

TD Canadian Money Market Fund

531974
(08/16)

TD Mutual Funds Semi-Annual Financial Report

for the period ended June 30, 2016



Management's Responsibility for Financial Reporting

The accompanying unaudited interim financial report has been prepared by TD Asset Management Inc. as manager of the TD Mutual Fund Trusts (collectively the "Funds" and individually the "Fund"). The manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with International Financial Reporting Standards ("IFRS"). The manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced, and the safeguarding of all assets of the Funds.

The board of directors of TD Asset Management Inc. is responsible for reviewing and approving the interim financial report and overseeing management's performance of its financial reporting responsibilities.

On behalf of TD Asset Management Inc., manager of the Funds



Tim G. Wiggan
Director and
Chief Executive Officer
August 19, 2016



Atanaska Novakova
Director and
Chief Financial Officer
August 19, 2016

Notice to Unitholders

The Auditor of the Funds has not reviewed this Financial Report

TD Asset Management Inc., as manager of the Funds, appoints an independent auditor to audit the Funds' annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Funds' interim financial report, this must be disclosed in an accompanying notice.

TD Canadian Money Market Fund

Statements of Financial Position (in 000s except per unit amounts and number of units) as at June 30, 2016 and December 31, 2015 (Unaudited)

	June 30, 2016	December 31, 2015
Assets		
Current Assets		
Investments	\$ 1,612,529	\$ 1,604,193
Cash	13,065	140
Interest Receivable	797	1,917
Subscriptions Receivable	4,528	3,685
	<u>1,630,919</u>	<u>1,609,935</u>
Liabilities		
Current Liabilities		
Accrued Liabilities	704	717
Redemptions Payable	2,793	4,444
Distributions Payable	4	5
	<u>3,501</u>	<u>5,166</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 1,627,418</u>	<u>\$ 1,604,769</u>
Net Assets Attributable to Holders of Redeemable Units – Per Series (Note 5)		
Investor Series	\$ 1,472,791	\$ 1,438,139
Institutional Series	\$ 6,336	\$ 6,812
Advisor Series	\$ 72,125	\$ 79,077
F-Series	\$ 10,389	\$ 14,779
O-Series	\$ 65,777	\$ 65,962
	<u>\$ 1,627,418</u>	<u>\$ 1,604,769</u>
Number of Redeemable Units Outstanding – Per Series		
Investor Series	<u>147,279,129</u>	<u>143,813,876</u>
Institutional Series	<u>633,561</u>	<u>681,251</u>
Advisor Series	<u>7,212,539</u>	<u>7,907,709</u>
F-Series	<u>1,038,929</u>	<u>1,477,914</u>
O-Series	<u>6,577,677</u>	<u>6,596,197</u>
Net Assets Attributable to Holders of Redeemable Units – Per Series Unit		
Investor Series	<u>\$ 10.00</u>	<u>\$ 10.00</u>
Institutional Series	<u>\$ 10.00</u>	<u>\$ 10.00</u>
Advisor Series	<u>\$ 10.00</u>	<u>\$ 10.00</u>
F-Series	<u>\$ 10.00</u>	<u>\$ 10.00</u>
O-Series	<u>\$ 10.00</u>	<u>\$ 10.00</u>

Statements of Comprehensive Income (in 000s except per unit amounts and number of units) for the periods ended June 30, 2016 and 2015 (Unaudited)

	2016	2015
Income		
Securities Lending Income	\$ 14	\$ 34
Net Gain (Loss) on Investments		
Interest for Distribution Purposes	6,449	8,265
Income from Reverse Repurchase Agreement	25	36
Net Gain (Loss) on Investments	<u>6,474</u>	<u>8,301</u>
Total Income (Net)	<u>6,488</u>	<u>8,335</u>
Expenses (Note 6)		
Management Fees	4,274	6,143
Independent Review Committee Fees	1	1
Total Expenses before Waivers	<u>4,275</u>	<u>6,144</u>
Less: Waived Expenses	0	0
Total Expenses (Net)	<u>4,275</u>	<u>6,144</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units before Tax	<u>2,213</u>	<u>2,191</u>
Tax Reclaims (Withholding Taxes)	<u>0</u>	<u>0</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 2,213</u>	<u>\$ 2,191</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Per Series		
Investor Series	\$ 1,813	\$ 1,745
Institutional Series	\$ 16	\$ 24
Advisor Series	\$ 98	\$ 75
F-Series	\$ 24	\$ 20
O-Series	\$ 262	\$ 327
	<u>\$ 2,213</u>	<u>\$ 2,191</u>
Weighted Average Units Outstanding for the Period – Per Series		
Investor Series	<u>1,465,185,159</u>	<u>153,325,420</u>
Institutional Series	<u>6,661,951</u>	<u>707,333</u>
Advisor Series	<u>81,911,968</u>	<u>6,542,299</u>
F-Series	<u>13,278,106</u>	<u>848,086</u>
O-Series	<u>65,824,570</u>	<u>6,607,193</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Per Series Unit		
Investor Series	<u>\$ 0.01</u>	<u>\$ 0.01</u>
Institutional Series	<u>\$ 0.02</u>	<u>\$ 0.03</u>
Advisor Series	<u>\$ 0.01</u>	<u>\$ 0.01</u>
F-Series	<u>\$ 0.02</u>	<u>\$ 0.02</u>
O-Series	<u>\$ 0.04</u>	<u>\$ 0.05</u>

The accompanying notes are an integral part of the interim financial report.

TD Canadian Money Market Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (in 000s except number of units)
for the periods ended June 30, 2016 and 2015 (Unaudited)

	Investor Series		Institutional Series		Advisor Series	
	2016	2015	2016	2015	2016	2015
Net Assets Attributable to Holders of Redeemable Units at Beginning of the Period	\$ 1,438,139	\$ 1,575,624	\$ 6,812	\$ 7,228	\$ 79,077	\$ 70,476
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	1,813	1,745	16	24	98	75
Distributions to Holders of Redeemable Units	(1,813)	(1,745)	(16)	(24)	(98)	(75)
Redeemable Unit Transactions						
Proceeds from Redeemable Units Issued	516,428	469,134	1,921	2,323	43,176	31,041
Reinvestments of Distributions to Holders of Redeemable Units	1,795	1,727	16	24	96	73
Early Redemption Fees on Redeemable Units	0	0	0	0	0	0
Redemption of Redeemable Units	(483,571)	(562,344)	(2,413)	(2,583)	(50,224)	(33,284)
Net Increase (Decrease) from Redeemable Unit Transactions	34,652	(91,483)	(476)	(236)	(6,952)	(2,170)
Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	34,652	(91,483)	(476)	(236)	(6,952)	(2,170)
Net Assets Attributable to Holders of Redeemable Units at End of the Period	\$ 1,472,791	\$ 1,484,141	\$ 6,336	\$ 6,992	\$ 72,125	\$ 68,306
Redeemable Unit Transactions						
Redeemable Units Outstanding, Beginning of the Period	143,813,876	157,562,358	681,251	722,798	7,907,709	7,047,586
Redeemable Units Issued	51,642,856	46,913,351	192,076	232,266	4,317,628	3,104,051
Redeemable Units Issued on Reinvestments	179,545	172,733	1,591	2,380	9,609	7,269
Redeemable Units Redeemed	(48,357,148)	(56,234,349)	(241,357)	(258,206)	(5,022,407)	(3,328,327)
Redeemable Units Outstanding, End of the Period	147,279,129	148,414,093	633,561	699,238	7,212,539	6,830,579

