



Bank Stocks: 2 TSX Superstars to Buy

Description

Bank stocks have long been premier choices for investors focused on [long-term gains](#). These TSX blue-chip stars typically offer not only reliable growth, but also stable dividends.

Of course, it's easy to lump the major bank stocks in Canada together. After all, their prices generally move in lockstep and it's one of Canada's biggest sectors.

However, each bank offers unique benefits when it comes to investing. As such, it's important for investors to figure out their needs before selecting bank stocks to buy.

Today, we'll look at two of the top TSX bank stocks that investors might consider for their portfolios.

RBC

Royal Bank of Canada ([TSX:RY](#))([NYSE:RY](#)) is a massive stock with the largest market cap among Canadian banks. This TSX behemoth has long been a favourite among investors seeking reliable share price growth as well as a rock-solid dividend.

RY is able to offer these things to investors because of the structure of its business. It has a diverse range of products and services and hence a wide moat of revenue sources.

The stability of RY's dividend speaks for itself, as the bank stock has paid a dividend every year since 1870. Plus, it has not only paid but also increased the dividend for much of that time as well.

There isn't really much of a shroud of mystery surrounding RY. This is just a blue-chip superstar with ample financial cushion and an ironclad business structure.

As of this writing, RY is trading at \$140.25 and yielding 3.42%. That might not be an absolutely huge yield, but there is room for it to increase going forward. At any rate, investors can count on a solid investment when it comes to RY.

BMO

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) is another major Canadian bank stock that offers investors a great avenue for total returns over time.

When it comes to dividends, BMO is the cream of the crop. It's paid a [dividend](#) every year since 1829 and is still going strong.

Like with RY, that type of stability is due to how BMO's business is structured. It has great financial power and a solid mix of revenue sources to help it offer investors unmatched reliability.

When compared to some of its peers, BMO has focused much more of its efforts on growth in the U.S. to add to its strong positioning in Canada. This expansion choice gives BMO the possibility for plenty of growth going forward.

As of this writing, BMO is trading at \$144.90 and yielding 3.67%. Similar to RY, that dividend has room to be increased as well.

Investors looking for a bank stock with aggressive growth opportunities and a rock-solid dividend should check out BMO.

Bank stock strategy

Both RY and BMO are great bank stocks ideal for long-term investing. These TSX superstars offer investors respectable growth as well as sustainable dividends.

Over time, the total returns from these bank stocks could be quite attractive. Choosing either name could be the way to go, and simply depends on which of their approaches you prefer.

CATEGORY

1. Bank Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:RY (Royal Bank of Canada)
3. TSX:BMO (Bank Of Montreal)
4. TSX:RY (Royal Bank of Canada)

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. jageguin
2. jguest

Category

1. Bank Stocks
2. Investing

Date

2025/08/17

Date Created

2022/02/26

Author

jageguin

default watermark

default watermark