



SEMI-ANNUAL
REPORT

2016

CORE CANADIAN DIVIDEND TRUST


strathbridge
ASSET MANAGEMENT

Letter to Unitholders

We are pleased to present the 2016 semi-annual report containing the management report of fund performance and the unaudited financial statements for Core Canadian Dividend Trust (the “Fund”).

Stock market performance in the first half of 2016 can be characterized by significant weakness to start off the year due to stagnant economic growth and increasingly ineffective monetary policy which led to a lack of investor confidence. However, after most stock markets hit new lows in early February, they staged a meaningful recovery which continued through the second quarter of 2016. Oil prices which declined over 30 percent to a low of US\$26.21 on February 11, 2016 have maintained a steady uptrend since, topping US\$50 per barrel by mid-June and brought much of the energy complex along with it. Soft commodities were also generally higher during the first six months of 2016. The main commodity story, however, was gold. It is the best performing asset class so far in 2016, up over 24 percent. One might expect to see elevated volatility as investors often flock to gold in times of crisis; however, this was not the case. Interest rates remain low and have even gone into negative levels in some regions, notably Europe and Japan. Surprisingly, stock markets have been calm allowing the VIX (“CBOE Volatility Index”) to drift lower through much of the period. The first half of 2016 was punctuated with “Brexit”. The word was coined to describe Great Britain’s exit from the European Union (“EU”). A referendum was held on June 23 and the people voted 52-48 percent to leave the EU in a surprise upset. The news roiled global markets immediately following the event but North American markets have since fully recovered. The longer term impacts on the region and the world are not yet known.

During the six months ended June 30, 2016, the Fund paid cash distributions of \$0.19 per unit. The total return of the Fund, including reinvestment of distributions, was 13.5 percent for the period. The net asset value per unit increased from \$5.71 at December 31, 2015 to \$6.28 at June 30, 2016. The net realized gain on options attributable to Strathbridge Selective Overwriting strategy (see “The Fund”) amounted to \$0.09 per unit as compared to a net realized gain on options of \$0.01 last year. For a more detailed review of the operations of the Fund, please see the Results of Operations and the Portfolio Manager Report sections.

We thank all unitholders for their continued support and encourage unitholders to review the detailed information contained within the semi-annual report.



John P. Mulvihill
Chairman & CEO
Strathbridge Asset Management Inc.

The Fund

The Fund is a closed-end investment trust designed to provide unitholders with a stable stream of monthly distributions targeted to be 6.5 percent per annum on the net asset value (“NAV”) of the Fund and to preserve and grow the NAV. The units are listed on the Toronto Stock Exchange (“TSX”) under the ticker symbol CDD.UN.

To accomplish its objectives, the Fund invests in a portfolio (“Core Canadian Dividend Portfolio”) consisting of high-quality, large capitalization, dividend-paying Canadian companies across multiple sectors that have an excellent long-term track record of dividend growth and share price appreciation. The Fund may also purchase other issuers listed on the TSX which the Manager believes are consistent with the Fund’s investment objectives (provided that after such purchase, no more than an aggregate of 25 percent of the net asset value of the Fund is invested in securities of such other issuers) and invest in public investment funds including exchange traded funds and other Strathbridge Funds (provided that no more than 15 percent of the net asset value of the Fund may be invested in securities of other Strathbridge Funds) that provide exposure to such securities.

The Fund employs a proprietary investment strategy, Strathbridge Selective Overwriting (“SSO”), to enhance the income generated by the portfolio and to reduce volatility. In addition, the Fund may write cash covered put options in respect of securities in which it is permitted to invest.

The SSO strategy is a quantitative, technical based methodology that identifies appropriate times to write and/or close out option positions compared to writing continuously and rolling options every thirty days. This proprietary process has been developed over many years through various market cycles. The Manager believes the primary benefit to investors is to maximize the total return of the particular portfolio while reducing the level of volatility of the portfolio, thereby increasing the risk-adjusted return.

Core Canadian Dividend Trust

Management Report of Fund Performance

Management Report of Fund Performance

This semi-annual management report of fund performance contains the financial highlights for the six months ended June 30, 2016 of Core Canadian Dividend Trust (the "Fund"). The unaudited semi-annual financial statements of the Fund are attached.

Copies of the Fund's proxy voting policies and procedures, proxy voting disclosure record and quarterly portfolio disclosure may be obtained by calling 1-800-725-7172 toll free, by writing to the Fund at Investor Relations, 121 King Street West, Suite 2600, P.O. Box 113, Toronto, Ontario, M5H 3T9, by email at info@strathbridge.com or by visiting our website at www.strathbridge.com. You can also request semi-annual or annual reports at no cost by using one of the above methods.

