

Quarterly fund performance update

As of June 30, 2024

Fund highlights

Below is information on what specifically affected the performance of each fund, and how the Portfolio Manager is positioning the fund going forward.

Contributors (factors that helped performance)	Detractors (factors that hindered performance)	Positioning at quarter end	Outlook: short-term and long term
Scotia Money Market Fund (US\$)			
<ul style="list-style-type: none"> ✓ The Fund had a gross yield of 5.44% and a 3 month return of 1.19% at June 30, 2024. ✓ Fund performance was enhanced due to its barbell strategy and higher yields on longer-term money market instruments. 	<ul style="list-style-type: none"> ✓ The Fund had a lower average term to maturity than the benchmark to enhance liquidity and to facilitate the reinvestment of assets at higher yields. 	<ul style="list-style-type: none"> ✓ The Fund maintained an average credit rating that was higher than the benchmark to reduce risk given the potential for economic weakness. 	<ul style="list-style-type: none"> ✓ Restrictive monetary policy conditions over the past year have resulted in growth trending lower for the United States economy, labor market and inflation. ✓ Shelter costs, which are significant component of inflation, remain elevated. ✓ Macroeconomic factors, interest rate policy, increased geopolitical tensions and an upcoming U.S. election may contribute to higher volatility for the remainder of 2024.
Scotia US Dollar Bond Fund (US\$)			
<ul style="list-style-type: none"> ✓ The Fund's return was primarily due to a high level of interest income during the quarter. ✓ In addition, it had a positive overall return from its holdings of investment grade corporate bonds. 	<ul style="list-style-type: none"> ✓ The Fund was impacted by the increase in yields on government bonds, having a duration that was approximately 0.4 years longer than the index. ✓ Credit spreads widening on Agency MBS holdings during the quarter. 	<ul style="list-style-type: none"> ✓ The Fund has maintained a slightly longer duration than the benchmark to benefit from expected interest rate cuts. ✓ The Fund's corporate bond exposure is in higher quality and more liquid securities due to the potential for weaker fundamentals resulting from slower growth. ✓ The Fund has a higher allocation to Agency MBS that have a higher coupon and a more attractive valuation, should spreads continue to compress. 	<ul style="list-style-type: none"> ✓ Restrictive monetary conditions over the past year have resulted in an easing of economic growth and employment. PCE inflation may trend higher during the 2nd half of 2024. ✓ Consequently, market forecasts for the last half of the year include two interest rate cuts by the U.S. Federal Reserve. ✓ Macroeconomic factors, interest rate policy, elevated valuations, increased geopolitical tensions and an upcoming U.S. election may contribute to higher volatility for the remainder of 2024.

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Scotia Global Equity Fund (US\$)			
<ul style="list-style-type: none"> ✓ The majority of the sectors that the Fund invested in had a positive return in Q2. ✓ The largest contributors to the Fund's quarterly returns were from its holdings in the Financials and Materials sectors. ✓ The securities that contributed the most to quarterly Fund returns were Topdanmark (insurance), Anglo American (mining) and Gjensidige Forsikring (insurance). 	<ul style="list-style-type: none"> ✓ The Fund's lower allocation to securities in the Technology sector was the largest detractor from returns due to its continued strong performance. ✓ The securities that detracted the most from quarterly Fund returns were Winnebago Industries (motorhomes), Walmart de Mexico, Techtronic Industries (power tools). 	<ul style="list-style-type: none"> ✓ The Fund is actively managed with a core style and will generally invest in between 28 and 40 companies in both developed and emerging markets. ✓ It invests in high quality, well managed businesses with sustainable competitive advantages, strong balance sheets and a solid track record of value creation. 	<ul style="list-style-type: none"> ✓ Global economic growth has remained resilient despite restrictive monetary conditions. Lower inflation has led many global central banks, except for the U.S. Federal Reserve, to reduce their policy rates. ✓ However, the U.S Fed is forecasted to reduce interest rates twice by the end of the year. ✓ Macroeconomic factors, interest rate policy, elevated U.S. equity valuations, high U.S. equity index concentration, increased geopolitical tensions and an upcoming U.S. election may contribute to higher volatility for the remainder of 2024.
Scotia US Equity Fund (US\$)			
<ul style="list-style-type: none"> ✓ The securities that contributed the most to quarterly Fund returns were TJX (lower price retail), Alphabet (communications) and Oracle (technology). 	<ul style="list-style-type: none"> ✓ The Fund's lower allocation and selection of securities in the Technology sector were the largest detractors from returns due to its continued strong performance. ✓ The Fund's higher allocation to Industrial companies also detracted from returns due to their underperformance. ✓ The securities that detracted the most from quarterly Fund returns were Winnebago Industries (motorhomes), CDW (technology), and WR Berkley (insurance). 	<ul style="list-style-type: none"> ✓ The Fund is actively managed with a core style and a focus on investing in companies with a history of regular dividend payments. ✓ It invests in high quality, well managed businesses with sustainable competitive advantages, strong balance sheets and consistent excess cash flow. ✓ The portfolio manager has a disciplined investment process that is based on fundamental analysis and a longer-term perspective to provide upside participation and downside protection compared to the Fund's benchmark. 	<ul style="list-style-type: none"> ✓ Restrictive monetary conditions over the past year have resulted in an easing of economic growth and employment. PCE inflation may trend higher during the 2nd half of 2024. ✓ Consequently, market forecasts for the last half of the year include two interest rate cuts by the U.S. Federal Reserve. ✓ Macroeconomic factors, interest rate policy, elevated valuations, increased geopolitical tensions and an upcoming U.S. election may contribute to higher volatility for the remainder of 2024.

