
Core Canadian Dividend Trust

Semi-Annual Report 2019

Core Canadian Dividend Trust

Letter to Unitholders

We are pleased to present the 2019 semi-annual report containing the management report of fund performance and the unaudited financial statements for Core Canadian Dividend Trust (the “Fund”).

Stock markets around the world advanced in the first half of 2019 recouping losses from the volatile markets at the end of 2018. The S&P 500 Index rose to new all-time highs as investors looked past the potential consequences of a global trade war and focused on the pivot in central bank policy from tighter conditions to anticipating looser monetary policy in the future. For the first six months of 2019, the S&P 500 Index and S&P/TSX Composite Index advanced 18.5 percent and 16.2 percent, respectively. Global markets followed the positive tone set by U.S. stocks with the MSCI EAFE Index up 14.5 percent and the MSCI Emerging Markets Index up 10.7 percent. The Federal Reserve Open Market Committee (“FOMC”), which appeared to be on the most aggressive path of tightening after raising the overnight interest rate four times in 2018, paused in the first six months of 2019 leaving the target rate at 2.5 percent. The short-end of the yield curve in the United States reacted by pricing in the probability of several rate cuts by the FOMC as 2-year yields plummeted from 2.49 percent at year end to 1.75 percent at the end of June 2019. Long-term interest rates also reacted ending the second quarter at 2.00 percent versus 2.68 percent to start the year. This dynamic has caused the yield curve (10-2 Year) to steepen slightly but remains just 25 basis points from being inverted, a condition often associated with an imminent recession. Oil prices recovered in the first half of 2019 with the Bloomberg WTI Cushing Crude Oil Spot price rising to US\$58.47 per barrel on June 28, 2019, up 28.8 percent from US\$45.41 at the end of 2018. Meanwhile, other commodities did not fare as well with copper prices rising 2.1 percent, aluminum down 12.3 percent and natural gas off 24.1 percent year-to-date. Volatility, as measured by the Chicago Board Options Exchange Volatility Index (“VIX”), declined in the first half of 2019 falling from 25.4 at the end of 2018 to 15.1 at the end of June. Given the uncertainty surrounding the global political landscape, trade war rhetoric, The United States-Mexico-Canada Agreement renegotiations, declining economic data, along with the Federal Reserve continuing to pivot monetary policy, we remain cautiously optimistic on global stock markets with the view that volatility is likely to remain elevated compared to the low levels witnessed over the past few years

During the six months ended June 30, 2019, the Fund paid cash distributions of \$0.18 per unit. The total return of the Fund, including reinvestment of distributions, was 10.0 percent for the period. The net asset value per unit increased from \$5.31 at December 31, 2018 to \$5.65 at June 30, 2019. 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, 2019 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, 2019, cash distributions of \$0.18 per unit were paid to unitholders as compared to \$0.21 per unit last year.

Since the inception of the Fund in November 2006, the Fund has paid total cash distributions of \$5.81 per unit.

Revenue and Expenses

For the six months ended June 30, 2019, the Fund’s total revenue was \$0.11 per unit compared to \$0.12 per unit in the prior year. Total expenses per unit were \$0.26 unchanged from a year ago. The Fund had a net realized and unrealized gain of \$0.68 per unit in the first half of 2019 as compared to a net realized and unrealized loss of \$0.33 per unit a year earlier.

Net Asset Value

The net asset value per unit of the Fund increased 6.4 percent from \$5.31 at December 31, 2018 to \$5.65 at June 30, 2019. The total net asset value of the Fund increased \$0.18 million, from \$2.74 million at December 31, 2018 to \$2.92 million at June 30, 2019, reflecting an increase in net assets attributable to equity holders of \$0.27 million partially offset by cash distributions of \$0.09 million.

Recent Developments

There were no recent developments pertaining to the Fund during the six months ended June 30, 2019.

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, 2019 is derived from the Fund's unaudited semi-annual financial statements.