	F-Series		O-Series		TOTAL	
	2016	2015	2016	2015	2016	2015
Net Assets Attributable to Holders of Redeemable Units at Beginning of the Period	\$ 14,779	\$ 9,489	\$ 65,962	\$ 67,081	\$ 1,604,769	\$ 1,729,898
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	24	20	262	327	2,213	2,191
Distributions to Holders of Redeemable Units	(24)	(20)	(262)	(327)	(2,213)	(2,191)
Redeemable Unit Transactions						
Proceeds from Redeemable Units Issued	9,865	6,460	14,449	17,167	585,839	526,125
Reinvestments of Distributions to Holders of Redeemable Units	24	20	262	327	2,193	2,171
Early Redemption Fees on Redeemable Units	0	0	0	0	0	0
Redemption of Redeemable Units	(14,279)	(7,985)	(14,896)	(17,114)	(565,383)	(623,310)
Net Increase (Decrease) from Redeemable Unit Transactions	(4,390)	(1,505)	(185)	380	22,649	(95,014)
Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	(4,390)	(1,505)	(185)	380	22,649	(95,014)
Net Assets Attributable to Holders of Redeemable Units at End of the Period	\$ 10,389	\$ 7,984	\$ 65,777	\$ 67,461	\$ 1,627,418	\$ 1,634,884
Redeemable Unit Transactions						
Redeemable Units Outstanding, Beginning of the Period	1,477,914	948,919	6,596,197	6,708,095		
Redeemable Units Issued	986,478	646,015	1,444,910	1,716,731		
Redeemable Units Issued on Reinvestments	2,414	1,971	26,130	32,701		
Redeemable Units Redeemed	(1,427,877)	(798,536)	(1,489,560)	(1,711,431)		
Redeemable Units Outstanding, End of the Period	1,038,929	798,369	6,577,677	6,746,096		

The accompanying notes are an integral part of the interim financial report.

TD Canadian Money Market Fund

Statements of Cash Flows (in 000s)

for the periods ended June 30, 2016 and 2015 (Unaudited)

	2016	2015
Cash Flows from (used in) Operating Activities		
Increase (Decrease) in Net Assets Attributable		
to Holders of Redeemable Units	\$ 2,213	\$ 2,191
Adjustment For:		
Purchase of Investments	(5,353,332)	(5,481,972)
Proceeds from Sale and/or Maturity of Investments	5,344,996	5,579,409
(Increase) Decrease in Interest Receivable	1,120	(657)
Increase (Decrease) in Accrued Liabilities	(13)	(94)
Net Cash from (used in) Operating Activities	(5,016)	98,877
Cash Flows from (used in) Financing Activities		
Distributions Paid to Holders of Redeemable Units, Net of Reinvested Distributions	(21)	(24)
Proceeds from Issuances of Redeemable Units	582,541	521,299
Amounts Paid on Redemption of Redeemable Units, Net of Redemption Fees	(564,579)	(620,144)
Net Cash from (used in) Financing Activities	17,941	(98,869)
Net Increase (Decrease) in Cash	12,925	8
Cash (Bank Overdraft) at Beginning of the Period	140	157
Cash (Bank Overdraft) at End of the Period	\$ 13,065	\$ 165
Interest for Distribution Purposes Received*, Net of Withholding Taxes	7,569	7,608

* Included as part of Cash Flows from (used in) Operating Activities.

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TD Canadian Money Market Fund

Schedule of Investment Portfolio (in 000s except number of Shares or Units/Par Value) as at June 30, 2016 (Unaudited)

No. of Shares or Units/Par Value	Description	Amortized Cost	Fair Value
Short-Term Investments – 99.1%			
FEDERAL & GUARANTEES – 5.1%			
Government of Canada Treasury Bill			
5,000,000	0.49% due July 06, 2016	\$ 5,000.00	\$ 5,000.00
23,000,000	0.47% due July 28, 2016	22,992	22,992
1,000,000	0.55% due August 11, 2016	999	999
25,000,000	0.52% due August 25, 2016	24,981	24,981
16,000,000	0.51% due September 08, 2016	15,985	15,985
3,000,000	0.48% due September 22, 2016	2,997	2,997
5,000,000	0.53% due November 17, 2016	4,990	4,990
4,500,000	0.54% due April 06, 2017	4,482	4,482
		82,426	82,426
PROVINCIAL & GUARANTEES – 15.0%			
Ontario Teachers' Finance Trust			
15,000,000	0.79% due July 05, 2016	14,999	14,999
10,000,000	0.82% due July 11, 2016	9,998	9,998
15,000,000	0.82% due July 25, 2016	14,992	14,992
4,500,000	0.84% due August 11, 2016	4,496	4,496
10,000,000	0.86% due August 16, 2016	9,989	9,989
10,000,000	0.80% due September 19, 2016	9,982	9,982
5,000,000	0.77% due September 21, 2016	4,991	4,991
12,000,000	0.86% due October 05, 2016	11,973	11,973
Province of Alberta			
5,000,000	0.63% due July 12, 2016	4,999	4,999
6,000,000	0.66% due July 26, 2016	5,997	5,997
Province of British Columbia			
6,000,000	0.62% due July 04, 2016	6,000	6,000
7,000,000	0.56% due July 20, 2016	6,998	6,998
Province of Manitoba Treasury Bill			
1,200,000	0.64% due July 06, 2016	1,200	1,200
1,000,000	0.55% due July 13, 2016	1,000	1,000
5,100,000	0.63% due September 07, 2016	5,094	5,094
Province of Ontario Treasury Bill			
28,000,000	0.63% due July 06, 2016	27,998	27,998
4,500,000	0.65% due July 13, 2016	4,499	4,499
11,300,000	0.63% due August 24, 2016	11,289	11,289
3,500,000	0.66% due September 07, 2016	3,496	3,496
Province of Quebec Treasury Bill			
19,000,000	0.64% due July 15, 2016	18,995	18,995
11,000,000	0.62% due August 05, 2016	10,993	10,993
13,000,000	0.63% due August 12, 2016	12,991	12,991
17,500,000	0.64% due September 02, 2016	17,481	17,481
Province of Saskatchewan			
23,000,000	0.57% due August 02, 2016	22,989	22,989
		243,439	243,439

No. of Shares or Units/Par Value	Description	Amortized Cost	Fair Value
CORPORATE – 79.0%			
Bank of Montreal			
10,000,000	0.83% due July 14, 2016	\$ 9,997	\$ 9,997
6,435,000	0.80% due August 15, 2016	6,429	6,429
10,000,000	0.65% due August 30, 2016	9,989	9,989
11,000,000	0.89% due January 06, 2017	10,950	10,950
5,000,000	1.00% due January 30, 2017	4,971	4,971
5,000,000	0.97% due March 06, 2017	4,967	4,967
The Bank of Nova Scotia			
10,000,000	0.78% due July 12, 2016	9,998	9,998
10,000,000	0.84% due July 12, 2016	9,997	9,997
8,000,000	0.75% due July 18, 2016	7,997	7,997
20,000,000	0.75% due July 19, 2016	19,993	19,993
5,000,000	0.77% due July 21, 2016	4,998	4,998
4,534,000	0.80% due July 22, 2016	4,532	4,532
15,000,000	0.85% due August 09, 2016	14,986	14,986
6,200,000	0.79% due August 19, 2016	6,193	6,193
10,000,000	0.82% due August 22, 2016	9,988	9,988
10,000,000	0.80% due September 13, 2016	9,984	9,984
18,000,000	2.10% due November 08, 2016	18,067	18,067
4,341,000	2.598% due February 27, 2017	4,385	4,385
Bay Street Funding Trust			
14,000,000	0.93% due July 13, 2016	13,996	13,996
8,000,000	0.87% due July 20, 2016	7,996	7,996
2,000,000	0.89% due July 25, 2016	1,999	1,999
9,500,000	0.93% due July 26, 2016	9,494	9,494
14,000,000	0.96% due August 03, 2016	13,988	13,988
5,800,000	0.93% due August 23, 2016	5,792	5,792
18,500,000	0.96% due September 21, 2016	18,460	18,460
18,000,000	1.00% due January 06, 2017	17,908	17,908
Caisse centrale Desjardins			
10,000,000	0.80% due July 14, 2016	9,997	9,997
33,000,000	0.75% due August 26, 2016	32,962	32,962
15,000,000	0.80% due September 14, 2016	14,975	14,975
5,000,000	0.80% due September 15, 2016	4,992	4,992
10,000,000	2.281% due October 17, 2016	10,033	10,033
Canadian Imperial Bank of Commerce			
20,000,000	0.84% due July 05, 2016	19,998	19,998
20,000,000	0.84% due July 11, 2016	19,995	19,995
20,000,000	0.73% due July 18, 2016	19,993	19,993
10,000,000	0.80% due July 22, 2016	9,995	9,995
20,000,000	0.77% due August 17, 2016	19,980	19,980
5,000,000	0.80% due August 19, 2016	4,995	4,995
20,000,000	0.81% due August 26, 2016	19,975	19,975
5,000,000	1.04% due June 09, 2017	4,952	4,952
Canadian Master Trust			
12,000,000	0.86% due July 07, 2016	11,998	11,998
4,800,000	0.90% due July 25, 2016	4,797	4,797
3,000,000	0.86% due July 26, 2016	2,998	2,998
13,000,000	0.88% due August 29, 2016	12,982	12,982
7,000,000	0.88% due August 31, 2016	6,990	6,990
5,000,000	0.95% due September 01, 2016	4,992	4,992
1,000,000	0.95% due September 02, 2016	998	998
6,500,000	0.95% due September 06, 2016	6,489	6,489
10,000,000	0.89% due September 21, 2016	9,980	9,980
1,500,000	0.97% due October 06, 2016	1,496	1,496
10,000,000	0.98% due October 24, 2016	9,969	9,969
5,000,000	0.95% due December 13, 2016	4,979	4,979
11,000,000	0.95% due December 14, 2016	10,953	10,953

