

Three Top Ways to Trade the CBD Retail Boom

CBD just got another major shot in the arm.

Just days ago, Kroger announced it would sell CBD products in nearly 1,000 stores. While it won't sell CBD-infused groceries yet, it will carry CBD topical products, including creams, balms and oils in 945 stores across 17 states.

The company joins a growing list of other retailers that are just now jumping on the bandwagon. Simon Property Group partnered with Green Growth Brands. CVS will now carry CBD products across the U.S. The Vitamin Shoppe announced it will sell CBD products.

Abercrombie & Fitch just partnered with Green Growth Brands to sell CBD body care products. DSW has been running tests in its stores with CBD, announcing plans to expand such products to nearly 100 stores.

Neiman Marcus is pushing ahead with CBD sales at some of its stores and online.

Even the CEO of Whole Foods has indicated he's keeping a close eye on cannabis regulation, suggesting that it could show up on shelves. "If cannabis is ever passed in Texas," he said, as quoted by Leafly, "chances are good that grocery stores will be selling that, too."

"Like many retailers, we are starting to offer our customers a highly-curated selection of topical products like lotions, balms, oils and creams that are infused with hemp-derived CBD," said Kroger, as quoted by CNBC.

All as consumers clamor for CBD products.

Even more exciting, according to the Brightfield Group, worldwide CBD sales are expected to soar from \$591 million in 2018 to as high as \$22 billion by 2022 – a compound growth rate of 147%. In addition, according to Technavio Research Report, "CBD Oil Market is witnessed to grow USD 1.9 billion, at a CAGR of 31% from 2018 to 2022."

As the story continues to explode, here are some of the top cannabis stocks to consider.

CV Sciences (CVSI)

One of the stocks that jumped on the Kroger news was CV Sciences (CVSI).

CVSI just announced further expansion of its Plus CBD Oil brand in 945 Kroger stores.



“We are delighted to partner with Kroger and launch our new Roll-On topical as we continue our rapid expansion into the FDM channel,” said Joseph Dowling, CEO. “Kroger, CVS Pharmacy, and other leading national retailers are keenly aware of the increased consumer demand for hemp-based CBD products and they are partnering with CV Sciences because of our unwavering commitment to safety and quality. We are at the beginning of what we believe will be broad acceptance of CBD products across national FDM accounts and we look forward to our continued growth as we expand store count and SKUs with our retail partners.”

Green Growth Brands Inc. (GGBXF)

The company just announced that it has surpassed 50 Seventh Sense Botanical Therapy shops open in four months. The first Seventh Sense shop opening was announced mid-February, and, since that time, GGB has continued to roll out its Seventh Sense shops at a rapid pace. The Company anticipates opening more than 200 such shops by the end of 2019. Seventh Sense shops retail high-quality botanical therapy CBD-infused personal care and beauty products at affordable prices.

The product offering includes over 100 SKUs across bath, body, face, therapeutic, and sleep categories. “This rapid rollout across the U.S. is truly unprecedented,” said Peter Horvath, CEO of Green Growth Brands. “We expect to open over 200 shops this year and are confident that we are building one of the largest and most valuable distribution networks for CBD.”

The Green Organic Dutchman Holdings Ltd. (TGODF)

The company just announced that it entered into a multi-year agreement with Neptune Wellness Solutions Inc. for extraction, formulation and packaging services. As part of the agreement, TGOD will have exclusivity on extraction, formulation and packaging of certified organic products within and for the Canadian market. Neptune’s expertise will enable TGOD to quickly scale up production of a wide range of consumer wellness products.



Under the terms of the agreement, TGOD will allocate more than 230,000 kilograms of cannabis and hemp biomass for Neptune to process and transform into premium certified organic consumer wellness products, making this the largest deal for a processor in the industry to date. The contract between TGOD and Neptune covers a period of three years and is expected to be back-end loaded with the first year accounting for approximately 20% of the total value. It also marks a significant milestone for cannabis manufacturing in Quebec, creating high value jobs, complementing TGOD's large investment in Valleyfield where the Company is nearing the completion of the first phase of what will become the world's largest organic cannabis growing facility at over 1.3 million square feet.