

SEMI-ANNUAL REPORT 2011

Core Canadian Dividend Trust



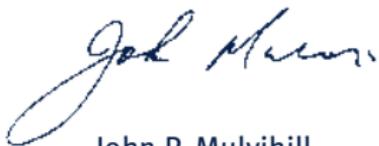
Core Canadian Dividend Trust

Letter to Unitholders

We are pleased to present the 2011 semi-annual report containing the management report of fund performance and the unaudited financial statements for Core Canadian Dividend Trust.

During the six months ended June 30, 2011, the Fund paid distributions of \$0.25 per unit. The net asset value decreased from \$7.63 per unit at December 31, 2010 to \$7.44 per unit at June 30, 2011 primarily as a result of distributions in excess of income earned during the period. 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 more detailed information contained within the semi-annual report.



John P. Mulvihill
Chairman & President,
Mulvihill Capital 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 blue chip portfolio consisting of fifteen high quality, large capitalization, and dividend paying Canadian companies across multiple industry sectors that have an excellent long-term track record of dividend growth and share price appreciation. The Fund will generally invest not less than 4 percent and not more than 10 percent of the NAV in each security comprising the Core Canadian Dividend Portfolio, as well as, up to 15 percent in other securities listed on the TSX. To generate additional returns above the dividend income earned on the Fund’s investment portfolio, the Fund may, from time to time, write covered call options in respect of some or all of the securities in the portfolio. In addition, the Fund may write cash covered put options in respect of securities in which it is permitted to invest.

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, 2011 of Core Canadian Dividend Trust (the “Fund”). The June 30, 2011 unaudited semi-annual financial statements of the Fund are attached.

Copies of the Fund’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure may be obtained by calling 1-800-725-7172 toll-free, or by writing to the Fund at Investor Relations, 121 King Street West, Suite 2600, Toronto, Ontario, M5H 3T9, or by visiting our website at www.mulvihill.com. You can also get a copy of the annual and semi-annual financial statements at your request and at no cost by using one of these methods.

Results of Operations

Distributions

For the six months ended June 30, 2011, cash distributions of \$0.25 per unit were paid to unitholders compared to \$0.24 per unit a year ago.

Since the inception of the Fund in November 2006, the Fund has paid total cash distributions of \$2.35 per unit.

Revenue and Expenses

For the six months ended June 30, 2011, the Fund’s total revenue of \$0.13 per unit was unchanged from the previous year. Overall expenses over the same period decreased from \$0.3 million in 2010 to \$0.2 million in 2011, mainly attributable to lower average net asset value and portfolio turnover partially offset by the unfavorable impact of harmonized sales tax in Ontario. However, total expenses per unit remained flat at \$0.12 per unit due to a decreased number of units outstanding during the period. The Fund had a net realized and unrealized gain of \$0.05 per unit in the first half of 2011 as compared to a net realized and unrealized loss of \$0.08 per unit a year earlier.

Net Asset Value

The net asset value per unit of the Fund decreased 2.5 percent from \$7.63 per unit at December 31, 2010 to \$7.44 per unit at June 30, 2011 primarily as a result of distributions in excess of income earned during the period. The total net asset value of the Fund

Management Report of Fund Performance

decreased \$0.4 million, from \$14.0 million at December 31, 2010 to \$13.6 million at June 30, 2011, largely reflecting cash distributions of \$0.5 million partially offset by net increase from operations of \$0.1 million over the same period.

During the six months ended June 30, 2011, the total return of the Fund was 0.8 percent reflecting the increase in value of the securities in the portfolio. The S&P/TSX 60 Index total return during the same period was 0.6 percent. As a result of the Fund being limited to a specific universe of stocks and utilizing a covered call writing strategy to generate income, comparison with a market index may not be appropriate. The S&P/TSX 60 Index is calculated without the deduction of management fees and fund expenses, whereas the performance of the Fund is calculated after deducting such fees and expenses.

Recent Developments

No recent developments occurred during the semi-annual period ending June 30, 2011.

Future Accounting Policy Changes

The Manager has developed a changeover plan to meet the timetable published by the Canadian Institute of Chartered Accountants for changeover to International Financial Reporting Standards (“IFRS”).

The changeover plan was prepared to address the requirements and includes disclosures of the qualitative and quantitative impact, if any, of the changeover to IFRS in the 2011 financial statements and the preparation of the 2012 financial statements in accordance with IFRS with comparatives. However, the Canadian Accounting Standards Board approved a two year deferral from IFRS adoption for investment companies applying Accounting Guideline 18 - Investment Companies (“AcG-18”). As a result, the Fund will adopt IFRS for its fiscal period beginning January 1, 2013 and will issue its initial financial statements in accordance with IFRS, with comparative information, for the semi-annual period ending June 30, 2013.

