



TRENDING: Catch Stock Market Profits in Bank Stocks

Description

The **Toronto Stock Exchange** is in a difficult position as the COVID-19 pandemic continues and governments reduce economic stimulus measures. That shouldn't stop you from investing, however. In fact, now is the perfect time to [buy stocks](#) with a long-term mindset. Over the next couple of years, the market will be in another uptrend.

Markets tend to fall quicker than they rise. On the downside, that means that it might take some time to recover losses depending on when you bought the stock and at what price. On the bright side, this means that buying top name stocks when the market is selling off is the right move for savvy investors.

Don't worry about the current value of your portfolio. Things will pick up again. If you really want to earn that cash back quicker, then take advantage of dollar-cost averaging and pick up shares while the stocks are trading at lower market values.

Analysts are calling bubbles in the stock market. Nevertheless, Federal Reserve banks globally are committing to low-interest rates. That's going to prop up the stock market.

Here are two great dividend stocks that you can add to your portfolio today at fair prices.

Royal Bank of Canada: a top financial stock to buy

Royal Bank of Canada ([TSX:RY](#))([NYSE:RY](#)) stock hit a 52-week low of \$72.00 per share after the March 2020 market crash. Prior to the COVID-19 pandemic, the bank stock was selling for a 52-week high of \$109.68. At the time of writing, investors are trading the stock for \$93.63 per share.

RBC President & CEO Dave McKay commented on the bank's performance during the health crisis:

"We continue to navigate these uncertain times from a position of strength and stability. Our robust capital and liquidity position, a diversified business model, prudent approach to risk management and technology capabilities provide the foundation to enable our people to

continue supporting clients, providing advice and creating more value today and over the long-term,” said Dave McKay, RBC President & Chief Executive Officer.

Canadian banks are generally very strong. A weakened economy raises the threat of default rates. Nevertheless, these enterprises wield substantial market power and safety nets to weather the storm.

If you are looking for a good long-term investment, this financial stock would probably be one of the best decisions that you can make with your hard-earned savings. Even better: the stock’s dividend yield is now 4.61% annually.

Bank of Montreal: a great asset for any retirement plan

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) stock went from trading at a 52-week high of \$104.75 prior to the COVID-19 pandemic to a 52-week low of \$55.76. At the time of writing, investors are selling the stock for \$77.65 per share. At this share price, the annual dividend yield is 5.46%, representing solid income from your retirement savings.

“For the third quarter, we delivered very good results in a fluid environment, demonstrating the continued strength and resiliency of our diversified business model. We produced adjusted earnings per share of \$1.85, strong pre-provision pre-tax earnings of \$2.6 billion, up 12% year-over-year, and provided prudently for loan losses and demonstrated capital strength,” said Darryl White, Chief Executive Officer, BMO Financial Group.

Banks and financial stocks should do fairly well the rest of the year according to some analysts. Many investment management professionals are indicating that they are selling out of technology stocks and putting those earnings into the underpriced financial sector.

Bank of Montreal, like most Canadian banks, are in strong positions to succeed. They are dependable long-term investments that can generate income in your retirement savings, Tax-Free Savings Account (TFSA) or Registered Retirement Savings Plan (RRSP).

If you are looking for top stocks to buy in the next month, start with financial sector stocks. While there may be some near term risk, over the [long term](#), your savings account will appreciate your foresight to catch these deals today.

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2. NYSE:RY (Royal Bank of Canada)
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4. TSX:RY (Royal Bank of Canada)

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Date

2025/08/26

Date Created

2020/09/25

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