Results of Operations

Distributions

For the six months ended June 30, 2016, cash distributions of \$0.19 per unit were paid to unitholders as compared to \$0.23 per unit last year.

Since the inception of the Fund in November 2006, the Fund has paid total cash distributions of \$4.57 per unit.

Revenue and Expenses

For the six months ended June 30, 2016, the Fund's total revenue was \$0.11 per unit compared to \$0.13 per unit in the prior year. Overall expenses decreased 6.4 percent compared to the same period last year. However, total expenses per unit increased by \$0.01 per unit from the previous year to \$0.19 per unit due to higher custodian fees and a decreased number of units outstanding during the period. The Fund had a net realized and unrealized gain of \$0.82 per unit in the first half of 2016 as compared to a net realized and unrealized loss of \$0.38 per unit a year earlier.

Net Asset Value

The net asset value per unit of the Fund increased 10.0 percent from \$5.71 at December 31, 2015 to \$6.28 at June 30, 2016. The total net asset value of the Fund increased \$0.43 million, from \$4.43 million at December 31, 2015 to \$4.86 million at June 30, 2016, reflecting an increase in net assets attributable to equity holders of \$0.58 million which was partially offset by cash distributions of \$0.15 million.

Recent Developments

There were no recent developments pertaining to the Fund during the semi-annual period ending June 30, 2016.

Management Report of Fund Performance

Related Party Transactions

Strathbridge Asset Management Inc. (“Strathbridge”), as the Investment Manager of the Fund, manages the investment portfolio in a manner consistent with the investment objectives, strategy and criteria of the Fund pursuant to an Investment Management Agreement made between the Fund and Strathbridge dated October 27, 2006,

Strathbridge is the Manager of the Fund pursuant to a Trust Agreement made between the Fund and Strathbridge dated October 27, 2006. As such, Strathbridge is responsible for providing or arranging for required administrative services to the Fund.

Strathbridge is paid the fees described under the Management Fees section of this report.

During the period, no recommendations or approvals were required to be sought from the Independent Review Committee (“IRC”) concerning related party transactions.

Independent Review Committee

National Instrument 81-107 - Independent Review Committee for Investment Funds (“NI 81-107”) requires all publicly offered investment funds to establish an IRC to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintaining records in respect of these matters and providing assistance to the IRC in carrying out its functions. The Chief Compliance Officer, designated by the Manager, is in charge of facilitating the fulfillment of these obligations.

The IRC will prepare, for each financial year, a report to securityholders that describes the IRC and its activities during such financial year and includes, if known, a description of each instance when the Manager acted in a conflict of interest matter for which the IRC did not give a positive recommendation or for which a condition, imposed by the IRC, was not met in its recommendation or approval. Members of the IRC are Robert W. Korthals, Michael M. Koerner and Robert G. Bertram.

Core Canadian Dividend Trust

Management Report of Fund Performance

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 past five years.

Information for the period ended June 30, 2016 is derived from the Fund's unaudited semi-annual financial statements.

The information for the years ended December 31 is derived from the Fund's audited annual financial statements.

	Six months ended June 30, 2016
NET ASSETS PER UNIT	
Net Assets, beginning of period⁽¹⁾	\$ 5.71
INCREASE (DECREASE) FROM OPERATIONS	
Total revenue	0.11
Total expenses	(0.19)
Realized gain (loss) for the period	(0.17)
Unrealized gain (loss) for the period	0.99
Total Increase (Decrease) from Operations⁽²⁾	0.74
DISTRIBUTIONS	
Non-taxable distributions	(0.19)
Total Distributions⁽³⁾	(0.19)
Net Assets, end of period⁽¹⁾	\$ 6.27

(1) All per unit figures presented in 2016, 2015, 2014 and 2013 are referenced to net assets determined in accordance with IFRS which are derived from the Fund's unaudited financial statements for the six months ended June 30, 2016 and the annual audited financial statements for the years ended December 31, 2015 and 2014. Net assets per unit for all other prior years were derived from the Fund's audited annual financial statements that were prepared in accordance with Canadian generally accepted accounting principles. Net assets per unit is the difference between the aggregate value of the assets (including the valuation of securities at closing prices for the years beginning on or after January 1, 2013 and for all other prior years at bid prices) and the aggregate value of the liabilities divided by the number of units then outstanding.