As at June 30, 2011, some anticipated changes to financial reporting include:

- Compliance with the full body of IFRS without industry specific exemptions. Unlike Canadian Generally Accepted Accounting Principles (“Canadian GAAP”) where investment fund accounting was based upon guidance in AcG-18;

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- Implementation of cash flow statements;
- Presentation of comparative information; and,
- Additional financial statement note disclosures on the recognition and classification of financial instruments.

Due to anticipated changes in IFRS prior to the transition to IFRS, the Manager cannot conclusively determine the impact of the Fund's financial results at this time. Based on the Manager's current understanding and analysis of IFRS to the current accounting policies under Canadian GAAP, the Manager does not anticipate the transition to IFRS will have a material impact on the Fund's net assets per unit, systems and processes, and it is expected that it will mainly result in additional note disclosure in the financial statements.

Implementation of the changeover plan is progressing as scheduled. The Manager will continue to monitor ongoing changes to IFRS and adjust their changeover plan accordingly.

Related Party Transactions

The manager and investment manager of the Fund is MCM ("Manager" or "Investment Manager"). MCM became the Manager of the Fund on September 1, 2010 as successor by amalgamation with Mulvihill Fund Services Inc.

MCM, as the Investment Manager of the Fund, manages the Fund's 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 MCM dated October 27, 2006.

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

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

Management Report of Fund Performance

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 independent review committee (“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. Members of the IRC are Robert W. Korthals, Michael M. Koerner and Robert G. Bertram.

We confirm the Fund did not rely on any approvals or recommendations of the IRC concerning related party transactions during the period.

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 from its inception on November 16, 2006.

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

Information for the period ended June 30, 2011 is derived from the Fund's unaudited semi-annual financial statements.

	Six months ended June 30, 2011
NET ASSETS PER UNIT	
Net Assets, beginning of period (based on bid prices)⁽¹⁾	\$ 7.61
INCREASE (DECREASE) FROM OPERATIONS	
Total revenue	0.13
Total expenses	(0.12)
Realized gain (loss) for the period	0.24
Unrealized gain (loss) for the period	(0.19)
Total Increase (Decrease) from Operations⁽²⁾	0.06
DISTRIBUTIONS	
Non-taxable distributions	(0.25)
Total Distributions⁽³⁾	(0.25)
Net Assets, end of period (based on bid prices)⁽¹⁾	\$ 7.43

(1) Net Assets per unit is the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities of the Fund on that date and including the valuation of securities at bid prices divided by the number of units then outstanding. For years prior to 2007, securities were valued at closing prices.

(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

RATIOS/SUPPLEMENTAL DATA

Net Asset Value (\$millions)	\$ 13.62
Number of units outstanding	1,831,294
Management expense ratio ⁽¹⁾	3.00%⁽⁴⁾
Portfolio turnover rate ⁽²⁾	71.95%
Trading expense ratio ⁽³⁾	0.18%⁽⁴⁾
Net Asset Value per unit ⁽⁵⁾	\$ 7.44
Closing market price	\$ 7.19

(1) The management expense ratio ("MER") is the sum of all fees and expenses, including federal and provincial sales taxes, and excluding transaction fees charged divided by the Fund to the average net asset value. The MER for 2010 includes the warrant exercise fees. The MER for 2010 excluding the warrant exercise fees is 2.63%. The MER for 2009 includes the warrant offering costs. The MER for 2009 excluding the warrant offering costs is 2.42%.

(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

Since 2007 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.

Periods ended December 31				
2010	2009	2008	2007	2006 ⁽⁴⁾
\$ 7.39	\$ 6.38	\$ 8.77	\$ 9.66	\$ 9.38 ⁽⁵⁾
0.26	0.23	0.27	0.29	0.05
(0.22)	(0.24)	(0.18)	(0.19)	(0.03)
0.20	(1.15)	(0.57)	0.28	–
0.47	2.60	(1.38)	(0.66)	0.32
0.71	1.44	(1.86)	(0.28)	0.34
(0.48)	(0.43)	(0.53)	(0.62)	(0.05)
(0.48)	(0.43)	(0.53)	(0.62)	(0.05)
\$ 7.61	\$ 7.39	\$ 6.38	\$ 8.77	\$ 9.66

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 and were paid in cash.
- (4) For the period from inception on November 16, 2006 to December 31, 2006.
- (5) Initial issue price, net of agent fees and initial issue costs.

