

## Cannabis

Canadian cannabis retail sales +12% YoY  
in 2023

Industry Overview

## Canada cannabis retail sales fall 8% MoM in December

Statistics Canada (StatCan) released cannabis retail sales for December 2023, which reported cannabis sales increased +3.6% YoY and +8.2% MoM to C\$441.2mn, C\$412.1mn, improving from November's revised lower C\$407.9mn (previously reported C\$412.1mn). On an adjusted day basis, MoM sales rose 4.7%. TTM (2023) sales +12.2% YoY to \$5.07bn.

## Notable softness in Quebec in December

Canadian cannabis sales rose C\$15.3mn YoY, led by gains in all regions except for Quebec (-9.5%) and Saskatchewan (-5.8%). Ontario drove 85% of MoM increase and 89% of the YoY increase. With a more than sufficient store count >3600 as of September, challenges include too many producers, price promotional activity, illicit trade, high taxation and inflationary pressures on most consumer goods.

## January CPI data showing YoY price decline moderation

Earlier this week StatCan released January CPI data for cannabis. January MoM prices were flat vs. December with the only MoM decline (-2%) in Yukon. YoY, cannabis prices at retail declined 2.4%, easing from December's -3.6% drop. YoY, prices declines were most pronounced in the Northwest Territories (-24%) and Prince Edward Island (-12%).

22 February 2024

Equity

United States

Cannabis

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MoM= Month over month

TTM= Trailing 12 months

YoY= Year over year

CPI= Consumer Price Index

LPs= Licensed producers

THC = Tetrahydrocannabinol

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# Canadian cannabis retail sales by province