	Six months ended June 30, 2019
NET ASSETS PER UNIT	
Net Assets, beginning of period⁽¹⁾	\$ 5.31
INCREASE (DECREASE) FROM OPERATIONS	
Total revenue	0.11
Total expenses	(0.26)
Realized gain (loss) for the period	0.23
Unrealized gain (loss) for the period	0.45
Total Increase (Decrease) from Operations⁽²⁾	0.53
DISTRIBUTIONS	
Non-taxable distributions	(0.18)
Total Distributions⁽³⁾	(0.18)
Net Assets, end of period⁽¹⁾	\$ 5.65

(1) All per unit figures presented are derived from the Fund's unaudited financial statements for the six months ended June 30, 2019 and the annual audited financial statements for the years ended December 31. Net assets per unit is the difference between the aggregate value of the assets and the aggregate value of the liabilities divided by the number of units then outstanding.

(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.

	Six months ended June 30, 2019
RATIOS/SUPPLEMENTAL DATA	
Net Asset Value (\$millions)	\$ 2.92
Number of units outstanding	516,958
Management expense ratio ⁽¹⁾	8.97%⁽⁴⁾
Portfolio turnover rate ⁽²⁾	82.36%⁽⁴⁾
Trading expense ratio ⁽³⁾	0.31%⁽⁴⁾
Net Asset Value per unit ⁽⁵⁾	\$ 5.65
Closing market price	\$ 5.40

(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.

Management Report of Fund Performance

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

		Years ended December 31							
		2018	2017	2016	2015	2014			
\$	6.75	\$	6.89	\$	5.71	\$	7.17	\$	7.30
	0.24		0.26		0.23		0.25		0.29
	(0.44)		(0.40)		(0.35)		(0.31)		(0.29)
	0.23		0.53		0.26		0.21		1.00
	(1.07)		(0.09)		1.44		(1.18)		(0.66)
	(1.04)		0.30		1.58		(1.03)		0.34
	(0.40)		(0.44)		(0.41)		(0.43)		(0.47)
	(0.40)		(0.44)		(0.41)		(0.43)		(0.47)
\$	5.31	\$	6.75	\$	6.89	\$	5.71	\$	7.17

(3) Distributions to unitholders are based on the number of units outstanding on the record date for each distribution.

		Years ended December 31							
		2018	2017	2016	2015	2014			
\$	2.74	\$	3.69	\$	4.37	\$	4.43	\$	6.25
	516,958		546,158		634,758		774,846		871,946
	7.05%		5.61%		5.35%		4.50%		3.84%
	117.64%		161.31%		204.44%		163.35%		159.49%
	0.31%		0.30%		0.28%		0.22%		0.20%
\$	5.31	\$	6.75	\$	6.89	\$	5.71	\$	7.17
\$	4.93	\$	6.67	\$	6.57	\$	5.46	\$	6.70

(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.

(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

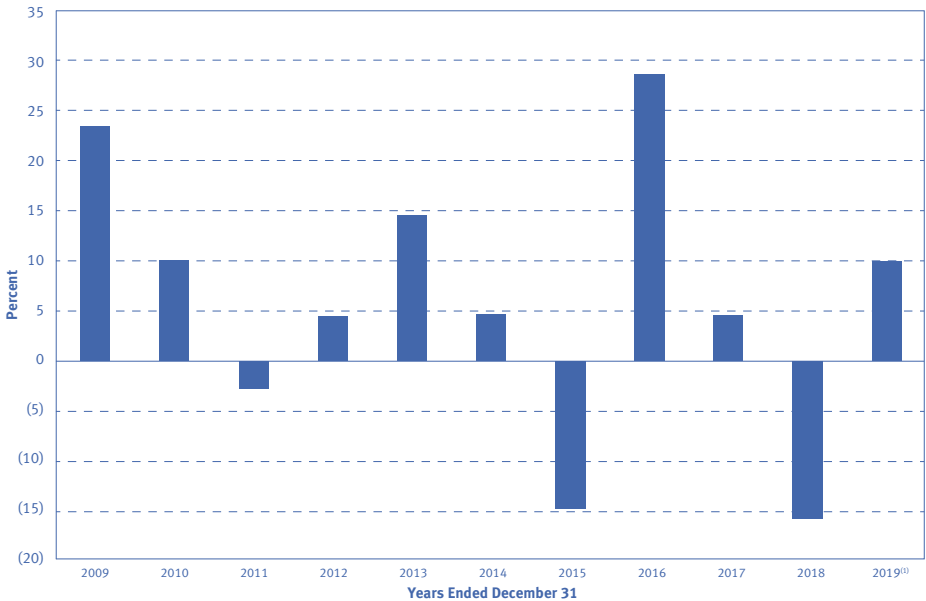
The following chart sets out the Fund's year-by-year past performance. It is important to note that the:

