



SALE: 60% OFF! Shopify Stock Is Too Cheap to Ignore Today

Description

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) continues to be the worst-performing **TSX** stock this year. SHOP's stock price fell by 9.2% last week to around \$694 per share after witnessing more than 11% value erosion in the previous week. Notably, this is the fourth consecutive month it's continuing to fall sharply. As a result, Shopify stock is now trading with more than 60% year-to-date losses. Let's take a quick look at some key factors responsible for its big losses in recent months before I explain why it could be the right time to consider buying SHOP stock today.

Why Shopify stock is falling

Multiple internal and external factors have fueled a big crash in Shopify stock in the last few months. In December 2021, surging inflationary pressures made investors worried as they started speculating about monetary policy tightening. This factor, along with concerns about most [tech stocks](#) being overvalued, triggered a massive technology sector-wide selloff. As a result, Shopify stock lost nearly 37% of its value in December and January combined.

In the first half of February, the tech meltdown continued. But SHOP stock remained largely mixed due to investors' high expectations from its Q4 [earnings](#) event on February 16. While the Canadian e-commerce company's December quarter revenue and earnings managed to beat expectations, Shopify stock fell as Street analysts slashed their target prices on the stock citing its weak 2022 revenue growth outlook and growing competition. That's why it dived by 26% in two days, even after reporting better-than-expected results.

In the final week of February, [tech selloff intensified](#) further after the Russian invasion of Ukraine started, making investors worried about its implications on the global economic outlook. Concerns related to the ongoing geopolitical conflicts are continuing to hurt investors' sentiments. As a result, Shopify stock has seen steep losses in the first half of March.

Should you buy Shopify stock today?

I don't expect Shopify stock to see a massive turnaround immediately as the ongoing [Russia-Ukraine war](#) and tightening monetary policy amid inflationary pressures could continue to affect it in the near term. However, I don't think any of these factors justify SHOP's enormous 60% losses in 2022 so far.

Despite its ability to consistently post stronger-than-expected sales and earnings growth and its rising focus on international market expansion, these losses suggest that the recent Shopify stock crash is overdone. While some analysts may have found Shopify's 2022 revenue-growth outlook dismal, I was already expecting its year-over-year sales growth rate to decline in the near term after the global pandemic unexpectedly boosted its growth in the last couple of years.

Also, I still expect Shopify to continue beating analysts' consensus earnings growth expectations with the help of increasing demand for e-commerce services.

These are some of the key reasons why I find Shopify stock dead cheap to buy now — especially for long-term investors who want to invest in some fundamentally strong, high-growth Canadian stocks.

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