\$ 13.96	\$ 17.29	\$ 18.84	\$ 37.33	\$ 57.93
1,831,294	2,335,451	2,949,146	4,248,271	6,000,000
2.64%	3.21%	2.08%	1.95%	1.86% ⁽⁴⁾
164.67%	117.23%	75.04%	59.91%	1.82%
0.35%	0.36%	0.15%	0.10%	0.87% ⁽⁴⁾
\$ 7.63	\$ 7.40	\$ 6.39	\$ 8.79	\$ 9.67
\$ 7.15	\$ 6.98	\$ 5.25	\$ 8.05	\$ 9.95

- (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 of the Fund and the aggregate value of the liabilities of the Fund on that date and including the valuation of securities at closing prices divided by the number of units then outstanding.

Core Canadian Dividend Trust

Management Report of Fund Performance

Management Fees

Mulvihill Fund Services Inc. (the “Manager” or “Mulvihill”) amalgamated with Mulvihill Capital Management Inc. (the “Investment Manager” or “MCM”) on September 1, 2010. As successor, MCM became the Manager of the Fund. MCM 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. MCM 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.

MCM, 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:

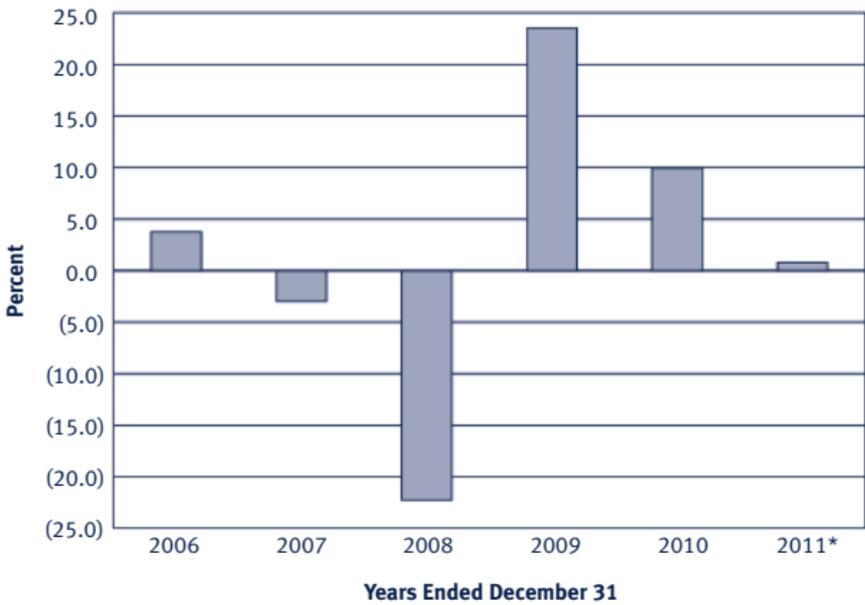
- (1) the information shown assumes that all distributions made by the Fund during these periods were reinvested in the Fund,
- (2) the information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns, and
- (3) the past performance of 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 five years and for the six month period ended June 30, 2011. The chart also shows, in percentage terms, how much an investment made on January 1 in each year or the date of inception in 2006 would have increased or decreased by the end of the fiscal year or June 30, 2011 for the six months then ended.

Management Report of Fund Performance

Annual Total Return



*For the six months ended June 30, 2011.

Portfolio Manager Report

At June 30, 2011, the net asset value was \$7.44 per unit compared to \$7.63 per unit on December 31, 2011 and distributions of \$0.25 per unit were paid during the six month period.

The geopolitical concerns that led to high volatility in the first quarter did not abate in the second quarter, however, implied volatility as measured by the S&P/TSX 60 VIX Index did end the second quarter slightly lower. In an unusual twist, prices on the Toronto broad indices were also lower quarter over quarter. Volatility is generally negatively correlated with prices.

After almost a year of significant rallies, many commodities peaked in April 2011 and have yet to re-test those highs. While gold traded in a fairly narrow range over the second quarter, the Fund had eliminated gold exposure in the first quarter so performance was not affected. Oil, on the other hand, had a bigger pullback (approximately \$114 to \$90 per barrel, peak to trough). The start of the correction appears to have been triggered by the killing of Osama Bin Laden in early May 2011. Energy stocks were the second worst performing sector on the Toronto Stock Exchange during the second quarter, down more than 9 percent which offset all the gains from the first quarter and on a net basis down 2 percent during the first six months of 2011.