- (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, 2019. The chart also shows, in percentage terms, how much an investment made on January 1 in each year would have increased or decreased by the end of the fiscal year or June 30, 2019 for the six months ended.

Total Return



⁽¹⁾ For the six months ended June 30, 2019.

Core Canadian Dividend Trust

Management Report of Fund Performance

Portfolio Manager Report

Stock markets around the world advanced in the first half of 2019 recouping losses from the volatile markets at the end of 2018. The S&P 500 Index rose to new all-time highs as investors looked past the potential consequences of a global trade war and focused on the pivot in central bank policy from tighter conditions to anticipating looser monetary policy in the future. For the first six months of 2019, the S&P 500 Index and S&P/TSX Composite Index advanced 18.5 percent and 16.2 percent, respectively. Global markets followed the positive tone set by U.S. stocks with the MSCI EAFE Index up 14.5 percent and the MSCI Emerging Markets Index up 10.7 percent. The Federal Reserve Open Market Committee (“FOMC”), which appeared to be on the most aggressive path of tightening after raising the overnight interest rate four times in 2018, paused in the first six months of 2019 leaving the target rate at 2.5 percent. The short-end of the yield curve in the United States reacted by pricing in the probability of several rate cuts by the FOMC as 2-year yields plummeted from 2.49 percent at year end to 1.75 percent at the end of June 2019. Long-term interest rates also reacted ending the second quarter at 2.00 percent versus 2.68 percent to start the year. This dynamic has caused the yield curve (10-2 Year) to steepen slightly but remains just 25 basis points from being inverted, a condition often associated with an imminent recession. Oil prices recovered in the first half of 2019 with the Bloomberg WTI Cushing Crude Oil Spot price rising to US\$58.47 per barrel on June 28, 2019, up 28.8 percent from US\$45.41 at the end of 2018. Meanwhile, other commodities did not fare as well with copper prices rising 2.1 percent, aluminum down 12.3 percent and natural gas off 24.1 percent year-to-date. Volatility, as measured by the Chicago Board Options Exchange Volatility Index (“VIX”), declined in the first half of 2019 falling from 25.4 at the end of 2018 to 15.1 at the end of June. Given the uncertainty surrounding the global political landscape, trade war rhetoric, The United States-Mexico-Canada Agreement renegotiations, declining economic data, along with the Federal Reserve continuing to pivot monetary policy, we remain cautiously optimistic on global stock markets with the view that volatility is likely to remain elevated compared to the low levels witnessed over the past few years.

Technology stocks like Shopify Inc and Cannabis companies in the Health Care sector drove index performance for the Toronto Stock Exchange higher in the first half of the year. Neither of these sectors is represented in the core portfolio. The resource related sectors such as Energy and Materials performed less dramatically but still positive during this period. Utilities performed strongly after a weak 2018 with total return for the first six months of 22.4 percent. The best performing stock was TC Energy Corp. (“TRP” – parent of TransCanada Pipelines Ltd.) with a total return of 20.0 percent for the first half.

