

Scotia Latin American Fund

Benchmark
CIBC WM 91 Day Treasury Bill CAD

Fund Category
Miscellaneous

Morningstar Rating™
N/A

Investment Objective

The fund's objective is long-term capital growth. It invests primarily in a broad range of high quality equity securities of companies in Latin America.

Reasons for Investing

- ▶ Significant macroeconomic improvements and favourable demographics support the case for investing in emerging markets.
- ▶ Offers concentrated exposure to Latin American equity markets well positioned for future growth.
- ▶ Focused exposure to Latin American companies makes the fund a potential diversifier in a portfolio that has a heavy weighting to developing countries.

Risk Rating



Time Horizon 5 years or more

Fund Essentials

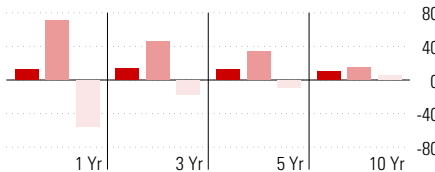
Inception Date	October 1994
Total Assets \$Mil	74.05
Min. Initial Inv.(\$)	500
Min. Additional Inv.(\$)	50
Income Distribution	Annually
Capital Distribution	Annually
MER %	2.60
NAV \$ as of 10-31-2009	27.25

Class Options

Class	Load Structure	Currency	Fund Code
A	No Load	CAD	BNS364
F	No Load	CAD	BNS564

Management Company Scotia Asset Management
Telephone 800 268-9269
Web Site www.scotiafunds.com

Performance Analysis as of 10-31-2009



Best/Worst Periods (%)	1 Yr	3 Yr	5 Yr	10 Yr
Avg.	12.1	13.4	12.5	10.0
Best	70.4	45.3	34.2	14.6
Worst	-55.4	-16.7	-9.3	5.6
No. of Periods	169	145	121	61
% Positive	67.5	73.1	86.8	100.0

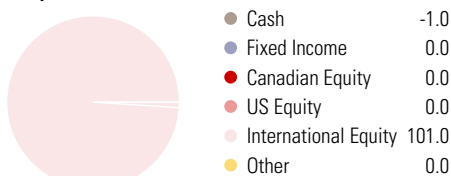
Trailing Returns (%)	1 Mth	3 Mth	6 Mth	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr
Fund	3.2	17.9	38.0	68.2	-13.4	1.7	16.5	10.9
Benchmark	0.0	0.1	0.1	1.0	2.1	2.9	2.9	3.3
Quartile	1	1	1	1	3	3	1	1

Calendar Year Returns (%)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	YTD
Fund	56.3	-13.0	0.1	-20.5	31.3	25.3	44.0	43.8	15.0	-52.4	62.1
Benchmark	4.7	5.4	4.8	2.4	2.9	2.3	2.5	3.8	4.3	3.1	0.5
Quartile	2	3	2	4	1	1	1	1	1	4	1

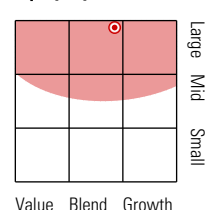
Distributions (\$/unit)											
Total	—	—	0.91	—	—	0.12	0.19	0.74	2.96	—	—
Income	—	—	0.91	—	—	0.12	0.19	0.08	0.03	—	—
Capital Gains	—	—	—	—	—	—	—	0.66	2.94	—	—

Portfolio Analysis as of 09-30-2009

Composition



Equity Style



Market Cap

Market Cap	%
Giant	40.2
Large	45.9
Medium	10.5
Small	2.4
Micro	1.1

Geographic Allocation

Geographic Allocation	% Assets
Brazil	78.6
Mexico	16.7
Chile	4.7
Luxembourg	1.1
Canada	-1.0

Top 5 Sector Allocation

Top 5 Sector Allocation	% Assets
Materials	29.4
Financials	24.8
Energy	17.7
Telecommunications Services	12.1
Consumer Staples	5.0

Top Holdings

Top Holdings	% Assets
Vale S.A.	9.2
Petroleo Brasileiro S.A.	8.0
Banco Bradesco	6.5
Itau Unibanco Holding S.A. ADR	6.3
OGX Petroleo E Gas Participacoes S.A.	6.1
America Movil S.A.B. de C.V. ADR L	4.3
Gerdau SA	4.2
Companhia Siderurgica Nacional	3.8
Bradespar	3.1
Itausa - Investimentos Itau	3.0
Banco do Brasil SA BB Brasil	2.5
Cemex Sab de CV	2.3
Even Construtora E Incorporadora S.A.	2.1
Grupo Mexico	2.1
Companhia Brasileira de Meios de	2.0

