



Shopify Stock: 1 Name That Unfairly Sold off on Black Friday 2021

Description

The stage looks set for a [correction](#) heading into December 2021, with the Omicron variant recently discovered in South Africa. Still, the odds of a bear market or 2020-style crash still seem incredibly unlikely, even if Omicron is the worst variant yet. Why? The world is better prepared to fight COVID this time around, with magnificent companies continuing to innovate to keep the insidious virus at bay.

Indeed, Moderna is hard at work on Omicron vaccines and various boosters, rapid test kits, and other innovations on the way.

Still, lockdowns can still happen. But with enhanced protocols and experience with the “new normal,” such lockdowns are less likely to have a devastating impact, and they may very well be shorter-lived, with all the protocols and innovations in place.

A brutal Black Friday for Canadian stocks

As such, I do think the Black Friday sell-off delivered most of the damage to this market. With the **S&P 500 Composite Index** down 3%, I think it's a wise idea to start thinking about names to pick up on weakness. It's tough to gauge when this latest dip will end, but I do believe many names were unfairly punished in Friday's sell-off. Undoubtedly, e-commerce firm **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) had no business being down nearly 3.5% on Black Friday.

I think the plunges in firms like Shopify serve as incredible buying opportunities. While it may be too soon to load up on hard-hit cruise line stocks after this latest dip, I do think unfairly hit lockdown stocks like Shopify are worth at least nibbling on right here. Why? They followed in the footsteps of the broader markets. And it didn't really make much sense, just like the many pandemic beneficiaries that plunged in the February-March 2020 stock market meltdown.

With supply chain issues, this Black Friday wasn't great for everyday consumers in 2021. But for investors, it was an incredible sale that one should take advantage of, as like the actual Black Friday, such deals on stocks may only be available for a limited time!

Shopify stock: Unfairly hit on Black Friday 2021

Shopify plunged on Black Friday alongside the broader **TSX Index**, a rather confusing move given that Shopify powers e-commerce platforms for a wide range of small- and medium-sized businesses (SMBs). Indeed, it seemed as though Shopify would get some wind at its back once again. And with rates pulling back on the day, higher-growth names like Shopify probably shouldn't have imploded by nearly 4% in a single day.

While SHOP shares are expensive, I do think they deserve to be that expensive. With the odds of an Omicron surge considered, Shopify seems like a relative bargain amid an uncertain market.

Over the coming weeks, I suspect Shopify stock could be in a spot to lead a [recovery](#) rally. Even if the markets continue dragging lower over renewed COVID fears, I don't expect Shopify will continue to sag unless there's a cash crunch. Such a crunch would be a huge opportunity for investors, though, as a bounceback is likely to be sharper than broader markets.

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