

# Top 5 Best Banks in Canada (Ranking) & Best Canadian Banks with High Interest Savings Accounts

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## Ranking of the Top 5 Banks in Canada | Best High-Interest Savings Account – Canada

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Across Canada, there is a wide range of Canadian banking and financial services firms.

Following up on our recent bank reviews and ranking articles ([Best U.S. Banks with High-Yield Accounts and No Fees](#), [Top Banks in Australia](#), and [Best British Banks](#)), we have published this review ranking report to present a detailed review of the below types of banks in Canada:

- **The Top & Largest Banks in Canada**
- **The Best Canadian Banks to Bank with (Accounts with High Yielding Rates)**

Depending on the scale of banking services provided, as well as the types of high-yield savings accounts it offers (if any), a top bank in Canada might be included in both of the ranking categories above or just one.

For example, [Royal Bank of Canada \(RBC\)](#) is the [largest bank in Canada](#). However, it is not considered one of the best Canadian banks with high-interest accounts because its savings accounts do not offer particularly high-interest yields.

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## Top Canadian Banks (Ranking and Comparison)

Below is the list of this year's top 5 banks in Canada, based on their respective asset sizes and bank deposits.

Canadian Banks	Asset Sizes* (C\$)
Royal Bank of Canada (RBC)	\$1,150,357,000,000
Toronto-Dominion Bank (TD Bank)	\$1,124,800,000,000

Bank of Nova Scotia (Scotiabank)	\$894,961,000,000
Bank of Montreal (BMO)	\$681,458,000,000
Canadian Imperial Bank of Commerce (CIBC)	\$478,144,000,000

*\* Asset sizes obtained from the respective banks' financial statements as of Q2 2016*

*\* See below sections for the financial statements for these large Canadian banks*

## **AdvisoryHQ's List of Best Canadian Banks with the Best High-Interest Savings Accounts**

In addition to the above list of biggest banks in Canada, listed below are the best Canadian banks that offer some of the best high-interest savings accounts in Canada.

- Achieva Financial
- Bridgewater Bank
- MAXA Financial
- AcceleRate Financial
- Hubert Financial
- Implicity Financial
- Oaken Financial

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### **Best Banks in Canada (Highest Yielding Accounts)**

<b>Banks</b>	<b>Account Name</b>	<b>High Yield</b>	<b>QB *</b>
Achieva Financial	Achieva Savings	1.85%	Y
Bridgewater Bank	Smart eSavings Account	1.85%	
MAXA Financial	MAXA Savings	1.85%	Y
AcceleRate Financial	AcceleRate Savings	1.80%	Y
Hubert Financial	Happy Savings Account	1.80%	

Implicit Financial	High Interest Savings Account	1.75%	Y
Oaken Financial	Oaken Savings Account	1.75%	Y
Outlook Financial	High Interest Savings Account	1.70%	Y
Canadian Direct Financial	KeyRate Savings Account	1.50%	
Canadian Tire Financial	High Interest Savings	1.50%	
Peoples Trust	Peoples Choice e-Savings Account	1.45%	Y
ICICI Bank	HiSAVE Savings Account	1.35%	Y
PC Financial	Interest Plus	1.05%	
Tangerine Bank	Tangerine Savings Account	0.80%	Y

- QB: “Y” means the account is available in Quebec
- Please review the respective banks’ websites for the most updated yield and account information
- The high interest rate information provided above is accurate as of 2015
- Table Source: Canadian High Interest Savings Bank Accounts

In the table above, we've presented a list of the best banks in Canada and have ranked these banks by the high-interest savings accounts they provide within Canada. We have also included the names of the respective high-yield savings accounts and the rates offered.

Some of these banks are affiliated or have partnership agreements with the five biggest Canadian banks. For example, [Tangerine Bank](#) (formerly ING Direct) is owned by Scotiabank.

