



## Buy This Bank Stock and Retire Rich

### Description

Happy holidays, Fools!

Now that the holiday season and the feverish rush to buy gifts is finally subsiding for another year, it might be a good time to do some portfolio re-balancing. There are plenty of great investments in the market that are often overlooked by investors, and today we're going to discuss one of those stocks: **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)).

Bank of Nova Scotia isn't as well known as some of its larger peers, but that's no reason to bypass what could be a lucrative investment with significant long-term potential. Here are a few reasons why investors should consider Bank of Nova Scotia this holiday season.

### Growth from other markets

Unlike its big bank peers, Bank of Nova Scotia opted to expand into other international markets rather than just the booming U.S. market. Specifically, Bank of Nova Scotia opted to invest in the growing markets of Mexico, Columbia, Chile, and Peru. Collectively, those four nations comprise a trade bloc known as the Pacific Alliance. The alliance is charged with reducing tariffs between its member states, increasing trade, and [leveraging opportunities for growth](#) and greater cooperation between its member states around the world.

For Bank of Nova Scotia, the trade bloc has provided an opportunity to rapidly expand across the region and become a trusted and familiar financial partner for individuals and businesses looking to do business around the region.

To say that those efforts have been successful would be an understatement; Bank of Nova Scotia continues to see double-digit growth from the region with each passing quarter and has even invested into additional acquisitions throughout the bloc. A prime example of this is the acquisition of BBVA Chile, which propelled Bank of Nova Scotia into becoming one of the largest banks in Chile.

That acquisition was also followed up with several others, such as the deal for Banco Cencosud of

Peru announced earlier this year.

## Strong results and a generous dividend

In the most recent quarter, Bank of Nova Scotia reported net income of \$2,308 million, reflecting a bump over the \$2,271 million reported in the same quarter last year. On a per-share basis, the bank earned \$1.73 per diluted share, reflecting a \$0.02-per-diluted-share improvement over the prior period.

Over the course of the full fiscal year, the international banking segment saw double-digit earnings growth come in at \$3,837 million, while the Canadian segment generated \$4,424 million over the same period.

In terms of a dividend, Bank of Nova Scotia offers a handsome quarterly payout that continues to see annual upticks. The current payout amounts to an impressive 4.86% yield, which places Bank of Nova Scotia's dividend near the top when compared to its big bank peers.

## What should you do?

Bank of Nova Scotia's aggressive entry into the Latin American market is packed with long-term opportunity, but, more importantly, it provides a hedge against slowdowns in the Canadian and American markets. This is something that none of the bank's peers can offer currently, and that fact is often ignored.

If that was all that Bank of Nova Scotia had to offer, it would be a great investment. Factor in that juicy quarterly yield, and you have one of the better investment options on the market, which should be on the radar of nearly every long-term investor out there.

In other words, buy it, hold it, and [get rich](#).

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1. Editor's Choice

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