



3 Top E-Commerce Stocks to Buy in December 2022

Description

E-commerce stocks are out of favour this year. After high-profile earnings misses by **Amazon** and others, the entire sector took a beating. In 2020, e-commerce companies had a very good run. The COVID-19 pandemic forced retail stores to shut down, resulting in more people shopping online. That caused e-commerce profits to surge. However, the big growth started to reverse in 2022, with some large e-commerce companies posting negative earnings.

So, where do we stand today?

As of right now, e-commerce stocks are mostly still down for the year. However, a new year is just around the corner, and with that comes a lot of potential. If e-commerce fell from grace this year because it ran too hot in 2020/2021, then it could rise next year following this year's weakness.

In this article, I will explore three e-commerce stocks that could be perfect for December 2022.

Coupang

Coupang ([NYSE:CPNG](#)) is a South Korean e-commerce company that operates in a lot of different spaces. It has a delivery service, a grocery service, a streaming service, and a payments app. That's a lot of different activities for one company to take on, but CPNG seems to be handling them very well on average.

In its most recent quarter, Coupang delivered \$5.1 billion in revenues, up 10% and \$90 million in net income, up from a loss. It was a pretty impressive quarter. Furthermore, CPNG stock is not all that expensive, trading at just 1.64 times sales. Compared to be U.S. tech companies, it's a night and day difference.

Shopify

Shopify ([TSX:SHOP](#)) is Canada's best-known [technology company](#). Its story has been shared here on

the Motley Fool many times before. Basically, chief executive officer Tobias Lütke wanted to start a snowboard store, and he developed the software to run it on. In the end, he found selling the software to be a better business than selling snowboards. So, he launched Shopify.

Since going public, Shopify stock has grown quite a bit. It did about \$5.6 billion in revenue in the last 12 months, which shows that it's a major player — a far cry from the [small startup](#) it began as. Shopify stock fell this year, partially thanks to economic conditions, partially because of some weak earnings releases. The damage was real, but in its most recent quarter, SHOP revealed that its growth had accelerated to 22% from 16% the prior quarter, showing that it does indeed have a future.

JD.com

JD.com ([NASDAQ:JD](#)) is a Chinese e-commerce stock that is best known as a retailer in its home country. It doesn't do a lot of business outside of its home country, but it does a ton of business within it.

JD is the top Chinese e-commerce company by revenue. Others, like **Alibaba**, have greater profits, but JD does the most sales. And those sales are growing. In its most recent quarter, JD's sales grew about 10%, despite the fact that China was going through massive COVID lockdowns in the period. Overall, it's a vast, growing e-commerce company that could do great things.

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