TD Canadian Money Market Fund

No. of Shares or Units/				No. of Shares or Units/			
Par Value	Description	Amortized Cost	Fair Value	Par Value	Description	Amortized Cost	Fair Value
	Imperial Oil Limited				SOUND Trust		
14,000,000	0.82% due July 05, 2016	\$ 13,999	\$ 13,999	14,000,000	0.87% due July 04, 2016	\$ 13,999	\$ 13,999
8,000,000	0.81% due July 07, 2016	7,999	7,999	15,500,000	0.92% due July 19, 2016	15,493	15,493
18,000,000	0.81% due July 21, 2016	17,992	17,992	4,500,000	0.87% due July 22, 2016	4,498	4,498
14,500,000	0.80% due August 02, 2016	14,490	14,490	9,800,000	0.89% due August 04, 2016	9,792	9,792
8,000,000	0.80% due August 04, 2016	7,994	7,994	10,500,000	0.95% due August 08, 2016	10,490	10,490
13,000,000	0.79% due August 11, 2016	12,988	12,988	8,000,000	0.89% due August 09, 2016	7,992	7,992
5,000,000	0.79% due August 23, 2016	4,994	4,994	2,000,000	0.89% due August 12, 2016	1,998	1,998
	National Bank of Canada			14,000,000	0.93% due September 28, 2016	13,968	13,968
10,000,000	0.83% due July 04, 2016	9,999	9,999	11,500,000	0.93% due September 29, 2016	11,474	11,474
12,000,000	0.77% due July 18, 2016	11,996	11,996		Storm King Funding		
12,493,000	2.019% due April 13, 2017	12,582	12,582	6,000,000	0.94% due July 06, 2016	5,999	5,999
	OMERS Finance Trust			17,000,000	0.93% due July 29, 2016	16,988	16,988
6,000,000	0.80% due July 04, 2016	6,000	6,000	6,000,000	0.96% due August 16, 2016	5,993	5,993
4,000,000	0.82% due July 08, 2016	3,999	3,999	4,000,000	0.96% due August 17, 2016	3,995	3,995
15,000,000	0.83% due July 14, 2016	14,996	14,996	16,400,000	0.95% due August 18, 2016	16,380	16,380
17,000,000	0.80% due July 15, 2016	16,995	16,995	14,000,000	0.96% due September 12, 2016	13,973	13,973
6,000,000	0.77% due July 20, 2016	5,998	5,998	11,000,000	0.96% due September 20, 2016	10,977	10,977
11,500,000	0.82% due August 08, 2016	11,490	11,490	2,000,000	0.90% due September 29, 2016	1,996	1,996
9,000,000	0.79% due August 15, 2016	8,991	8,991	7,900,000	0.90% due September 30, 2016	7,882	7,882
10,000,000	0.78% due September 06, 2016	9,986	9,986	5,300,000	0.98% due October 14, 2016	5,285	5,285
	Plaza Trust				The Toronto-Dominion Bank*		
4,500,000	0.94% due July 06, 2016	4,499	4,499	23,000,000	2.948% due August 02, 2016	23,038	23,038
9,000,000	0.88% due July 07, 2016	8,999	8,999	20,000,000	1.824% due April 03, 2017	20,122	20,122
20,000,000	0.92% due July 27, 2016	19,987	19,987		Toyota Credit Canada Inc.		
1,800,000	0.95% due August 02, 2016	1,798	1,798	5,000,000	2.45% due February 27, 2017	5,046	5,046
9,000,000	0.95% due August 15, 2016	8,989	8,989	5,000,000	1.00% due March 06, 2017	4,966	4,966
12,000,000	0.96% due September 20, 2016	11,974	11,974			1,286,664	1,286,664
3,000,000	0.98% due October 03, 2016	2,992	2,992				
10,600,000	0.90% due October 04, 2016	10,575	10,575				
19,000,000	1.04% due November 01, 2016	18,934	18,934				
	Ridge Trust						
3,000,000	0.87% due July 06, 2016	3,000	3,000				
4,000,000	0.87% due July 08, 2016	3,999	3,999				
2,900,000	0.85% due July 18, 2016	2,899	2,899				
6,000,000	0.90% due July 20, 2016	5,997	5,997				
3,000,000	0.90% due July 26, 2016	2,998	2,998				
9,000,000	0.90% due August 03, 2016	8,993	8,993				
10,000,000	0.88% due August 05, 2016	9,992	9,992				
7,500,000	0.87% due September 06, 2016	7,488	7,488				
8,800,000	1.00% due October 20, 2016	8,773	8,773				
17,000,000	1.05% due October 26, 2016	16,943	16,943				
12,000,000	1.06% due February 07, 2017	11,924	11,924				
5,000,000	0.97% due March 27, 2017	4,965	4,965				
	Royal Bank of Canada						
13,000,000	0.82% due July 07, 2016	12,998	12,998				
5,000,000	0.87% due July 25, 2016	4,997	4,997				
15,000,000	0.80% due September 08, 2016	14,977	14,977				
7,000,000	3.66% due January 25, 2017	7,105	7,105				
14,000,000	2.58% due April 13, 2017	14,164	14,164				
	SAFE Trust						
14,000,000	0.92% due July 08, 2016	13,998	13,998				
18,000,000	0.89% due August 04, 2016	17,985	17,985				
7,000,000	0.97% due August 31, 2016	6,989	6,989				
16,000,000	0.85% due September 01, 2016	15,977	15,977				
30,000,000	0.95% due September 16, 2016	29,940	29,940				
4,500,000	1.00% due March 29, 2017	4,467	4,467				

* Related party to the Fund as an affiliated entity of TD Asset Management Inc.

TD Canadian Money Market Fund

Fund-Specific Notes to the Interim Financial Report (Unaudited)

(A) The Fund

(I) The Fund start date was June 29, 1988.

(II) TDAM is the manager, portfolio adviser and trustee of the Fund. TDIS is the principal distributor of the Investor Series units of the Fund.

(III) The presentation and functional currency of the Fund is the Canadian dollar.

(IV) The investment objective of the Fund is to earn a high rate of interest income and at the same time, preserve capital and maintain liquidity by investing primarily in Canadian money market securities, generally maturing in not more than one year. In seeking to achieve this objective, the Fund invests primarily in high-quality corporate debt instruments while taking into account the global macroeconomic environment, and generally employs a "buy-and-hold" strategy. The Fund may also invest in treasury bills and other short-term debt instruments issued or guaranteed by Canadian federal or provincial governments, Canadian chartered banks or Canadian loan or trust companies, as well as commercial paper issued by Canadian corporations and bank-sponsored asset-backed commercial paper. Part of the Fund's strategy is to anticipate interest rate changes with a three- to six-month view on short-term rates. The Portfolio Adviser also performs extensive and continuous credit analysis on all corporate debt. The Fund endeavours to maintain a unit price of \$10.00.

