

Scotia Bond Fund - Series A

Canadian Fixed Income

Investment Objective

The fund's objective is to provide a steady flow of income and modest capital gains. The fund invests primarily in high-quality fixed income securities issued by Canadian federal, provincial and municipal governments and Canadian corporations.

Reasons for Investing

- Traditional sector allocation makes the fund suitable as a core fixed income holding for most investors.
- Seeks to enhance overall return through active portfolio management and investment strategies within a disciplined risk-controlled framework.
- Invests primarily in investment grade Canadian fixed income securities.

Risk Rating



Time Horizon — Medium-Long

FUND ESSENTIALS

Inception Date	August 17, 2009
Total Assets \$mil	49.38
Min. Initial Inv.(\$)	500
Min. Additional Inv.(\$)	25
Income Distribution	Monthly
Capital Distribution	Annually
MER % (as of 12/31/2017)	1.29
NAV \$	10.02
Benchmark	FTSE TMX Canada Universe Bond Index

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	BNS314

Portfolio Manager(s)

Romas Budd 1832 Asset Management L.P.

Management 1832 Asset Management L.P.

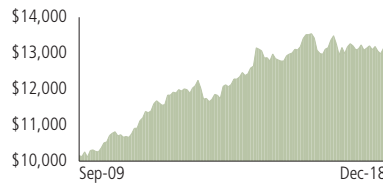
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Website www.scotiafunds.com

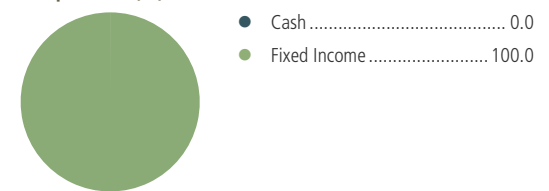
PERFORMANCE & PORTFOLIO ANALYSIS

Compound returns (%)	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Incep.			
Fund	1.66	2.25	1.09	1.10	1.07	2.60	--	3.15			
Calendar Year Returns (%)	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Fund	1.10	1.62	0.49	2.30	7.66	-2.05	3.37	8.02	6.17	--	--
Distributions (\$/unit)	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.25	0.25	0.31	0.43	0.31	0.30	0.51	0.27	0.31	0.08	--
Interest	--	0.25	0.23	0.26	0.31	0.26	0.27	0.27	0.31	0.08	--
Capital Gains	--	--	0.08	0.17	--	0.04	0.24	--	--	--	--

Growth of \$10,000



Composition (%)



Credit Quality* (%)

High (AAA, AA)	58.5
Medium (A, BBB)	41.5
Average Maturity (years)	10.4
Average Duration (years)	7.9

Top 10 Holdings

	% Assets
Canada Government 5.75% 060133	24.8
Ontario Province 4.2% 060220	15.1
Ontario Province 5.6% 060235	8.8
BC Province 5.7% 061829	7.9
Canada Government 5% 060137	7.0
CANADA HOUSING TRUST 2.65% 121528	6.6
Rogers Communications 4% 060622	1.2
CANADIAN NATL RAILWAY 2.8% 062225-092225	1.2
MCDONALD'S CORP 3.125% 04-MAR-25	1.2
WALT DISNEY COMPANY/THE 2.758% 07-OCT-24	1.2

Total

75.1

Geographic Allocation (%)

Canada	94.3
United States of America	5.7

Fixed Income Breakdown (%)

Government Bonds	70.2
Corporate Bonds	29.8
Short-term investments (Cash & Other)	0.0

Total Portfolio Holdings

Stock Holdings	0
Bond Holdings	34
Other Holdings	1
Total Number of Underlying Holdings	35

* 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



Romas Budd
Manager Since September 1, 2009
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.

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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.

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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.