	Six months ended June 30, 2016
RATIOS/SUPPLEMENTAL DATA	
Net Asset Value (\$millions)	\$ 4.86
Number of units outstanding	774,846
Management expense ratio ⁽¹⁾	6.05%⁽⁴⁾
Portfolio turnover rate ⁽²⁾	106.40%
Trading expense ratio ⁽³⁾	0.36%⁽⁴⁾
Net Asset Value per unit ⁽⁵⁾	\$ 6.28
Closing market price	\$ 5.87

(1) The management expense ratio ("MER") is the sum of all fees and expenses for the stated period, including harmonized sales tax but excluding transaction fees, divided by the average net asset value. Generally, the MER increases when the Fund becomes smaller in size due to redemptions. The MER for 2015 and 2014 includes the special resolution expense. The MER for 2015 and 2014 excluding the special resolution expense is 4.46% and 3.78% respectively.

(2) Portfolio turnover rate is calculated based on the lesser of purchases or sales of investments, excluding short-term investments, divided by the average value of the portfolio securities. The Fund employs an option overlay strategy which can result in higher portfolio turnover by virtue of option exercises, when compared to a conventional equity mutual fund.

Management Report of Fund Performance

As a result of the adoption of International Financial Reporting Standards (“IFRS”), for June 30, 2016, December 31, 2015, 2014 and 2013, the net assets per unit presented in the financial statements and the net asset value per unit calculated weekly are both valued at closing prices. For all other prior years ended December 31, the net assets per unit presented in the financial statements differs from the net asset value per unit calculated weekly, primarily as a result of investments being valued at bid prices for financial statements purposes and at closing prices for weekly net asset value purposes.

		Years ended December 31							
		2015	2014	2013	2012	2011			
\$	7.17	\$	7.30	\$	6.80	\$	6.94	\$	7.61
	0.25		0.29		0.30		0.29		0.27
	(0.31)		(0.29)		(0.25)		(0.23)		(0.23)
	0.21		1.00		0.44		(0.27)		0.41
	(1.18)		(0.66)		0.47		0.51		(0.65)
	(1.03)		0.34		0.96		0.30		(0.20)
	(0.43)		(0.47)		(0.45)		(0.44)		(0.47)
	(0.43)		(0.47)		(0.45)		(0.44)		(0.47)
\$	5.71	\$	7.17	\$	7.30	\$	6.79	\$	6.94

- (2) Total increase (decrease) from operations consists of interest and dividend revenue, realized and unrealized gain (loss), less expenses and is calculated based on the weighted average number of units outstanding during the period. The schedule is not intended to total to the ending net assets as calculations are based on the weighted average number of units outstanding during the period.
- (3) Distributions to unitholders are based on the number of units outstanding on the record date for each distribution.

		Years ended December 31							
		2015	2014	2013	2012	2011			
\$	4.43	\$	6.25	\$	7.56	\$	8.90	\$	11.03
	774,846		871,946		1,034,646		1,308,579		1,588,084
	4.50%		3.84%		3.44%		3.16%		3.00%
	163.35%		159.49%		126.26%		120.09%		122.69%
	0.22%		0.20%		0.22%		0.20%		0.23%
\$	5.71	\$	7.17	\$	7.30	\$	6.80	\$	6.94
\$	5.46	\$	6.70	\$	6.76	\$	6.35	\$	6.32

- (3) Trading expense ratio represents total commissions expressed as a percentage of the daily average net asset value during the period.
- (4) Annualized.
- (5) Net Asset Value per unit is the difference between the aggregate value of the assets including the valuation of securities at closing prices and the aggregate value of the liabilities, divided by the number of units then outstanding.

Core Canadian Dividend Trust

Management Report of Fund Performance

Management Fees

Strathbridge, as the Investment Manager of the Fund, is entitled to fees under the Investment Management Agreement calculated monthly as 1/12 of 1.00 percent of the net asset value of the Fund at each month end. Services received under the Investment Management Agreement include the making of all investment decisions and writing of covered call options in accordance with the investment objectives, strategy and criteria of the Fund. Strathbridge also makes all decisions as to the purchase and sale of securities in the Fund's portfolio and as to the execution of all portfolio and other transactions.

Strathbridge, as the Manager of the Fund, is entitled to fees under the Trust Agreement calculated monthly as 1/12 of 0.10 percent of the net asset value of the Fund at each month end. Services received under the Trust Agreement include providing or arranging for required administrative services to the Fund.

Past Performance

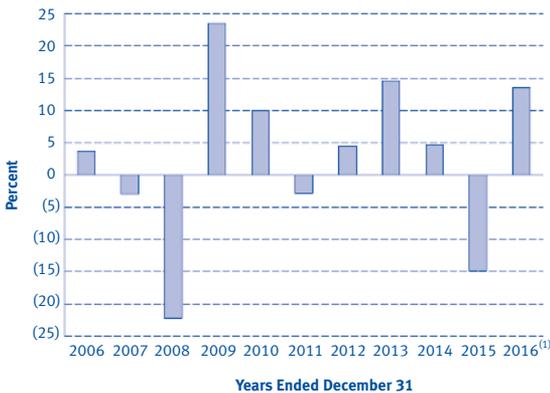
The following chart sets out the Fund's year-by-year past performance. It is important to note that the:

- (1) information shown assumes that all distributions (including deemed distributions based on the intrinsic value of the warrants exercised prior to the expiry date of the warrants) made by the Fund during these periods were reinvested in units of the Fund,
- (2) information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns, and
- (3) past performance of the Fund does not necessarily indicate how it will perform in the future.