## Exhibit 1: Canadian cannabis retail sales by province (C\$mn)

On a day adjusted basis, sales grew 3.6% YoY and +4.7% MoM

Market size (\$mn)	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Ontario	171.2	155.0	141.8	158.8	160.1	162.5	177.5	176.1	188.4	175.5	177.7	154.5	184.3
Quebec	54.6	49.5	45.1	50.7	48.7	52.5	53.4	54.4	55.9	53.3	51.1	52.1	49.4
British Columbia	63.1	60.6	56.9	63.0	68.5	64.9	66.3	71.0	74.7	70.4	69.7	67.5	59.0
Nova Scotia	9.9	9.0	8.5	9.5	9.1	9.6	9.8	10.3	10.6	9.9	10.2	9.6	11.0
Manitoba	18.3	17.1	14.3	16.1	16.0	16.1	16.4	16.7	17.4	17.2	17.6	17.2	18.7
Alberta	73.8	69.1	65.0	72.3	72.6	74.3	75.2	78.5	78.6	76.5	76.5	73.7	82.0
Saskatchewan	17.0	19.1	17.5	18.7	19.0	19.2	19.5	19.8	20.5	16.3	17.2	14.5	16.0
New Brunswick	7.6	6.5	6.1	6.9	6.8	7.1	7.6	8.1	8.5	7.7	7.5	7.5	8.4
Prince Edward Island	2.0	1.7	1.7	1.9	1.9	1.2	2.0	2.3	2.3	2.1	2.1	2.0	2.2
Newfoundland and Labrador	6.4	6.1	5.6	6.2	6.0	6.3	7.7	7.2	7.6	7.3	7.3	7.0	7.9
Yukon	1.0	0.8	0.8	0.9	0.9	1.0	1.1	1.2	1.3	1.2	1.1	1.0	1.2
NW territories	1.1	0.8	0.9	1.1	1.1	1.2	1.1	1.2	1.2	0.9	1.2	1.2	1.2
<b>Canada retail sales</b>	<b>425.9</b>	<b>395.4</b>	<b>364.3</b>	<b>406.4</b>	<b>410.6</b>	<b>415.7</b>	<b>437.7</b>	<b>446.7</b>	<b>467.0</b>	<b>438.0</b>	<b>439.3</b>	<b>407.9</b>	<b>441.2</b>
<b>MoM % change</b>	<b>Dec-22</b>	<b>Jan-23</b>	<b>Feb-23</b>	<b>Mar-23</b>	<b>Apr-23</b>	<b>May-23</b>	<b>Jun-23</b>	<b>Jul-23</b>	<b>Aug-23</b>	<b>Sep-23</b>	<b>Oct-23</b>	<b>Nov-23</b>	<b>Dec-23</b>
Ontario	15.1%	-9.5%	-8.5%	12.0%	0.8%	1.5%	9.3%	-0.8%	7.0%	-6.9%	1.3%	-13.0%	19.2%
Quebec	12.6%	-9.3%	-9.0%	12.6%	-4.1%	7.9%	1.6%	2.0%	2.7%	-4.6%	-4.2%	1.9%	-5.2%
British Columbia	13.3%	-3.9%	-6.2%	10.9%	8.7%	-5.3%	2.2%	7.1%	5.2%	-5.8%	-1.0%	-3.1%	-12.6%
Nova Scotia	15.2%	-9.2%	-6.1%	11.8%	-3.9%	5.2%	2.4%	5.2%	2.9%	-7.2%	3.3%	-5.6%	14.4%
Manitoba	21.7%	-6.4%	-16.3%	12.2%	-0.6%	0.3%	2.3%	1.5%	4.2%	-0.9%	2.1%	-2.0%	8.7%
Alberta	11.1%	-6.3%	-5.9%	11.2%	0.4%	2.3%	1.2%	4.5%	0.1%	-2.7%	0.0%	-3.7%	11.3%
Saskatchewan	10.0%	12.6%	-8.5%	7.0%	1.3%	1.3%	1.9%	1.5%	3.3%	-20.7%	6.0%	-15.7%	10.1%
New Brunswick	14.3%	-14.8%	-5.8%	12.8%	-1.7%	4.6%	6.6%	6.3%	6.0%	-9.4%	-2.7%	0.2%	11.4%
Prince Edward Island	10.0%	-11.6%	-2.3%	12.2%	-2.1%	-36.0%	65.8%	14.3%	2.2%	-10.3%	3.0%	-6.2%	10.0%
Newfoundland and Labrador	13.8%	-5.2%	-7.7%	11.4%	-3.7%	4.1%	23.7%	-7.1%	5.1%	-4.1%	1.2%	-4.7%	12.7%
Yukon	13.4%	-12.7%	-6.5%	17.4%	0.0%	7.7%	10.3%	6.5%	7.4%	-6.4%	-4.1%	-10.2%	13.8%
NW territories	14.0%	-25.9%	18.8%	18.5%	0.2%	3.7%	-0.9%	0.7%	1.7%	-26.4%	37.0%	2.9%	-0.1%
<b>Canada retail sales</b>	<b>13.8%</b>	<b>-7.1%</b>	<b>-7.9%</b>	<b>11.5%</b>	<b>1.1%</b>	<b>1.2%</b>	<b>5.3%</b>	<b>2.1%</b>	<b>4.5%</b>	<b>-6.2%</b>	<b>0.3%</b>	<b>-7.1%</b>	<b>8.2%</b>
<b>YoY % change</b>	<b>Dec-22</b>	<b>Jan-23</b>	<b>Feb-23</b>	<b>Mar-23</b>	<b>Apr-23</b>	<b>May-23</b>	<b>Jun-23</b>	<b>Jul-23</b>	<b>Aug-23</b>	<b>Sep-23</b>	<b>Oct-23</b>	<b>Nov-23</b>	<b>Dec-23</b>
Ontario	34.9%	13.5%	8.5%	9.6%	6.1%	10.2%	16.2%	11.9%	22.5%	12.8%	15.6%	3.9%	7.7%
