



Scotiabank Stock Rose 5.6% in November: Is it a Buy Today?

Description

Scotiabank ([TSX:BNS](#)) is the [fourth largest](#) of the Big Six Canadian [bank stocks](#). It is often called “The International Bank” due to its significant global reach. Today, I want to look at how Scotiabank has performed in recent weeks. Moreover, we’ll determine whether this bank stock is worth snatching up in early December. Let’s jump in.

How has this top bank stock performed in 2022?

Shares of Scotiabank climbed 5.6% in the month of November. However, this bank is still down 24% in the year-to-date period as of mid-morning trading on December 5. This bank stock has struggled mightily since hitting a 52-week high in the month of March. Its peers in the banking space have also faced challenges in the face of economic turbulence and the most aggressive interest rate hikes from the Bank of Canada in over a decade. Foolish readers can peruse the interactive chart below.

Should investors be optimistic about this bank stock as we look ahead to the new year? Let’s dive into its last batch of fiscal 2022 results.

Should you be encouraged by Scotiabank’s last batch of earnings?

Scotiabank unveiled its fourth-quarter (Q4) and full-year fiscal 2022 earnings on November 29. In Q4 2022, the bank posted adjusted net income of \$2.61 billion, or \$2.06 per share — down from \$2.71 billion, or \$2.10 per share, in the previous year. This slowdown to close out the year may indicate rough waters for Scotiabank and its peers as we look ahead to 2023.

For the full year, the bank delivered adjusted net income of \$10.7 billion, or \$8.50 per diluted share. That was up from \$10.1 billion, or \$7.87 per diluted share, for the full year in fiscal 2021. Its Canadian Banking segment posted adjusted earnings growth of 15% to \$4.77 billion. This segment was powered by strong residential mortgage and business banking loan growth. Meanwhile, its International Banking

segment delivered adjusted earnings of \$2.44 billion — up 32% from the prior year.

Overall, Scotiabank was able to shoot over its medium-term profitability targets on an adjusted basis. Management remains confident in its long-term prospects. However, it faces significant headwinds along with its peers in the form of significant interest rate tightening and the rising possibility of a global recession.

Scotiabank: Is this bank stock worth buying right now?

This bank stock currently possesses a very favourable [price-to-earnings ratio of 8.5](#). That puts Scotiabank in more attractive value territory compared to its industry peers. Investors on the hunt for value should strongly consider snatching up this top bank stock on the dip. Scotiabank last announced a quarterly [dividend of \\$1.03 per share](#). That represents a tasty 6% yield.

I'm looking to snatch up Scotiabank for its nice value and the very strong dividend it offers in late 2022. Moreover, this bank gives investors exposure to great global diversification.

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aocallaghan

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