



Why Shopify Stock (TSX:SHOP) Is Soaring 19% in June

Description

Shopify Inc. ([TSX:SHOP](#))([NYSE:SHOP](#)) has been a beacon of hope and strength for investors. These are difficult times. The coronavirus pandemic is a health crisis that none of us have seen before and this is alarming. And the resulting economic shutdowns have wreaked havoc on the economy. Investor psyches and portfolios have taken a hard hit.

Within this turmoil, we have stocks like Shopify. A star performer well before the crisis hit, Shopify continues to impress. In June, the stock soared another 19%. Shopify stock's year-to-date return is 138%, and this stock just keeps going.

So why is Shopify stock up 19% in June?

I would like to start by highlighting the performance of the **S&P/TSX Composite Index** in June so far. It's pretty much a flat performance in a market that is worried about second waves of the virus. [The economic toll is huge](#) and markets are once again contemplating this. It's no wonder that June has seen an end to the idea that we can shrug this off.

Shopify stock soars as e-commerce offering climbs to next level with Facebook

Shopify announced many new developments and ideas in the last couple of months or so. This company is not one to sit and wait for things to get better. They are stepping in, taking lemons and making lemonade.

This crisis has accelerated the trend toward e-commerce. Shopify has responded. From releasing more online store features to offering gift cards to Shopify Balance, Shopify is pulling all levers. Recently, the company announced a significant partnership with Facebook, which is a big deal.

This partnership will help merchants build "branded versions of their online store within Instagram and

Facebook.” These branded storefronts will enhance the shopping experience and result in far greater reach for merchants.

Shopify partners with Walmart

In another encroachment into Amazon’s e-commerce turf, Shopify has announced that it’s partnering with Walmart. The company plans to add 1,200 Shopify sellers to its third-party marketplace this year. Thousands of Shopify merchants are expected to be integrated onto Walmart’s marketplace over time.

With Facebook and Walmart now part of Shopify’s ecosystem, the company has been elevated once more. Shopify’s e-commerce presence and solutions are increasingly facilitating merchants’ e-commerce businesses.

[The e-commerce industry is rapidly growing](#) as a result of this pandemic. The growth and changes happening today are what was expected to happen in the next 10 years.

The industry is scrambling to improve the e-commerce shopping experience and fulfillment performance. Shopify is using new technologies and software to handle growth in capacity and demand.

All of this is coming together for Shopify, which was already ahead of the curve coming into the crisis. Today, the fast-forward button has been pressed and changes are happening rapidly.

Foolish bottom line

Shopify stock is continuing its phenomenal run in 2020. The recent partnerships with mega-retailer Walmart and social media giant Facebook have propped the stock up another 19% so far in June.

The e-commerce industry is set to continue to rise as social distancing remains in effect. E-commerce is here to stay and Shopify is gaining a strong foothold.

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