



## Banking on Higher Dividend Yields? Try These 3 Canadian Banks

### Description

When it comes to investing, some focus on consistent, regular dividend raises. Others concern themselves mainly with yields. If you're in the latter group, consider these three Canadian banks with yields greater than 4%.

#### 1. Bank of Montreal

**Bank of Montreal** ([TSX: BMO](#))([NYSE: BMO](#)) is a diversified financial services provider with a retail focus. More than 75% of its revenue is from its retail operations. As of April 30, 2014, Bank of Montreal is the second-largest Canadian bank by retail branches in Canada and the United States.

Its annual dividend declared per share is \$3.12. Its dividend yield is 4.10% and its five-year average dividend yield is 4.60%. Last week, Bank of Montreal declared a quarterly dividend of \$0.78 per share on paid-up common shares for Q3 fiscal year 2014. This represents a \$0.02 increase from the prior quarter.

#### 2. Canadian Imperial Bank of Commerce

**Canadian Imperial Bank of Commerce** ([TSX: CM](#))([NYSE: CM](#)) operates through its retail and business banking and wealth management and wholesale banking units. Its 2013 total revenue was \$12.8 billion and its 2013 net income was \$3.4 billion. Retail and business banking accounted for 65% of the bank's revenue.

Its dividend yield is 4.2% and its five-year average dividend yield is 4.60%. Last week, the bank announced a quarterly dividend increase of \$0.02 per common share to \$1.00 per share for the quarter ending July 31, 2014. This brings its dividend rate to \$4.00.

#### 3. National Bank of Canada

**National Bank of Canada** ([TSX: NA](#)) is the sixth-largest bank in Canada and is the leading bank in Quebec.

National Bank of Canada's dividend yield is 4.20%. Its five-year average dividend yield is 7.10% and its dividend rate is \$1.92. Last week, its board announced an increase of the dividend on its common shares from \$0.46 to \$0.48 per common share for the quarter ending July 31, 2014.

Louis Vachon, President and CEO, said, "National Bank delivered another good quarter with strong performance from the Wealth Management and P&C Banking segments. With the quality of our results and our continuous efforts with the *One client, one bank* initiative, we are pleased to increase the quarterly dividend by 4%."

As Bloomberg recently reported, "Canada's six biggest banks boast 12-month dividend yields of 3.5 percent to 4.2 percent, higher than any U.S. bank with a market value of at least \$10 billion." Consider the above-mentioned banks as possible additions to your income portfolio.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:CM (Canadian Imperial Bank of Commerce)
3. TSX:BMO (Bank Of Montreal)
4. TSX:CM (Canadian Imperial Bank of Commerce)
5. TSX:NA (National Bank of Canada)

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