



Scotiabank Stock: Making All the Right Moves

Description

As we inch toward economic normalcy, finding high-quality stocks that add both stability and upside in this “new normal” isn’t necessarily that easy. Investors may be wondering what **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)), or Scotiabank, stock will do to increase the potential returns for investors. Indeed, in many ways, Scotiabank stock is a boring, bond-like investment paying a [reasonable yield](#) and providing meaningful (but not earth-shattering) returns over time.

That said, I think Scotiabank may actually be more exciting than many investors think. Here are a couple reasons why Scotiabank stock continues to be on my radar right now.

Management team shuffle

Recently, Scotiabank has announced the big Canadian bank will be shuffling its executive team. Indeed, every once in a while, a refresh is in order. Shaking things up at the top can often bring in new ideas, and/or new excitement, to the C-suite of any company.

Scotiabank believes this reorganization will put more emphasis on the high-net-worth investor segment, via the recruitment of a new leader for ScotiaMcLeod, the company’s investment brokerage.

That’s a good thing.

After the leadership shuffle, Todd Barnes will be the new head of ScotiaMcLeod Inc. He has been with Scotiabank for more than a decade. And, not long ago, Barnes was Scotia Wealth Management’s managing director. Also, Craig Gilchrist will be heading the bank of Nova Scotia’s Global Family Office Group.

The focus on wealth management and pushing for growth in this segment isn’t unique to Scotiabank. However, this move does indicate the company is laser-focused on generating growth — something I like.

Scotiabank stock as stable as can be, on stable earnings

One of the reasons Scotiabank stock is a go-to investment among many long-term buy-and-hold types is the company's dividend. Currently, Scotiabank is able to pay out a [yield of 4.7%](#). This yield is made possible by rather impressive and stable earnings, which are difficult to replicate. Additionally, Scotiabank's earnings are among the best of its peer group.

This past quarter, Scotiabank hauled in \$2.54 billion in profit. That's impressive and represents significant growth over the numbers posted in the same period last year.

As with most banks, bottom-line growth is more important, in most cases, than top-line growth. Banks are profit machines. And, in this regard, Scotiabank stock is one of the best options for investors looking for a slice of these profits.

Bottom line

Scotiabank stock remains a top pick of mine for good reason. This company is a stable, core portfolio holding for those looking for steady returns over the long term. Indeed, this market is filled with hyper-growth stocks that have done amazing things. However, those seeking more reasonable (and consistent) long-term performance may want to look at Scotiabank stock as a top pick right now.

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