



Down 75%, This 1 No-Brainer Canadian Stock Could Make Beginners Millionaires

Description

If you've just started investing in stocks in the last few years, you might find the ongoing market roller-coaster ride horrifying. But you're not alone. After looking at their invested money go up and down amid the heightened [market volatility](#), even experienced investors can run out of patience and make wrong decisions. However, [new investors](#) should always remember that staying calm in such turbulent market conditions can make you a winner in the long run.

That's why instead of taking any investment decision in a panic, beginners should always focus on grabbing the opportunity to buy some fundamentally strong stocks at a bargain when markets are falling. In this article, I'll talk about one of the most popular [Canadian tech stocks](#) that have seen a massive crash this year, and I'll tell you why it still has the potential to yield outstanding returns on your investments.

The best Canadian stock for beginners to buy now

The Canadian tech stock that I find worth buying right now for beginners to expect outstanding returns on their investments is none other than **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). This Ottawa-based e-commerce giant currently has a [market cap](#) of about \$54.4 billion, as its stock trades with massive 75.2% year-to-date losses at \$43.12 per share against a 7.4% drop in the **TSX Composite Index**.

If you've been following stock market news lately, you might already be aware of high inflationary pressures triggering a massive selloff in high-flying tech stocks earlier this year. As high inflation raised the possibility of aggressive rate hikes in the near term, investors started fleeing risky assets, including tech stocks, leading to a tech meltdown. And Shopify has apparently been the worst victim of the recent tech sector-wide crash. But its big stock losses this year don't mean that Shopify's fundamentals outlook has suddenly changed from outstanding to terrible.

Why its stock has fallen in 2022

In 2020, when COVID-19 pandemic-related restrictions forced most non-essential businesses to shut

down, the demand for Shopify's easy-to-use e-commerce platform soared. As a result of this sudden jump in demand, the company registered a solid 85.6% YoY (year-over-year) increase in its total revenue that year. However, you can't expect the pandemic-driven demand surge to continue benefiting Shopify's business even in the post-pandemic era. This is the key reason why its [sales growth](#) rate fell to 57.4% YoY in 2021, as the pandemic-related restrictions started easing.

And the Canadian tech company expected its YoY sales growth rate in the ongoing year to moderate further. Nonetheless, in 2022, Shopify is still expected to post strong double-digit revenue growth over the previous year. So, overall, a big part of Shopify's massive stock losses this year is due to ongoing, temporary macroeconomic concerns. And as soon as these macroeconomic uncertainties start subsiding, I expect its stock to see a blistering recovery.

Why it's the right time for beginners to buy its stock

While everyone wants to buy stocks when they're oversold and cheap, most investors fail to do so, because they fear that the stocks they buy will fall further amid the ongoing market turmoil. While no one in the world can predict when exactly a stock will bottom out and reverse, Shopify stock looks really attractive at the current market price — especially if you want to hold it for the long term.

Even if the stock falls a little more from current levels, it won't hugely affect your potential returns in the long run. But if you miss buying it cheap, you could certainly lose an opportunity to buy an amazing stock that has the potential to make you a millionaire in the long run.

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