

# Scotia CanAm Index Fund

**Benchmark**  
S&P 500 TR (Bank of Canada) CAD

**Fund Category**  
US Equity

**Morningstar Rating™**  
★★★

## Investment Objective

The fund's objective is long-term capital growth by tracking the performance of a generally recognized U.S. equity index, while maintaining 100% eligibility for registered plans. The fund currently tracks the Standard & Poor's 500 (S&P 500) Index. It invests primarily in futures contracts that are linked to the performance of the index and in cash, Government of Canada treasury bills and other short-term debt instruments guaranteed by the Government of Canada.

## Reasons for Investing

- ▶ Offers fully invested exposure to the U.S. equity market.
- ▶ Enables investors to track the performance of the S&P 500 Index through the purchase of futures contracts.
- ▶ Cost efficient investment to gain broad U.S. equity market exposure within a registered account.

## Risk Rating



**Time Horizon** 5 years or more

## Fund Essentials

Inception Date	July 1993
Total Assets \$Mil	64.32
Min. Initial Inv.(\$)	1,000
Min. Additional Inv.(\$)	50
Income Distribution	Annually
Capital Distribution	Annually
MER %	0.98
NAV \$ as of 10-31-2009	6.70

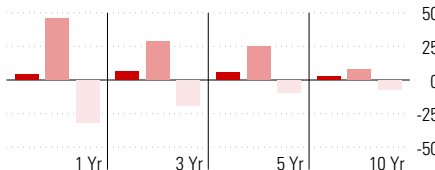
## Class Options

Class	Load Structure	Currency	Fund Code
A	No Load	CAD	BNS351
F	No Load	CAD	BNS551

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.	4.1	6.1	5.5	2.7
Best	45.8	28.7	25.0	7.9
Worst	-31.9	-18.8	-9.3	-6.9
No. of Periods	184	160	136	76
% Positive	60.9	58.1	45.6	68.4

Trailing Returns (%)	1 Mth	3 Mth	6 Mth	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr
Fund	-1.0	5.5	8.1	-3.8	-12.3	-9.7	-3.6	-6.0
Benchmark	-1.4	5.3	8.3	-2.8	-10.8	-8.3	-2.1	-4.0
Quartile	2	2	2	3	2	3	3	3

Calendar Year Returns (%)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	YTD
Fund	17.5	-13.2	-8.0	-24.2	3.5	1.5	0.2	14.3	-11.8	-24.2	2.9
Benchmark	14.2	-5.5	-6.4	-22.7	5.2	3.3	1.6	15.7	-10.5	-21.9	3.0
Quartile	2	4	2	3	3	3	3	2	3	2	3

Distributions (\$/unit)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	YTD
Total	1.28	—	—	—	—	—	—	—	—	—	—
Income	1.28	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—

## Portfolio Analysis as of 09-30-2009

Composition	% Assets	Equity Style	Market Cap	%
Cash	4.1	Value	Giant	50.9
Fixed Income	0.0	Blend	Large	35.3
Canadian Equity	0.2	Growth	Medium	13.6
US Equity	95.7		Small	0.2
International Equity	0.0		Micro	0.0
Other	0.0			

Geographic Allocation	% Assets	Top 5 Sector Allocation	% Assets
United States	95.7	Information Technology	18.7
Canada	4.3	Financials	15.2
		Health Care	13.1
		Energy	11.7
		Consumer Staples	11.6

Top Holdings	% Assets	Top Holdings Cont'd	% Assets
Cash & Cash Equivalents	4.1	Google, Inc.	1.2
ExxonMobil Corporation	3.4	Hewlett-Packard Company	1.2
Microsoft Corporation	2.1	Pfizer Inc.	1.1
General Electric Company	1.8	Intel Corporation	1.1
J.P. Morgan Chase & Co.	1.8	Wal-Mart Stores, Inc.	1.1
Procter & Gamble Company	1.7	Philip Morris International Inc	1.0
Johnson & Johnson	1.7	Goldman Sachs Group, Inc.	1.0
Apple, Inc.	1.7	PepsiCo, Inc.	0.9
AT&T, Inc.	1.6	Verizon Communications Inc.	0.9
International Business Machines Corp	1.6	Oracle Corporation	0.8
Bank of America Corporation	1.5	<b>Total Number of Portfolio Holdings</b>	<b>500</b>
Chevron Corporation	1.5	Total Number of Stock Holdings	499
Cisco Systems, Inc.	1.4	Total Number of Bond Holdings	0
Wells Fargo Company	1.4	Total Number of Other Holdings	1
Coca-Cola Company	1.3	Total Number of Underlying Holdings	500

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## Portfolio Advisor Overview

### Manager Bio



**Cameron Winser**  
**Manager Since** 2007-10-1  
**Scotia Asset Management**

Cameron has been the Director of U.S. Equities since joining Scotia Asset Management in 2007. He has extensive experience with U.S. and Canadian equities and his disciplined method of investing combines quantitative, technical and fundamental analysis.

Prior to joining Scotia Asset Management, Cameron worked at RBC for eleven years. Positions which allowed Cameron to acquire experience include Derivatives Analyst & Trader, Quantitative Analyst and most recently, Portfolio Manager, North American Equities.

### 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](http://www.scotiafunds.com), or from SEDAR at [www.sedar.com](http://www.sedar.com).

### Portfolio Advisor Quarterly Commentary as of 09-30-2009

The return of Scotia CanAm Index Fund over the quarter was 6.07% versus the benchmark S&P 500 Index return of 6.84% (both fund and index returns are in Canadian dollars).

During the quarter, the U.S. dollar depreciated relative to the Canadian dollar, detracting from the fund's total return in Canadian dollars. All economic sectors were positive, as breadth expanded during the market's continued advance. The best performing sectors were the financials, industrials and materials sectors. Defensive sectors such as telecom services, utilities and health care were up, but lagged the performance of the other economic sectors. Stocks that significantly added to the index' performance during the period were

Hartford Financial and CBS, while stocks that detracted from the index' performance over the period included McGraw Hill and Eli Lilly.

The idea that economic activity has improved now seems widely accepted by the majority of market participants. The portfolio advisor believes we are now in the early stages of wind down for some stimulus measures and programs designed to aid the economy and many large financial institutions. Many economic signals regarding the U.S. economy continue to be positive, specifically related to housing. Housing affordability is just off an all time high and house prices have been steadily rising off the April 2009 lows, according to the S&P Case-Shiller Composite.

### Disclosure

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### 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.