

# Breakout Alert: Aphria Inc Poised To Move Significantly Higher

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BENJAMIN A. SMITH | JUNE 21, 2018

Aphria Inc ([TSE:APH](#)) ([OTCMKTS:APHQF](#)) ([FRA:10E](#)) may be poised to make a significant move higher, according to the technicals we're watching. The cannabis sector's soon-to-be third biggest company by market capitalization (pending finalization of the Aurora Cannabis/MedReleaf deal) has demonstrated strong price action in recent days, following the trail blazed by **Canopy Growth Inc.**

Moving straight to the chart, the Midas Letter gleans two particular features at play. First, Aphria has cleared a defined head & shoulder neckline in convincing fashion with large on-open buying this morning. Secondly, prices are just starting to test the top of a 5-week range stretching back to mid-May. Should that decidedly crack and hold (\$13.14/share; *inflection point still pending*), there will likely be sufficient pent-up energy in this formation to send prices towards \$15.00/share.

Given the fractal and geometrical manner in which the market operates, it's possible to reasonably estimate how far prices can carry in the short term. In my estimation, that lies somewhere in the \$15.25-15.50 range, which is the approximate high/low percentage range over the last 5-weeks. From there, price would likely consolidate for an indefinite amount of time. But such a move would be great for investors who have endured mostly lagging performance compared to direct peer Canopy Growth—despite the fact Aphria has around half its relative valuation.

Whether Aphria realizes this potential move also depends on the market. Presuming Canopy Growth is nearing the latter innings of its [huge recent move](#), Aphria will need to play catch-up in terms of outperforming the sector over the next week or two. Canopy may still have some juice in the tank, but likely not another ↑16.80% on a near-term basis. Quite simply, Aphria will need to incur its share of overflow cannabis inflows as WEED's insatiable gains invariably slow down.

Aphria is currently trading higher by \$0.59 to \$13.03/share (↑4.72%).