



Euromonitor
International

What's Happening in Nicotine and Cannabis? H1 2026

August 2026

EXECUTIVE SUMMARY

Why read this report?

Key stories

INTRODUCTION

Industry evolution is framed by the poly-usage evolution of nicotine formats

Nicotine snapshot

Adult-use category is the driving force behind the global legal cannabis market

NICOTINE: REGULATORY UPDATES

FDA decisions reshape the US reduced-risk products landscape

Taxation pressures and calls to revise approach on oral nicotine in Asia Pacific

New regulatory exploration and enforcement come into action

Tobacco taxes continue to rise globally

EU divided on how to deal with disposable and filter bans

French pouch ban ignites EU single-market clash

“Endgame” regulation continues to see different interest levels from regulators

FDA faces pushback on stand over pouches while new players clear regulatory barriers

Legislators target sophisticated tobacco and nicotine regulation loopholes

NICOTINE: INDUSTRY UPDATES

A tumultuous retail environment offers challenges and opportunities

Oral nicotine gains as zyn expands formats and flavours

Price gaps and illicit trade squeeze legal tobacco volumes

New markets, new rules for oral nicotine

Reduced launches widen across markets

New formats and fresh branding across the category

Consumers move on as regulation reshapes the market

NICOTINE: CORPORATE UPDATES

BAT's half-year results: Profit growth amid revenue challenges

BAT focuses on e-vapour and US cannabis market

KT&G: Investor interest builds as it prepares for oral nicotine expansion

From cigarettes to cannabis: Altria's dual strategy for market stability

JTI's financial surge and new product launch pave the way

PMI continues strong push towards smoke-free portfolio

PMI deepens its investment in the US nicotine pouch market and expands HTP in the UK

Other corporate updates

CANNABIS: REGULATORY UPDATES

Reform and legal uncertainty reshape cannabis rules in Canada, France and Mexico

European regulators reweigh cannabis frameworks as Canadian tax revenue climbs

CANNABIS: INDUSTRY UPDATES

Product launches, cross-border partnerships and tax milestones drive cannabis market

Rising use and wider access expand cannabis markets in Brazil, Mexico and the UK

Producers expand medical portfolios across Australia, New Zealand and Germany

CANNABIS: CORPORATE UPDATES

Exchange uplistings mark a breakthrough quarter for cannabis companies

Acquisitions and partnerships accelerate cannabis expansion across Europe

MACROECONOMIC UPDATES

Prolonged supply disruption keeps oil prices elevated and growth under pressure

Key updates

Hormuz disruption impact on business

Real GDP annual growth forecasts and revisions from last quarter

Inflation forecasts and revisions from last quarter

Central bank interest rates forecasts and revisions from the last quarter

Global Economic Forecasts: A structured view of the macro outlook and key risks

CONCLUSION

Key stories

Our expert's views of key developments so far in 2025

AI usage in Euromonitor reports

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For more information on this report, further enquiries can be directed via this link www.euromonitor.com/whats-happening-in-nicotine-and-cannabis-h1-2026/report.