Year-By-Year Returns

The following bar chart illustrates how the Fund's total return varied from year to year for each of the past ten years and for the six months ended June 30, 2016. The chart also shows, in percentage terms, how much an investment made on January 1 in each year or the date of inception on November 16, 2006 would have increased or decreased by the end of the fiscal year or June 30, 2016 for the six months ended.

Annual Total Return



⁽¹⁾ For the six months ended June 30, 2016.

Portfolio Manager Report

Stock market performance in the first half of 2016 can be characterized by significant weakness to start off the year due to stagnant economic growth and increasingly ineffective monetary policy which led to a lack of investor confidence. However, after most stock markets hit new lows in early February, they staged a meaningful recovery which continued through the second quarter of 2016. Oil prices which declined over 30 percent to a low of US\$26.21 on February 11, 2016 have maintained a steady uptrend since, topping US\$50 per barrel by mid-June and brought much of the energy complex along with it. Soft commodities were also generally higher during the first six months of 2016. The main commodity story, however, was gold. It is the best performing asset class so far in 2016, up over 24 percent. One might expect to see elevated volatility as investors often flock to gold in times of crisis; however, this was not the case. Interest rates remain low and have even gone into negative levels in some regions, notably Europe and Japan. Surprisingly, stock markets have been calm allowing the VIX (“CBOE Volatility Index”) to drift lower through much of the period. The first half of 2016 was punctuated with “Brexit”. The word was coined to describe Great Britain’s exit from the European Union (“EU”). A referendum was held on June 23 and the people voted 52-48 percent to leave the EU in a surprise upset. The news roiled global markets immediately following the event but North American markets have since fully recovered. The longer term impacts on the region and the world are not yet known.

The net asset value (“NAV”) per unit at June 30, 2016 was \$6.28 compared to \$5.71 at December 31, 2015. Unitholders received cash distributions of \$0.19 per unit during the first half of the year. The Fund’s units, listed on the Toronto Stock Exchange as CDD.UN, closed on June 30, 2016 at \$5.87, up \$0.41 from the December 31, 2015 closing at \$5.46. The June 30, 2016 closing price represents a 6.5 percent discount to the NAV per unit.

Sector performance in Canada was mixed with the Health Care sector delivering the worst performance after Valeant Pharmaceuticals International, Inc. reported a significant earnings miss. Not surprisingly, Canada’s gold miners responded favourably to the gold price surge mentioned earlier. The Materials sector had a positive total return of over 50 percent. The Fund’s holding of Teck Resources Limited moved in lock step with gold and had a total return of well over 200 percent. Other notable returns were Russel Metals Inc. up 47.1 percent and Manulife Financial Corporation (“MFC”) with negative 13.0 percent. MFC took a large charge for energy related business losses and the stock price has yet to meaningfully recover.

The total return of the Fund, including reinvestment of distributions, for the first six months ended June 30, 2016, was 13.5 percent compared to the S&P/TSX 60 Index at 8.6 percent.

Apart from a few events, including Brexit, volatility has been relatively low in 2016. The Fund continues to be very selective in call overwriting. Our option writing strategy contributed positively to the total return during the first six months of 2016 with 8.6 percent of the portfolio written on average during the period.

Core Canadian Dividend Trust

Management Report of Fund Performance

Summary of Investment Portfolio

The composition of the portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly portfolio summary, which includes the percentage of net asset value for each holding, and a monthly portfolio list are available on our website at www.strathbridge.com.

Asset Mix

June 30, 2016

	% of Net Asset Value
Financials	42.1 %
Materials	17.3 %
Energy	14.2 %
Cash	9.0 %
Industrials	4.8 %
Telecommunication Services	4.7 %
Utilities	4.4 %
Consumer Discretionary	4.1 %
Other Assets (liabilities)	(0.6)%
	100.0 %