Other key holdings were in the Financials sector which also performed reasonably well in the period. The Toronto-Dominion Bank was the best performing bank among the big six with a year-to-date total return of 15.0 percent. The worst performer was Canadian Imperial Bank of Commerce (“CM”) whose share price tumbled after they reported an earnings miss in the second quarter. The total return for CM was 4.0 percent over this period.

The net asset value per unit at June 30, 2019 was \$5.65 compared to \$5.31 at December 31, 2018. Unitholders received cash distributions of \$0.18 per unit during the first half of the year. The Fund’s units, listed on the Toronto Stock Exchange as CDD.UN last traded on June 28, 2019 at \$5.40, up \$0.47 from the December 31, 2018 closing at \$4.93. Our overwriting levels have been fairly steady over the first half of the year with an average level of 18.8 percent.

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, 2019

	% of Net Asset Value
Financials	49.2 %
Materials	10.0 %
Energy	8.7 %
Industrials	7.2 %
Cash	7.1 %
Communication Services	5.9 %
Utilities	5.1 %
Information Technology	4.8 %
Consumer Discretionary	2.8 %
Other Assets (Liabilities)	(0.8)%
	100.0 %

Portfolio Holdings

June 30, 2019

	% of Net Asset Value
Cash	7.1 %
Manulife Financial Corporation	6.8 %
Royal Bank of Canada	6.1 %
BCE Inc.	5.9 %
The Toronto-Dominion Bank	5.8 %
Barrick Gold Corporation	5.1 %
Brookfield Asset Management Inc.	5.1 %
Canadian Utilities Limited	5.1 %
Thomson Reuters Corporation	4.9 %
Teck Resources Limited – Class B	4.9 %
CGI Inc.	4.8 %
TC Energy Corp.	4.7 %
AGF Management Limited – Class B	4.6 %
The Bank of Nova Scotia	4.3 %
Waste Connections, Inc.	4.3 %
Enbridge Inc.	4.0 %
National Bank of Canada	4.0 %
Canadian Imperial Bank of Commerce	3.9 %
Bank of Montreal	3.7 %
Russel Metals Inc.	2.9 %
Restaurant Brands International Inc.	2.8 %

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, 2018.

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 7, 2019

Notice to Unitholders

The accompanying unaudited Condensed Financial Statements for the six months ended June 30, 2019 have been prepared by management and have not been reviewed by the independent auditor of the Fund.

Core Canadian Dividend Trust

Condensed Financial Statements

Statements of Financial Position

As at June 30, 2019 (Unaudited) and December 31, 2018 (Audited)

	Note	June 30, 2019	Dec. 31, 2018
ASSETS			
Financial assets at fair value through profit or loss	2	\$ 2,738,484	\$ 2,407,514
Derivative assets	2	3,625	–
Dividends receivable		9,143	11,997
Short-term investments		–	249,412
Cash		208,590	285,733
TOTAL ASSETS		2,959,842	2,954,656
LIABILITIES			
Accrued liabilities		28,443	44,148
Derivative liabilities	2	7,464	11,206
Accrued management fees	4	2,646	2,712
Redemptions payable		–	153,860
TOTAL LIABILITIES		38,553	211,926
NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS		\$ 2,921,289	\$ 2,742,730
NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS PER UNIT		\$ 5.6509	\$ 5.3055

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

Condensed Financial Statements

Statements of Comprehensive Income

Six months ended June 30 (Unaudited)