(B) Management Fees and Administration Fees (Note 6)

for the six-month periods ended June 30, 2016 and 2015

(I) MANAGEMENT FEES (%)

Series	Maximum	Actual* Annual Rate (exclusive of GST and HST)	
		2016	2015
Investor Series	1.00	0.50	0.70
Institutional Series	0.30	0.28	0.28
Advisor Series	1.00	0.50	0.70
F-Series	0.75	0.40	0.50
O-Series	0.00	0.00	0.00

* Includes management fees paid by the Fund and the proportionate management fees, if any, of the underlying funds held by the Fund. However, there is no duplication of fees.

The amount payable (in 000s) to TDAM as at June 30, 2016 for management fees is \$640 (2015: \$903) which is included in Accrued Liabilities on the Statements of Financial Position.

(II) ADMINISTRATION FEES

Not applicable for the Fund.

(C) Brokerage Commissions and Soft Dollars (in 000s) (Notes 3 and 6)

for the six-month periods ended June 30, 2016 and 2015

Not significant or applicable to the Fund.

(D) Tax Loss Carry Forwards (in 000s) (Note 7)

as at December 31, 2015

None for the Fund.

(E) Securities Lent (Note 3)

(I) SECURITIES LENDING INCOME

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the Fund for the periods ended June 30, 2016 and 2015 is as follows:

	Amount (in 000s)		Percentage of Total Amount (%)	
	2016	2015	2016	2015
Gross Securities Lending Income	\$ 17	\$ 42	100.0	100.0
Agent fees – The Bank of New York Mellon Corp.	(3)	(8)	(17.6)	(19.0)
Securities Lending Income to the Fund before Tax Reclaims (Withholding Taxes)	14	34	82.4	81.0
Tax Reclaims (Withholding Taxes)	0	0	0.0	0.0
Net Securities Lending Income	\$ 14	\$ 34	82.4	81.0

(II) SECURITIES LENT AND COLLATERAL HELD (in 000s)

The table below summarizes the aggregate securities lent and related collateral held by the Fund as at June 30, 2016 and December 31, 2015.

	June 30, 2016	December 31, 2015
Fair Value of Securities Lent	\$ 18,686	\$ 29,676
Fair Value of Collateral Held	19,633	31,210

Collateral held is in the form of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments or corporations and is not included in the Statements of Financial Position.

(F) Financial Risk Management (Notes 3, 4 and 8)

as at June 30, 2016 and December 31, 2015

(I) INTEREST RATE RISK

Not significant or applicable to the Fund.

(II) CURRENCY RISK

Not significant or applicable to the Fund.

(III) OTHER PRICE RISK

Not significant or applicable to the Fund.

(IV) CREDIT RISK

The table below summarizes the debt instruments by credit ratings as at June 30, 2016 and December 31, 2015.

Credit Rating ^o	Percentage of Total Bonds (%)		Percentage of Total Net Assets (%)	
	June 30, 2016	December 31, 2015	June 30, 2016	December 31, 2015
R-1 High	84.40	77.79	83.63	77.77
R-1 Mid	15.60	22.21	15.46	22.19
Total	100.00	100.00	99.09	99.96

^o Credit ratings are obtained from Standard & Poor's, Moody's or DBRS rating agencies.

(V) FINANCIAL INSTRUMENTS BY THE LEVEL IN THE FAIR VALUE HIERARCHY
(in 000s)

The table below illustrates the classification of the Fund's financial instruments within the fair value hierarchy as at June 30, 2016 and December 31, 2015.

	Level 1	Level 2	Level 3	Total
June 30, 2016				
Short-Term Investments	\$ 0	\$ 1,612,529	\$ 0	\$ 1,612,529
December 31, 2015				
Short-Term Investments	\$ 0	\$ 1,604,193	\$ 0	\$ 1,604,193

As at the end of the periods, transfers between Level 1 and Level 2 were nil.

(VI) RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENTS (in 000s)

Not significant or applicable to the Fund.

(VII) CONTRACTUAL MATURITIES ANALYSIS FOR FINANCIAL LIABILITIES

As at June 30, 2016 and December 31, 2015, the Fund's net assets are due on demand. All other financial liabilities of the Fund are due in less than three months.

(G) Investment Portfolio Concentration (%) (Note 8)

As at June 30, 2016 and December 31, 2015, the Fund's investment portfolio concentration can be summarized as follows:

	June 30, 2016	December 31, 2015
Short-Term Investments		
Federal & Guarantees	5.1	5.1
Provincial & Guarantees	15.0	10.3
Corporate	79.0	84.6
Other Net Assets (Liabilities)	0.9	0.0
	100.0	100.0

(H) Interest in Unconsolidated Structured Entities (in 000s) (Note 3)

Not significant or applicable to the Fund.

(I) Offsetting of Financial Assets and Liabilities (in 000s) (Note 3)

Not significant or applicable to the Fund.

1. The Fund

The TD Mutual Fund Trusts (collectively, the "Funds" and individually, the "Fund") are open-end mutual funds established under the laws of Ontario and governed by the Declaration of Trust, as amended from time to time. TD Asset Management Inc. ("TDAM") is the manager, portfolio adviser and trustee of the Funds. TDAM, TDAM USA Inc., TD Investment Services Inc. ("TDIS"), TD Waterhouse Canada Inc. ("TDW") and Epoch Investment Partners, Inc. ("Epoch") are wholly-owned subsidiaries of The Toronto-Dominion Bank ("TD"). The registered address of the Funds is P.O. Box 100, 66 Wellington Street West, TD Bank Tower, Toronto-Dominion Centre, Toronto, Ontario, M5K 1G8.

The financial year-end for the Funds is December 31. The Statements of Financial Position are presented as at June 30, 2016 and December 31, 2015. The Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and Statements of Cash Flows are presented for the periods ended June 30, 2016 and 2015. Where a Fund or series of a Fund was established during either period, the information for the Fund or series is provided from the inception date except Weighted Average Units Outstanding for the Period – Per Series, which is calculated from the start date. A comparative statement has only been presented for any period for which the Fund was in existence as at the reporting date.

A Fund's start date as indicated in the Fund-Specific Notes to the Interim Financial Report is the date that the Fund commenced operations or in the case of a new series, the date the series was first offered and not its inception date.

This interim financial report was authorized for issue by TDAM on August 19, 2016.

2. Basis of Presentation

This interim financial report has been prepared in compliance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB"), applicable to the preparation of interim financial reports, including International Accounting Standards ("IAS") 34, "Interim Financial Reporting". This interim financial report has been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss ("FVTPL").

3. Summary of Significant Accounting Policies

Financial Instruments

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at FVTPL. Regular way purchases and sales of financial instruments are recognized at their trade date. The Fund's non-derivative investments, which are designated at FVTPL, and derivative assets and liabilities, which are classified as held for trading ("HFT"), are measured at FVTPL.

All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate.

The Fund has determined that it meets the definition of an 'investment entity' and as a result, it measures subsidiaries, if any, at FVTPL. An investment entity is an entity that: obtains funds from one or more investors for the purpose of providing them with investment management services; commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measures and evaluates the performance of substantially all of its investments on a fair value basis. The significant judgment that the Fund has made in determining that it meets this definition is that fair value is the primary measurement attribute used to measure and evaluate the performance of substantially all of its investments. The Fund's investments may also include associates and joint ventures which are designated at FVTPL.

The Fund's outstanding redeemable units' entitlements include a contractual obligation to distribute any net income and net realized capital gains in cash (at the request of the unitholder) and therefore the ongoing redemption feature is not the Fund's only contractual obligation. Consequently, the Fund's outstanding redeemable units are classified as financial liabilities in accordance with the requirements of IAS 32, "Financial Instruments: Presentation" ("IAS 32"). The Fund's obligations for Net Assets Attributable to Holders of Redeemable Units are presented at the redemption amount.

