

TD Asset Management

TD *Emerald* Canadian Treasury Management Fund

526408
(08/19)

TD *Emerald* Funds Semi-Annual Management Report of Fund Performance

for the period ended June 30, 2019

This Interim Management Report of Fund Performance contains financial highlights, but does not contain either the complete interim financial report or annual financial statements of the investment fund. You can get a copy of the interim financial report or annual financial statements at your request, at no cost, by calling 1-888-834-6339, by writing to us at TD Asset Management Inc., TD Canada Trust Tower, 34th Floor, 161 Bay Street, Toronto, Ontario, M5J 2T2, by e-mail to inst.info@tdam.com, or by visiting our website at www.tdaminstitutional.com or the SEDAR website at www.sedar.com

Securityholders may also contact us or visit our website to get a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure at no cost.

This Interim Management Report of Fund Performance represents management's view of the significant factors and developments affecting the investment fund's performance and outlook since December 31, 2018, the investment fund's fiscal year-end, until June 30, 2019. This report should be read in conjunction with the 2018 Annual Management Report of Fund Performance.



Management Discussion of Fund Performance

Results of Operations

The Institutional Class units of TD Emerald Canadian Treasury Management Fund (the “Fund”) returned 0.97% for the six-month period ended June 30, 2019 (“Reporting Period”), versus 0.82% for the Fund’s product benchmark. The Fund’s product benchmark is the FTSE Canada 30 Day T-Bill Index. Unlike the product benchmark, the Fund’s return is quoted after the deduction of fees and expenses.

Market Update

Over the Reporting Period, the Canadian economy was supported by a healthy labour market; however, it experienced relatively weak annualized gross domestic product growth over the first quarter of 2019. Ongoing trade uncertainty between the U.S. and China weighed on markets and caused volatility. In response to soft growth and global trade disruptions, the Bank of Canada (“BoC”) held its benchmark interest rate at 1.75% throughout the Reporting Period. Canada’s unemployment rate generally fell throughout the Reporting Period, hitting its lowest level since 1976 in May, as a substantial number of jobs were added to the economy. Canada’s inflation rate steadily increased, moving closely with the price of oil, and rose towards the end of the Reporting Period as a result of higher food prices.

The FTSE Canada 91 Day T-Bill Index posted a gain of 0.81% over the Reporting Period. The Government of Canada 91-day Treasury bill yield was 1.66% at the end of the Reporting Period, up slightly from 1.65% at the start of the Reporting Period.

Key Contributors/Detractors

The Fund continued to be managed with the objective of seeking to earn interest income while preserving capital and maintaining liquidity. The Fund performed within expectations.

Recent Developments

Looking ahead, the Portfolio Adviser continues to be mindful of a variety of macroeconomic factors that may influence the performance of financial markets. Global economic indicators have begun to show signs of slowing growth, particularly across the eurozone and the U.K. There appears to be a greater dispersion among major regions, as economic data and sentiment in the U.S. remain resilient. Nonetheless, industrial production, job creation and construction activity have all been broadly positive. While these factors are supportive of continued economic growth, the Portfolio Adviser cautions that any optimism should be balanced against potential risks, including geopolitical developments, trade protectionism and central bank actions.

The Portfolio Adviser expects major global central bank policies to be supportive of continuing economic expansion. Monetary policy action in the near term is likely to become more accommodative, as central banks have pivoted to a cautious stance in 2019. Inflation measures have largely remained below target, as economic uncertainty has manifested itself in episodes of financial market

volatility. The Portfolio Adviser believes heightened inflation is not likely to be the primary concern of global central banks in 2019. While solid economic fundamentals and strong corporate earnings are supportive of global equity prices, the Portfolio Adviser anticipates that geopolitical uncertainty, trade tensions and, more specifically, their impact on global growth could lead to greater volatility in financial markets over the balance of the year.

Under such circumstances, the Portfolio Adviser expects earnings growth to slow but remain broadly positive, and companies generating substantial free cash flow are expected to continue to boost dividends and repurchase shares, supporting equity markets. Market valuations for higher-risk assets appear to be at fair value in a historical context. Credit spreads (the difference in yields between corporate bonds and government bonds with similar maturities) are supported by low interest rates and a search for yield by global investors. The Portfolio Adviser maintains a preference for quality and, as such, is cautiously optimistic. In addition, the Portfolio Adviser anticipates that the lower-for-longer interest rate environment may continue for a prolonged period. Lastly, the Portfolio Adviser continues to monitor all of the factors that could influence the Fund’s investment portfolio.

Related Party Transactions

Affiliates of TD Asset Management Inc. (“TDAM”) may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as in connection with banking, custody, brokerage and derivatives transactions.

Manager, Trustee and Portfolio Adviser:

TDAM, a wholly-owned subsidiary of The Toronto-Dominion Bank (“TD”), is the manager, trustee and portfolio adviser of the Fund. TDAM is paid directly by the unitholders an annual management fee for providing management services.

