

Scotia U.S. \$ Bond Fund - Series A

Global Fixed Income

Investment Objective

The fund's objective is to provide a high level of interest income. It invests primarily in bonds and treasury bills that are denominated in U.S. dollars and are issued by governments, corporations or supranational entities around the world.

Reasons for Investing

- One of the few U.S. dollar denominated income funds in the Canadian marketplace.
- Great alternative for "snowbird" investors, offering regular U.S. dollar interest income at low to medium risk.
- Invests primarily in investment grade corporate and government securities.

Risk Rating



Time Horizon — Medium-Long

FUND ESSENTIALS

Inception Date	November 27, 1991
Total Assets \$mil	34.44
Min. Initial Inv.(\$)	500
Min. Additional Inv.(\$)	25
Income Distribution	Monthly
Capital Distribution	Annually
MER % (as of 12/31/2017)	1.30
NAV \$	10.85
Benchmark	BofA Merrill Lynch U.S. Corporate & Government Master (USD Unhedged) Index

Series	Load Structure	Currency	Fund Code
A	No Load	USD	BNS359
F	No Load	USD	BNS559

Portfolio Manager(s)

Kevin Pye 1832 Asset Management L.P.

Management 1832 Asset Management L.P.

Telephone 1-800-268-9269

Website www.scotiafunds.com

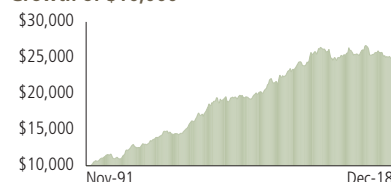
PERFORMANCE & PORTFOLIO ANALYSIS

Compound returns (%)	1 Mth	3 Mth	6 Mth	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr
Fund	1.71	1.50	1.11	-1.41	0.10	0.14	0.65	1.17

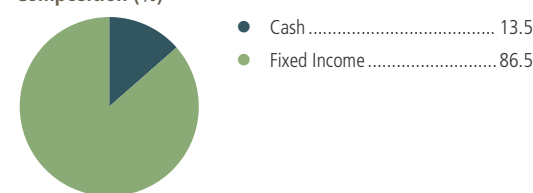
Calendar Year Returns (%)	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Fund	-1.41	1.63	0.21	-1.59	4.53	-5.64	1.45	7.58	3.67	1.91	5.99

Distributions (\$/unit)	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.15	0.13	0.03	0.05	0.05	0.10	0.14	0.18	0.21	0.31	0.36
Interest	--	0.13	0.03	0.05	0.05	0.10	0.14	0.18	0.21	0.31	0.36

Growth of \$10,000



Composition (%)



Credit Quality* (%)

High (AAA, AA)	72.0
Medium (A, BBB)	26.3
NA/NR	1.6
Average Maturity (years)	9.0
Average Duration (years)	6.9

Geographic Allocation (%)

United States of America	91.4
Canada	7.2
France	1.4

Top 10 Holdings

	% Assets
US Treasury Note 1.125% 123119	12.7
US Treasury N/B 1.75% 123120	11.2
US TREASURY N/B 1.750% 113021	9.9
US TREASURY N/B 3% 021548	8.6
JPMORGAN CHASE & CO 2.972% 121522-011523	4.2
Reynolds American 4.45% 031225-061225	4.1
US TREASURY N/B 2.75% 081542	3.8
United States Treasury N/B 2.875% 081528	3.6
US TREASURY N/B 2.5% 051546	3.5
THERMO FISHER SCIEN 2.95% 061926-091926	3.2

Fixed Income Breakdown (%)

Government Bonds	48.3
Corporate Bonds	31.2
Other Bonds	4.1
Short-term investments (Cash & Other)	13.5
REITs	2.9

Total Portfolio Holdings

Stock Holdings	0
Bond Holdings	29
Other Holdings	2
Total Number of Underlying Holdings	31

Total

64.8

* Ratings are statements of opinion and are not statements of fact or recommendations to purchase, hold or sell securities. They do not address the market value of securities or the suitability of securities for investment purposes, and should not be relied on as investment advice. Neither Standard & Poor's nor any of its affiliates shall be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, legal fees, or losses (including lost income or profits and opportunity costs or losses caused by negligence) in connection with any credit ratings.

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MANAGER BIO



Kevin Pye

Manager Since October 1, 2014

1832 Asset Management L.P.

Kevin Pye is Vice President & Portfolio Manager at 1832 Asset Management L.P. Kevin has been a member of the fixed income team at 1832 Asset Management L.P. and predecessor companies where he was responsible for the management of institutional accounts with mandates that have an average term of 10 years or less. Kevin holds the CFA designation and has a B.A. from The University of Western Ontario, and an M.A. from Wilfrid Laurier University.

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1832 Asset Management L.P., 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.