Quebec	-1.7%	3.4%	7.5%	19.3%	-3.0%	4.0%	7.1%	8.8%	9.7%	7.3%	2.7%	7.5%	-9.5%
British Columbia	20.6%	21.6%	22.8%	11.9%	29.4%	18.0%	22.6%	23.9%	26.5%	14.1%	19.5%	21.3%	-6.4%
Nova Scotia	15.4%	16.4%	20.4%	11.8%	6.1%	10.1%	12.9%	13.8%	12.5%	9.3%	10.6%	11.4%	10.6%
Manitoba	30.9%	30.9%	18.6%	16.3%	2.2%	11.4%	15.4%	-3.5%	10.1%	8.6%	9.6%	14.5%	2.2%
Alberta	12.3%	12.6%	13.1%	14.5%	12.2%	10.6%	11.9%	13.3%	16.8%	11.3%	8.3%	10.9%	11.2%
Saskatchewan	19.1%	32.2%	19.1%	25.6%	25.3%	25.0%	25.4%	25.4%	27.6%	4.5%	6.8%	-5.8%	-5.8%
New Brunswick	8.6%	1.3%	5.6%	9.0%	6.1%	10.8%	12.1%	12.3%	19.2%	13.6%	8.1%	12.8%	9.9%
Prince Edward Island		-5.2%	4.9%	8.0%	6.7%	-31.5%	9.6%	9.7%	9.9%	16.3%	15.3%	12.3%	12.3%
Newfoundland and Labrador	5.3%	7.7%	18.2%	20.8%	15.3%	22.4%	50.6%	28.3%	25.3%	28.1%	30.6%	24.4%	23.1%
Yukon		4.3%	4.0%	9.6%	6.9%	15.9%	20.4%	22.0%	22.5%	16.3%	18.3%	18.8%	19.3%
NW territories		-9.6%	6.7%	10.6%	7.8%	19.9%	14.5%	19.5%	15.3%	-11.6%	15.1%	30.0%	13.9%
<b>Canada retail sales</b>	<b>20.2%</b>	<b>14.1%</b>	<b>12.4%</b>	<b>13.1%</b>	<b>10.0%</b>	<b>11.3%</b>	<b>15.8%</b>	<b>13.7%</b>	<b>19.8%</b>	<b>11.7%</b>	<b>12.6%</b>	<b>9.0%</b>	<b>3.6%</b>
<b>% of total</b>	<b>Dec-22</b>	<b>Jan-23</b>	<b>Feb-23</b>	<b>Mar-23</b>	<b>Apr-23</b>	<b>May-23</b>	<b>Jun-23</b>	<b>Jul-23</b>	<b>Aug-23</b>	<b>Sep-23</b>	<b>Oct-23</b>	<b>Nov-23</b>	<b>Dec-23</b>
Ontario	40.2%	39.2%	38.9%	39.1%	39.0%	39.1%	40.6%	39.4%	40.4%	40.1%	40.5%	37.9%	41.8%
Quebec	12.8%	12.5%	12.4%	12.5%	11.9%	12.6%	12.2%	12.2%	12.0%	12.2%	11.6%	12.8%	11.2%
British Columbia	14.8%	15.3%	15.6%	15.5%	16.7%	15.6%	15.2%	15.9%	16.0%	16.1%	15.9%	16.5%	13.4%
Nova Scotia	2.3%	2.3%	2.3%	2.3%	2.2%	2.3%	2.2%	2.3%	2.3%	2.2%	2.3%	2.4%	2.5%
Manitoba	4.3%	4.3%	3.9%	4.0%	3.9%	3.9%	3.8%	3.7%	3.7%	3.9%	4.0%	4.2%	4.2%
Alberta	17.3%	17.5%	17.9%	17.8%	17.7%	17.9%	17.2%	17.6%	16.8%	17.5%	17.4%	18.1%	18.6%
Saskatchewan	4.0%	4.8%	4.8%	4.6%	4.6%	4.6%	4.5%	4.4%	4.4%	3.7%	3.9%	3.6%	3.6%
New Brunswick	1.8%	1.6%	1.7%	1.7%	1.7%	1.7%	1.7%	1.8%	1.8%	1.8%	1.7%	1.8%	1.9%
Prince Edward Island	0.5%	0.4%	0.5%	0.5%	0.5%	0.3%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Newfoundland and Labrador	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.8%	1.6%	1.6%	1.7%	1.7%	1.7%	1.8%
Yukon	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.2%	0.3%
NW territories	0.3%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.2%	0.3%	0.3%	0.3%
<b>Canada retail sales</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>\$ sales change YoY</b>	<b>Dec-22</b>	<b>Jan-23</b>	<b>Feb-23</b>	<b>Mar-23</b>	<b>Apr-23</b>	<b>May-23</b>	<b>Jun-23</b>	<b>Jul-23</b>	<b>Aug-23</b>	<b>Sep-23</b>	<b>Oct-23</b>	<b>Nov-23</b>	<b>Dec-23</b>
Ontario	44.3	18.5	11.1	14.0	9.2	15.1	24.8	18.8	34.6	19.9	24.0	5.8	13.1
Quebec	(1.0)	1.6	3.2	8.2	(1.5)	2.0	3.5	4.4	4.9	3.6	1.4	3.6	(5.2)
British Columbia	10.8	10.8	10.6	6.7	15.6	9.9	12.2	13.7	15.6	8.7	11.4	11.9	(4.1)
Nova Scotia	1.3	1.3	1.4	1.0	0.5	0.9	1.1	1.3	1.2	0.8	1.0	1.0	1.1
Manitoba	4.3	4.0	2.3	2.3	0.3	1.6	2.2	(0.6)	1.6	1.4	1.5	2.2	0.4