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## Detailed Review & Ranking of Canada’s Biggest Banks

Below, please find the detailed review of each of the top Canadian banks on our list of the top 5 banks in Canada. We have highlighted some of the factors that allowed these best banks in Canada to score so well in our selection ranking.

## RBC Royal Bank – Largest Bank in Canada

RBC Royal Bank is the biggest bank in Canada by total asset size. As of 2016 (see the financial statements below), RBC reported \$1,150,357,000,000 in total assets, which is the highest compared to all other top banks in Canada.

RBC earns revenue from **five** business segments:

1. Personal & commercial banking
2. Insurance
3. Wealth management
4. Investor & treasury services
5. Capital markets

### RBC Financial Statements

#### RBC Balance Sheet Highlights

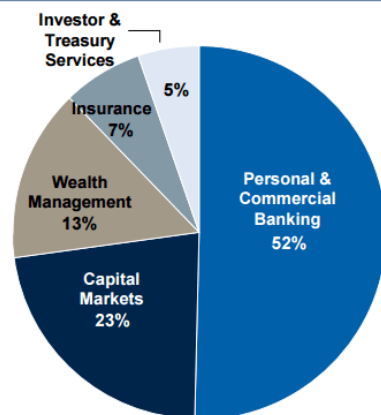
BALANCE SHEETS (Millions of Canadian dollars)	Q2/16	Q1/16	Q4/15	Q3/15
<b>Period-end balances</b>				
<b>ASSETS</b>				
Cash and due from banks	14,845	17,050	12,452	19,976
Interest-bearing deposits with banks	29,229	24,636	22,690	10,731
Securities				
Trading	151,952	161,442	158,703	172,370
Available-for-sale	72,419	72,269	56,805	63,145
	224,371	233,711	215,508	235,515
Assets purchased under reverse repurchase agreements and securities borrowed	184,825	196,295	174,723	172,659
Loans				
Retail	359,863	360,763	348,183	343,463
Wholesale	150,602	157,592	126,069	121,214
	510,465	518,355	474,252	464,677
Allowance for loan losses	(2,271)	(2,169)	(2,029)	(2,078)
	508,194	516,186	472,223	462,599
Segregated fund net assets	882	839	830	821
Other				
Customers' liability under acceptances	13,844	12,882	13,453	12,761
Derivatives	115,298	132,560	105,626	112,459
Premises and equipment, net	2,970	3,084	2,728	2,667
Goodwill	11,200	12,016	9,289	9,322
Other intangibles	4,526	4,872	2,814	2,810
Other assets	40,173	46,221	41,872	42,853
<b>Total Assets</b>	<b>1,150,357</b>	<b>1,200,352</b>	<b>1,074,208</b>	<b>1,085,173</b>

## RBC's complete income statement

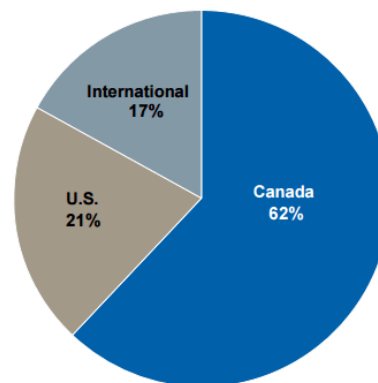
FINANCIAL HIGHLIGHTS (Millions of Canadian dollars, except otherwise noted)	Q2/16	Q1/16	Q4/15
<b>SELECTED INCOME STATEMENT INFORMATION</b>			
Net interest income	4,025	4,196	3,800
Non-interest income	5,501	5,163	4,219
Total revenue	9,526	9,359	8,019
Provision for credit losses (PCL)	460	410	275
Insurance policyholder benefits, claims, acquisition exp	988	829	292
Non-interest expense (NIE)	4,887	4,960	4,647
Net income	2,573	2,447	2,593
Less: Non-controlling interest	(13)	(21)	(24)
Preferred dividends	(74)	(60)	(54)
Net income available to common shareholders	2,486	2,366	2,515
Add: Dilutive impact of exchangeable shares	3	4	4
Net income available to common shareholders	2,489	2,370	2,519
<b>PROFITABILITY MEASURES</b>			
Earnings per share (EPS)	\$1.67	\$1.59	\$1.74
	\$1.66	\$1.58	\$1.74
Common shares outstanding (000s) <sup>1</sup>			
- average (basic)	1,487,346	1,486,560	1,443,992
- average (diluted)	1,495,609	1,495,035	1,450,405
Return on common equity (ROE) <sup>2</sup>	16.2 %	15.3%	17.9%
Return on assets	0.90 %	0.83%	0.94%
Return on RWA <sup>3</sup>	2.41 %	2.12%	2.50%
Efficiency ratio	51.3 %	53.0%	57.9%
Adjusted efficiency ratio <sup>4</sup>	52.5 %	53.2%	54.8%

