

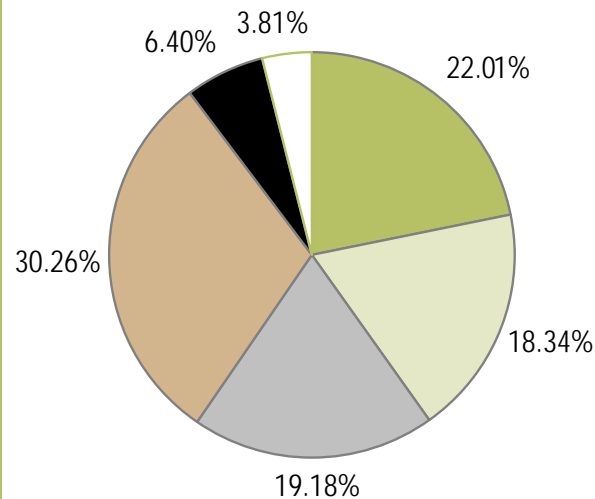
# Nova Scotia Public Service Superannuation Plan – Third Quarter Ended December 31, 2009

## Pension Investment & Administration

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### Asset Mix



	Quarter Ended	
	Dec 31/09	Dec 31/08
Canadian Equity	22.01%	19.57%
US Equity	18.34%	15.85%
International Equity	19.18%	20.04%
Fixed Income	30.26%	31.12%
Canadian Real Estate	6.40%	7.55%
Money Market	<u>3.81%</u>	<u>5.88%</u>
	<u>100.00%</u>	<u>100.00%</u>

### Index Returns

(%)(C\$)	Average Annual			
	Qtr Dec 31/09	1 Year Dec 31/09	4 Year Dec 31/09	10 Year Dec 31/09
S&P/TSX Equity	3.50%	34.51%	4.19%	5.73%
S&P/TSX 60	2.57%	31.94%	4.73%	5.56%
S&P/TSX Equity Completion	8.10%	47.12%	1.80%	n/a
DEX Universe	-0.16%	5.41%	4.88%	6.67%
DEX Canadian T-Bill 30 Day	0.05%	0.37%	2.78%	3.07%
S&P 500	3.57%	7.39%	-3.33%	-4.13%
S&P Mid Cap 400	3.11%	16.66%	-1.63%	2.96%
Russell 2000 TR	1.46%	8.00%	-3.13%	0.20%
MSCI EAFE	-0.20%	11.91%	-1.52%	-2.06%

Note: The Public Service Superannuation Plan has a fiscal year end of March 31.

## Top 20 Public Equity Holdings at December 31, 2009

Stock	Value	% of Portfolio
Royal Bank of Canada	\$44,138,302	2.25%
Toronto-Dominion Bank	\$37,629,349	1.92%
Bank of Nova Scotia	\$34,564,151	1.76%
Suncor Energy Inc.	\$31,847,901	1.63%
Canadian Natural Resources	\$29,576,137	1.51%
Transcanada Corp.	\$19,869,025	1.01%
Canadian National Railway Co.	\$16,077,235	0.82%
Sun Life Financial Inc.	\$15,098,157	0.77%
Rogers Communications – CL B	\$14,881,023	0.76%
Exxon Mobil Corp.	\$14,024,540	0.72%
Potash Corp of Saskatchewan	\$12,643,706	0.65%
SNC-Lavalin Group Inc.	\$12,305,568	0.63%
Canadian Tire Corp – CL A	\$12,087,198	0.62%
Research in Motion	\$11,960,079	0.61%
Manulife Financial Corp.	\$11,894,650	0.61%
Imperial Oil Ltd.	\$11,742,325	0.60%
Telus Corporation – Non Vote	\$11,576,320	0.59%
Talisman Energy Inc.	\$11,267,305	0.58%
Encana Corp.	\$11,111,135	0.57%
Great-West Lifeco Inc.	\$11,063,135	0.56%

## Fund Performance

The primary objective of the Plan's investment portfolio is to maximize returns on both an absolute and a relative basis, within acceptable levels of volatility and risk. The absolute return is measured with respect to the actuarial assumed rate of return of 6.86% (compounded). The relative return and risk of the portfolio is measured against the Benchmark.

	Average Annual			
	Qtr Dec 31/09	1 Year Dec 31/09	4 Year Dec 31/09	10 Year Dec 31/09
NS Public Service Fund Return	2.34%	15.52%	2.17%	4.36%
Benchmark Return <sup>1</sup>	2.33%	17.17%	2.94%	4.20%

<sup>1</sup> The Benchmark was changed in September 2007 to reflect a passive 50% hedge on all international equities and a 100% hedge on all international fixed income.

## Member Services – Pension Activities

Our Member Services division works hard to provide prompt, reliable pension information and services. These are a few of the most common transactions for the quarter ended December 31, 2009.

❖ Data Changes	342
❖ Inquiries	278
❖ Pension Estimates	275
❖ Retirements	149
❖ Purchase Estimates	146
❖ Terminations	134

## Investment Commentary

During the third quarter ended December 31, 2009 the Plan's investment portfolio achieved a 2.34% return.

The third quarter produced additional signs that the global economic recovery has taken hold. Improved economic data and positive corporate earnings announcements gave support to higher equity markets. However, concerns

regarding the strength and pace of the recovery have recently tempered market gains.

During the quarter, the Plan's investment return slightly exceeded the benchmark return. This was primarily due to strong performance by several Canadian and International equity managers.

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