5 Retail Stocks To Watch This Week

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Are These Top Retail Stocks Worth Investing In 2021?

When thinking of *what stocks to buy right now*, investors may want to consider retail stocks. After all, most would argue that conventional retailers are among the most viable reopening plays in the stock market today. Why? Well, for starters, retail companies would stand to gain momentum from consumers returning to brick-and-mortar stores. This would be the case as pandemic restrictions continue to loosen nationwide. Aside from that, most of the companies in the industry now likely offer e-commerce services in one form or another. In the long-term, this could boost sales while also making their wares available to a wider array of consumers. Because of all this, I could see retail stocks becoming the *best growth stocks to buy now.*

For the most part, we can see that retail companies continue to invest resources towards bolstering their services now. Take Bed Bath & Beyond (NASDAQ: BBBY) for example. Although BBBY stock may be considered a *meme stock*, the company seems keen on leveraging consumer home improvement trends. As of last week, BBBY partnered with DoorDash (NYSE: DASH) to provide same-day delivery services. Meanwhile, retailers such as Dick’s Sporting Good’s (NYSE: DKS) crushed earnings estimates during the recent retail earnings season. As it stands, DKS stock is up by over 150% in the past year and is heading towards new heights. Given all of this, I can

understand if investors are looking to invest in the top retail stocks in the stock market now. If you are one of them, here are five in the spotlight this week.

Best Retail Stocks To Watch This Week

Build-A-Bear Workshop Inc.

To begin with, we will be looking at Build-a-Bear Workshop Inc. (BBW). For the uninitiated, the Missouri-based retailer sells teddy bears and other stuffed animals and characters. Also, most consumers would be more familiar with the company's teddy bear building workshops. BBW organizes and facilitates such activities in over 500 physical stores across the U.S., Canada, China, Denmark, Puerto Rico, and the U.K. Not to mention, the company also operates via third-party retail locations and franchise stores across Asia and Europe among other places. Now, BBW stock would be in focus on account of the company's latest quarter fiscal reported last week.

Source: TD Ameritrade TOS
In it, BBW saw green across the board. The company posted massive year-over-year surges of 96% in total revenue and 148% in net income for the quarter. To investors' delight, BBW also reported a significant 146% bump in earnings per share over the same time. According to CEO Sharon Price John, this marks one of the company's strongest first quarters. All things considered, will you be buying BBW stock?

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Koss Corporation

Another retail company in the limelight now would be the Koss

Corporation. For some context, Koss was admittedly among the group of meme stocks that received a massive boost from retail investors. Social media hype aside, the Wisconsin-based company designs and manufacture top-of-the-line high fidelity stereophones and audio accessories. If anything, Koss would likely continue to ride existing consumer spending tailwinds given the quality of its audio offerings. More importantly, KOSS stock is currently sitting on gains of over 600% year-to-date. Seeing as this is after it has taken a breather from its Reddit-fueled high, should investors be buying in?

Source: TD Ameritrade TOS

Notably, Koss is a prominent name in the global audio accessory industry now. According to Grand View Research, this market is expected to grow at a compound annual growth rate of

20.3% through 2027. Should this be the case, it would likely be thanks to growing consumer preference for enhanced audio experiences. Given the rising popularity of audio-based entertainment by the likes of the Clubhouse app and Spotify (NYSE: SPOT), Koss's offerings could remain in demand. Would all this make KOSS stock a buy for you?

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Academy Sports & Outdoors Inc.

Next up, we have Academy Sports & Outdoors Inc. (ASO). In short, ASO is among the leading full-line sporting goods and outdoor recreation retailers in the U.S. The Texas-based company operates via 259 stores across 16 states as of now. Primarily, the company's portfolio mainly consists of outdoor, apparel, footwear, and sport & recreation wares. Since going public in October 2020, ASO stock has skyrocketed by over 180% and continues to gain towards greater heights.

Source: TD Ameritrade TOS

Namely, investors appear to be reacting to the company’s latest quarter fiscal posted last week. ASO raked in a total revenue of $1.6 billion for the quarter. Following that, the company also saw astronomical year-over-year gains of 415% in net income and 317% in earnings per share. On top of that, ASO revealed plans to reduce its term loan obligations by $99 million, strengthening its balance sheet. Having read all this, will you be adding ASO stock to your portfolio?

Alibaba Holdings Limited

When it comes to retail-focused companies, Alibaba would be one of the more prominent players in the market today. The company’s current empire is built on its massive e-commerce

operation business. Now, Alibaba is also involved in cloud computing and other tech-related ventures. While BABA stock may be trading sideways this year, would it be wise for investors to buy on the dip?

Source: TD Ameritrade TOS

Well, former Vice President Al Gore seems to believe so. To explain, his investment firm, Generation Investment Management, doubled its stake in Alibaba recently. At the same time, the firm also sold off all of its Airbnb (NASDAQ: ABNB) stock. Separately, Alibaba continues to bolster its cloud computing services as well. Just last week, the company revealed plans to make its cloud operating system, Apsara, compatible with more processing chips. No doubt, this would help to boost its competitive edge in the field. Would you say

that all this makes BABA stock worth investing in now?

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Dollar General

Last but not least, we will be looking at the variety store company Dollar General. For the uninitiated, the massive retail chain operator offers daily necessities in stores across the U.S. at everyday low prices. Even if you're not a regular shopper in this store, you're likely familiar with the company. Dollar General operates over 17,266 stores in the U.S. Notably, this far exceeds the combined total U.S. stores of Target (NYSE: TGT) and Walmart (NYSE: WMT).

Source: TD Ameritrade TOS
From its first quarter result, net sales for the quarter were $8.4 billion. Dollar General also posted a diluted earnings per share of $2.82, an increase of 10.2% year-over-year. It also posted a net income of $677.7 million for the quarter. The company is off to a strong start for its fiscal 2021 and has exceeded expectations. It also sees strong underlying performance across its business. Besides, Dollar General reported that it benefitted from the most recent round of government stimulus payment. Also, it has raised its financial outlook for fiscal 2021. All things considered, is DG stock a top retail stock to buy?

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