RBC's Personal & Commercial Banking segment accounted for 52% of total earnings as of 2016. RBC earns 62% of total revenue within Canada and 21% of its revenue in the U.S.

**Earnings by business segment<sup>(1)</sup>**  
Latest twelve months ended April 30, 2016



**Revenue by geography<sup>(1)</sup>**  
Latest twelve months ended April 30, 2016



Second Quarter 2016 Results

(1) Amounts exclude Corporate Support. These are non-GAAP measures. For further information see the Business segment results and Results by geographic segment sections of our Q2/2016 Report to Shareholders and slide 34.

As shown below, RBC reported solid earnings in the first half of this year despite a challenging environment.

### **Revenue (Net of Insurance Fair Value Change)**

- 2% YoY increase reflects higher revenue from CNB acquisition; CNB revenue of \$468 million
- Solid volume growth (6% YoY) and a relatively stable margin in Canadian banking; solid performance in Caribbean banking

### **Non-Interest Expense**

- 3% YoY increase mainly attributable to CNB acquisition; excluding CNB, NIE was down 5%(4) YoY, driven by lower variable compensation and ongoing efficiency management activities

### **PCL**

- Higher PCL resulting from the sustained low oil price environment; includes a \$50 million increase in provisions for loans not yet identified as impaired (collective allowance)

### **Taxes**

- Lower tax rate mainly due to business mix; modest tax recovery in insurance

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## **Toronto-Dominion Bank (TD Bank) – 2nd Biggest Bank in Canada**

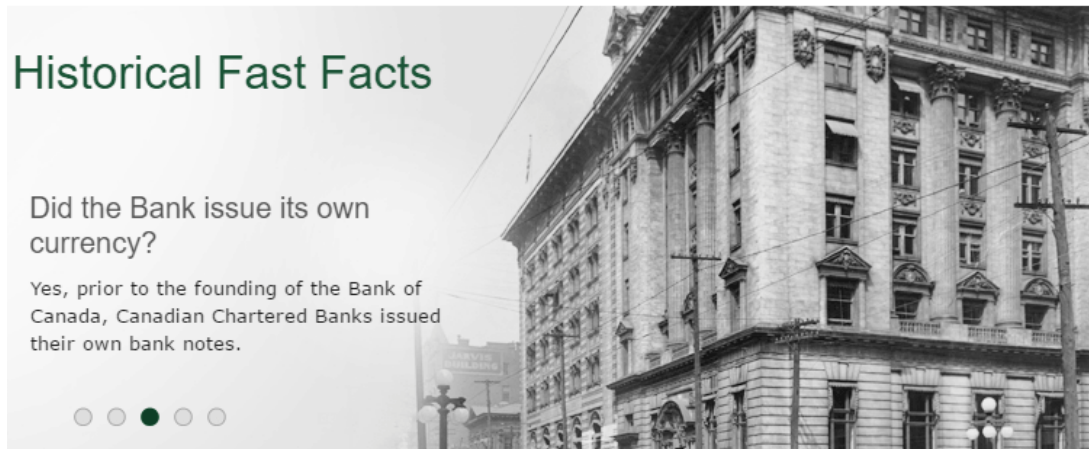
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### **History and Growth**

Since its founding in 1855, TD Bank Group has grown from a single-branch bank serving grain millers and merchants to becoming one of the largest financial services institutions in the world. It provides financial solutions to individuals and businesses around the globe.

