



## My Top 3 Bank Dividend Stocks

### Description

Canadian bank stocks are typically sought out for the mix of growth and income offered to investors. Those chasing big capital growth or high yields will typically look elsewhere, but beginners and conservative investors tend to pursue more exposure to Canada's largest financial institutions. Banks should be getting a bit more love for the income offered, especially in this pricey market.

Today, we are going to look at my top three bank stocks that offer a little bit more income than the competition. According to the Bank of Canada, investment activity is expected to receive a bump in the latter half of 2019. This combined with improved market conditions should result in better earnings for banks in the next few quarters.

### Canadian Imperial Bank of Commerce ([TSX:CM](#))([NYSE:CM](#))

CIBC is the fifth-largest bank in Canada. Shares had climbed 7.6% in 2019 as of close on April 8. On April 1, I'd recommended investors scoop up CIBC, as it had set off a [buy signal](#) after its RSI fell below the 30 mark. The stock had increased 1.7% week over week as of close on April 8.

CIBC had a relatively strong first-quarter earnings report. Poor performance in the Capital Markets segment was a drag on earnings, but this was true for all Canadian banks. CIBC elected to increase its quarterly dividend from \$1.36 to \$1.40 per share. This represents an attractive 4.9% yield. The bank has achieved dividend growth for eight consecutive years.

### National Bank ([TSX:NA](#))

National Bank is the sixth-largest bank in Canada but boasts a [massive footprint in its home province of Quebec](#). Shares of National Bank had climbed 10.2% in 2019 as of close on April 8. The stock was up 3.8% from the prior year.

Growth slowed markedly in its first-quarter report. Net income increased marginally to \$552 million compared to \$550 million in Q1 2018. Like its peers, the bank took a hit due to a 17% decrease in its

Financial Markets profit. Its three other major segments all posted growth in the same quarter.

National Bank last increased its quarterly dividend by 5% to \$0.65 per share in December 2018. This represents a 4.2% yield. National Bank has achieved dividend growth for nine consecutive years, which is the longest such streak among the Big Six Canadian banks.

## Scotiabank ([TSX:BNS](#))([NYSE:BNS](#))

Scotiabank boasts the most exposure to emerging markets among the top Canadian banks. Shares had climbed 4.7% in 2019 as of close on April 8. The stock was down 7.5% from the prior year.

Scotiabank reported a disappointing first quarter, as adjusted net income fell to \$2.29 billion compared to \$2.35 billion in the prior year. Net income fell in its Canadian Banking segment and sustained a 26% dip in its Global Banking and Markets segment. Scotiabank is a good bet for investors who want some exposure to emerging markets, and its dividend is very competitive.

In the face of a poor quarter, Scotiabank still increased its quarterly dividend by \$0.02 to \$0.87 per share. This represents a nice 4.8% yield. Scotiabank has achieved dividend growth for eight consecutive years.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:CM (Canadian Imperial Bank of Commerce)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:CM (Canadian Imperial Bank of Commerce)
5. TSX:NA (National Bank of Canada)

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