



2 Battle-Tested TSX Stocks That Have Thrived for Over 100 Years

Description

The 2008 recession was triggered by mortgage-backed securities. Canadian banks held strong and were applauded worldwide for their fiscal responsibility displayed during that period.

This time, the bull market has been ended by plummeting oil prices and a deadly pandemic. As a Canadian investor, it is the time to find stock options that have seen such difficult financial times and can eventually come out as winners.

Banks are often the hardest hit by recessions. However, [bank stocks](#) can also register a tremendous recovery and growth in the long run.

I am going to look at two battle-hardened bank stocks that have stood their ground for over 100 years.

The leader of the Big Five

Royal Bank of Canada ([TSX:RY](#))([NYSE:RY](#)) is the leader of the Big Five Canadian banks. It stands at a market capitalization of over \$110 billion and offers its services in almost every finance sector. Whether it is personal or commercial banking, wealth management or treasury services, insurance, or capital markets, you will find RBC's footprint.

Royal Bank of Canada has been paying dividends to its investors for more than 130 years. This payout streak in itself is a testament to the dependable nature of RBC stock. During the 2008 recession, when many banks in North America were falling apart, RBC evaded any major setback and recovered from the crash within a year.

It's believed that that RBC's strict and conservative policies stopped it from hopping on to the sub-prime bandwagon and that eventually helped the bank to avoid the worst of the market crash. These time-tested, conservative practices may help the bank during this market crash.

For now, RBC stock has been highly volatile. It has experienced many sharp spikes in the last month or so. Since the first day of the market crash, its price has gone down significantly. Experts think that

RBC's stable and well-capitalized operations and a proactive approach of the Canadian government to prevent a full-blown [recession](#) will help the stock to acquire some stability.

One of the oldest banks

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) is one of the oldest banks in the world. Established as the Montreal bank 202 years ago, it is another banking Dividend Aristocrat that has the track record of paying its investors. It is currently paying a dividend yield north of 6%.

BMO is one of the hardest hit among the Big Five due to a large chunk of its loans linked to the oil and gas sector. In the wake of the market crash, BMO is one of those TSX stocks that have lost almost half of its value.

However, the bank has seen such difficult times before and come out as a winner. This time too, BMO's stock can regain its value with the bank's promising restructuring efforts and robust wealth management division. The U.S. operations and its gradual expansion could also contribute to BMO's stock recovery.

One could bank on bank stocks

RBC's and BMO's stocks are two of the time-tested options on the TSX and have seen market crashes come and go over a century. If you can't decide where to put your money in these tricky times, consider investing in these Dividend Aristocrats.

CATEGORY

1. Bank Stocks
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2. NYSE:RY (Royal Bank of Canada)
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