



## My 2 Favourite Bank Stocks to Buy in This Roller-Coaster Market

### Description

The Canadian stock market has been on a roller coaster ride for most of the year since it began. As of this writing, the **S&P/TSX Composite Index** is down by 10.07% from its 52-week high but up by almost 9% from its July 14, 2022, low.

Many investors might like to believe that the Canadian benchmark's recent-most rally could signal that things will improve. However, it is too early to say that the market is on the mend.

The stock market volatility might continue to plague investors in the coming months. Publicly traded companies across all sectors of the Canadian economy might struggle. Investing in high-quality companies with a proven ability to ride the wave of volatility and come out stronger on the other side might be a safer way to invest in the market right now.

Canada's Big Six Banks have such a reputation, and I will discuss two Canadian [bank stocks](#) you can consider adding to your investment portfolio for this purpose.

### Bank of Montreal

**Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) is an \$89 billion market capitalization Canadian multinational investment bank and financial services company. Headquartered in Toronto, BMO bank is one of the Big Six Canadian Banks and one of the country's oldest financial institutions.

The bank has consistently come back from several market downturns because it has a wide enough financial moat to make it through to the other side of harsh economic environments.

As of this writing, BMO stock trades for \$132.04 per share and boasts a 4.21% dividend yield. It is down by 14.52% from its 52-week high and up by 10.63% from its July 14, 2022, low. Its recent acquisition of the Bank of the West across the border has increased its exposure to the U.S. retail banking segment. It looks poised to deliver stellar growth once economies stabilize.

## Toronto-Dominion Bank

**Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is a \$156.57 billion market capitalization Canadian bank headquartered in Toronto. The multinational banking and financial services company has been a pillar of strength in the banking sector.

Aside from being one of the Big Six Canadian banks, TD Bank is one of the largest banks operating in the United States. The bank has significantly grown its presence in the lucrative U.S. market over the last 10 years.

As of this writing, TD Bank stock trades for \$85.78 per share and boasts a 4.15% dividend yield. It is down by 21.36% from its 52-week high and up by 9.74% from its July 14, 2022 low.

TD Bank's operations in the U.S. are already larger than its domestic operations, and it continues to expand its presence in the United States. It is currently acquiring the Memphis-based First Horizon Bank, a multi-billion-dollar deal that will expand its operations to the southeast U.S. market.

It could be an excellent time to invest in its shares to capitalize on its long-term growth potential.

## Foolish takeaway

The stock market has been volatile this year, and the volatility might continue in the coming months. Approaching the stock market with a long investment horizon can be a better way to make the most of the volatility.

Investing in shares of companies well positioned to make it through recessionary environments, especially when they are attractively priced, can be a great way to realize long-term wealth growth. BMO stock and TD Bank stock can be excellent investments for this purpose.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BMO (Bank Of Montreal)
4. TSX:TD (The Toronto-Dominion Bank)

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#### **PP NOTIFY USER**

1. adamothonman
2. kduncombe

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#### **Author**

adamothonman

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