



This 1 No-Brainer, Massive-Growth Stock Could Make You a Millionaire

Description

Are you looking for some cheap high-growth stocks that could help you realize your dreams in the long term? If yes, it could arguably be the best time to invest in high-growth stocks, as the recent tech sector-wide crash has made most stocks look really cheap. In this article, I'll talk about a no-brainer growth stock you might already be familiar with. But let me give you more reasons why buying this stock now for the long term could make you a millionaire.

The best high-growth stock in Canada to buy now

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) has been one of the most attractive, massive-growth stocks on the Canadian stock market since its listing on the exchange in 2015. The company has a spectacular track record of yielding outstandingly high, positive returns for its loyal investors each year. However, its stock has been one of the biggest victims of the recent tech meltdown. Before I tell you why Shopify is the best high-growth stock in Canada to buy now, let's take a closer look at its recent stock price movement.

Why this growth stock has tanked lately

At the end of November 2021, Shopify stock was trading with nearly 35% solid gains for the year after delivering outstanding 178.4% positive returns in 2020. This was the time when rising treasury yields and surging inflation started taking a toll on investors' sentiments. These concerns gave rise to investors' speculations about a tighter monetary policy, expecting the U.S. Federal Reserve to act more aggressively to fight inflation. As a result, investors suddenly shifted their attention from riskier growth assets to relatively less risky asset classes, leading to a sharp selloff in tech stocks. With this, Shopify stock fell by more than 10% in December 2021, limiting its yearly gains to just 21%.

These factors, coupled with rising worries about most tech stocks being overvalued, intensified the tech selloff in 2022. This could be the primary reason why SHOP stock lost nearly 30% of its value in January.

Why it might be oversold

Recently, Shopify released its fourth-quarter results and managed to beat analysts' consensus revenue and earnings estimates for the quarter. In its latest earnings report, the company also [said](#) that "the COVID-triggered acceleration of e-commerce that spilled into the first half of 2021 in the form of lockdowns and government stimulus will be absent from 2022." As a result, the Canadian growth company expects its revenue growth rate in the ongoing year to be lower than 2021. Citing this announcement, several Street analysts reduced their target prices on SHOP stock, further hurting investors' sentiments. That's the main reason why SHOP stock is now trading with massive 32% losses in February.

This growth stock could make you a millionaire

As I [mentioned](#) in one of my recent articles, I don't find it sensible to expect global pandemic-related factors to continue benefiting Shopify even in the post-pandemic world. Despite the expected minor drop in its revenue growth rate in 2022, Shopify's overall financial growth is still likely to be much higher than most of its peers, with more businesses willing to build and improve their online presence in the post-pandemic era. That's why I find Shopify stock to be way too oversold right now, which has made many investors millionaires in the past and could do so again, as it starts a long-term recovery soon.

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. jparashar
2. kduncombe

Category

1. Investing
2. Stocks for Beginners

Date

2025/08/03

Date Created

2022/02/18

Author

jparashar

default watermark

default watermark