



## These 3 Banks Just Raised Their Dividends; It's Time to Buy

### Description

With the way oil prices are going, many investors were concerned that banks were going to be hit unusually hard. However, the big Canadian banks have started reporting their earnings, and based on what I'm seeing, it appears that we were all wrong. For the most part, banks are killing it.

**Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) had a really strong quarter based on solid retail growth in its United States branches. Because of this, it had a profit of \$2.12 billion, which factored out to about \$1.12 per share. At that point, the company felt that it was time to raise the dividend—again—and increased it by 9%, adding an additional four cents per share. This increase has the dividend at around \$0.51 per share.

**Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)) blew analyst's estimates out of the water. According to a poll conducted by **Thomson Reuters**, analysts had anticipated that the company report \$2.27 per share in profit. CIBC reported \$2.36 per share in profit. Because of the \$923 million in profit this quarter, CIBC was able to increase its dividend three cents a share to \$1.06 per share.

What should be exciting for bank investors is that this 3% increase to the dividend is still not the end for the company. CEO Victor Dogid said that the company is still below the 40-50% threshold in earnings for its dividends, so that should be a hint that the company plans to hike the dividend even higher.

**Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) had a record-breaking quarter and is rewarding its investors. According to its report, the company saw a 12.5% increase in net income to \$2.46 billion. This \$1.67 per share earned beat the Thomson Reuters polled average from analysts of \$1.58. Because of all this, the company was able to hike its dividend another 3% to \$0.77 a share.

### All three banks are great

At the end of the day, what this quarter showed is that all three banks are still dominating. While oil prices slumping were a valid concern, the banks have been able to generate record profits, increase dividends, and continue to grow. Deciding which one to buy would require more information than the dividends I've described above.

### CATEGORY

1. Bank Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. NYSE:RY (Royal Bank of Canada)
3. NYSE:TD (The Toronto-Dominion Bank)
4. TSX:CM (Canadian Imperial Bank of Commerce)
5. TSX:RY (Royal Bank of Canada)
6. TSX:TD (The Toronto-Dominion Bank)

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