

### FUND DESCRIPTION

This Fund invests in growth-oriented, high-quality equity securities listed on Canadian stock exchanges. Some high quality Canadian dollar denominated corporate paper may also be purchased.

**Investment objective:** The objective of this Fund is long term capital growth.

**Inception date:** August 31, 1994.

### FUND ADVISOR:

Scotia Asset Management is manager for mutual fund trust, private client, fee based and institutional mandates with assets that exceed \$39 billion.

### FUND QUICK FACTS:

**Mgmt Fee:** 1.50%

**NAV:** US\$ 2.6330

**AUM:** US\$ 28,359,101.68

**Bench Mark:** S&P/TSX Index

**Fund Code:** SBF 105

**Number of Holdings:** 53

### SALES CHARGES

A front-end load may apply.

### ASSET CLASS

Growth.

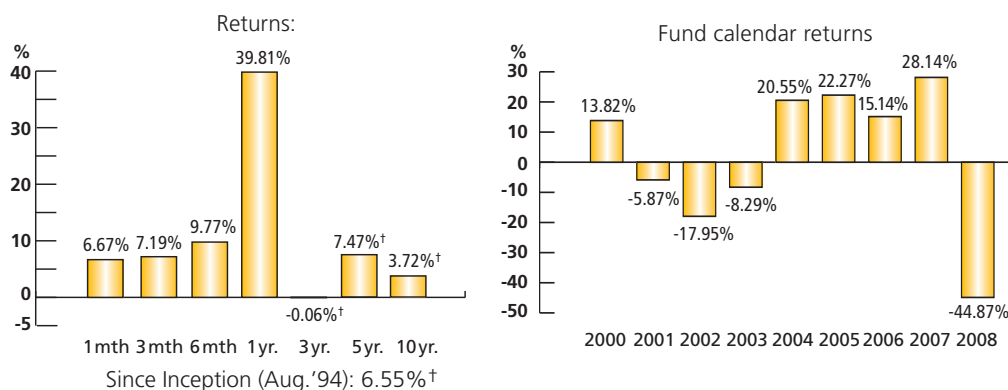
### MARKET COMMENTARY

The Scotiabank Canadian Growth Fund returned 15.79% for the third quarter of 2009. For the quarter, the best-performing sector was Health Care (+22.2%). Performance of the index was enhanced by the returns realized from Financials (+16.1%) led by Diversified Financials and Real Estate. The worst performing sector in the quarter was Information Technology (-8.1%) partially due to a 12.5% drop by Research in Motion as it reduced its earnings guidance.

While volatility in world equity markets continues to be a factor in the markets this year, earnings expectations have been ratcheted down and this sets the stage for a recovery heading in to the last quarter of the year and into 2010. We continue to search out opportunities to add to equity portfolios in the coming months since the long-term prospects for equities relative to other asset classes will be recognized as the business cycle recovers.

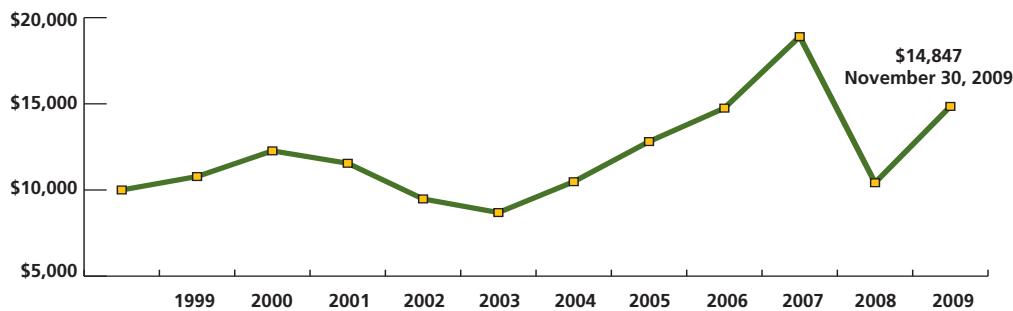
### FUND PERFORMANCE

The Fund returned 6.67% in the month compared to the S&P/TSX Index of 7.14%.



Net Asset Values and performance figures are net of all Fund expenses.

### \$10,000 Growth from December 1999 until November 30, 2009



### PORTFOLIO BREAKDOWN<sup>^</sup>

SECTORS:	Fund %	Index/ Benchmark %
Financials	30.1	31.0
Energy	29.2	28.1
Materials	18.2	18.5
Industrials	6.6	5.4
Telecom	4.9	4.4
Information Technology	3.9	3.5
Consumer Discretionary	3.5	4.3
Consumer Staples	2.5	2.7
Utilities	1.1	1.5
Health Care	0.0	0.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### 10 LARGEST HOLDINGS:

	Fund %
<b>Royal Bank:</b> Canada's largest listed company.	7.6
<b>TD Bank:</b> A core Canadian bank that has limited exposure to the sub-prime problems in the US.	5.8
<b>Suncor:</b> An oil and gas company with a dominant presence in the Alberta oil Sands.	5.2
<b>Encana:</b> Canada's largest energy company by market capitalization.	4.8
<b>Barrick Corp:</b> The world's largest gold producer, with operations and projects in 10 countries.	3.9
<b>Research in Motion:</b> A world leader in mobile messaging solutions.	3.7
<b>Can. Natural Resources:</b> A large-cap independent producer of oil and natural gas.	3.4
<b>Manulife Financial Corp:</b> Canada's largest global insurer.	3.3
<b>Potash Corp:</b> The world's leading producer of potash, with approx. 22% of world capacity.	3.2
<b>Canadian Natl Railway:</b> The largest railway in Canada	3.0

Important information about Scotiabank Mutual Funds is contained in the Funds' prospectus. Copies are available from Scotiabank and Scotiabank branches and should be read carefully before investing. Share values and investment returns for the Funds will fluctuate. Past performance is not indicative of future performance. Scotiabank Mutual Funds are not insured by, nor guaranteed by, The Bank of Nova Scotia.

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