



## Have You Purchased Bank of Nova Scotia Yet?

### Description

Last month I made note of several reasons why **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) was one of the [best investments in the financial sector](#) owing to its incredible expansion into the Pacific Alliance, its expert acquisitions, and superb dividend offered.

Not only is that position still true, but based on quarterly updates announced last week, Bank of Nova Scotia is an even better buy for your portfolio.

Let's look at how the bank fared in the most recent quarter — and the reasons why the bank is still a great investment.

### First quarter results are in

Last week Bank of Nova Scotia announced results for the first fiscal that continued to illustrate just how great of an investment Bank of Nova Scotia is.

Net income for the quarter came in at \$2,337 million, representing a significant increase over the \$2,009 million reported in the same quarter last year. On a per-share basis, Bank of Nova Scotia earned \$1.86 per share diluted, also surpassing the \$1.57 per share earned in the same quarter last year.

Analysts were looking for the bank to post just \$1.68 per share.

Bank of Nova Scotia's international segment continued to provide strong results for the company, with earnings from the segment realizing 16% growth over the quarter. The Pacific Alliance, which witnessed double-digit growth in loans over the quarter, was the primary driver of much of that growth.

The Canadian banking segment also fared well in the first quarter, with net income attributable to equity holders surging 12% to \$1,102 million. The increase was thanks to higher net interest income, as well as strong asset growth and lower credit loss provisions.

In addition to the strong results, Bank of Nova Scotia also announced a hike to its quarterly dividend,

now sitting at a very healthy 4.16% yield.

### Can we expect the Pacific Alliance to continue to feed results?

Bank of Nova Scotia's gamble on the Pacific Alliance has paid off immensely, but that hasn't stopped some from wondering whether the good times will continue.

To those critics, I say that the good times are just beginning and that Bank of Nova is setting the standard for a new era in international commerce for banks.

Bank of Nova Scotia's brilliant foray into becoming the *de facto* bank of choice for Pacific Alliance businesses looking to expand operations between member states has paid dividends.

The bank has become a familiar face within the Alliance, and with a growing sentiment of protectionism emanating from Washington, examining other trade options such as the Pacific Alliance could prove incredibly successful. As evidence of this, several countries including Canada became associate members of the Pacific Alliance with the possibility of eventually becoming full members.

### Is Bank of Nova Scotia a good investment?

The investment into the Pacific Alliance is just one of several reasons why investors should be considering Bank of Nova Scotia. The bank's dividend has grown annually or better over the past few years, and the recent quarterly results continue to show the strength of Bank of Nova Scotia.

In my opinion, Bank of Nova Scotia should be a [core holding](#) of every portfolio.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. TSX:BNS (Bank Of Nova Scotia)

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