



2 Big Bank Stocks to Buy in November

Description

Bank stocks are great dividend payers with fantastic long-term price performance. While the banking sector might have its ups and downs, depending on economic conditions, banks tend to be great performers overall.

If you take a long-term mindset on your stock market investments, then you are sure to find some [great stocks](#) to buy on the **Toronto Stock Exchange** in November. Bank stocks are down this year, and it is a good idea to buy while the prices are still low.

Here are two top big bank stocks to buy in November 2020.

Toronto-Dominion Bank: A safe bank stock

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) fell to \$49.01 during the March market sell-off from a 52-week high of \$77.72. Thus far, the stock has rebounded to \$60.09 per share. The annual dividend yield is still strong at 5.27%.

Toronto-Dominion Bank will announce fourth-quarter 2020 financial results on December 3, 2020. On August 22, the bank reported its third-quarter results for the period ending July 31, 2020. Reported earnings for the stock were down 31% to \$2.2 billion compared with the same quarter last year.

“We entered this crisis from a position of strength, and through prudent financial and risk management practices, we remain well-capitalized, with a high-quality balance sheet and strong liquidity. Our Common Equity Tier 1 Capital ratio finished the quarter at 12.5%. Earnings improved from the second quarter, as continued volume growth, moderating credit provisions and strong wealth and wholesale revenues helped offset further margin pressure. The improved performance in our Canadian and U.S. Retail segments, and the record contribution from our Wholesale Banking segment, demonstrate the resilience of our diversified business model and the power of our customer-centric strategy.”

The bank may not be without some problems this year, but it is still one of the safest financial institutions in the world. Especially after the financial crisis, banks prepared big time for any future financial disturbances. Therefore, this big bank stock is a top buy for November 2020.

Canadians can feel safe owning bank stocks like Toronto-Dominion Bank in their retirement portfolios, [Tax-Free Savings Accounts](#), and Registered Retirement Savings Plans.

Bank of Nova Scotia: A top dividend payer

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) dropped to \$46.38 during the March market sell-off from a 52-week high of \$76.75. As of Wednesday, investors are trading the stock for a steal at \$56.58 per share. The annual dividend yield of 6.39% is enough to catch the attention of astute income investors.

Higher loan-loss provisions substantially impacted the Bank of Nova Scotia this year. Return on equity fell to 8.3% from 14.3% one year ago. Moreover, diluted earnings per share fell to 8.3% from 11.5% one year ago.

While true, Bank of Nova Scotia remains a safe Canadian bank stock with long-term staying power. Brian Porter, president & CEO of Scotiabank, had this to say about the bank's performance this year:

"The bank has strong capital and liquidity ratios and has reserved conservatively for estimated future loan losses. While our retail banking businesses in Canada and international markets were adversely impacted by the pandemic, the bank's performance was aided by strong results in Global Banking and Markets and Wealth Management."

If you aren't sure where to invest your savings in the Toronto Stock Exchange, Scotiabank really is a top stock to buy in November 2020. The high dividend yield more than compensates for any long-term price risk. This is one stock that should rebound next year and now is the perfect time to buy.

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1. Bank Stocks
2. Coronavirus
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2. NYSE:RY (Royal Bank of Canada)
3. NYSE:TD (The Toronto-Dominion Bank)

4. TSX:BNS (Bank Of Nova Scotia)
5. TSX:RY (Royal Bank of Canada)
6. TSX:TD (The Toronto-Dominion Bank)

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