	Note	2019	2018
INCOME			
Dividend income		\$ 57,010	\$ 64,229
Interest income		1,423	181
Net realized gain on investments at fair value through profit or loss		71,583	114,578
Net realized gain on options at fair value through profit or loss		48,005	5,858
Net change in unrealized gain/loss on investments at fair value through profit or loss		231,409	(300,094)
TOTAL INCOME/(LOSS), NET		409,430	(115,248)
EXPENSES			
Management fees	4	16,090	18,631
Service fees		5,608	6,400
Administrative and other expenses		40,533	41,834
Transaction fees	5	4,480	6,059
Custodian fees		26,473	25,718
Audit fees		13,643	13,720
Advisory board fees	4	9,600	10,200
Independent review committee fees	4	3,750	3,750
Legal fees		1,344	704
Unitholder reporting costs		7,171	7,805
Harmonized sales tax		7,560	7,486
TOTAL EXPENSES		136,252	142,307
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS	6	\$ 273,178	\$ (257,555)
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS PER UNIT	6	\$ 0.5284	\$ (0.4717)

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

Core Canadian Dividend Trust

Condensed Financial Statements

Statements of Changes in Equity

Six months ended June 30 (Unaudited)

	Unit Capital	Deficit	Total
BALANCE AT JANUARY 1, 2018	\$ 5,115,243	\$ (1,428,949)	\$ 3,686,294
Decrease in Net Assets Attributable to Equity Holders	–	(571,656)	(571,656)
Distributions			
Non-taxable distributions	–	(216,816)	(216,816)
Value for units redeemed	(273,483)	118,391	(155,092)
BALANCE AT DECEMBER 31, 2018	\$ 4,841,760	\$ (2,099,030)	\$ 2,742,730
Increase in Net Assets Attributable to Equity Holders	–	273,178	273,178
Distributions			
Non-taxable distributions	–	(94,619)	(94,619)
BALANCE AT JUNE 30, 2019	\$ 4,841,760	\$ (1,920,471)	\$ 2,921,289

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

Statements of Cash Flows

Six months ended June 30 (Unaudited)

	2019	2018
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	\$ 535,145	\$ 92,252
Cash Flows Provided by (Used In) Operating Activities		
Increase/(Decrease) in Net Assets Attributable to Equity Holders	273,178	(257,555)
Adjustments to Reconcile Net Cash Provided by (Used in) Operating Activities		
Net realized gain on investments at fair value through profit or loss	(71,583)	(114,578)
Net realized gain on options at fair value through profit or loss	(48,005)	(5,858)
Net change in unrealized gain/loss on investments at fair value through profit or loss	(231,409)	300,094
Decrease in dividends receivable	2,854	5,751
Decrease in accrued liabilities and accrued management fees	(15,771)	(5,505)
Purchase of investment securities	(2,217,418)	(1,882,654)
Proceeds from disposition of investment securities	2,230,078	2,765,291
	(351,254)	1,062,541
Cash Flows Used In Financing Activities		
Unit distributions	(94,619)	(112,838)
Unit redemptions	(153,860)	(599,291)
	(248,479)	(712,129)
Net Increase/(Decrease) in Cash During the Period	(326,555)	92,857
CASH, END OF PERIOD	\$ 208,590	\$ 185,109
Dividends received	\$ 59,864	\$ 69,980
Interest received	\$ 1,423	\$ 181

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

Schedule of Investments

As at June 30, 2019 (Unaudited)

