



Dividend Stability: 2 Reliable TSX Stocks

Description

For long-term investors, [dividend stability](#) is a key component to look for in a stock. This can often drive high total returns over time when combined with the power of compounding.

Of course, many stocks have struggled with maintaining their dividends this year. However, there are some blue-chip giants that have upheld their dividend commitment to investors.

While a dividend cut might not be the end of the world to some investors, it can significantly damage the long-term return potential for a given stock. As such, investors tend to shy away from these riskier yields when taking a long-run approach.

Today, we'll look at two reliable TSX stocks with remarkable dividend stability.

CIBC

Canadian Imperial Bank of Commerce ([TSX:CM](#))([NYSE:CM](#)) is one of Canada's major banks. It's typically known for having a bit of a riskier portfolio of loans and positions, but delivers a high yield to investors relative to its peers.

As of this writing, it's trading at \$111.84 and yielding 5.22%. At that price, CM is trading above where it started the year at, which is a strange sight in the market.

When it's possible to scoop up a yield of 5.22% with a major Canadian bank, long-term investors tend to take notice. While CM isn't always the most high-growth bank stock, it offers dividend stability.

In fact, it's paid a dividend every year since 1868. Plus, it's grown its dividend for most of those years as well. While there are unique challenges in the market these days, CM's impeccable track record should still give investors confidence in the dividend.

Besides, CM has access to plenty of support and outlets for liquidity. Also, its payout ratio is only about 70%. Couple that with its staunch commitment to dividend stability, and investors can have ease of

mind with CM

BMO

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) is another major Canadian bank. It's a bit larger than CM, with more of a focus on U.S. operations and lending.

As of this writing, BMO is trading at \$96.61 and yielding 4.39%. That's a great yield when considering BMO's [track record](#) for stability.

BMO has an outstanding track record when it comes to paying dividends. Remarkably, it has paid a dividend every year since 1829.

That means despite all the challenges faced between then and now, BMO has shown unwavering commitment to its investors.

If you're a long-term investor seeking dividend stability, then BMO is one of the most obvious choices. Its position as a major Canadian bank and wide moat of revenue streams gives it a solid base to provide value for investors.

Over time, the total return potential with a stock like BMO should be enticing for long-term investors. While there's sure to be some speed bumps in the road ahead, BMO should still have largely positive sentiments moving forward.

Dividend stability stocks

Both CM and BMO offer investors top-of-the-line dividend stability. Long-term investors can find value in both these banking giants.

If you're looking to add some blue-chip stocks with juicy yet reliable dividends, check out these two names.

CATEGORY

1. Bank Stocks
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TICKERS GLOBAL

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2. NYSE:CM (Canadian Imperial Bank of Commerce)
3. TSX:BMO (Bank Of Montreal)
4. TSX:CM (Canadian Imperial Bank of Commerce)

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