



1 Top Hyper-Growth E-Commerce Stock to Buy This Summer

Description

This pandemic has brought what seemed like an unstoppable bull market to its knees. Accordingly, investors who have flocked to growth stocks are increasingly looking for defensive options. Diversification is key, particularly in times like these. And finding such options isn't such an easy task.

However, the TSX happens to have some great high-quality options to choose from. Here's why **Sleep Country Canada** ([TSX:ZZZ](#)) remains an [excellent choice](#) for such investors today.

Market sentiment shifting

As investors shift toward defensive plays, earnings quality becomes ever more important. And in this regard, Sleep Country gets an A.

The company recently posted exceptional earnings. Sleep Country beat most analyst expectations, posting some impressive top- and bottom-line growth. Indeed, Sleep Country's 21% revenue-growth rate was only eclipsed by its whopping 74% earnings-growth rate. Accordingly, investors bullish on the defensive nature of this company have gravitated here of late.

Sleep Country's accelerated growth and increased profitability are largely a result of the company's e-commerce strategy. Indeed, triple-digit e-commerce growth propelled these earnings forward. If this momentum can be sustained, investors stand to benefit from what looks like an excellent business model shift.

Accordingly, it's no surprise analysts have raised their targets on this stock. Sleep Country's omnichannel presence has led to a desirable position in the company's core market.

Bottom line

Sleep Country's allure has only been aided by the pandemic. Indeed, the company's shift to an online-focused business model has allured investors to this stock.

We all need to sleep, and mattresses happen to be essential in nature. It's also a sector that's widely overlooked for its defensiveness.

If Sleep Country can maintain its higher margins via its newfound e-commerce model, investors stand to benefit over the long term. This is a stock I'd recommend defensive investors take a good look at here.

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TICKERS GLOBAL

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