



## How This Big Bank Can Make You Rich

### Description

Across all of the different investment opportunities on the market today, Canada's big banks remain some of the [best, long-term options](#) for investors to consider. While we fail to mention it as often as its larger, louder peers, **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) has plenty of upside for the long-term investor who is ready to buy and then forget about their holdings for a decade or more.

Here are a few reasons why Bank of Nova Scotia could be the perfect investment for your portfolio.

### Scotiabank is Canada's most international bank

Over the years, Scotiabank has prided itself on being the most international bank in Canada, with operations in over 30 countries around the world. Earlier this year, Scotiabank arguably slipped into second place as a result of the bank offloading some of its Caribbean assets, but the true international gem in Scotiabank's portfolio lies further south in Latin America.

The Pacific Alliance is a trade bloc established between the nations of Mexico, Columbia, Peru, and Chile. The objective of that alliance is to increase trade and foster business opportunities between those member states while eliminating any and all tariffs between those member states.

Scotiabank saw the long-term potential of that trade bloc and invested heavily into establishing a large branch network in the region. As a result of investing in that region, Scotiabank has become the face of banking throughout the trade bloc, which has helped provide a substantial boost to earnings.

### Strong earnings and growth potential

Bank of Nova Scotia announced results for the third quarter last month, which included several noteworthy developments.

Net income for the quarter came in at \$1,984 million, representing a slight increase over the \$1,939 million reported in the same quarter last year. Once adjusted for both acquisition and divestiture-

related amounts, net income came in at an impressive \$2,455 million, or \$1.88 per diluted share, representing a solid 95 improvement over the same period last year.

Those costs were attributed to the bank re-positioning its international footprint, which included divesting out of Puerto Rico and the U.S. Virgin Islands and reducing the bank's presence in Thailand. As expected, the investment into the Pacific Alliance remains a key driver for international growth, with the bloc providing double-digit growth during the most recent quarter.

That's not to say that the bank's Canadian segment didn't fare well; the segment also reported double-digit gains thanks largely to margin expansion and deposit growth.

In addition to the strong results and continued growth, Bank of Nova Scotia offers investors an appetizing quarterly dividend, which currently provides a yield of 4.73% and makes it more than competitive with any of its big bank peers. The bank has also provided investors with a strong of annual upticks to that dividend going back nearly a decade.

## What should you do?

Between the handsome dividend and growing footprint in international markets, Bank of Nova Scotia remains a [stellar opportunity](#) for nearly any portfolio, irrespective of whether your long-term goals are income or growth minded. So far this year, the bank is up over 11% and currently trades at an attractive P/E of 11.46.

In other words, buy it, hold it, and get rich.

### 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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