



PAUL COHEN'S MARIJUANA HUB

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Have Recreational Marijuana Stocks Helped to Cause this Bear Market?

- With the Cohen Grassroots Marijuana Index off 80+%, let us analyze and look within the cannabis stock market to ask why.
- There is little doubt in my mind that medicinal medical marijuana is here to stay.
- Its benefits are exciting. Research is expanding. Results are promising.
- To what extent have recreational marijuana stocks pulled down this market, taking with them medical marijuana stocks?
- I do not have all the answers, but the following are some guesses.
- The marijuana market has promoted that ingesting THC is harmless. It is not. It is the big lie in this industry, whether smoked, inhaled or otherwise ingested. This herd mentality is designed to promote and justify THC, pure, plain and simple.
- Walking down 16th Street in Denver looks to me like Berkeley in the 1960s. A large percentage of people are high. I understand that unemployment is up in Colorado. There are negative effects. Groupies are too stoned to get up and walk. Playing and singing songs revisits the hippie culture in the 1960s. I visited 3 dispensaries in Denver that were less than a mile apart.
- **The Federal government will be forced to ask itself: "Is it worth it to destroy our society so that Colorado and perhaps Washington can collect \$70+ million in tax revenues, while at the same time ruining our society?"**
- The only way the recreational potheads win in my view, is if marijuana is moved from Schedule 1 to Schedule 2. What are the odds of this happening? It is anybody's guess. But if marijuana sees Schedule 2, the Feds lose, the states win. That is it.
- The problem for investors is betting against Schedule 2, and investing in recreational companies that might not exist in the future.
- Nobody know the effect of recreational THC marijuana exposed stocks in this market? My guess is that it exists and has helped dragged down this entire cannabis stock market. We will talk more about this effect in future newsletters.