**Exhibit 1: Canadian cannabis retail sales by province (C\$mns)**

On a day adjusted basis, sales grew 3.6% YoY and +4.7% MoM

Market size (\$mn)	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Alberta	8.1	7.7	7.5	9.2	7.9	7.1	8.0	9.2	11.3	7.8	5.9	7.2	8.2
Saskatchewan	2.7	4.7	2.8	3.8	3.8	3.8	4.0	4.0	4.4	0.7	1.1	(0.9)	(1.0)
New Brunswick	0.6	0.1	0.3	0.6	0.4	0.7	0.8	0.9	1.4	0.9	0.6	0.9	0.8
Prince Edward Island	2.0	(0.1)	0.1	0.1	0.1	(0.5)	0.2	0.2	0.2	0.3	0.3	0.2	0.2
Newfoundland and Labrador	0.3	0.4	0.9	1.1	0.8	1.1	2.6	1.6	1.5	1.6	1.7	1.4	1.5
Yukon	1.0	0.0	0.0	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2
NW territories	1.1	(0.1)	0.1	0.1	0.1	0.2	0.1	0.2	0.2	(0.1)	0.2	0.3	0.1
<b>Canada retail sales</b>	<b>71.6</b>	<b>49.0</b>	<b>40.2</b>	<b>47.1</b>	<b>37.3</b>	<b>42.1</b>	<b>59.8</b>	<b>53.8</b>	<b>77.1</b>	<b>45.8</b>	<b>49.1</b>	<b>33.7</b>	<b>15.4</b>