	Number of Shares	Average Cost	Fair Value	% of Net Assets Attributable to Equity Holders
INVESTMENTS				
Canadian Common Shares				
Communication Services				
BCE Inc.	2,900	\$ 165,750	\$ 172,782	5.9%
Consumer Discretionary				
Restaurant Brands International Inc.	900	82,749	81,963	2.8%
Energy				
Enbridge Inc.	2,500	122,958	118,250	
TC Energy Corp.	2,100	137,390	136,332	
Total Energy		260,348	254,582	8.7%
Financials				
AGF Management Limited – Class B	25,900	189,729	134,680	
Bank of Montreal	1,100	113,345	108,812	
Brookfield Asset Management Inc.	2,400	153,136	150,360	
Canadian Imperial Bank of Commerce	1,100	119,950	113,278	
Manulife Financial Corporation	8,300	195,775	197,540	
National Bank of Canada	1,900	118,349	118,199	
Royal Bank of Canada	1,700	175,418	176,919	
The Bank of Nova Scotia	1,800	134,244	126,612	
The Toronto-Dominion Bank	2,200	156,085	168,344	
Thomson Reuters Corporation	1,700	97,362	143,616	
Total Financials		1,453,393	1,438,360	49.2%
Industrials				
Russel Metals Inc.	3,800	98,486	83,980	
Waste Connections, Inc.	1,000	124,584	125,100	
Total Industrials		223,070	209,080	7.2%
Information Technology				
CGI Inc.	1,400	140,862	140,952	4.8%
Materials				
Barrick Gold Corporation	7,300	134,168	150,891	
Teck Resources Limited – Class B	4,700	151,363	142,034	
Total Materials		285,531	292,925	10.0%
Utilities				
Canadian Utilities Limited	4,000	135,743	147,840	5.1%
Total Canadian Common Shares		\$ 2,747,446	\$ 2,738,484	93.7%

Core Canadian Dividend Trust

Schedule of Investments

As at June 30, 2019 (Unaudited)

	Number of Contracts	Average Cost/(Proceeds)	Fair Value	% of Net Assets Attributable to Equity Holders
Options				
Purchased Put Options				
(100 shares per contract)				
Bank of Montreal – November 2019 @ \$96	2	\$ 890	\$ 583	
Canadian Imperial Bank of Commerce – November 2019 @ \$102	2	859	757	
National Bank of Canada – November 2019 @ \$59	4	871	496	
Royal Bank of Canada – November 2019 @ \$100	2	721	513	
The Bank of Nova Scotia – November 2019 @ \$68	4	1,008	613	
The Toronto-Dominion Bank – November 2019 @ \$72	5	1,204	663	
Total Purchased Put Options		5,553	3,625	0.1 %
Written Covered Call Options				
(100 shares per contract)				
Bank of Montreal – August 2019 @ \$99	(4)	(286)	(442)	
CGI Inc. – July 2019 @ \$98	(8)	(1,464)	(2,464)	
Manulife Financial Corporation – July 2019 @ \$24	(41)	(1,230)	(1,971)	
National Bank of Canada – July 2019 @ \$62	(19)	(552)	(1,005)	
Royal Bank of Canada – July 2019 @ \$105	(11)	(627)	(413)	
The Toronto-Dominion Bank – July 2019 @ \$75	(7)	(434)	(1,169)	
Total Written Covered Call Options		(4,593)	(7,464)	(0.2)%
Total Options		\$ 960	\$ (3,839)	(0.1)%
Adjustment for transaction fees		(2,859)		
TOTAL INVESTMENTS		\$ 2,745,547	\$ 2,734,645	93.6 %
OTHER NET ASSETS			186,644	6.4 %
NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS			\$ 2,921,289	100.0 %

Notes to Condensed Financial Statements

June 30, 2019 (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, 2018.

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, 2018.

These condensed financial statements were approved by the Board of Advisors on August 7, 2019.

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, 2018.

Credit Risk

As at June 30, 2019 and December 31, 2018, the counterparties to the Fund’s derivative financial instruments had a credit rating of A-1 or higher from Standard & Poor’s Ratings Services.

The analysis below summarizes the credit quality of the Fund’s short-term investments as at June 30, 2019 and December 31, 2018.

Credit Rating	Percentage of Short-Term Investments	
	June 30, 2019	Dec. 31, 2018
AAA	–	100.0%

Liquidity Risk

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

	As at June 30, 2019 Financial Liabilities		
	On Demand	< 3 months	Total
Accrued liabilities	\$ –	\$ 28,443	\$ 28,443
Derivative liabilities	–	7,464	7,464
Accrued management fees	–	2,646	2,646
	\$ –	\$ 38,553	\$ 38,553

Core Canadian Dividend Trust

Notes to Condensed Financial Statements

June 30, 2019 (Unaudited)

