

# Scotia Money Market Fund - Premium Class

**Benchmark**  
CIBC WM 91 Day Treasury Bill CAD

**Fund Category**  
Canadian Money Market

**Morningstar Rating™**  
N/A

## Investment Objective

The fund's objective is to provide income and liquidity, while maintaining a high level of safety. It invests primarily in high quality, short term fixed income securities issued by Canadian federal, provincial and municipal governments, Canadian chartered banks and trust companies, and corporations.

## Reasons for Investing

- ▶ Safety through diversification by investing in multiple high quality securities with multiple maturity terms and from multiple issuers.
- ▶ Premium class units are offered with a lower management fee compared to Class A units, offering the potential for a higher yield and monthly income.
- ▶ Offers highly liquid, short-term safety by investing in securities with an average term to maturity of between 30 and 90 days.

## Risk Rating



**Time Horizon** Up to 2 years

## Fund Essentials

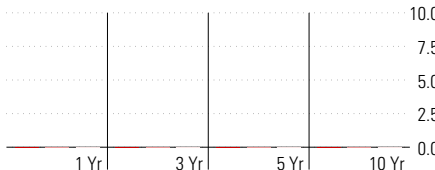
Inception Date	November 2008
Total Assets \$Mil	—
Min. Initial Inv.(\$)	100,000
Min. Additional Inv.(\$)	500
Income Distribution	Monthly
Capital Distribution	Annually
MER %	0.33
NAV \$ as of 10-31-2009	10.00

## Class Options

Class	Load Structure	Currency	Fund Code
Prem	No Load	CAD	BNS257

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.	—	—	—	—
Best	—	—	—	—
Worst	—	—	—	—
No. of Periods	—	—	—	—
% Positive	—	—	—	—

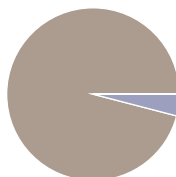
Trailing Returns (%)	1 Mth	3 Mth	6 Mth	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr
Fund	0.06	0.19	0.46	—	—	—	—	—
Benchmark	0.02	0.06	0.11	0.99	2.14	2.86	2.93	3.27
Quartile	1	1	1	—	—	—	—	—

Calendar Year Returns (%)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	YTD
Fund	—	—	—	—	—	—	—	—	—	—	1.00
Benchmark	4.70	5.38	4.82	2.36	2.89	2.27	2.48	3.84	4.29	3.13	0.47
Quartile	—	—	—	—	—	—	—	—	—	—	1

Distributions (\$/unit)	2007	2008	YTD
Total	—	0.0243	0.0996
Income	—	0.0243	0.0996
Capital Gains	—	—	—

## Portfolio Analysis as of 09-30-2009

Composition	% Assets
Cash	96.0
Fixed Income	4.0
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0



Fixed Income Style	Credit Quality	%
High	High	10.4
Med	Medium	20.4
Low	Low	0.0
Low	NR/NA	69.2

Cash Breakdown	Cash (%)
Corporate Cash	34.2
Liquid Bonds	59.1
Treasury Bills	3.8
General Cash	2.9

Fixed Income Breakdown	% Bond
Government Bonds	0.0
Corporate Bonds	2.7
Other Bonds	1.4
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	96.0
Asset Backed Securities	0.0

Top Holdings	% Assets
Genesis Trust 4.002% 15-03-2010	4.7
Cards li Tr 4.379% 15-10-2009	3.6
Golden Cr. Card Tr 4.047% 15-06-2010	3.5
Thomson Reuters 4.35% 01-12-2009	3.1
Toyota Credit Cda C/P	2.6
Shoppers Drug Mart (CP)	2.5
Master Cr. Card Tr 4.38% 21-11-2009	2.4
Borealis Finance Trust C/P	2.4
Bank Of Montreal 1.687% 02-09-2010	2.2
National Bk Of Cda 0.6986% 04-06-2010	2.2
Imperial Oil Ltd C/P	2.1
Canadian T-Bill 07-10-2009	2.0
Westcoast Engy 7.2% 26-01-2010	1.9
Ontario Prov Cda 0.68286% 14-12-2009	1.8
National Bank Of Cda T/D	1.8

Top Holdings Cont'd	% Assets
GTAA 6.7% 19-07-2010	1.7
Bank of Nova Scotia 3.45% 05-11-2009	1.7
Epcor Utils 6.95% 28-06-2010	1.5
Manulife Bk Cda 3.716% 23-06-2010	1.5
Cards II Tr 0.48571% 20-03-2013	1.4
GE Cap Cda Fdg 3.65% 07-06-2010	1.3
CIBC 4.95% 02-09-2010	1.3
Telus Corporation C/P	1.3
Canadian T-Bill 01-10-2009	1.2
Enbridge Mtn Cds 3.95% 15-02-2010	1.2

Total Number of Portfolio Holdings	148
Total Number of Stock Holdings	0
Total Number of Bond Holdings	6
Total Number of Other Holdings	142
Total Number of Underlying Holdings	148

# Scotia Money Market Fund - Premium Class

## Portfolio Advisor Overview

### Manager Bio



**Bill Girard**

**Manager Since** 2008-11-24

**Scotia Asset Management**

Bill joined Scotia Asset Management in 1994 having been with the Scotiabank Group for 20 years. He is a member of the fixed income team and has responsibility for credit risk across all managed client portfolios.

Bill began his career in the corporate credit division before moving to the corporate banking division. He joined the fixed income team at Scotia Asset Management in 1994 where he established a successful track record in value added trading, research and portfolio management which led him into successively more senior positions until assuming his current position.

### 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 Money Market Fund (Premium Class) over the quarter was 0.21% versus the benchmark DEX 60-Day T-Bill Index return of 0.00%.

The fund continued to generate income during the third quarter. The Bank of Canada decided to keep the overnight rate at 0.25% after their meetings in July and September. Core inflation has become less of a concern, remaining well below the Bank of Canada's target of 2%.

Over the period, the three-month T-bill rates remained

constant, while commercial paper rates declined slightly. Due to the anticipation of rising interest rates next summer, the yield of the one-year T-bills maturing in September 2010 has begun to rise, resulting in a steeper money market yield curve.

The portfolio advisor continues to maintain an average term to maturity for the fund of approximately 70 days. The majority of the fund's assets remain invested in bank notes and commercial paper.

### 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.

The annual historical yield is based on the seven-day period ended on October 31, 2009 (annualized in the case of effective yield by compounding the seven-day return) and does not represent an actual one-year return.

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.