



If I Could Only Buy 1 TSX Stock Right Now, it Would Be This

Description

This year has been a very volatile one for stocks. It's uncertain when we'll be able to experience a long [bull run](#) like we've seen in past years. However, that shouldn't deter investors from buying stocks today. In fact, buying shares when stocks are trading at [massive discounts](#) could set you up for a comfortable retirement. Of course, investors need to be prudent in deciding which stocks to buy during times like these.

In this article, I'll discuss which TSX stock I would buy before all others today.

The e-commerce industry should keep growing

Over the past decade, online shopping has slowly increased its penetration of the global retail market. Today, it still only accounts for a small portion of the world's retail sales. In the United States, e-commerce sales represent about 14% of all retail sales. In the United Kingdom, the industry accounts for about 27% of all retail sales. Then there are less-developed countries, like those in Africa, that see e-commerce making up about 1% of all retail sales.

I strongly believe that these figures could increase across the board over the coming years. Today, there are about 2.14 billion [online shoppers](#) around the world. That represents about 28% of the world's population. It's been previously shown that younger shoppers are driving the e-commerce industry. As today's younger consumers eventually grow to represent a larger proportion of the global consumer base, we could see a massive boost to those numbers.

This company is helping lead this shift towards online shopping

Of all the companies that operate within the e-commerce industry, few have had the same influence as **Shopify** ([TSX:SHOP](#)). Although this company doesn't sell products to consumers directly, it allows merchants of all sizes to do that. In fact, Shopify offers a wide range of packages that can appeal to anyone from the first-time entrepreneur to large-cap enterprises like **Netflix**. All considered, Shopify provides a platform and many of the tools necessary for those businesses to operate successful online

stores.

Unfortunately, Shopify has encountered some difficulties over the past year. First, its stock took a hit when investors noticed that its growth numbers have slipped from its pandemic levels. Although that can be discouraging, I don't think it should've been a reason for investors to sell stock. It's only normal that Shopify's growth would decelerate because of two reasons.

First, in-person shopping is available again, which lessens online traffic a bit. Second, larger companies tend to experience a natural deceleration in growth. What's important for investors to focus on is the fact that the world's e-commerce consumer base continues to grow. In addition, the company has been able to maintain its large share of the e-commerce market. With those two characteristics, Shopify has a chance to continue succeeding in the future.

The second difficulty that the company faced was having to lay off more than 10% of its staff this year. Shopify recognized that occurred because its bet on the growth of the e-commerce industry was wrong. Despite those layoffs, Shopify continues to innovate its platform and provide a product that's appealing to merchants of all sizes.

Foolish takeaway

This year has been really tough on stocks. Shopify is no exception to that. However, it continues to offer merchants with an excellent platform to support online stores. I believe the e-commerce industry has a lot of room to grow, and Shopify could be right there, growing alongside it.

CATEGORY

1. Investing
2. Tech Stocks

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2. TSX:SHOP (Shopify Inc.)

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