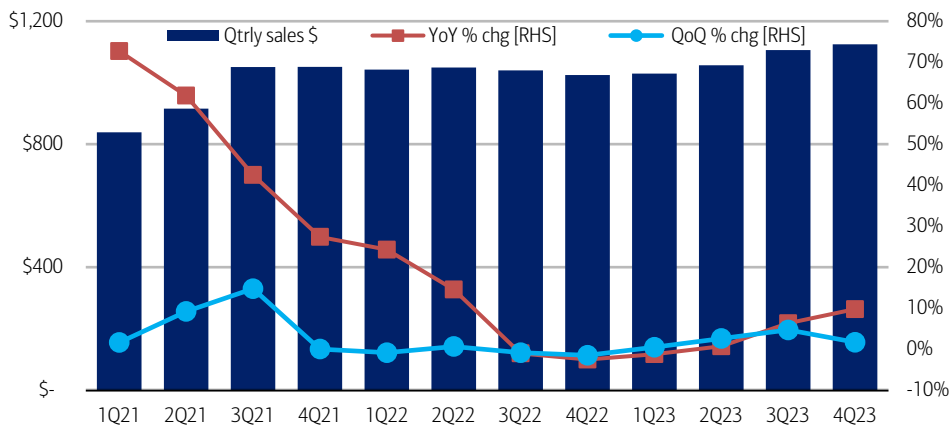
Source: Statistics Canada

Table 20-10-0008-01 Retail trade sales by province and territory (x 1,000)

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**Exhibit 2: Quarterly YoY and QoQ % change**

4Q23 sales growth accelerated YoY but slowed QoQ



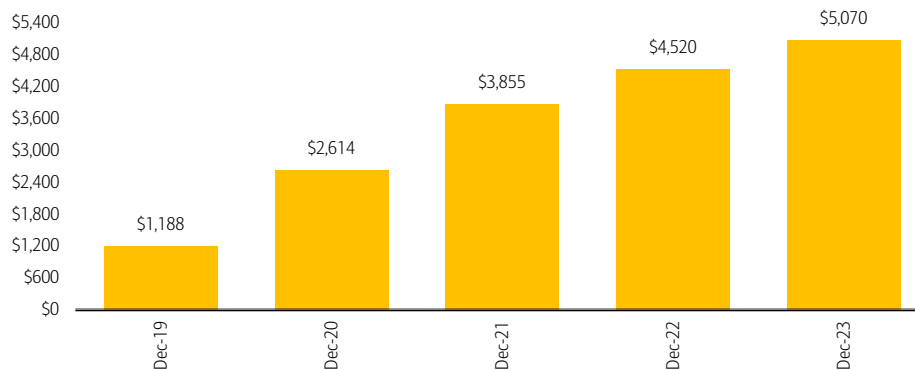
Source: Statistics Canada

Table 20-10-0008-01 Retail trade sales by province and territory (x 1,000)

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**Exhibit 3: Annual sales in the Canadian legal market (C\$mns)**

TTM sales to December topped C\$5bn

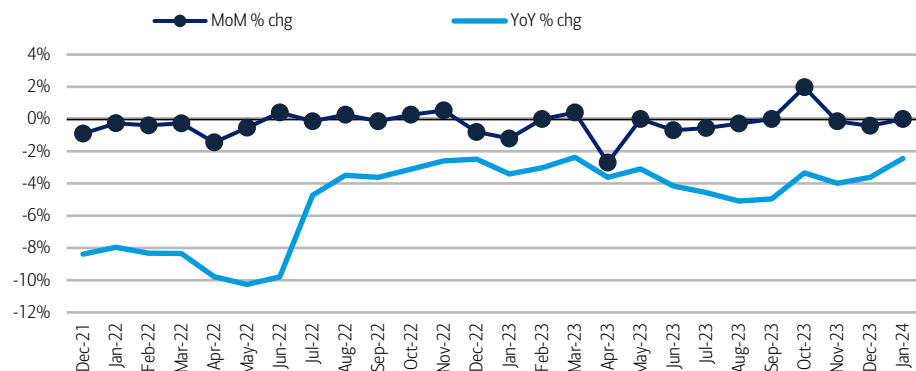


Source: Statistics Canada; Table 20-10-0008-01 Retail trade sales by province and territory (x 1,000)

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**Exhibit 4: Cannabis CPI growth – YoY and MoM**

Oversupply, producer cash constraints and other issues continue to weigh on cannabis prices



**Source:** Statistics Canada, Table 18-10-0004-10 Consumer Price Index, monthly, percentage change, not seasonally adjusted, Canada, provinces, Whitehorse and Yellowknife - Alcoholic beverages, tobacco products and recreational cannabis

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