The Fund's accounting policies for measuring the fair value of its investments and derivatives are substantially similar to those used in measuring its net asset value ("NAV") for transactions with unitholders. The NAV is the value of the total assets of a fund less the value of its total liabilities determined, on each valuation day, in accordance with Part 14 of National Instrument 81-106, "Investment Fund Continuous Disclosure", for the purpose of processing unitholder transactions. Net Assets Attributable to Holders of Redeemable Units, also referred to as net assets, refers to net assets calculated in accordance with IFRS. As at all dates presented, there were no differences between the Fund's NAV per series unit and net assets per series unit.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, TDAM determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels during the reporting periods.

The fair values of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other techniques commonly used by market participants and which attempt to make the maximum use of observable inputs.

The valuation methodology for specific types of investments held by the Fund is summarized below.

- (a) Securities not listed on any recognized public securities exchange are valued based on available quotations from recognized dealers in such securities, where readily available. Debt instruments are valued based on mid prices, where readily available.
- (b) Short-term debt instruments and reverse repurchase agreements are valued based on quotations received from recognized investment dealers.
- (c) Real return bonds are valued based on the available public quotations from recognized dealers. Changes in the inflation factor are reported in Interest for Distribution Purposes on the Statements of Comprehensive Income.
- (d) The Fund may use foreign exchange forward contracts to hedge against or profit from fluctuations in foreign exchange rates. These contracts are valued on each valuation day based on the difference between the contract rates and the current forward rates at the measurement date applied to the contracts' notional amount. The net change in unrealized appreciation or depreciation and the net realized gain or loss from closing out contracts are reflected on the Statements of Comprehensive Income as part of Net Gain (Loss) on Derivatives.
- (e) The Fund may enter into a forward contract to obtain exposure to a specific type of investment without actually investing directly in such investment. These contracts are valued based on the difference between the contract rate and the current market rate for the underlying investment, at the measurement date. The unrealized gain or loss and the net realized gain or loss from closing out contracts are reflected on the Statements of Comprehensive Income as part of Net Gain (Loss) on Derivatives.
- (f) The Fund may purchase standardized, exchange-traded futures contracts. Any outstanding futures contracts as at June 30, 2016 are listed in the Schedule of Investment Portfolio. Any difference between the value at the close of business on the current valuation day and that of the previous valuation day is settled in cash daily and recorded on the Statements of Comprehensive Income as Derivatives Income (Loss). Any amounts receivable (payable) from settlement of futures contracts are reflected on the Statements of Financial Position as Futures Margin Receivable (Payable). Short-term debt instruments as indicated in the Schedule of Investment Portfolio have been segregated and are held as margin against the futures contracts purchased by the Fund.
- (g) Options contracts that are traded in exchange markets are valued at their closing prices on each valuation day. The premium received or paid on options written or purchased is included in the cost of the options. Any difference between the current value of the contract and the value of the contract originated is recognized as net change in unrealized appreciation (depreciation) on derivatives. When options are closed or exercised, the difference between the premium and the amount paid or received, or the full amount of the premium if the option expires worthless, is reflected on the Statements of Comprehensive Income as part of Net Gain (Loss) on Derivatives. The cost of a security purchased will be reduced by the premium received on options when a written put option is exercised.
- (h) Investments in underlying funds (mutual funds) are generally valued at the NAV per series unit of the underlying funds as reported by the underlying funds' managers.
- (i) The exchange-traded funds (ETFs) are valued based on quoted market prices at the close of trading on the reporting date.

Fair Value Hierarchy

The Fund classifies its investments into fair value measurements within a hierarchy that prioritizes the inputs to fair value measurement. The fair value hierarchy has the following three levels:

- Level 1 Quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 Inputs that are not based on observable market data (that is, unobservable inputs).

All fair value measurements are recurring. The carrying values of Cash, Subscriptions Receivable, Interest Receivable, Dividends Receivable, Receivable for Investments Sold, Bank Overdraft, Payable for Investments Purchased, Redemptions Payable, Distributions Payable, Accrued Liabilities and the Fund's obligation for Net Assets Attributable to Holders of Redeemable Units approximate their fair values due to their short-term nature.

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment. Observable data is considered to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

TDAM has a Global Fair Value Committee which oversees the performance of the fair value measurements included in the financial statements of the Fund, including any Level 3 measurements. The committee meets regularly to perform detailed reviews of the valuations of investments held by the Fund.

TDAM utilizes a variety of methods in determining the fair value of securities classified as Level 3. These methods include the use of comparable recent arm's length transactions, discounted cash flow analysis, option pricing models and other techniques commonly used by market participants and which make the use of observable inputs. These methods are based on key inputs such as broker quotations, industry multipliers and discount rates.

The classification of the Fund's financial instruments within the fair value hierarchy as at June 30, 2016 and December 31, 2015, and any transfers between levels during the period ending June 30, 2016 and December 31, 2015 as a result of changes in the lowest level input that is significant to the fair value measurement are disclosed in the Fund-Specific Notes to the Interim Financial Report, where applicable.

Interest in Unconsolidated Structured Entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. TDAM has determined that all of the underlying funds and ETFs in which the Fund invests are unconsolidated structured entities. In making this determination, TDAM evaluated the fact that decision making about underlying funds' and ETFs' activities are generally not governed by voting or similar rights held by the Fund and other investors in any underlying funds and ETFs.

The Fund may invest in underlying funds and ETFs whose investment objectives range from achieving short- to long-term income and capital growth potential. The Fund's interests in these securities as at June 30, 2016 and December 31, 2015 are included at their fair value on the Statements of Financial Position, which represent the Fund's exposure in these underlying funds and ETFs. The Fund does not provide and has not committed to provide any additional significant financial or other support to the underlying funds and ETFs. The change in fair value of each of the underlying funds and ETFs during the reporting periods is included in Net Change in Unrealized Appreciation (Depreciation) on the Statements of Comprehensive Income in Net Gain (Loss) on Investments. Additional information on the Fund's interest in underlying funds and ETFs, where applicable, is provided in the Fund-Specific Notes to the Interim Financial Report.

The Fund may also invest in mortgage-related and other asset-backed securities that directly or indirectly represent a participation in, or are secured by and payable from, mortgage loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. The debt and equity securities issued by these securities may include tranches with varying levels of subordination. The Fund may also invest in senior notes that have a first lien on assets and have minimum exposure to junior or subordinate tranches. These securities may provide a monthly payment which consists of both interest and principal payments. Other asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans, and student loans.

As at June 30, 2016 and December 31, 2015, the fair values of mortgage-related and other asset-backed securities of the Fund, where applicable, are disclosed as part of the Investments on the Statements of Financial Position. This amount represents the maximum exposure to losses at that date. The change in fair value of mortgage-related and other asset-backed securities are included in the Statements of Comprehensive Income in Net Gain (Loss) on Investments.

Translation of Foreign Currencies

The Fund's functional currency, as disclosed in the Fund-Specific Notes to the Interim Financial Report, represents the currency that TDAM views to most faithfully represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration how units are issued or redeemed and how returns are measured.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates that transactions occur. Realized foreign exchange gains and losses on income are recognized as investment income on the Statements of Comprehensive Income.

Assets and liabilities denominated in a foreign currency are translated into the functional currency using the exchange rate prevailing at the measurement date. Foreign exchange gains and losses on the sale of investments are included in Net Realized Gain (Loss). Unrealized foreign exchange gains and losses on investments held are included in Net Change in Unrealized Appreciation (Depreciation). Unhedged foreign currency positions are subject to gains and losses due to fluctuations in the respective exchange rates. Realized and unrealized foreign exchange gains and losses relating to cash are presented as Foreign Exchange Gain (Loss) on Cash on the Statements of Comprehensive Income.

Offsetting Financial Assets and Liabilities

Financial assets and liabilities are offset and the net amount reported on the Statements of Financial Position where the Fund has a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In all other situations they are presented on a gross basis. In the normal course of business, the Fund may enter into various master netting agreements or other similar arrangements that do not meet the criteria for offsetting on the Statements of Financial Position but still allow for the related amounts to be set-off in certain circumstances, such as bankruptcy or the termination of the contracts. Offsetting information, where applicable, is presented in the Fund-Specific Notes to the Interim Financial Report.

Reverse Repurchase Agreements

The Fund may enter into reverse repurchase transactions. In a reverse repurchase transaction, the Fund buys a security at one price from a third party and agrees to sell the same security back to the same party at a specified price on an agreed future date and the difference is included in Net Gain (Loss) on Investments on the Statements of Comprehensive Income.

