



3 Bank Stocks to Buy After Earnings in December 2021

Description

The Big Six Canadian banks unveiled their final batch of results for the 2021 fiscal year in late November and early December. Canada's top financial institutions put together a strong year after a challenging 2020. However, investor anxiety has ramped up as the Bank of Canada (BoC) has shifted its attention to rate hikes in 2022. Today, I want to look at the three best bank stocks to pick up before the New Year. Let's jump in.

Here's why I'm still excited about TD Bank after a strong 2021

TD Bank ([TSX:TD](#))([NYSE:TD](#)) is the second-largest Canadian bank by [market cap](#). It boasts the largest United States footprint compared to its peers. Shares of TD Bank have climbed 32% in 2021 as of close on December 10. The stock has dipped marginally in the week-over-week period. I'd [suggested](#) that TD Bank was worth snatching up in early November.

The bank unveiled its fourth-quarter and full-year 2021 earnings on December 2. In Q4 2021, adjusted net income rose to \$3.86 billion or \$2.09 per share — up from \$2.97 billion, or \$1.60 per share, in the previous year. Meanwhile, adjusted earnings for the full year increased to \$14.6 billion, or \$7.91 per share. TD Bank delivered strong growth in its major segments. Moreover, its U.S. Retail segment saw its Wholesale Bank deliver record earnings.

Shares of this bank stock possess a favourable price-to-earnings (P/E) ratio of 12. The bank announced a quarterly dividend hike to \$0.89 per share. That represents a 3.7% yield.

This bank stock offers nice income after its Q4 earnings report

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) was my [top bank stock](#) pick after its Q4 2021 earnings release. I'm still on board with this Quebec-based bank stock as we approach the midway point of December. This bank stock has shot up 44% in the year-to-date period. Its shares have dipped 1% month over month.

In Q4 2021, BMO reported adjusted net income growth of 38% to \$2.22 billion or \$3.33 on a per-share basis. Like its peers, BMO benefited from a big drop in provisions set aside for credit losses. For the full year, adjusted net income climbed 66% year over year to \$8.65 billion, or 68% on an adjusted per-share basis to \$12.96.

This bank stock last had an attractive P/E ratio of 11. Better yet, it offers a quarterly dividend of \$1.33 per share. This represents a 3.8% yield.

One more bank stock to scoop up in December

Canadian Imperial Bank of Commerce ([TSX:CM](#))([NYSE:CM](#)) is the third bank stock I'd suggested investors snatch up in the middle of December. It is the fifth largest of the Big Six banks. CIBC stock has increased 31% in 2021. The stock has retreated 4.9% month over month.

CIBC released its fourth-quarter and full-year 2021 earnings on December 2. It delivered adjusted net income growth of 23% from Q4 2020 to \$1.57 billion or 21% on a per-share basis to \$3.37. The bank achieved growth in all business segments and looks very strong looking ahead to 2022.

Shares of this bank stock possess a very favourable P/E ratio of 10. Moreover, it last hiked its quarterly dividend to \$1.61 per share. That represents a solid 4.5% yield.

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