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Scotia Canadian Equity Fund (US\$)			
<ul style="list-style-type: none"> ✓ The Fund's largest individual holdings that were contributors to quarterly returns were Taiwan Semiconductor, a large global semi-conductor manufacturer, Royal Bank, and Alphabet (formerly Google). ✓ The Fund's selection of securities in the Technology and Communication Services sectors contributed the most to returns. 	<ul style="list-style-type: none"> ✓ The Fund's largest individual holdings that were detractors from quarterly returns were TD Bank, Canadian Pacific Kansas City, a large North American Railway, and Bank of Montreal. ✓ The Fund's selection of investments in the Materials and Industrials sectors were the largest detractors from returns. 	<ul style="list-style-type: none"> ✓ The Fund reduced its holdings of several securities in the Energy and Consumer Discretionary sectors to purchase other securities that had a more favorable outlook. ✓ The Fund remains defensively positioned with a higher allocation to Healthcare, Technology and Communications and a lower allocation to Energy and Utilities than the index. ✓ The Fund is conservatively invested in high quality businesses with sound business models, strong management, solid fundamentals and a sufficient margin of safety. ✓ The Fund had approximately 19% of its assets invested in the U.S. and Taiwan, in industries with more investment opportunities than Canada. The Fund hedged 50% of its Canadian dollar exposure to reduce foreign exchange risk. 	<ul style="list-style-type: none"> ✓ Canadian economic growth has remained resilient despite restrictive monetary conditions. ✓ Although inflation has trended lower, shelter costs remain elevated. ✓ The Bank of Canada is forecasted to continue lowering its policy interest rate with the timing of rate cuts being data dependent. ✓ Macroeconomic factors, interest rate policy, elevated U.S. equity valuations, high U.S. equity index concentration, increased geopolitical tensions and an upcoming U.S. election may contribute to higher volatility for the remainder of 2024.

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Historical fund and portfolio performance

As of June 30, 2024, all data is reported in the base currency of the Fund. Returns are net of management fees and fund expenses are expressed as a percentage which are based on Class A assets and currencies. Returns are annualized with the exception of periods less than one year.

Funds	Inception Date	1 month	3 months	6 months	YTD	1 year	3 years	5 years	10 years	Since Inception
Scotia Money Market Fund Series A	10/27/1999	0.39	1.19	2.43	2.43	4.82	2.63	1.80	1.19	1.57
Benchmark 1: ICE BofA 0-3 M US Trsy Bill TR USD		0.41	1.34	2.67	2.67	5.45	3.10	2.16	1.49	
Scotia US Dollar Bond Fund Series A	12/21/1992	0.98	-0.38	-0.59	-0.59	3.23	-4.36	-1.26	0.09	3.09
Benchmark 1: US Bond Benchmark		0.95	0.07	-0.71	-0.71	2.63	-3.02	-0.16	1.49	
Scotia Global Equity Fund Series A	06/23/1994	0.36	1.39	8.60	8.60	14.38	2.37	5.00	4.34	4.68
Benchmark 1: MSCI ACWI NR USD		2.23	2.87	11.30	11.30	19.38	5.43	10.76	8.43	
Scotia US Equity Fund Series A	10/27/1999	0.90	-0.34	9.31	9.31	16.07	4.69	7.96	7.70	3.72
Benchmark 1: S&P 500 TR USD		3.59	4.28	15.29	15.29	24.56	10.01	15.05	12.86	
Scotia Canadian Equity Fund Series A (U\$)	06/23/1994	-0.89	-2.32	1.91	1.91	5.02	3.20	6.82	0.85	5.58
Benchmark 1: S&P/TSX Composite TR USD		-1.79	-1.63	2.20	2.20	8.43	2.51	8.28	4.30	

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Legal disclaimer

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