

Scotia Diversified Monthly Income Fund - Series A

Canadian Neutral Balanced

Investment Objective

The fund's objective is to provide regular monthly income and some capital appreciation. It invests primarily in a diversified portfolio of income generating securities such as: dividend paying common shares, preferred shares, investment grade bonds, convertible debentures, mortgages, high yield bonds, asset-backed and mortgage-backed securities, income trust units.

Reasons for Investing

- A monthly stream of cash flow to supplement current income needs and the potential for some capital appreciation.
- Typically uses three primary sources of income to generate cash flow: Canadian bonds, mortgages and conservative higher dividend-paying equities.
- Balancing exposure to two main asset classes reduces overall volatility, making it suitable for a conservative investor seeking measured stock and bond exposure.

Risk Rating



Time Horizon — Medium-Long

FUND ESSENTIALS

Inception Date	June 20, 2005
Total Assets \$mil	2,949.22
Min. Initial Inv.(\$)	500
Min. Additional Inv.(\$)	25
Income Distribution	Monthly
Capital Distribution	Annually
MER % (as of 6/30/2017)	1.47
NAV \$	11.22
Benchmark	50% S&P/TSX Composite Index, 50% FTSE TMX Canada Universe Bond Index

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	BNS339
D	No Load	CAD	BNS139
F	No Load	CAD	BNS539
Adv*	Deferred Sales	CAD	BNS939
Adv*	Front End	CAD	BNS739
Adv*	Low Load	CAD	BNS839

* All advisor series funds are closed to new investment effective June 25, 2015.

Portfolio Manager(s)

Oscar Belaiche 1832 Asset Management L.P.
 Romas Budd 1832 Asset Management L.P.

Management 1832 Asset Management L.P.

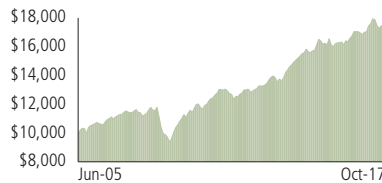
Telephone 1-800-268-9269

Website www.scotiafunds.com

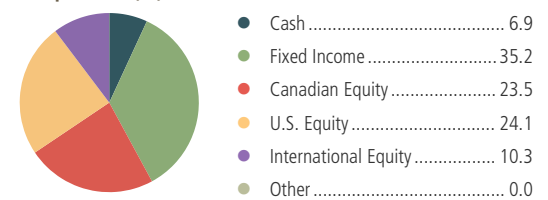
PERFORMANCE & PORTFOLIO ANALYSIS

Compound returns (%)	1 Mth	3 Mth	6 Mth	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr			
Fund	2.50	3.82	0.00	5.72	5.14	4.77	6.20	4.42			
Calendar Year Returns (%)	YTD	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Fund	5.36	4.49	3.38	7.73	9.59	5.10	0.26	9.22	17.40	-13.46	2.65
Distributions (\$/unit)	YTD	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.30	0.36	0.57	0.36	0.36	0.36	0.36	0.36	0.36	0.50	0.37
Interest	--	0.03	--	--	0.01	0.04	0.05	0.07	0.11	0.36	0.22
Dividends	--	0.13	0.13	0.16	0.18	0.17	0.16	0.16	0.16	0.14	0.12
Capital Gains	--	0.01	0.43	0.20	--	--	--	--	--	--	0.03
Return of Capital (ROC)	--	0.19	--	--	0.17	0.15	0.15	0.13	0.09	--	--

Growth of \$10,000



Composition (%)



Top 10 Holdings

Scotia Canadian Income Fund	% Assets
Scotia Private Canadian Corporate Bond Pool	
TransCanada Corporation	
BCE Inc.	
Microsoft Corporation	
Canadian Imperial Bank of Commerce	
Bank of Nova Scotia	
Royal Bank of Canada	
Fortis Inc.	
Canadian Pacific Railway Ltd.	

Total

Geographic Allocation (%)

Canada	62.8
United States of America	26.9
United Kingdom	5.0
Germany	1.8
Ireland	1.7

Fixed Income Breakdown (%)

Government Bonds	37.8
Corporate Bonds	43.5
Other Bonds	0.6
Short-term investments (Cash & Other)	16.4
Mortgage Backed Securities	0.1
Asset Backed securities	1.1
REITs	0.6

Total Portfolio Holdings

Stock Holdings	77
Bond Holdings	126
Other Holdings	6
Total Number of Underlying Holdings	209

Scotia Diversified Monthly Income Fund - Series A

Canadian Neutral Balanced

MANAGER BIO



Oscar Belaiche
Manager Since November 1, 2011
1832 Asset Management L.P.

Oscar is Senior Vice President & Portfolio Manager at 1832 Asset Management L.P. He joined 1832 Asset Management L.P. in 1997 and currently heads Dynamic's awardwinning Equity Income team, managing over \$8.0 billion in assets. Oscar graduated in 1980 with an Honours B.A. in Business Administration from the University of Western Ontario. He has his Chartered Financial Analyst designation and is a Fellow of the Institute of Canadian Bankers.



Romas Budd
Manager Since November 1, 2011
1832 Asset Management L.P.

Romas Budd is Vice President & Portfolio Manager at 1832 Asset Management L.P. Romas started in the investment industry in 1984 and has been at 1832 Asset Management L.P. and predecessor companies for the past 20 years. Romas is an Honours graduate of the Bachelor of Science program at McMaster University and obtained a Masters of Business Administration from the University of Toronto.

© Registered trademarks of The Bank of Nova Scotia, used under licence.

ScotiaFunds® are managed by 1832 Asset Management L.P., a limited partnership the general partner of which is wholly owned by The Bank of Nova Scotia. ScotiaFunds are available through Scotia Securities Inc. and from other dealers and advisors, including ScotiaMcLeod® and Scotia iTRADE® which are divisions of Scotia Capital Inc. Scotia Securities Inc. and Scotia Capital Inc. are wholly owned by The Bank of Nova Scotia. Scotia Capital Inc. is a member of the Canadian Investor Protection Fund and the Investment Industry Regulatory Organization of Canada.

Fund prices are provided for information purposes only. All information pertains to Series 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 MUTUAL FUND INFORMATION

Commissions, trailing commissions, management fees and expenses may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed or insured by the Canada Deposit Insurance Corporation or any other government deposit insurer, their values change frequently and past performance may not be repeated. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and does not take into account sales, redemption, distribution or optional charges or incomes taxes payable by any security holder that would have reduced returns.

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.