Portfolio Holdings

June 30, 2016

	% of Net Asset Value
Teck Resources Limited - Class B	10.3 %
Cash	9.0 %
TransCanada Corp.	7.6 %
Bank of Montreal	7.1 %
Agnico Eagle Mines Limited	7.0 %
Enbridge Inc.	6.6 %
Royal Bank of Canada	6.4 %
National Bank of Canada	6.4 %
The Bank of Nova Scotia	5.6 %
Canadian Imperial Bank of Commerce	5.2 %
Russel Metals Inc.	4.8 %
BCE Inc.	4.7 %
Canadian Utilities Limited	4.4 %
The Toronto-Dominion Bank	4.2 %
Manulife Financial Corporation	4.1 %
Thomson Reuters Corp.	4.1 %
AGF Management Limited - Class B	3.1 %

Forward-Looking Statements

This report may contain forward-looking statements about the Fund. 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" or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also forward-looking. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results 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 any divergence between what is anticipated and what actually occurs, including, but not limited to, general economic, political and market factors, interest and foreign exchange rates, global equity and capital markets, business competition, technology change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

The above-mentioned list of important factors is not exhaustive. You should consider these and other factors carefully before making any investment decisions and you should avoid placing undue reliance on forward-looking statements. While the Fund currently anticipates that subsequent events and developments may cause the Fund's views to change, the Fund does not undertake to update any forward-looking statements.

Management’s Responsibility for Financial Reporting

The accompanying condensed financial statements of Core Canadian Dividend Trust (the “Fund”) and all the information in this semi-annual report are the responsibility of the management of Strathbridge Asset Management Inc. (the “Manager”) and have been approved by the Fund’s Board of Advisors (the “Board”).

The condensed financial statements have been prepared by management in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. Management has ensured that the other financial information presented in this semi-annual report is consistent with the condensed financial statements. The significant accounting policies which management believes are appropriate for the Fund are described in Note 3 of the annual financial statements for the year ended December 31, 2015.

The Manager is also responsible for maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information.

The Board meets periodically with management and the independent auditor to discuss internal controls, the financial reporting process, various auditing and financial reporting matters, and to review the annual report, the financial statements and the independent auditor’s report. Deloitte LLP, the Fund’s independent auditor, has full and unrestricted access to the Board.



John P. Mulvihill
Director
Strathbridge Asset Management Inc.



John D. Germain
Director
Strathbridge Asset Management Inc.

August 4, 2016

Notice to Unitholders

The accompanying unaudited Condensed Financial Statements for the six months ended June 30, 2016 have been prepared by management and have not been reviewed by the independent auditor of the Fund.

Statements of Financial Position

As at June 30, 2016 (Unaudited) and December 31, 2015 (Audited)

	Note	June 30, 2016	Dec. 31, 2015
ASSETS			
Financial assets at fair value through profit or loss	2	\$ 4,450,056	\$ 4,787,098
Dividends receivable		16,669	19,802
Cash		436,940	221,298
TOTAL ASSETS		4,903,665	5,028,198
LIABILITIES			
Accrued liabilities		36,800	41,777
Accrued management fees	5	4,396	4,662
Derivative liabilities	2	2,305	1,637
Redemptions payable		–	554,587
TOTAL LIABILITIES		43,501	602,663
NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS		\$ 4,860,164	\$ 4,425,535
NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS PER UNIT		\$ 6.2724	\$ 5.7115

The notes are an integral part of the Condensed Financial Statements.

Core Canadian Dividend Trust

Condensed Financial Statements

Statements of Comprehensive Income

Six months ended June 30 (Unaudited)

	Note	2016	2015
INCOME			
Dividend income		\$ 87,451	\$ 112,921
Net realized gain/(loss) on investments at fair value through profit or loss	3	(201,336)	340,338
Net realized gain on options at fair value through profit or loss	3	72,419	8,472
Net change in unrealized gain/loss on investments at fair value through profit or loss	3	770,732	(679,311)
TOTAL INCOME/(LOSS), NET		729,266	(217,580)
EXPENSES			
Management fees	5	25,486	32,966
Service fees		9,057	11,436
Administrative and other expenses		39,625	44,379
Transaction fees	6	8,158	6,384
Custodian fees		20,445	16,770
Audit fees		14,633	14,505
Advisory board fees	5	10,200	9,600
Independent review committee fees	5	3,410	3,509
Legal fees		2,247	1,746
Unitholder reporting costs		5,377	6,709
Harmonized sales tax		7,291	7,896
TOTAL EXPENSES		145,929	155,900
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS	7	\$ 583,337	\$ (373,480)
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS PER UNIT	7	\$ 0.7528	\$ (0.4283)

The notes are an integral part of the Condensed Financial Statements.