The Toronto Dominion Bank that most consumers know today was chartered in 1955 when The Bank of Toronto merged with The Dominion Bank. Through the years, TD Bank's growth included the creation of its wealth management division, the acquisition of Canada Trust in 2000, and its evolution into a North American bank with the acquisition of U.S. entities, including Banknorth and Commerce Bancorp in the United States.

## Historical Facts



- The Bank of Toronto was founded by a group of merchants and grain millers
- The Dominion Bank opened its first branch in 1871
- Bank of Toronto and Dominion Bank merged in 1955 to form Toronto Dominion Bank
- TD acquired Canada Trust in 2000
- TD Bank's entrance into U.S. retail banking began with the acquisition of Banknorth in 2005

## Financial Situation – TD Bank

Based on an asset size of **\$1,124,800,000,000**, **Toronto-Dominion Bank** is ranked the second biggest bank in Canada. As reflected on TD Bank's most recent quarterly financial statement, the bank earned **\$4,880,000,000** in net interest revenue for the most recent quarter. Total revenue, including non-interest income, was **\$8,259,000,000**.

### **Below Are the Bank's Risk Metrics: (\$ Billions, Except as Noted)**

- Common Equity Tier 1 Capital risk-weighted assets: \$383.6
- Common Equity Tier 1 Capital: 38.9
- Common Equity Tier 1 Capital ratio: 10.1
- Tier 1 Capital: \$45.0
- Tier 1 Capital ratio: 11.7%
- Total Capital ratio 14.4
- Leverage ratio: 3.8
- Liquidity coverage ratio (LCR): 128
- Net impaired loans – personal, business, and government (\$ millions): \$2,908

- Net impaired loans – personal, business, and government as a % of net loans and acceptances:0.51%

## Most Recent Balance Sheet Statement (TD Bank – Canada)

### Highlights

For the period ended	LINE #	2016	
		Q2	Q1
<b>Balance Sheet (\$ billions)</b>			
Total assets	27	\$ 1,124.8	\$ 1,173.6
Total equity	28	67.8	71.7
<b>Risk Metrics (\$ billions, except as noted)</b>			
Common Equity Tier 1 Capital risk-weighted assets <sup>2,3</sup>	29	\$ 383.6	\$ 399.6
Common Equity Tier 1 Capital <sup>2</sup>	30	38.9	39.6
Common Equity Tier 1 Capital ratio <sup>2,3</sup>	31	10.1 %	9.9 %
Tier 1 Capital <sup>2</sup>	32	\$ 45.0	\$ 45.7
Tier 1 Capital ratio <sup>2,3</sup>	33	11.7 %	11.4 %
Total Capital ratio <sup>2,3</sup>	34	14.4	13.7
Leverage ratio <sup>4</sup>	35	3.8	3.7
Liquidity coverage ratio (LCR) <sup>5,6</sup>	36	128	124
After-tax impact of 1% increase in interest rates on:			
Economic value of shareholders' equity (\$ millions) <sup>7</sup>	37	\$ (64)	\$ (125)
Net interest income (\$ millions) <sup>8</sup>	38	126	170
Net impaired loans – personal, business, and government (\$ millions) <sup>9</sup>	39	2,908	3,143
Net impaired loans – personal, business, and government as a % of net loans and acceptances <sup>9</sup>	40	0.51 %	0.54 %
Provision for credit losses as a % of net average loans and acceptances <sup>9</sup>	41	0.42	0.45
Rating of senior debt:			
Moody's	42	Aa1	Aa1
Standard and Poor's	43	AA-	AA-

Click here for the complete report: [Toronto-Dominion Bank Financial Statements](#)

## Bank of Nova Scotia (Scotiabank) – 3rd Largest Bank in Canada

Bank of Nova Scotia (Scotiabank) is ranked the third top Canadian bank based on a total asset size of \$894,961,000,000. This large Canadian bank offers corporate banking as well as personal, commercial, and investment banking products, tools, and services across the globe. It currently has a [global team of over 85,000](#) bankers, advisors, insurance agents, and other banking staff members.