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Management Report of Fund Performance

Our best performing stock during this period was National Bank of Canada, up 14.2 percent, followed by Enbridge Inc., TransCanada Corp., and The Toronto-Dominion Bank, all with double-digit position returns. The best performing sector in the core fund universe was Telecommunication Services, up over 10 percent in the first half of the year. BCE Inc. was up over 7 percent in this period. Our weakest performer during this period was Teck Resources Limited, down over 20 percent.

The Fund's units, listed on the Toronto Stock Exchange as CDD.UN, closed on June 30, 2011 at \$7.19 per unit which represents a 3.4 percent discount to NAV.

Summary of Investment Portfolio

The composition of the portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly update is available on our website at www.mulvihill.com.

Asset Mix

June 30, 2011

	% of Net Asset Value
Financials	48%
Energy	19%
Telecommunication Services	8%
Materials	7%
Utilities	6%
Consumer Discretionary	6%
Industrials	4%
Cash and Short-Term Investments	2%
	100%

Management Report of Fund Performance

Portfolio Holdings

June 30, 2011

	% of Net Asset Value
TransCanada Corp.	9%
Enbridge Inc.	9%
BCE Inc.	8%
National Bank of Canada	7%
Teck Resources Limited - Class B	7%
The Bank of Nova Scotia	7%
Manulife Financial Corporation	7%
Bank of Montreal	7%
Canadian Utilities Ltd.	6%
AGF Management Limited - Class B	6%
Thomson Reuters Corp.	6%
The Toronto-Dominion Bank	5%
Royal Bank of Canada	5%
Canadian Imperial Bank of Commerce	5%
Russel Metals Inc.	4%
Cash and Short-Term Investments	2%

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.

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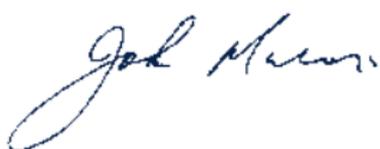
Management's Responsibility for Financial Reporting

The accompanying 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 Mulvihill Capital Management Inc. (the "Manager") and have been approved by the Fund's Board of Advisors (the "Board").

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles 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 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, 2010.

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 issues, and to review the annual report, the financial statements and the independent auditor's report. Deloitte & Touche LLP, the Fund's independent auditor, has full and unrestricted access to the Board.



John P. Mulvihill
Director

Mulvihill Capital Management Inc.



John D. Germain
Director

Mulvihill Capital Management Inc.

August 5, 2011

Notice to Unitholders

The Fund's independent auditor has not performed a review of these Semi-Annual Financial Statements in accordance with standards established by the Canadian Institute of Chartered Accountants.

Core Canadian Dividend Trust

Financial Statements

Statements of Net Assets

As at June 30, 2011 (Unaudited) and December 31, 2010 (Audited)

	2011	2010
ASSETS		
Investments at fair value (cost - \$12,986,398; 2010 - \$15,516,914)	\$ 13,366,663	\$ 16,248,885
Short-term investments at fair value (cost - \$149,642; 2010 - \$1,647,574)	149,642	1,647,574
Cash	106,045	36,340
Interest receivable	98	419
Dividends receivable	57,723	53,115
Due from brokers - investments	133,846	-
TOTAL ASSETS	13,814,017	17,986,333
LIABILITIES		
Due to brokers - investments	164,424	-
Accrued liabilities	46,719	68,165
Redemptions payable	-	3,975,398
TOTAL LIABILITIES	211,143	4,043,563
NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY	\$ 13,602,874	\$ 13,942,770
Number of Units Outstanding	1,831,294	1,831,294
Net Assets per Unit (Note 2)	\$ 7.4280	\$ 7.6136

Financial Statements

Statements of Financial Operations

Six months ended June 30 (Unaudited)