The Fund pays TDAM an annual administration fee in consideration for TDAM paying certain operating expenses of the Fund. The tiered administration fee is calculated based on the net asset value of the Fund, and is accrued daily and paid to TDAM monthly.

	<i>(expressed as a %)</i>
First \$250 Million of Net Asset Value	0.03
Next \$250 Million of Net Asset Value	0.02
Balance Over \$500 Million	0.01

Distributor:

Units of the Fund are generally intended for sale to institutional investors subject to certain restrictions and can be obtained directly from a TDAM representative in any province or territory where TDAM is or may become qualified to receive orders for units of the Fund.

Registrar and Transfer Agent:

TD is the registrar and transfer agent of the Fund, and as such maintains all unitholder records, processes purchase, switch, conversion and redemption orders, issues investor statements and prepares annual tax reporting information on behalf of the Fund.

Administration and Securityholder Services:

The Fund also maintains bank accounts and overdraft provisions with TD for which TD earns a fee.

Buying and Selling Securities:

TDAM has established an independent review committee ("IRC") which acts 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 securityholders of the Fund. The report is available on the TDAM website at www.tdassetmanagement.com or at the securityholder's request at no cost by contacting TDAM (see front cover).

The Fund did not engage in any portfolio transactions requiring IRC approval during the Reporting Period.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the six-month period ended June 30, 2019 and the past five fiscal years, as applicable.

Net Assets per Unit (\$)¹

INSTITUTIONAL CLASS	2019	2018	2017	2016	2015	2014
Net Assets, Beginning of Period	10.00	10.00	10.00	10.00	10.00	10.00
Increase (Decrease) from Operations:						
Total Revenue	0.10	0.16	0.09	0.07	0.08	0.11
Total Expenses (excluding distributions)	0.00	0.00	0.00	0.00	0.00	0.00
Realized Gains (Losses) for the Period	0.00	0.00	0.00	0.00	0.00	0.00
Unrealized Gains (Losses) for the Period	0.00	0.00	0.00	0.00	0.00	0.00
Total Increase (Decrease) from Operations²	0.10	0.16	0.09	0.07	0.08	0.11
Distributions:						
From Net Investment Income (excluding dividends)		(0.16)	(0.09)	(0.07)	(0.08)	(0.11)
From Dividends		0.00	0.00	0.00	0.00	0.00
From Capital Gains		0.00	0.00	0.00	0.00	0.00
Return of Capital		0.00	0.00	0.00	0.00	0.00
Total Annual Distributions³	(0.10)	(0.16)	(0.09)	(0.07)	(0.08)	(0.11)
Net Assets, End of Period	10.00	10.00	10.00	10.00	10.00	10.00

¹ This information is derived from the Fund's interim and audited annual financial statements prepared in accordance with International Financial Reporting Standards. The Fund measures fair value of its investments based on close market prices, where the close market price falls within the bid-ask spread or based on quotations from recognized dealers. As such, the Fund's accounting policies for measuring the fair value of investments in the financial statements are substantively consistent with those used in measuring the net asset value ("NAV") for transactions with unitholders.

² Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial periods. This table is not intended to be a reconciliation of the net assets per unit.

³ Distributions were paid in cash or reinvested in additional units of the Fund, or both.

Ratios and Supplemental Data

INSTITUTIONAL CLASS	2019	2018	2017	2016	2015	2014
Total Net Asset Value (\$000s)¹	236,952	384,563	700,944	447,675	1,175,522	1,021,413
Number of Units Outstanding (000s)¹	23,695	38,456	70,094	44,767	117,552	102,141
Management Expense Ratio (%)²	0.04	0.04	0.03	0.02	0.02	0.03
Management Expense Ratio Before						
Waivers or Absorptions (%)	0.05	0.04	0.03	0.03	0.02	0.03
Trading Expense Ratio (%)³	0.00	0.00	0.00	0.00	0.00	0.00
Portfolio Turnover Rate (%)⁴	N/A	N/A	N/A	N/A	N/A	N/A
Net Asset Value per Unit (\$)	10.00	10.00	10.00	10.00	10.00	10.00

¹ This information is provided as at June 30, 2019 and December 31 of the past five fiscal years, as applicable.

² Management expense ratio ("MER") is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) net of any waivers or absorptions for the stated period and is expressed as an annualized percentage of daily average NAV during the period. Any waivers or absorptions may be discontinued at any time by TDAM at its discretion without notice.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average NAV during the stated period.

⁴ The Fund's portfolio turnover rate ("PTR") indicates how actively the Fund's portfolio adviser manages its investments. A PTR of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the stated period. The higher a fund's PTR, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the fiscal year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Management Fees

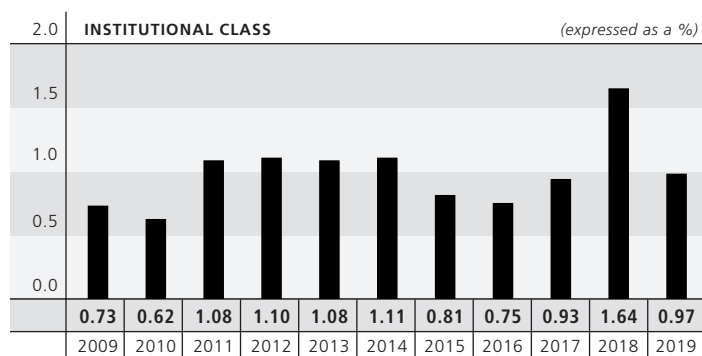
The Fund's Institutional Class units do not pay a management fee. Instead, such fee is negotiated separately and paid directly by unitholders to TDAM.