The risk with these types of transactions is that the other party may default under the agreement or go bankrupt. These risks are reduced by requiring the other party to provide collateral to the Fund. The value of the collateral has to be at least 102 percent of the market value of the security and the collateral is marked to market on each business day. The type of securities received and related collateral held by the Fund, where applicable, are listed in the Schedule of Investment Portfolio.

Cash

Cash is comprised of deposits with financial institutions. Bank overdrafts are shown under Current Liabilities on the Statements of Financial Position.

Receivable for Investments Sold/Payable for Investments Purchased

Receivable for Investments Sold and Payable for Investments Purchased represent trades that have been contracted for but not yet settled or delivered on the Statements of Financial Position dates.

Impairment of Financial Assets

At each reporting date, the Fund assesses whether there is objective evidence that a financial asset at amortized cost is impaired. If such evidence exists, the Fund recognizes an impairment loss as the difference between the amortized cost of the financial asset and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. Impairment losses on financial assets at amortized cost are reversed in subsequent period if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

Valuation of Series Units

TDAM generally calculates the NAV for each series of the Fund as at 4 p.m Eastern Time on each day that the Toronto Stock Exchange is open for trading. However, in some unusual circumstances, the series NAV per unit may be calculated at another time where it is in the best interests of unitholders to do so.

The NAV is calculated, for processing purchase, switch, conversion or redemption orders of series units, for each series of units of the Fund by taking the series' proportionate share of the Fund's common assets less that series' proportionate share of the Fund's common liabilities and deducting from this amount all liabilities that relate solely to that specific series.

The Net Assets Attributable to Holders of Redeemable Units – Per Series Unit is determined by dividing the total Net Assets Attributable to Holders of Redeemable Units of each series of the Fund by the total number of units outstanding of that series at the reporting date.

Income Recognition

The Fund may engage in securities lending pursuant to the terms of an agreement which includes restrictions as set out in Canadian securities legislation. The income earned from securities lending, where applicable, is included in the Statements of Comprehensive Income as it is earned. The fair value of the securities loaned and fair value of the collateral held is determined daily. The details of security lending income, aggregate values of securities on loan and related collateral held by the Fund are provided in the Fund-Specific Notes to the Interim Financial Report, where applicable.

Interest for Distribution Purposes as shown on the Statements of Comprehensive Income includes interest income from cash and the coupon interest on debt instruments accounted for on an accrual basis. Interest Receivable is disclosed on the Statements of Financial Position based on the debt instruments' stated rates of interest. The Fund does not amortize premiums paid or discounts received on the purchase of debt securities except for zero coupon bonds which are amortized on a straight line basis.

Dividend income and distributions from any underlying funds and ETFs are recognized on the ex-dividend and ex-distribution date respectively.

Investment Transactions and Transaction Costs

Investment transactions are accounted for as of the trade date. Realized and unrealized gains and losses from investment transactions are determined on an average cost basis, excluding brokerage commissions and other portfolio transactions costs.

Transaction costs, such as brokerage commissions, incurred by the Fund in the purchase and sale of investments at fair value are recognized in the Statements of Comprehensive Income in the period incurred. Commissions paid, where applicable, are described in the Fund-Specific Notes to the Interim Financial Report. No transaction costs are incurred when the Fund invests in underlying funds. However, the underlying funds' investments may be subject to transaction costs.

Allocation of Income and Expenses, Realized and Unrealized Gains (Losses)

Expenses are accrued on a daily basis; separately for each series (excluding interest charges and portfolio transaction costs), while income, gains and losses are allocated to each series based on their respective Net Assets Attributable to Holders of Redeemable Units.

Increase (Decrease) in Net assets Attributable to Holders of Redeemable Units – Per Series Unit

The Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Per Series Unit is calculated by dividing the Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units of each series by the weighted average units outstanding of that series for the periods.

Accounting Standards Issued but Not Yet Adopted

The final version of IFRS 9, "*Financial Instruments*" ("IFRS 9") was issued by the IASB in July 2014 and will replace IAS 39, "*Financial Instruments: Recognition and Measurement*" ("IAS 39"). IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however it is available for early adoption. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The manager is in the process of assessing the impact of IFRS 9 and has not yet determined when it will adopt the new standard.

4. Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

Fair Value Measurement of Derivatives and Securities Not Quoted in an Active Market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives. As described in Note 3, the use of valuation techniques for financial instruments and derivatives that are not quoted in an active market requires TDAM to make assumptions that are based on market conditions existing as at the date of financial statements. Changes in assumptions about these factors could affect the reported fair values of financial instruments. Refer to the Fund-Specific Notes to the Interim Financial Report for further information about the fair value measurement of the Fund's financial instruments, where applicable.

Classification and Measurement of Investments and Application of the Fair Value Option

In classifying and measuring financial instruments held by the Fund, TDAM is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for financial assets under IAS 39. The most significant judgments made include the determination that certain investments are HFT and that the fair value option can be applied to those which are not.

Investment Entity

In determining whether the Fund is an investment entity, TDAM may be required to make significant judgments about whether the Fund has the typical characteristics of an investment entity. The Fund may hold only one investment, an underlying fund (or have only one investor or have investors that are its related parties), however, consistent with the investment entity definition, the Fund primarily obtains funds from one or more investors for the purpose of providing investment management services, commits to its investors that the business purpose is to invest the funds solely for returns from capital appreciation, investment income or both, and measures and evaluates the performance of its investments on a fair value basis.

5. Redeemable Units

The Fund is authorized to issue an unlimited number of units of multiple series that rank equally and are available for sale under a single simplified prospectus. In addition, the Fund is also authorized to issue unlimited number of units of multiple series to be sold under a confidential offering memorandum or other separate simplified prospectus. The various series that may be offered by the Fund are as described below.

Investor Series:	Offered on a no-load basis to investors.
H-Series:	Offered on a no-load basis to investors who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
Premium Series:	Offered on a no-load basis to large investors and others who make the required minimum investment, as determined by TDAM from time to time.
K-Series:	Offered on a no-load basis to large investors and others who make the required minimum investment, as determined by TDAM from time to time, and who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains, and/or a return of capital.
e-Series:	Offered on a no-load basis to investors who want to complete their transactions electronically.
D-Series:	Offered on a no-load basis to investors who want to complete their transactions through TD Direct Investing, a division of TDW, or other discount brokers.
Advisor Series:	Offered to investors who seek investment advice and want the option of transacting on a front-end load, back-end load, low-load or low-load-2 basis.
T-Series:	Offered to investors who seek investment advice; want the option of transacting on a front-end load, back-end load, low-load or low-load-2 basis; and who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
F-Series:	Offered to investors, through fee-based financial advisors or dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges.
S-Series:	Offered to investors who wish to receive a regular monthly cash flow from the Fund, through fee-based financial advisors or dealer-sponsored "wrap accounts". This series may also be offered to other investors who pay an annual fee to their dealer instead of transactional sales charges. Monthly distributions may consist of net income, net realized capital gains, and/or a return of capital.
Premium F-Series:	Offered to large investors, through fee-based financial advisors or dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges. For this series, investors must make the required minimum investment, as determined by TDAM from time to time.
PS Series:	Offered to large investors who wish to receive a regular monthly cash flow from the Fund, through fee-based financial advisors or dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges. For this series, investors must make the required minimum investment, as determined by TDAM from time to time. Monthly distributions may consist of net income, net realized capital gains, and/ a return of capital.
W-Series:	Offered to investors, through certain wealth management businesses of TD Bank Group, including certain divisions of TDW, or other dealers authorized by TDAM, who pay an annual fee to their dealer instead of transactional sales charges.
Private/ Private-EM Series:	Offered on a no-load basis to large investors such as institutions and dealers who make the required minimum investment as determined by TDAM, and have entered into a Private Series agreement with TDAM. Individual investors may also hold Private Series and /or Private-EM Series units through an account with a dealer or financial advisor pursuant to a separate agreement with such dealer or financial advisor.
Institutional Series:	Offered on a no-load basis to large investors, such as group savings plans and others who make the required minimum investment, as determined by TDAM from time to time.
Q-Series:	Offered on a no-load basis to large investors such as group savings plans and others who wish to receive a regular monthly cash flow from the Fund, and who make the required minimum investment, as determined by TDAM from time to time. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
C-Series:	Offered on a no-load basis to large investors who make the required minimum investment as determined by TDAM and have entered into a C-Series agreement with TDAM.
O-Series:	Offered on a no-load basis to large investors such as institutions and mutual funds who make the required minimum investment as determined by TDAM, and have entered into an O-Series agreement with TDAM.

