributed to this crash, including regulations that strangle trading.

This cannabis market has been described by some as having too many so called scam companies.

The Cohen Grassroots Marijuana Index comprised of 283 stocks does not see it that way at all.

Most of the business models we have examined have very good ideas.

Those who would defame this industry by inferring that it is run by too many blue suede operators, to my view, are in error.

Some of the companies have cut corners, as do many in other industries. However, the problem is not blue suede operators. Rather it is the inability to raise cash to fund good ideas to create sales.

I do not see the trend reversing. I see it as getting worse over the next 12 months.