Statements of Changes in Equity

Six months ended June 30, 2016 (Unaudited)

	Unit Capital	Deficit	Total
BALANCE AT JANUARY 1, 2015	\$ 8,166,530	\$ (1,917,314)	\$ 6,249,216
Decrease in Net Assets Attributable to Equity Holders	–	(893,460)	(893,460)
Distributions			
Non-taxable distributions	–	(375,634)	(375,634)
Value for units redeemed	(909,426)	354,839	(554,587)
BALANCE AT DECEMBER 31, 2015	\$ 7,257,104	\$ (2,831,569)	\$ 4,425,535
Increase in Net Assets Attributable to Equity Holders	–	583,337	583,337
Distributions			
Non-taxable distributions	–	(148,708)	(148,708)
BALANCE AT JUNE 30, 2016	\$ 7,257,104	\$ (2,396,940)	\$ 4,860,164

The notes are an integral part of the Condensed Financial Statements.

Core Canadian Dividend Trust

Condensed Financial Statements

Statements of Cash Flows

Six months ended June 30 (Unaudited)

	2016	2015
CASH, BEGINNING OF YEAR	\$ 221,298	\$ 83,451
Cash Flows Provided by (Used In) Operating Activities		
Increase/(Decrease) in Net Assets Attributable to Equity Holders	583,337	(373,480)
Adjustments to Reconcile Net Cash Provided by (Used In) Operating Activities		
Net realized (gain)/loss on investments at fair value through profit or loss	201,336	(340,338)
Net realized gain on options at fair value through profit or loss	(72,419)	(8,472)
Net change in unrealized gain/loss on investments at fair value through profit or loss	(770,732)	679,311
Decrease in dividends receivable and due from brokers - investments	3,133	914,856
Decrease in accrued liabilities, accrued management fees and due to brokers - investments	(5,243)	(24,340)
Purchase of investment securities	(4,577,651)	(5,028,415)
Proceeds from disposition of investment securities	5,557,176	5,628,140
	335,600	1,820,742
Cash Flows Used In Financing Activities		
Unit distributions	(148,708)	(199,318)
Unit redemptions	(554,587)	(1,166,071)
	(703,295)	(1,365,389)
Net Increase in Cash during the Period	215,642	81,873
CASH, END OF PERIOD	\$ 436,940	\$ 165,324
Dividends received	\$ 90,584	\$ 116,622

The notes are an integral part of the Condensed Financial Statements.

Schedule of Investments

As at June 30, 2016 (Unaudited)

	Number of Shares/ (Contracts)	Average Cost/ (Proceeds)	Fair Value	% of Net Assets Attributable to Equity Holders
INVESTMENTS				
Canadian Common Shares				
Consumer Discretionary				
Thomson Reuters Corp.	3,800	\$ 188,902	\$ 198,626	4.1 %
Energy				
Enbridge Inc.	5,900	300,039	322,907	
TransCanada Corp.	6,350	330,702	371,221	
Total Energy		630,741	694,128	14.3 %
Financials				
AGF Management Limited - Class B	30,000	348,812	150,000	
Bank of Montreal	4,200	335,094	344,190	
Canadian Imperial Bank of Commerce	2,600	251,857	252,304	
Manulife Financial Corporation	11,400	233,199	201,438	
National Bank of Canada	7,000	319,625	309,330	
Royal Bank of Canada	4,100	313,964	312,994	
The Bank of Nova Scotia	4,300	271,701	272,233	
The Toronto-Dominion Bank	3,700	198,477	205,276	
Total Financials		2,272,729	2,047,765	42.1 %
Industrials				
Russel Metals Inc.	10,100	232,709	231,088	4.7 %
Materials				
Agnico Eagle Mines Limited	4,900	296,314	338,786	
Teck Resources Limited - Class B	29,400	368,840	500,094	
Total Materials		665,154	838,880	17.3 %
Telecommunication Services				
BCE Inc.	3,700	212,849	226,218	4.6 %
Utilities				
Canadian Utilities Limited	5,700	203,899	213,351	4.4 %
Total Canadian Common Shares		\$ 4,406,983	\$ 4,450,056	91.5 %
Options				
Written Covered Call Options (100 shares per contract)				
National Bank of Canada - July 2016 @ \$45	(18)	\$ (1,242)	\$ (990)	
Royal Bank of Canada - July 2016 @ \$77	(10)	(1,690)	(952)	
The Toronto-Dominion Bank - July 2016 @ \$56	(15)	(1,110)	(363)	
Total Options		\$ (4,042)	\$ (2,305)	0.0 %
Adjustment for transaction fees		(2,962)		
TOTAL INVESTMENTS		\$ 4,399,979	\$ 4,447,751	91.5 %
OTHER NET ASSETS			412,413	8.5 %
NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS			\$ 4,860,164	100.0 %

Core Canadian Dividend Trust

Notes to Condensed Financial Statements

June 30, 2016 (Unaudited)

1. Basis of Presentation

The condensed semi-annual financial statements for Core Canadian Dividend Fund (the "Fund") have been prepared in compliance with International Financial Reporting Standards ("IFRS", specifically the International Accounting Standard ("IAS") 34 Interim Financial Reporting. However, not all disclosures required by IFRS for annual financial statements have been presented and, accordingly, these condensed semi-annual financial statements should be read in conjunction with the most recently prepared annual financial statements for the year ended December 31, 2015.

