



## Down by 62%: Is Shopify Stock Worth Adding to Your Portfolio Now?

### Description

The tech industry has not had a great year in 2022. The tech-heavy U.S. **NASDAQ Composite Index** is down by 27.6% as of this writing, showing how immense the tech stock downturn has been this year. Canadian tech stocks are pretty much in the same boat, as the overall [bear market](#) keeps raging on.

While the Toronto Stock Exchange has seen itself propped up because of the energy sector's stellar performance, [Canadian tech stocks](#) appear weak. Some of the biggest Canadian tech giants listed on the NASDAQ are performing even worse in the stock market across the border. As the U.S. Federal Reserve and the Bank of Canada keep raising key interest rates, growth stocks continue to be in trouble.

Despite everything, one Canadian tech giant might be worth adding to your portfolio, especially after a surprisingly good performance last month.

### Shopify

**Shopify** ([TSX:SHOP](#)) is a Canadian tech darling stock with a massive \$73.01 billion market capitalization. Playing a pivotal role in the e-commerce industry's growth, Shopify stock has seen much better days in the past few years.

As of this writing, Shopify stock trades for \$57.96 per share, down by 62.66% year to date. However, the Canadian tech giant has gained momentum over the last few weeks. Between November 1, and December 2, 2022, Shopify stock rallied by 22.20%, with the stock showing signs of life again.

The question is, is Shopify stock worth adding to your portfolio after its recent and ongoing rally?

### Why it climbed in November

Shopify initially saw a boost in its share price performance on the stock market, as the company

revealed strong results in its latest earnings report. Shopify stock saw another uptick by the mid-way mark last month, as Wall Street analysts pegged it for a rally.

The news from Wall Street came along as the U.S. Bureau of Labor Statistics reported lower-than-expected inflation figures. With inflation finally easing pressure, it seems that tech stocks might have the breathing room they need to rally on the stock market.

Shopify can also attribute its stellar performance in the last few weeks, as Black Friday and Cyber Monday combined to boost the e-commerce sector. Between Black Friday and Cyber Monday, Shopify reported a massive US\$7.5 billion in merchant sales. For a single weekend, this was an enormous amount for the tech company to rake in, blowing well past its figures for the same period last year.

## Foolish takeaway

As consumers spent an average of US\$ 102.10 per order, Shopify's sales for the period grew by 19% year over year. Considering how low the overall interest in Shopify stock has been this year, its recent rally might have caught many investors by surprise.

After expanding too quickly and too soon, it would not be impossible to consider that the company would see dark times. However, the latest record-breaking earnings have put the company back on track.

Despite its latest rally, Shopify stock is still down by almost 73% from its all-time high. It might be the right time to invest in its shares, as it continues to rally.

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