### Brief History

The Bank of Nova Scotia was established in 1831, when a group of Halifax businessmen met to discuss the need to create a public bank as an alternative to



the privately-owned Halifax Banking Company. Three months later, on [March 30, 1832](#), with an authorized [capital of £100,000](#) the Bank of Nova Scotia became the first chartered bank in Nova Scotia.

By the early 1900s, a coast-to-coast branch network had been established. By 1930, the existing head office became too small as the bank rapidly expanded.

In August of 1931, the Bank of Nova Scotia opened one of its most authentically Canadian buildings. [Pre-eminent Canadian architect John M. Lyle](#) designed the [new building](#) from its structure to its decorative features, fixtures, and furniture, injecting motifs depicting Canadian nature and the country's economic history throughout the building.

### **Scotiabank Financial Highlights**

For its latest financial reporting period, Scotiabank [reported](#) that it had taken a restructuring charge of \$278 million after tax (\$378 million pre-tax). Adjusting for the restructuring charge, net income increased 4% to \$1,862 million, and diluted earnings per share rose 3% to \$1.46 compared to last year.

The bank also reported a return on equity of 14.4% compared to 15.1% a year ago.

Scotiabank's earnings were marked by higher loan loss provisions, due to price declines in the energy sector and, to a lesser extent, exposures in Puerto Rico. The higher loan loss provisions were generally offset by a gain on the sale of a non-core lease financing business in Canada and a reduction in remuneration costs related to modifications of certain employee benefits.

Diluted earnings per share were [\\$1.23](#) compared to [\\$1.42](#) during the same period a year ago. Return on equity was [12.1%](#) compared to [15.1%](#) last year.

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## **Bank of Montreal (BMO) – 4th Biggest Canadian Bank**

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The [Bank of Montreal](#) is the fourth largest bank in Canada with a total asset size of [\\$681,458,000,000](#). The Bank of Montreal provides a wide range of banking products in Canada and across the globe, including bank accounts (checking, savings, etc.), credit cards, loans, mortgages, lines of credit, and insurance.

It also provides financial planning and wealth management services via its [BMO Investments](#) function.

For business owners, whatever the size of your business, BMO has a banking solution that can meet your needs. Browse the [bank's list of business credit cards](#), or see a [comparison](#) to find your best match.

## Brief History

On [June 23, 1817](#), [John Richardson](#) and eight merchants signed the Articles of Association to establish the Bank of Montreal in a rented house in Montreal, Quebec. The bank officially began conducting business on November 3, 1817, making it [Canada's oldest bank](#).

