



1 TSX Stock That Is the Chance of a Lifetime

Description

Is the stock market heading towards a December [disaster](#)? There seemed to be no end to the rally when the TSX finished at an all-time high of 21,768.50 on November 12, 2021. The year-to-date gain soared 24.9%, bringing the index closer to 29.72% and 30.69% overall returns in 1999 and 2009.

On November 26, 2021, the TSX lost 487.30 points (2.3%) to end the trading day at 21,125.90. Health officials in South Africa detected a new COVID variant. The selloff shows the stock market is never stable and is [vulnerable to a correction](#). Still, you can stay the course if your core holding has a proven track record of overcoming downturns.

Chance of a lifetime

All 11 primary sectors tumbled, with energy stocks being the leading decliners. However, if you need to rebalance your portfolio, the banking sector is the bedrock of stability. **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), in particular, is the superior choice for risk-averse investors.

If you don't own shares of Canada's second-largest bank yet, now is the chance of a lifetime. The \$172.11 billion financial institution will not wither or fall in rough times. TD declined 1.6% to \$94.57, but that shouldn't be a cause for worry. You can even buy on the dip or while the share price is below \$100.

The pandemic didn't spare the blue-chip stock last year. TD sunk to as low as \$45.60 on March 23, 2020. Investors did not lose money. Instead, they realized an overall return of 3.7% for the year. The scenario could repeat this year-end if lockdowns and travel restrictions return.

Nevertheless, TD is more formidable than ever. Thus far, in 2021, investors are up 36.67%. Also, the 3.34% dividend is safe from a cut and sustainable for decades. Management might even announce a dividend increase when it presents TD's Q4 and full-year fiscal 2021 results.

Investment thesis

Based on brandirectory.com's Canada 100 2021 Ranking, TD is the number one brand in the country. It's the second year in a row that it's landed in the top spot. Interestingly, **Royal Bank of Canada**, **Scotiabank**, and **Bank of Montreal** occupied the following top places in 2020 and 2021.

TD is a top 10 North American bank and the sixth most valuable banking brand in the region in 2021, as reported by statista.com. The bank stock attracts [income investors](#) not only for the brand name but because of its 164-year dividend track record. Its total return in the last 49 years is 41,884.71% (13.12% CAGR).

Another compelling reason to own TD shares is the bank's business model. According to its Group president and CEO, Bharat Masrani, TD anchors its strategy to the proven business model. It enables the bank to deliver for its shareholders, meet customers' needs, and contribute to economic recovery.

In the nine months ended July 31, 2021 (three-quarters fiscal 2021), TD's net income climbed 55.8% to \$10.5 billion compared to the same period in fiscal 2020. Masrani also emphasizes the solid revenue growth in TD's Canadian and U.S. Retail businesses in Q3 fiscal 2021.

The pandemic could drag on

Even before the discovery of the new COVID variant, Masrani said the pandemic was not yet over. He assured investors that TD is able and ready to adapt to the fluid environment.

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