



## 2 Top Bank Stocks to Add Today and Let Sit for Decades

### Description

Canadian bank stocks have always been favourable for long-term investors. Indeed, these stocks have proven to be among the best in the market at providing consistent total returns. From both a capital appreciation and [dividend income](#) standpoint, Canadian bank stocks are among the best options to consider globally in this regard.

In this article, I'm going to highlight two of my top TSX bank picks I think investors should consider right now. Let's dive in.

### Top TSX bank stocks: TD Bank

When it comes to choosing the best bank stocks on the TSX, there's hardly a better option than **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)). Undoubtedly, this company's long-term track record speaks for itself. The main reason why this stock has managed to outperform its peers is its exposure to international markets.

Toronto-Dominion Bank particularly focuses on the U.S. retail banking market. Indeed, this company is one of the top retail-focused banks in the East Coast of the U.S. Furthermore, **Ameritrade**, Toronto-Dominion's digital trading platform, has clearly been a success. The Toronto-based company has offloaded most of its exposure to this segment in a deal with **Charles Schwab** not too long ago. However, the company still has high exposure to the cash flow generated from operations.

Toronto-Dominion Bank has been efficient in scaling its operations while focusing on the digitization of its services. Moreover, the company has been proactive in taking cost-cutting measures. This has mainly taken the form of shutting down retail locations that were not performing as per expectations. With most banks now making a shift towards providing services digitally, it appears that Toronto-Dominion is leading the way in this regard.

### Scotiabank

The second on my list of top TSX bank stocks (but certainly not last) is **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)).

Scotiabank, like TD, is another top international player in the banking scene. While Scotiabank has some presence in the U.S., the company's main focus has been on growing its Latin American business. These core markets outside Canada are high-growth emerging spaces that Scotiabank feels it can maintain an edge in as a key competitor. I like the company's positioning in this regard.

In comparison to its peers, Scotiabank has some of the best fundamentals. This is another key reason I've been pounding the table on this top bank stock. The company's dividend yield of 4.7%, its valuation multiple of 10.9 times earnings, and overall balance sheet quality are among the best of its peers. Those looking to single out a Canadian bank to own right now have reason to consider this stock, given these sorts of numbers.

I think both Scotiabank and TD are great options for investors right now. Owning both in a well-diversified portfolio isn't a bad idea. Accordingly, investors looking for banking exposure ought to consider both these stocks right now.

## CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

## TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:TD (The Toronto-Dominion Bank)

## PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

## PP NOTIFY USER

1. chrismacdonald
2. kduncombe

## Category

1. Bank Stocks
2. Dividend Stocks
3. Investing

**Date**

2025/07/21

**Date Created**

2021/09/26

**Author**

chrismacdonald

default watermark

default watermark