## BMO Financial Statements

### BMO Bank Financial Highlights

FINANCIAL HIGHLIGHTS				
	LINE	2016	2016	2015
(\$ millions except as noted)	#	Q2	Q1	Q4
<b>Income Statement Information</b>				
Total revenue	1	5,101	5,075	4,982
Provision for credit losses (PCL)	2	201	183	128
Insurance claims, commissions and changes in policy benefit liabilities (CCPB)	3	407	366	265
Non-interest expense	4	3,312	3,270	3,093
Provision for income taxes	5	208	188	282
Net income	6	973	1,068	1,214
Adjusted net income	7	1,152	1,178	1,264
Non-controlling interest in subsidiaries	8	-	8	8
Net income attributable to Bank shareholders	9	973	1,060	1,206
<b>Reported Profitability Measures</b>				
Basic earnings per share	10	\$1.46	\$1.59	\$1.83
Diluted earnings per share	11	\$1.45	\$1.58	\$1.83
Return on common equity	12	10.1 %	10.9 %	12.9 %
Return on average assets	13	0.57 %	0.59 %	0.70 %
Return on average risk-weighted assets	14	1.51 %	1.63 %	1.96 %
Net interest margin on average earning assets	15	1.61 %	1.58 %	1.53 %
excluding trading NII and trading assets	16	1.87 %	1.82 %	1.80 %
Efficiency ratio	17	64.9 %	64.4 %	62.1 %
PCL-to-average net loans and acceptances	18	0.23 %	0.21 %	0.15 %
Effective tax rate	19	17.57 %	14.98 %	18.83 %
Effective tax rate (teb)	20	25.18 %	24.59 %	24.88 %
<b>Adjusted Profitability Measures (1)</b>				
Basic earnings per share	21	\$1.73	\$1.76	\$1.91
Diluted earnings per share	22	\$1.73	\$1.75	\$1.90
Return on common equity	23	12.1 %	12.1 %	13.5 %
Return on tangible common equity	24	14.8 %	15.0 %	16.6 %
Return on average assets	25	0.67 %	0.65 %	0.73 %
Efficiency ratio	26	60.0 %	62.1 %	60.8 %
Efficiency ratio, net of CCPB	27	65.2 %	66.8 %	64.2 %
Effective tax rate	28	19.59 %	16.21 %	18.89 %
Effective tax rate (teb)	29	25.81 %	24.77 %	24.71 %

<b>Growth Rates</b>				
Diluted adjusted earnings per share growth	30	1.2 %	14.4 %	16.6 %
Diluted earnings per share growth	31	(2.7)%	8.2 %	17.3 %
Operating leverage	32	6.2 %	(8.4)%	0.3 %
Adjusted operating leverage, net of CCPB	33	(0.8)%	2.8 %	1.8 %
Revenue growth	34	12.7 %	0.4 %	7.4 %
Adjusted revenue growth, net of CCPB	35	4.3 %	11.3 %	8.7 %
Non-interest expense growth	36	6.5 %	8.8 %	7.1 %
Adjusted net income growth	37	0.5 %	13.2 %	13.9 %
Net income growth	38	(2.6)%	6.8 %	13.5 %

<b>Balance Sheet Information</b>				
Total assets	39	681,458	699,293	641,881
Average assets	40	698,744	714,029	682,451
Average earning assets	41	611,606	624,938	597,483
Average loans and acceptances	42	353,382	349,847	332,267
Average deposits	43	455,035	472,899	454,743
Average common shareholders' equity	44	37,632	37,140	36,105
Gross impaired loans (GIL) and acceptances (2)	45	2,196	2,158	1,959
Cash and securities-to-total assets ratio	46	26.7 %	26.4 %	27.8 %
GIL-to-gross loans and acceptances (2)	47	0.62 %	0.60 %	0.58 %

<b>Capital Measures</b>				
Common Equity Tier 1 Ratio	48	10.0 %	10.1 %	10.7 %
Tier 1 capital ratio - Basel III	49	11.4 %	11.4 %	12.3 %
Total capital ratio - Basel III	50	13.5 %	13.5 %	14.4 %
CET1 capital RWA	51	256,184	265,043	239,185
Leverage ratio	52	3.9 %	4.0 %	4.2 %

(1) Adjusted Results are non-GAAP financial measures. See "Accounting Framework" section on page 1 for further information.

(2) GIL excludes Purchased Credit Impaired Loans.

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## CIBC – Canada's 5th Top Bank

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CIBC is the fifth top bank in Canada based on an asset size of \$478,144,000,000. In its most recent financial statements, CIBC reported a net income of \$2,037,000,000.