Top Holdings Cont'd

Top Holdings Cont'd	% Assets
Multipan Empreendimentos Imobiliarios S.A	1.9
Cyrela Brazil Realty S.A.	1.7
Telemar Norte Leste	1.7
Wal-Mart De Mexico SAB de CV	1.6
Fomento Economico Mexicano, SAB de CV	1.6
Petroleo Brasileiro SA (Preference)	1.6
Vivo Participacoes	1.6
Metalurgica Gerdau	1.5
BMF Bovespa S.A	1.4
Redecard S.A.	1.3

Total Number of Portfolio Holdings	52
Total Number of Stock Holdings	51
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Underlying Holdings	52

Scotia Latin American Fund

Portfolio Advisor Overview

Manager Bio



Karim Abdel-Motaal
Manager Since 2009-5-1
GLG Partners Inc

Karim is Co-Head of the Emerging Market team at GLG. He joined the firm from Morgan Stanley where he was the Global Co-Head of Emerging Markets.

Prior to Morgan Stanley, Karim was a Portfolio Manager at Tudor Capital where he managed one of the firm's emerging markets trading books. Prior to Tudor, Karim was the Global Head of Emerging Local Markets Research at J.P. Morgan. During this time, he was responsible for building J.P. Morgan's local currency research effort and developing a suite of models and indices that have become benchmarks for the asset class.

Additional Information

You can find additional information about each fund in its annual information form, its most recently filed annual and interim financial statements, and its most recently filed annual and interim management reports of fund performance.

You can get a copy of these documents, at no charge, by calling 1 800 268-9269 for English or 1 800 387-5004 for French, or from your dealer or broker. You can also download these documents from our website at www.scotiafunds.com, or from SEDAR at www.sedar.com.

Portfolio Advisor Quarterly Commentary as of 09-30-2009

The return of Scotia Latin American Fund was 14.09% over the quarter versus the benchmark MSCI Emerging Market Latin American Index return of 15.31% (both fund and index returns are in Canadian dollars).

During the quarter, the fund slightly underperformed its benchmark despite very good stock and sector selection, as both country and foreign exchange allocations weighed slightly on its performance. Broadly speaking, the materials sector was the stand out performer, as China's insatiable demand for commodities continued. Chile was the only market to decline, due to the fact that

almost a third of the market consists of companies in the more defensive utilities sector.

The portfolio advisor believes that the growth spurt, which was derived from the enormous stimulus activity initiated by the public sector, will diminish over time. In their opinion the key question to ask is to what degree and how fast will private sector sources of growth take over from the public sector. The portfolio advisor remains bullish on the region, as in their opinion the private sector is already starting to fuel growth in the region.

Disclosure

TM Trademark of The Bank of Nova Scotia, used under licence.
 ® Registered trademark of The Bank of Nova Scotia, used under licence.

IMPORTANT MUTUAL FUND INFORMATION

ScotiaFunds are managed by Scotia Asset Management LP, a corporate entity separate from, although wholly-owned by, The Bank of Nova Scotia.

Fund prices are provided for information purposes only. All information pertains to Class A units of the fund unless stated otherwise.

Units of the fund are only available for sale to residents of Canada, unless the laws of a foreign jurisdiction permit sales to its residents. Please contact your financial advisor for more details. The contents of this document should not be considered an offer to sell to, or a solicitation to buy mutual fund units from, any person in a jurisdiction where such offer or solicitation is considered unlawful.

Important information about the fund is contained in the Simplified Prospectus, which should be read carefully before investing. Commissions, trailing commissions, management fees and expenses may be associated with mutual fund investments. The performance data provided assumes reinvestment of distributions and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. There can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment will be returned to you. Mutual funds are not covered by the Canada Deposit Insurance Corporation (CDIC) or by any other government deposit insurer. Past performance may not be repeated.

Scotia Asset Management LP, as Manager of the ScotiaFunds, may compensate its staff and any appointed sub-distributor by regular payments based on the net asset value (NAV) of units held by investors. For further details, please refer to the Simplified Prospectus.