



Why Shopify Stock Just Hit 52-Week Lows

Description

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) continued to drop this week after several analysts continue to weigh in on Shopify stock. Many reduced their price targets, though those are still at higher prices than what we're seeing today.

What happened?

The original cause seems to be a few reasons. First, there's the [slowdown](#) in e-commerce growth. Retail sales increased during the last month, according to Statistics Canada. In-store sales growth seems to continue climbing thanks to supply-chain demand causing disruptions.

That slowdown in e-commerce growth is the main culprit behind the fall in Shopify stock. Analysts reduced their price targets, with this being the lowest target since July. Analysts from several firms reduced their targets to around \$1,400 per share.

So what?

The important thing to remember is not every analyst reduced their target. The average still remains close to \$2,000 per share. However, it's still important to wonder whether the next year could see a drop in e-commerce. Shopify stock would certainly falter should the drop continue.

That said, [long-term](#) investors should also remember that Shopify stock is still one of the top e-commerce plays for the next decade. As e-commerce grows, so too will this company. And that's expected to expand by leaps and bounds during the next decade. After all, the supply-chain demand situation is a temporary one for patient investors.

Now what?

So, which are you? The patient, long-term investor who can see today's 52-week low price as a huge

opportunity? Or the worried investor, who may need to cash out in the next year or two? If you're the latter, then I would likely stay away from Shopify stock.

As for the former, today's share price is certainly a great chance for those wanting to get in on Shopify stock. The company hasn't been this low in over a year, making the possibility of [enormous](#) gains in the years to come very exciting. But, granted, it could be a far bumpier road than investors have been used to.

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Author

alegatewolf

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