

FUND DESCRIPTION

This Fund invests in high-quality global securities, providing investors with an opportunity to achieve long-term capital growth. Investments may include equities, preferred stocks and derivatives. The Fund may invest all or substantially all of its assets in units of Global Diversified Value Fund Segregated Portfolio, a segregated portfolio of Close Brothers Funds SPC, which has appointed Alliance Capital Management L.P. as the Fund advisor.

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

Inception date: August 31, 1994.

FUND ADVISOR:

AllianceBernstein brings together more than three decades of Alliance Capital Management's expertise in growth investing and Bernstein's excellence in value management. With over US \$740 billion in assets under management, AllianceBernstein's clients include private and public pension plans, foundations and endowments, insurance companies and governments in more than 45 countries. Over 265 analysts operating in 12 countries provide expert global market research.

FUND QUICK FACTS:

Mgmt Fee: 2.00%

NAV: US\$ 1.8271

AUM: US\$ 11,136,705.0

Bench Mark: MSCI World Index

Fund Code: SBF 103

Number of Holdings: 160

SALES CHARGES

A front-end load may apply.

ASSET CLASS

Growth.

PORTFOLIO BREAKDOWN[^]

SECTORS:	Fund %	Index/ Benchmark %
Financials	22.7	20.6
Cons. Discretionary	15.0	9.3
Energy	10.8	10.9
Industrials	9.9	10.4
Inform. Technology	9.7	12.0
Consumer Staples	8.1	10.2
Health Care	8.0	10.1
Telecom. Services	7.9	4.4
Utilities	4.4	4.6
Materials	3.6	7.5
Total	100.00	100.00

MARKET COMMENTARY

Stocks continued to rally around the world with the MSCI World Index rallying by 3.68% during the quarter with the Scotiabank Global Growth fund underperforming it. The global economic recovery broadened in late 2009 as evidence emerged that the US and the euro area had returned to positive growth, and much of Asia posted near double-digit gains in the third quarter.

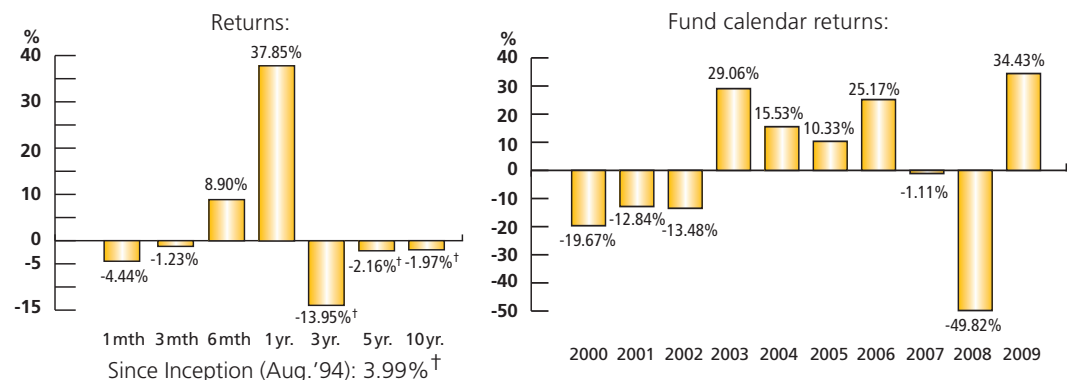
Positive security selection in the Scotiabank Global Growth fund was offset by negative sector selection. Sector selection was negative due in part to the underweight in the strongly performing industrial commodities sector. Financial holdings Barclays and Aviva were among the largest detractors.

Several consumer cyclical holdings however, ranked among the top contributors to performance. News Corp. rose on strong box office results from its new movie Avatar and improved advertising trends. Fellow media company CBS announced third-quarter results which beat expectations and reaffirmed its full-year guidance.

Valuation spreads between the cheapest and most expensive stocks based on price/book value are above long-term averages, signalling that outperformance potential is also above average and widespread.

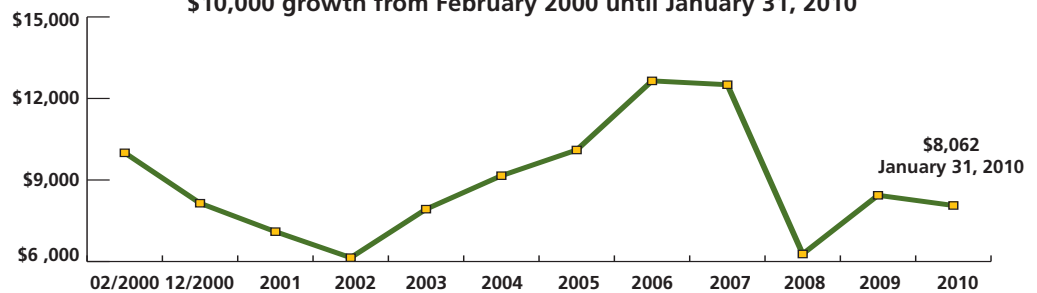
FUND PERFORMANCE

The Fund returned -4.44% for the month, compared to MSCI World Index, which returned -4.19%.



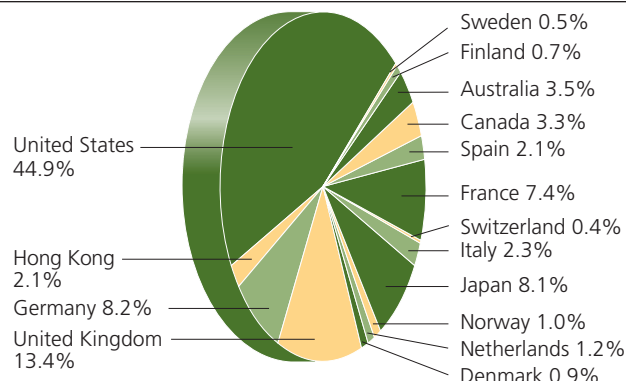
Net Asset Values and performance figures are net of all Fund expenses.

\$10,000 growth from February 2000 until January 31, 2010



LARGEST HOLDINGS:

CBS Corp., Royal Dutch Shell, Pfizer, AT&T, Microsoft Corp.



Important information about Scotiabank Mutual Funds is contained in the Funds' prospectus. Copies are available from Scotiabank and Scotiastore 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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* Trademark of The Bank of Nova Scotia, used under licence. † Average annual compound rate of return. ^ As of December 31, 2009. (02/10)