	As at December 31, 2018			Total
	Financial Liabilities			
	On Demand	< 3 months		
Redemptions payable	\$ –	\$ 153,860	\$	153,860
Accrued liabilities	–	44,148		44,148
Derivative liabilities	–	11,206		11,206
Accrued management fees	–	2,712		2,712
	\$ –	\$ 211,926	\$	211,926

Market Risk

(a) Price Risk

Approximately 94 percent (December 31, 2018 – 88 percent) of the Fund's net assets attributable to equity holders held at June 30, 2019 were publicly traded equities. If equity prices on the exchange increased or decreased by 5 percent as at June 30, 2019, the net assets attributable to equity holders would have increased or decreased by \$0.1 million (December 31, 2018 – \$0.1 million) respectively or 4.7 percent (December 31, 2018 – 4.4 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, 2019	Dec. 31, 2018
Financials	52.5%	55.0%
Materials	10.7%	4.5%
Energy	9.3%	14.8%
Industrials	7.6%	5.1%
Communication Services	6.3%	10.5%
Utilities	5.4%	10.1%
Information Technology	5.2%	–
Consumer Discretionary	3.0%	–
	100.0%	100.0%

Notes to Condensed Financial Statements

June 30, 2019 (Unaudited)

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, 2019 and December 31, 2018.

	As at June 30, 2019				Total
	Level 1	Level 2	Level 3		
Canadian Common Shares	\$ 2,738,484	\$ –	\$ –	\$ 2,738,484	
Options	(3,839)	–	–	(3,839)	
	\$ 2,734,645	\$ –	\$ –	\$ 2,734,645	

	As at December 31, 2018				Total
	Level 1	Level 2	Level 3		
Canadian Common Shares	\$ 2,407,514	\$ –	\$ –	\$ 2,407,514	
Options	(11,206)	–	–	(11,206)	
	\$ 2,396,308	\$ –	\$ –	\$ 2,396,308	

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, 2019 and year ended December 31, 2018.

3. Units

For the six months ended June 30, 2019, cash distributions paid to unitholders were \$94,619 (June 30, 2018 – \$112,438) representing a payment of \$0.18 (June 30, 2018 – \$0.21) per unit.

During the six months ended June 30, 2019 and 2018, nil units were redeemed.

During the six months ended June 30, 2019 and year ended December 31, 2018, unit transactions are as follows:

	June 30, 2019	Dec. 31, 2018
Units outstanding, beginning of year	516,958	546,158
Units redeemed	–	(29,200)
Units outstanding, end of period	516,958	516,958

4. Related Party Transactions

(a) Management Fees

Total management fees for the six months ended June 30, 2019 were \$16,090 (June 30, 2018 – \$18,631) of which \$2,646 (June 30, 2018 – \$3,003) was unpaid.

Core Canadian Dividend Trust

Notes to Condensed Financial Statements

June 30, 2019 (Unaudited)

(b) Advisory Board Fees

Total advisory board fees paid to the external members of the Board of Advisors for the six months ended June 30, 2019 were \$9,600 (June 30, 2018 – \$10,200).

(c) Independent Review Committee Fees

Total remuneration paid to the external members of the Independent Review Committee for the six months ended June 30, 2019 were \$3,750 (June 30, 2018 – \$3,750).

5. 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, 2019 and 2018 is disclosed below:

	June 30, 2019	June 30, 2018
Soft Dollars	\$ 2,307	\$ 2,194
Percentage of Total Transaction Fees	51.5%	36.2%

6. 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, 2019 and 2018 is calculated as follows:

	June 30, 2019	June 30, 2018
Increase/(Decrease) in Net Assets Attributable to Equity Holders of Units	\$ 273,178	\$ (257,555)
Weighted Average Number of Units Outstanding during the Period	516,958	546,071
Increase/(Decrease) in Net Assets Attributable to Equity Holders per Unit	\$ 0.5284	\$ (0.4717)

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 (NGI.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)

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