These condensed semi-annual financial statements follow the same accounting policies and method of application as the most recent audited financial statements for the year ended December 31, 2015.

These condensed financial statements were approved by the Board of Advisors on August 4, 2016.

2. Risks Associated with Financial Instruments

The various types of risks associated with its investment strategies, financial instruments and markets in which the Fund invests remain unchanged from the prior year and are described in Note 6 of the audited financial statements for the year ended December 31, 2015.

Credit Risk

During the periods ended June 30, 2016 and December 31, 2015, the counterparties to the Fund's derivative financial instruments had a credit rating of A-1 or higher from Standard & Poor's Ratings Services.

Liquidity Risk

The amounts in the table are the contractual undiscounted cash flows:

	As at June 30, 2016		
	Financial Liabilities		
	On Demand	< 3 months	Total
Accrued liabilities	\$ -	\$ 36,800	\$ 36,800
Accrued management fees	-	4,396	4,396
Derivative liabilities	-	2,305	2,305
	\$ -	\$ 43,501	\$ 43,501

	As at December 31, 2015		
	Financial Liabilities		
	On Demand	< 3 months	Total
Redemptions payable	\$ -	\$ 554,587	\$ 554,587
Accrued liabilities	-	41,777	41,777
Accrued management fees	-	4,662	4,662
Derivative liabilities	-	1,637	1,637
	\$ -	\$ 602,663	\$ 602,663

Market Risk

(a) Price Risk

Approximately 92 percent (December 31, 2015 - 108 percent) of the Fund's net assets attributable to equity holders held at June 30, 2016 were publicly traded equities. If equity prices on the exchange

Notes to Condensed Financial Statements

June 30, 2016 (Unaudited)

increased or decreased by 5 percent as at June 30, 2016, the net assets attributable to equity holders would have increased or decreased by \$0.2 million (December 31, 2015 - \$0.2 million) respectively or 4.6 percent (December 31, 2015 - 5.4 percent) of the net assets attributable to equity holders all other factors remaining constant. In practice, actual trading results may differ and the difference could be material.

Concentration Risk

Concentration risk arises as a result of the concentration of exposures with the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Fund's concentration risk:

	June 30, 2016	Dec. 31, 2015
Financials	46.0%	59.7%
Materials	18.8%	1.7%
Energy	15.6%	9.1%
Industrials	5.2%	6.3%
Telecommunication Services	5.1%	7.0%
Utilities	4.8%	6.8%
Consumer Discretionary	4.5%	9.4%
	100.0%	100.0%

Fair Value Measurement

The following table illustrates the classification of the Fund's assets and liabilities measured at fair value within the fair value hierarchy as at June 30, 2016 and December 31, 2015.

	As at June 30, 2016					Total
	Level 1	Level 2	Level 3			
Canadian Common Shares	\$ 4,450,056	\$ -	\$ -			\$ 4,450,056
Options	-	(2,305)	-			(2,305)
	\$ 4,450,056	\$ (2,305)	\$ -			\$ 4,447,751

	As at December 31, 2015					Total
	Level 1	Level 2	Level 3			
Canadian Common Shares	\$ 4,787,098	\$ -	\$ -			\$ 4,787,098
Options	-	(1,637)	-			(1,637)
	\$ 4,787,098	\$ (1,637)	\$ -			\$ 4,785,461

There were no transfers between Level 1 and Level 2 and the Fund did not hold any financial instruments within Level 3 of the fair value hierarchy during the six months ended June 30, 2016 and year ended December 31, 2015.

3. Financial Instruments by Category

The following tables present the carrying amounts of the Fund's financial instruments by category as at June 30, 2016 and December 31, 2015.

Core Canadian Dividend Trust

Notes to Condensed Financial Statements

June 30, 2016 (Unaudited)

	As at June 30, 2016				Total
	Financial Instruments at FVTPL		Financial Instruments		
	Designated at Inception	Held for Trading	at Amortized Cost		
Assets					
Non-derivative financial assets	\$ 4,450,056	\$ -	\$ -	\$ -	\$ 4,450,056
Dividends receivable	-	-	-	16,669	16,669
Cash	-	-	-	436,940	436,940
	\$ 4,450,056	\$ -	\$ -	\$ 453,609	\$ 4,903,665
Liabilities					
Accrued liabilities	\$ -	\$ -	\$ -	\$ 36,800	\$ 36,800
Derivative liabilities	-	2,305	-	-	2,305
Accrued management fees	-	-	-	4,396	4,396
	\$ -	\$ 2,305	\$ -	\$ 41,196	\$ 43,501

