

LUDLOW RESEARCH

Market Research Report

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CHINESEINVESTORS (OTC:CIIX)

Ludlow Research Upgrades Opinion on ChineseInvestors (CIIX) Based on Near-Term Bottom in CBD and Cannabis Sector

(NEW YORK)—Nov. 12, 2019--Ludlow Research updated its opinion on **ChineseInvestors.com, Inc.** (OTC: [CIIX](#)), based on upgrade of CBD and Cannabis sectors on potential near-term bottom.

Ludlow Research issued an upgrade to the CBD and Cannabis stock sectors based on lower price valuations, and potential for near-term bottom in both sectors.

Key reasons for sector upgrade:

- High Bearish Sentiment in Sector
- Lower Price Valuations
- FDA Framework for CBD Products
- SAFE Banking Act in Congress

Bearish Sentiment Signals Buying opportunity

One of the biggest signals we may be near bottom is the very high bearish sentiment in CBD and cannabis stocks. For anyone that has road down this correction knows the excitement in CBD and cannabis is all but dead, and that is exactly the time when you buy into a story. You should never get caught up into the hype, but rather buy in when no one else wants to own this sector, like now.

You want to own a position BEFORE any run happens because with most situations like this you could see a violent short cover rally of 30-40% before you have chance to get in. So best bet is to slowly build position now before any new regulatory news is released by years end.

Calling a Bottom

Calling an exact bottom in any stock or sector is hard even for most professional analyst on Wall Street. Could this sector, and stock, still have bit more downside form here? Yes, absolutely! But it is also safe to say that everyone who wanted to sell has sold, and that the bias is now more to the upside then it is for the downside. Always remember, SELL the greed and BUY the fear!

For this reason Ludlow Research has upgraded the entire CBD and cannabis sector, along with **Chinesenvestors** ([CIIX](#)), and is calling a near-term bottom in these stocks.

Short-Term: CIIX has potential to trade up to the \$0.25 and then \$0.37 before meeting short-term resistance on moving averages.



* Ludlow Research issued its upgrade on CIIX on Nov. 11, 2019 at price of \$0.18 per share

Recent Earnings

Overall revenues for CIIX increased 175% to \$6,476,442 for the year ended May 31, 2019, from \$2,353,331 in the year ended May 31, 2018. This was largely attributed to the Company's subsidiary in China, CBD Biotech, Inc.

The Company's main focus for its industrial hemp business in FY 2020 will be on its China operations where we have a robust product development pipeline. While cannabis use in China is illegal, cannabis-based oils including industrial hemp extract may be added to cosmetics, thus opening a potential market of nearly 1.4 billion people for the Company.

On the financial side of the business, CIIX is in the process of establishing a working cooperation with a private equity firm in China, and has acquired a minority interest in a U.S.-based investment bank, Donald Capital, LLC.

To receive alerts on Ludlow Research opinion updates on CIIX register at <https://ludlowresearch.com/investors>

SAFE Banking Act

Because cannabis at the federal level is considered an illegal substance, most banks are not servicing cannabis businesses. In addition, there is major confusion surrounding the legalization of marijuana and CBD with growing state laws addressing these topics. In one attempt On September 25, 2019, the House passed the Secure and Fair Enforcement (or SAFE) Banking Act of 2019, and it is now with the Senate for consideration. Passage of this bill could be sent to President desk possibly before the end of this year as Congress looks to rush things through before recess.

FDA Framework for CBD Products

Senator Majority Leader Mitch McConnell (R-KY) pushed the FDA to establish regulatory rules for CBD products, which could remove the uncertainty with the CBD market, and send the entire sector running once announced.

Framework from FDA on CBD products is expected to be released sometime before Dec. 31, 2019.

About ChineseInvestors.com

Founded in 1999, ChineseInvestors.com endeavors to be an innovative company providing: (a) real-time market commentary, analysis, and educational related services in Chinese language character sets (traditional and simplified); (b) advertising and public relation related support services; and (c) retail, online and direct sales of hemp-based products and other health related products. For more information, visit www.chineseinvestors.com

About Ludlow Research

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