Past Performance

The following chart shows how the Fund has performed in the past, and can help you understand the risks of investing in the Fund. These returns include the reinvestment of all distributions and would be lower if an investor did not reinvest distributions. They do not include deduction of sales, switch, redemption, or other optional charges (which dealers may charge) or income taxes payable, and these returns would be lower if they did. The Fund's past performance does not necessarily indicate how it will perform in the future.

Year-by-year returns

The bar chart shows how the Fund's performance has varied from year to year for each of the years shown. It shows in percentage terms how an investment made on January 1 would have increased or decreased by December 31 for each year and for the six-month period ended June 30, 2019.



For the 12 months ended Dec. 31 and six-month period ended June 30, 2019

Current Yield

This is an annualized historical yield based on the seven-day period ended on June 30, 2019 and does not represent an actual one year return.

	(expressed as a %)
Institutional Class	1.90

Summary of Investment Portfolio

as at June 30, 2019

	% of Net Asset Value
PORTFOLIO ALLOCATION	
Commercial Paper	55.2
Bankers' Acceptances	26.2
Cash (Bank Overdraft)	9.8
Reverse Repurchase Agreements	6.8
Corporates	2.0
Other Net Assets (Liabilities)	0.0

FIXED INCOME CREDIT RATINGS[§]

R-1 High	74.4
R-1 Mid	12.2
R-1 Low	3.6

[§] Credit Ratings are obtained from S&PGR, Moody's or DBRS Ltd. rating agencies.

TOTAL NET ASSET VALUE (000s)	\$ 236,952
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	% of Net Asset Value
TOP 25 INVESTMENTS	
Cash (Bank Overdraft)	9.8
Government of Canada Treasury Bill, Reverse Repurchase Agreement dated June 28, 2019 1.73% due July 02, 2019	6.8
Ridge Trust 2.58% due July 08, 2019	2.5
HSBC Bank Canada 1.97% due August 28, 2019	2.5
Nestle Capital Canada 2.04% due July 09, 2019	2.1
Federation des caisses Desjardins du Quebec 1.92% due July 24, 2019	2.1
Storm King Funding 1.99% due September 23, 2019	2.1
Sure Trust 2.00% due July 17, 2019	1.9
Sure Trust 1.95% due July 30, 2019	1.7
Bank of Montreal 1.89% due August 19, 2019	1.7
Canadian Master Trust 1.92% due September 03, 2019	1.7
Plaza Trust 1.97% due September 20, 2019	1.7
SAFE Trust 1.96% due September 25, 2019	1.7
Stable Trust 1.98% due October 24, 2019	1.7
Plaza Trust 2.00% due November 20, 2019	1.7
National Bank of Canada 1.85% due August 15, 2019	1.6
Lakeshore Trust 1.96% due August 13, 2019	1.4
Clarity Trust 1.88% due August 23, 2019	1.3
Storm King Funding 1.98% due August 26, 2019	1.3
Lakeshore Trust 1.94% due September 04, 2019	1.3
Royal Bank of Canada Floating Rate due November 05, 2019	1.3
bclMC Realty Corporation 2.34% due July 03, 2019	1.3
Bank of Montreal 1.95% due July 10, 2019	1.3
The Bank of Nova Scotia 1.92% due July 11, 2019	1.3
The Bank of Nova Scotia 1.96% due July 15, 2019	1.3
Total % of Net Asset Value represented by these holdings	55.1

Note: Totals may not add due to rounding to one decimal place of individual figures.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund. Updates are available quarterly. You may obtain the most current quarterly information by contacting TD Asset Management Inc. at 1-888-834-6339, by writing to us at TD Asset Management Inc., TD Canada Trust Tower, 34th Floor, 161 Bay Street, Toronto, Ontario, M5J 2T2, or by e-mail to inst.info@tdam.com

Caution regarding forward-looking statements

Certain portions of this report, including, but not limited to, “Results of Operations” and “Recent Developments”, may contain forward-looking statements including, but not limited to, statements about the Fund, its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” and similar forward-looking expressions or negative versions thereof.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks and uncertainties, some of which may be unforeseeable. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and relevant market factors in North America and internationally, interest and foreign exchange rates, equity and capital markets, business competition, technological change, changes in government relations, unexpected judicial or regulatory proceedings and catastrophic events.

The above mentioned list of important factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing any undue reliance on forward-looking statements. Further, there is no specific intention of updating any forward-looking statements contained herein whether as a result of new information, future events or otherwise.

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