	As at December 31, 2015				Total
	Financial Instruments at FVTPL		Financial Instruments		
	Designated at Inception	Held for Trading	at Amortized Cost		
Assets					
Non-derivative financial assets	\$ 4,787,098	\$ -	\$ -	\$ -	\$ 4,787,098
Dividends receivable	-	-	-	19,802	19,802
Cash	-	-	-	221,298	221,298
	\$ 4,787,098	\$ -	\$ -	\$ 241,100	\$ 5,028,198
Liabilities					
Redemptions payable	\$ -	\$ -	\$ -	\$ 554,587	\$ 554,587
Accrued liabilities	-	-	-	41,777	41,777
Accrued management fees	-	-	-	4,662	4,662
Derivative liabilities	-	1,637	-	-	1,637
	\$ -	\$ 1,637	\$ -	\$ 601,026	\$ 602,663

The following table presents the net gain/(loss) on financial instruments at FVTPL by category for the six months ended June 30, 2016 and 2015.

	June 30, 2016	June 30, 2015
Net Realized Gain/(Loss) on Financial Instruments at FVTPL		
Designated at Inception	\$ (201,336)	\$ 340,338
Held for Trading	72,419	8,472
	(128,917)	348,810
Net Change in Unrealized Gain/Loss on Financial Instruments at FVTPL		
Designated at Inception	768,496	(680,285)
Held for Trading	2,236	974
	770,732	(679,311)
Net Gain/(Loss) on Financial Instruments at FVTPL	\$ 641,815	\$ (330,501)

4. Units

For the six months ended June 30, 2016, cash distributions paid to unitholders were \$148,708 (June 30, 2015 - \$199,318) representing a payment of \$0.19 (June 30, 2015 - \$0.23) per unit.

During the six months ended June 30, 2016 and 2015, nil units were redeemed.

Notes to Condensed Financial Statements

June 30, 2016 (Unaudited)

During the six months ended June 30, 2016 and year ended December 31, 2015, unit transactions are as follows:

	June 30, 2016	Dec. 31, 2015
Units outstanding, beginning of year	774,846	871,946
Units redeemed	–	(97,100)
Units outstanding, end of period	774,846	774,846

5. Related Party Transactions

(a) Management Fees

Total management fees for the six months ended June 30, 2016 were \$25,486 (June 30, 2015 - \$32,966).

(b) Board of Advisors' Remuneration

Total remuneration paid to the external members of the Board of Advisors for the six months ended June 30, 2016 were \$10,200 (June 30, 2015 - \$9,600).

(c) Independent Review Committee Fees

Total remuneration paid to the external members of the Independent Review Committee for the six months ended June 30, 2016 were \$3,410 (June 30, 2015 - \$3,509).

6. Brokerage Commissions and Soft Dollars

The ascertainable soft dollar value received as a percentage of total transaction fees paid during the six months ended June 30, 2016 and 2015 is disclosed below:

	June 30, 2016	June 30, 2015
Soft Dollars	\$ 3,032	\$ 3,140
Percentage of Total Transaction Fees	37.2%	49.2%

7. Increase/(Decrease) in Net Assets Attributable to Equity Holders per Unit

The Increase/(Decrease) in Net Assets Attributable to Equity Holders per Unit for the six months ended June 30, 2016 and 2015 is calculated as follows:

	June 30, 2016	June 30, 2015
Increase/(Decrease) in Net Assets Attributable to Equity Holders	\$ 583,337	\$ (373,480)
Weighted Average Number of Units Outstanding during the Period	774,846	871,946
Increase/(Decrease) in Net Assets Attributable to Equity Holders per Unit	\$ 0.7528	\$ (0.4283)

Core Canadian Dividend Trust

Investment Funds Managed by Strathbridge Asset Management Inc.

UNIT TRUSTS

Canadian Utilities & Telecom Income Fund (UTE.UN)

Core Canadian Dividend Trust (CDD.UN)

Low Volatility U.S. Equity Income Fund (LVU.UN)

NDX Growth & Income Fund (NGL.UN)

U.S. Financials Income Fund (USF.UN)

Top 10 Canadian Financial Trust (TCT.UN)

SPLIT SHARES

Premium Income Corporation (PIC.PR.A/PIC.A)

S Split Corp. (SBN.PR.A/SBN)

Top 10 Split Trust (TXT.PR.A/TXT.UN)

World Financial Split Corp. (WFS.PR.A/WFS)

MUTUAL FUND

U.S. Tactical Allocation Fund

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