Notes to the Interim Financial Report (Unaudited)

Each individual series of units is sold under differing purchase options and may have higher or lower management fees based on their specific attributes, as summarized above, reflecting the extent of the investment advice provided. The management fee rates for the Fund and its various series are provided in the Fund-Specific Notes to the Interim Financial Report.

Units of the Fund are redeemable at the option of the unitholder in accordance with the provisions of the Declaration of Trust. Units of the Fund are issued or redeemed on a daily basis at the NAV per series unit next determined after the purchase, switch, conversion order or redemption request, respectively, is received by TDAM. Subscriptions and redemptions include units exchanged from one series to another series within a Fund on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units. However, switches between series within a Fund are excluded from Proceeds from Issuances of Redeemable Units and Amounts Paid on Redeemable Units, Net of Redemption Fees on the Statements of Cash Flows.

6. Related Party Transactions

Capital

TDAM and/or other investment funds managed by TDAM may contribute a nominal amount to the Fund. The contribution made by related parties is disclosed in the Fund-Specific Notes to the Interim Financial Report of the applicable Funds.

Management Fees

In consideration for the provision of management, distribution and portfolio management services and oversight of any portfolio sub-advisory services provided to the Fund, TDAM receives an annual management fee in respect of certain series of the Fund. The management fee is calculated and accrued on a daily basis for each series based on the NAV of that series of the Fund and paid monthly to TDAM. Where a Fund invests in any underlying funds, there may be fees and expenses payable by the underlying funds in addition to those paid by the Fund. However, there is no duplication of fees.

No management fees are paid by the Fund with respect to Private Series and O-Series units. Instead, unitholders in Private Series and O-Series units may be charged an annual fee directly by TDAM.

The maximum management fee is the maximum fee that can be charged to each series of units of the Fund according to the simplified prospectus. TDAM may charge a management fee that is less than the management fee TDAM is otherwise entitled to charge each series of units of the Fund. The actual management fee is the annualized fee that was charged to each series of the Fund for the reporting periods. TDAM may charge the maximum management fee without notice to unitholders. Actual and maximum management fees for each series of the Fund are provided in the Fund-Specific Notes to the Interim Financial Report.

Administration Fees

In consideration for paying certain operating expenses, TDAM is paid an annual administration fee with respect to certain series of the Fund. The administration fee includes recordkeeping and communication costs, custodial costs, certain legal fees, audit fees, regulatory filing fees and bank charges. The administration fee is calculated and accrued on a daily basis for each series based on the NAV of the applicable series of the Fund and paid monthly to TDAM. Annual administration fees for each series of the Fund, where applicable, are provided in the Fund-Specific Notes to the Interim Financial Report.

The administration fee is payable in respect of Investor Series, H-Series, D-Series, Advisor Series and T-Series of the Fund, as applicable, other than the money market funds, TD Ultra Short Term Bond Fund, TD Short Term Bond Fund, TD Canadian Bond Fund, the index funds, the Target Return Funds and Advisor Series units of TD U.S. Equity Portfolio. The administration fee is also payable in respect of Premium Series and K-Series of the Fund, as applicable, other than TD U.S. Money Market Fund, TD Short Term Bond Fund, TD Canadian Bond Fund, TD Canadian Corporate Bond Fund, TD U.S. Corporate Bond Fund, TD Income Advantage Portfolio, TD Canadian Core Plus Bond Fund, TD Corporate Bond Capital Yield Fund and the Target Return Funds.

No administration fee is charged with respect to other series of the Fund according to the simplified prospectus.

Operating Expenses

Fund's Independent Review Committee ("IRC")

TDAM is responsible for management of the Fund's investment portfolio, including the making of decisions relating to the investment of the Fund's assets. TDAM has established an IRC to act as an impartial and independent committee to review and provide recommendations or, if appropriate, approvals respecting any conflict of interest matters referred to it by TDAM. The IRC prepares, at least annually, a report of its activities for unitholders of the Fund.

The Fund and/or the underlying funds in which the Fund invests relied on standing instructions from the IRC in respect of one or more of the following transactions:

- (a) trades in securities of TD or any affiliate or associate thereof;
- (b) investments in the securities of an issuer where TD Securities Inc., TDW, or any other affiliate of TDAM (a "Related Dealer") acted as an underwriter during the distribution of such securities and the 60-day period following the completion of the distribution of the underwritten securities;
- (c) purchases or sales of securities of an issuer from or to another investment fund or discretionary managed account managed by TDAM; and
- (d) purchases of securities from or sales of securities to a Related Dealer, where it acted as principal.

Notes to the Interim Financial Report (Unaudited)

Investments in securities of TD, interests in underlying funds managed by TDAM, or investments in any affiliates that were held by the Fund at the end of the reporting periods are disclosed in the Schedule of Investment Portfolio and/or the Fund-Specific Notes to the Interim Financial Report.

The compensation and relevant expenses of IRC members were allocated among the investment funds managed by TDAM and disclosed on the Statements of Comprehensive Income as Independent Review Committee Fees.

Other Operating Expenses

Except in respect of Private Series and Private-EM Series of the Fund and Advisor Series of TD U.S. Equity Portfolio, TDAM pays all of the operating expenses for the Fund (including services provided by TDAM or affiliates of TDAM), other than expenses associated with taxes of all kinds to which a Fund is or might be subject to; borrowing; IRC and other costs relating to compliance with any new governmental and regulatory requirements. Any new types of governmental and regulatory expenses are disclosed as "Other Trust Fund Costs" on the Statements of Comprehensive Income.

TDAM, at its discretion, may waive or absorb a portion of the operating expenses otherwise payable by the Fund. These waivers or absorptions may be terminated at any time without notice. The amount of expenses waived or absorbed is disclosed on the Statements of Comprehensive Income as Waived Expenses, where applicable.

The Funds also pays applicable goods and services tax and harmonized sales tax at a blended rate, paid by the Fund to TDAM on management fees, administration fees and certain operating expenses based on the province or territory of residence of the investors in each series of the Fund, which are included with the respective expense on the Statements of Comprehensive Income.

Brokerage Commissions and Soft Dollars

Brokerage commissions and other transaction costs paid on securities transactions and amounts paid to related parties of TD for brokerage services provided to the Fund for the periods ended June 30, where applicable, are disclosed in the Fund-Specific Notes to the Interim Financial Report.

Client brokerage commissions are used as payment for order execution services or research services. The portfolio advisers or TDAM may select brokers including its affiliates, who charge a commission in excess of that charged by other brokers ("soft dollars") if they determine in good faith that the commission is reasonable in relation to the order execution and research services utilized.

For debt instruments traded in the over the counter markets where client brokerage commissions are not charged, soft dollars or client brokerage commissions are not generated. For equities or other securities where client brokerage commissions are charged, the soft dollar portion of the amount paid or payable for goods and services other than order execution for the Fund is not generally ascertainable. Any ascertainable soft dollar value received as a percentage of total brokerage commissions paid under the soft dollar arrangement entered into by the portfolio advisers or TDAM, where applicable, is disclosed in the Fund-Specific Notes to the Interim Financial Report.

7. Taxation

The Fund qualifies, or intends to qualify if launched during the current period, as a mutual fund trust under the *Income Tax Act* (Canada). All or substantially all of the net investment income and sufficient amounts of net capital gains realized in any period are distributed to unitholders such that no income tax is payable by the Fund. As a result, the Fund has determined that it is in substance not taxable and therefore does not record income taxes in the Statements of Comprehensive Income nor does it recognize any deferred tax assets or liabilities in the Statements of Financial Position. The Fund's capital and/or non-capital losses, where applicable, are provided in the Fund-Specific Notes to the Interim Financial Report. Capital losses have no expiry. Non-Capital losses can be carried forward for up to twenty years.