	2011	2010
REVENUE		
Dividends	\$ 246,255	\$ 299,207
Interest	926	1,070
TOTAL REVENUE	247,181	300,277
EXPENSES		
Management fees	76,100	94,823
Service fees	27,362	33,972
Administrative and other expenses	41,901	42,305
Transaction fees (Note 3)	12,717	42,955
Custodian fees	16,404	17,854
Audit fees	11,039	11,443
Advisory board fees	10,445	10,445
Independent review committee fees	3,851	3,173
Legal fees	–	3,943
Unitholder reporting costs	7,971	14,639
Federal and provincial sales taxes	13,027	8,341
TOTAL EXPENSES	220,817	283,893
Net Investment Income	26,364	16,384
Net gain on sale of investments	453,641	487,984
Net loss on sale of derivatives	(15,078)	(50,027)
Net Gain on Sale of Investments	438,563	437,957
Net change in unrealized appreciation/ depreciation of investments	(351,706)	(625,018)
Net Gain (Loss) on Investments	86,857	(187,061)
NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	\$ 113,221	\$ (170,677)
NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT (based on the weighted average number of units outstanding during the period of 1,831,294; 2010 - 2,343,044)	\$ 0.0618	\$ (0.0728)

Core Canadian Dividend Trust

Financial Statements

Statements of Changes in Net Assets

Six months ended June 30 (Unaudited)

	2011	2010
NET ASSETS, BEGINNING OF PERIOD	\$ 13,942,770	\$ 17,251,471
Net Increase (Decrease) in		
Net Assets from Operations	113,221	(170,677)
Unit Transactions		
Proceeds from issuance of units, net of warrant exercise fees	–	120,179
Distributions to Unitholders		
Non-taxable distributions	(453,117)	(573,054)
Changes in Net Assets during the Period	(339,896)	(623,552)
NET ASSETS, END OF PERIOD	\$ 13,602,874	\$ 16,627,919

Statements of Net Gain on Sale of Investments

Six months ended June 30 (Unaudited)

	2011	2010
Proceeds from Sale of Investments	\$ 12,839,034	\$ 18,013,004
Cost of Investments Sold		
Cost of investments, beginning of period	15,516,914	19,789,655
Cost of investments purchased	9,869,955	14,857,997
	25,386,869	34,647,652
Cost of Investments, End of Period	(12,986,398)	(17,072,605)
	12,400,471	17,575,047
NET GAIN ON SALE OF INVESTMENTS	\$ 438,563	\$ 437,957

Core Canadian Dividend Trust

Financial Statements

Statement of Investments

As at June 30, 2011 (Unaudited)

	Par Value/ Number of Shares	Average Cost	Fair Value	% of Portfolio
SHORT-TERM INVESTMENTS				
Treasury Bills				
Province of Ontario, 1.04% - August 31, 2011	150,000	\$ 149,642	\$ 149,642	99.9%
Accrued Interest			98	0.1%
TOTAL SHORT-TERM INVESTMENTS		\$ 149,642	\$ 149,740	100.0%
INVESTMENTS				
Canadian Common Shares				
Consumer Discretionary				
Thomson Reuters Corp.	21,900	\$ 816,510	\$ 792,342	5.9%
Energy				
Enbridge Inc.	39,700	1,080,576	1,242,610	
TransCanada Corp.	31,000	1,158,359	1,308,820	
Total Energy		2,238,935	2,551,430	19.1%
Financials				
AGF Management Limited - Class B	43,900	916,101	820,930	
Bank of Montreal	15,000	915,334	919,200	
Canadian Imperial Bank of Commerce	8,700	684,220	662,070	
Manulife Financial Corporation	54,600	1,097,064	929,838	
National Bank of Canada	12,500	914,847	976,625	
Royal Bank of Canada	12,600	713,481	692,874	
The Bank of Nova Scotia	16,130	888,719	935,701	
The Toronto-Dominion Bank	8,500	627,311	695,130	
Total Financials		6,757,077	6,632,368	49.6%
Industrials				
Russel Metals Inc.	22,700	506,382	557,966	4.2%
Materials				
Teck Resources Limited - Class B	19,200	960,445	938,688	7.0%
Telecommunication Services				
BCE Inc.	28,300	958,010	1,070,306	8.0%
Utilities				
Canadian Utilities Ltd.	15,400	754,836	862,708	6.5%
Total Canadian Common Shares		\$ 12,992,195	\$ 13,405,808	100.3%

Core Canadian Dividend Trust

Financial Statements

Statement of Investments

As at June 30, 2011 (Unaudited)