### CIBC Business Units

CIBC has **three** business units:

- **Retail and Business Banking:** This banking unit provides personal and business clients across Canada with financial advice, products, and services.
- **Wealth Management:** This unit provides integrated advice and investment solutions to meet the needs of institutional, retail, and high-net-worth clients.
- **Capital Markets:** This unit provides integrated credit and global markets products; investment banking advisory services; and top-ranked research to corporate, government, and institutional clients around the world.

### CIBC Financial Highlights

[CIBC's Balance Sheet Financial Highlights](#)

(\$ millions)		Q2/16	Q1/16	Q4/15
<b>On- and off-balance sheet information</b>				
Cash, deposits with banks and securities		91,054	91,132	93,619
Loans and acceptances, net of allowance		303,761	301,301	290,981
Total assets		478,144	479,032	463,309
Deposits		368,710	377,234	366,657
Common shareholders' equity		20,585	20,770	20,360
Average assets		502,408	494,379	476,700
Average interest-earning assets <sup>3</sup>		437,179	431,380	415,783
Average common shareholders' equity		20,899	21,233	20,122
Assets under administration <sup>5,6</sup>		1,878,290	1,833,071	1,846,142
Assets under management <sup>6</sup>		169,521	169,389	170,465
<b>Balance sheet quality (All-in basis) and liquidity measures<sup>7</sup></b>				
Risk-weighted assets (RWA)				
CET1 capital RWA		165,419	162,583	156,107
Tier 1 capital RWA		165,746	162,899	156,401
Total capital RWA		166,027	163,169	156,652
Capital ratios				
CET1 ratio		10.4%	10.6%	10.8%
Tier 1 capital ratio		11.9%	12.1%	12.5%
Total capital ratio		13.9%	14.2%	15.0%
Basel III leverage ratio				
Tier 1 capital	A	19,682	19,716	19,520
Leverage ratio exposure	B	516,838	516,037	502,552
Leverage ratio	A/B	3.8%	3.8%	3.9%
Liquidity coverage ratio		122%	121%	119%
<b>Other information</b>				
Full-time equivalent employees <sup>8</sup>		43,380	43,609	44,201

## CIBC's Income Statement Financial Highlights

		Q2/16	Q1/16	Q4/15	Q3/15
<b>Financial results (\$ millions)</b>					
Net interest income		2,037	2,106	2,043	2,021
Non-interest income		1,594	1,481	1,440	1,499
Total revenue		3,631	3,587	3,483	3,520
Provision for credit losses		324	262	198	189
Non-interest expenses		2,242	2,164	2,383	2,179
Income before income taxes		1,065	1,161	902	1,152
Income taxes		124	179	124	174
Net income		941	982	778	978
Net income (loss) attributable to non-controlling interests		5	5	2	5
Preferred shareholders		10	9	9	11
Common shareholders		926	968	767	962
Net income attributable to equity shareholders		936	977	776	973
<b>Financial measures</b>					
Reported efficiency ratio		61.7%	60.3%	68.4%	61.9%
Adjusted efficiency ratio <sup>1</sup>		58.0%	58.1%	60.4%	59.3%
Loan loss ratio <sup>2</sup>		0.38%	0.26%	0.26%	0.25%
Reported return on common shareholders' equity		18.0%	18.1%	15.1%	20.4%
Adjusted return on common shareholders' equity <sup>1</sup>		18.4%	19.0%	18.5%	20.6%
Net interest margin		1.65%	1.69%	1.70%	1.75%
Net interest margin on average interest-earning assets <sup>3</sup>		1.89%	1.94%	1.95%	2.01%
Return on average assets <sup>4</sup>		0.76%	0.79%	0.65%	0.85%
Return on average interest-earning assets <sup>3,4</sup>		0.88%	0.91%	0.74%	0.97%
Total shareholder return		12.72%	(8.13)%	8.61%	(2.40)%
Reported effective tax rate		11.6%	15.4%	13.7%	15.1%
Adjusted effective tax rate <sup>1</sup>		16.1%	17.3%	15.5%	15.2%

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