The Fund currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are reported as Tax Reclaims (Withholding Taxes) on the Statements of Comprehensive Income.

8. Financial Risk Management

Financial Risk Factors

The Fund is exposed to a variety of financial risks: market risk (including interest rate risk, currency risk, and other price risk), credit risk, liquidity risk and concentration risk. All investments present a risk of loss of capital.

TDAM seeks to reduce financial risks by employing and overseeing professional and experienced portfolio advisers that regularly monitor the Fund's positions, market events and diversify investment portfolios within the constraints of the Fund's investment objectives, investment strategies and applicable TDAM policies and procedures (collectively referred to as "Investment Restrictions").

If the Fund invests in underlying funds, TDAM seeks to reduce financial risks by diversifying investments across the three main asset classes: money market investments for safety, bonds for income and equity investments for growth, where applicable. Since different types of investments tend to move independently from one another, positive performance in one asset class can help offset negative performance in another, thereby reducing volatility and overall risk in the long term. The Fund is managed in accordance with its Investment Restrictions.

(a) Market Risk

(i) INTEREST RATE RISK

Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or the fair values of interest-bearing investments. The Fund's exposure to interest rate risk is concentrated in its investments in debt instruments (such as bonds and debentures) and interest rate derivative instruments, if any. Short-term investments, currencies and other assets and liabilities are short-term in nature and/or non-interest bearing and not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

If the Fund invests in underlying funds, it is exposed to indirect interest rate risk to the extent of the interest-bearing financial instruments held by the underlying funds. The Fund's exposure to interest rate risk, where significant, is disclosed in the Fund-Specific Notes to the Interim Financial Report.

(II) CURRENCY RISK

The Fund may hold assets denominated in currencies other than its functional currency. The Fund is therefore exposed to currency risk, as the value of the assets denominated in other currencies will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Fund's functional currency. Where the Fund invests in any underlying funds, it is exposed to indirect currency risk in the event that the underlying funds invest in financial instruments that are denominated in a currency other than the underlying funds' functional currency.

The Fund may enter into foreign exchange forward contracts for hedging purposes to reduce its foreign currency exposure or to establish exposure to foreign currencies.

The Fund's exposure to currency risk, where significant, is disclosed in the Fund-Specific Notes to the Interim Financial Report.

(III) OTHER PRICE RISK

Other price risk is the risk that securities will fluctuate in value because of changes in market prices (other than those arising from interest rate risk or currency risk). TDAM seeks to reduce this risk through its Investment Restrictions. Except for written options and equities sold short, the maximum risk resulting from financial instruments is the fair value of the financial instruments as presented on the Statements of Financial Position. Possible losses from written options and equities sold short can be unlimited. In determining the Fund's impact from exposure to other price risk, a historical beta may be used when applicable. Historical beta, a measure of the sensitivity of the Fund's returns to market returns, is generally derived from comparing 36 months of returns between the benchmark and the Fund. As such, beta inherently includes effects previously reflected in the interest rate and currency risks. Historical beta may not be representative of future beta.

Where the Fund invests in underlying funds, it is exposed to indirect other price risk in the event that the underlying funds invest in securities that trade on a market. The impact from indirect exposure to other price risk would be limited to the weighting of securities that trade on a market (equity component) in the underlying funds and may not reflect the Fund's entire indirect proportional ownership of the underlying funds. The Fund's impact from exposure to other price risk, where applicable, is disclosed in the Fund-Specific Notes to the Interim Financial Report.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The Fund's main credit risk concentration is in debt instruments and derivative instruments it holds. The Fund's exposure to credit risk is the risk that an issuer of investments or a counterparty to derivative instruments will be unable to pay amounts in full when due. All transactions in listed securities are settled or paid for upon delivery using approved brokers. The risk of default with a broker is considered minimal, as delivery of securities sold is only made once the broker has

received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Fund may also be exposed indirectly to credit risk if it invests in underlying funds in the event that the underlying funds invest in debt instruments and derivatives. Where applicable, detailed information is disclosed in the Fund-Specific Notes to the Interim Financial Report.

The Fund and the underlying funds only buy and hold short-term notes with a minimum R-1 (low) credit rating by DBRS or an equivalent rating from another recognized credit rating agency. The credit risk from the use of counterparties for foreign exchange forward contracts is, where applicable, minimized by:

- (i) using counterparties with a minimum credit rating of A by S&P Global Ratings ("SPGR") or an equivalent rating from another recognized credit rating agency;
- (ii) limiting the term of the foreign exchange forward contracts to a maximum of 365 days; and,
- (iii) limiting the mark-to-market exposure to any one counterparty to 10 percent of the portfolio value.

The Fund's investments in short term and debt instruments, by ratings categories, where applicable, are disclosed in the Fund-Specific Notes to the Interim Financial Report.

The Fund may also engage in securities lending transactions with counterparties that have a minimum credit rating of A by SPGR or an equivalent rating from another credit agency. The value of cash or securities held as collateral by the Fund in connection with these transactions is at least 102 percent of the fair value of the securities loaned. The collateral and loaned securities are marked to market on each business day. Information about security lending income earned by the Fund, the fair values of securities lent and collateral held by the Fund, where applicable, is disclosed in the Fund-Specific Notes to the Interim Financial Report.

(c) Liquidity Risk

Liquidity risk is defined as the risk that a fund may not be able to settle or meet its obligations on time or at a reasonable price. The Fund's exposure to this risk is concentrated in the daily cash redemptions of redeemable units. The Fund primarily invests in securities that are traded in active markets and can be readily disposed. In addition, the Fund retains sufficient cash and cash equivalents to maintain liquidity, and has the ability to borrow up to 5 percent of its NAV for the purpose of funding redemptions. The contractual maturities analysis for the Fund's financial liabilities, where applicable, is disclosed in the Fund-Specific Notes to the Interim Financial Report.

(d) Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type or industry sector. The Fund's concentration risk is disclosed in the Fund-Specific Notes to the Interim Financial Report.

9. Capital Risk Management

Units issued and outstanding represent the capital of the Fund. The Fund does not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription requirements. Changes in the Fund's capital during the periods are reflected on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units. TDAM is responsible for managing the capital of the Fund in accordance with the Fund's investment objectives and for managing liquidity in order to meet redemption requests.

10. Restatement of Comparative Information

Where applicable, certain comparative figures on the Statements of Comprehensive Income have been restated. Amounts related to withholding taxes from underlying funds have been previously presented separately in the Statements of Comprehensive Income. In these financial statements, such amounts have been deducted from Income Distributions from Underlying Funds. The impact on the Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units is nil.

Where applicable, certain comparative figures on the Statements of Cash Flows have also been restated. Amounts reclassified to Distributions In-Kind from Underlying Funds have been presented separately from amounts related to Purchases of Investments to appropriately reflect the non-cash components of investments purchased. The impact on the Net Cash from (used in) Operating Activities is nil.

If applicable, the most recent financial statements of the underlying funds managed by TDAM are available, without charge, by writing to:

TD Mutual Funds

c/o TD Asset Management Inc.
P.O. Box 100
66 Wellington Street West
TD Bank Tower
Toronto-Dominion Centre
Toronto, Ontario
M5K 1G8

Currency codes used throughout the report:

Currency Code	Description
AUD	Australian Dollar
BRL	Brazilian Real
CAD/C\$	Canadian Dollar
CHF	Swiss Franc
DKK	Danish Krone
EUR	Euro
GBP	British Pound
HKD	Hong Kong Dollar
ILS	Israeli Shekel
JPY	Japanese Yen
KRW	South Korean Won
MXN	Mexican Peso
MYR	Malaysian Ringgit
NOK	Norwegian Krone
NZD	New Zealand Dollar
SEK	Swedish Krona
SGD	Singapore Dollar
THB	Thai Baht
USD	United States Dollar
ZAR	South African Rand

For Funds with references to FTSE TMX Canada indices:

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