	Number of Contracts	Average Cost/ Proceeds	Fair Value	% of Portfolio
Options				
Written Covered Call Options (100 shares per contract)				
Canadian Imperial Bank of Commerce - July 2011 @ \$76	(43)	\$ (5,869)	\$ (6,371)	
Canadian Imperial Bank of Commerce - August 2011 @ \$76	(22)	(3,560)	(4,477)	
Manulife Financial Corporation - July 2011 @ \$16	(136)	(6,800)	(14,693)	
Royal Bank of Canada - July 2011 @ \$54	(63)	(4,410)	(10,537)	
Russel Metals Inc. - July 2011 @ \$23	(80)	(5,840)	(13,200)	
Russel Metals Inc. - July 2011 @ \$24	(136)	(5,083)	(10,540)	
Total Written Covered Call Options		(31,562)	(59,818)	(0.4)%
Purchased Put Options (100 shares per contract)				
iShares S&P/TSX Capped Financials Index Fund - August 2011 @ \$24	353	33,263	20,673	0.1 %
Total Options		\$ 1,701	\$ (39,145)	(0.3)%
Adjustment for transaction fees		(7,498)		
TOTAL INVESTMENTS		\$ 12,986,398	\$ 13,366,663	100.0 %

1. Basis of Presentation

The semi-annual financial statements for the Fund have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”). However, not all disclosures required by GAAP for annual financial statements have been presented and, accordingly, these semi-annual financial statements should be read in conjunction with the most recently prepared annual financial statements for the year ended December 31, 2010.

These 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, 2010.

2. Net Asset Value

The net asset value of the Fund is calculated using the fair value of investments at the close or last trade price. The net assets per unit is calculated using the fair value of investments at the closing bid price. The net assets per unit for financial reporting purposes and net asset value per unit for pricing purposes will not be the same due to the use of different valuation techniques.

The difference between the net asset value per unit for pricing purposes and the net assets per unit reflected in the financial statements is as follows:

	June 30, 2011	Dec. 31, 2010
Net Asset Value (for pricing purposes)	\$ 7.4381	\$ 7.6252
Difference	(0.0101)	(0.0116)
Net Assets (for financial statement purposes)	\$ 7.4280	\$ 7.6136

3. Transaction Fees

Total transaction fees paid during the six month period ended June 30, 2011 in connection with portfolio transactions were \$12,717 (June 30, 2010 - \$42,955). Of this amount \$2,905 (June 30, 2010 - \$17,730) was directed to cover payment of research services provided to the Investment Manager.

Core Canadian Dividend Trust

Notes to Financial Statements

June 30, 2011

4. Financial Instruments and Risk Management

The various types of risks associated with financial instruments and the related risk management practices employed by the Fund remain unchanged from the prior year and are described in Note 11 of the annual financial statements for the year ended December 31, 2010.

The following is a summary of the inputs used as of June 30, 2011 in valuing the Fund's investments and derivatives carried at fair value:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Short-Term Investments	\$ -	\$ 149,740	\$ -	\$ 149,740
Canadian Common Shares	13,405,808	-	-	\$13,405,808
Options	(23,740)	(15,405)	-	\$ (39,145)
Total Investments	\$ 13,382,068	\$ 134,335	\$ -	\$13,516,403

The following is a summary of the inputs used as of December 31, 2010 in valuing the Fund's investments and derivatives carried at fair value:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Short-Term Investments	\$ -	\$ 1,647,993	\$ -	\$ 1,647,993
Canadian Common Shares	16,267,807	-	-	\$ 16,267,807
Options	-	(18,922)	-	\$ (18,922)
Total Investments	\$ 16,267,807	\$ 1,629,071	\$ -	\$ 17,896,878

There were no transfers between Level 1 and Level 2 during the six months ended June 30, 2011 and during the year ended December 31, 2010.

Other Price Risk

Approximately 99 percent (December 31, 2010 - 117 percent) of the Fund's net assets held at June 30, 2011 were publicly traded equities. If equity prices on the exchange increased or decreased by 10 percent as at June 30, 2011, the net assets of the Fund would have increased or decreased by \$1.3M (December 31, 2010 - \$1.6M) respectively or 9.9 percent (December 31, 2010 - 11.7 percent) of the net assets, all other factors remaining constant. In practice, actual trading results may differ and the difference could be material.

Notes to Financial Statements

June 30, 2011

Credit Risk

The following are the credit ratings for the counterparties to derivative financial instruments that the Fund dealt with during the current period and prior year based on Standard & Poor's credit ratings as of June 30, 2011 and December 31, 2010:

Dealer	Long-Term Local Currency Rating	Short-Term Local Currency Rating
Canadian Dollar		
Bank of Montreal	A+	A-1
Canadian Imperial Bank of Commerce	A+	A-1
Citigroup Inc.	A	A-1
National Bank of Canada	A	A-1
Royal Bank of Canada	AA-	A-1+
The Toronto-Dominion Bank	AA-	A-1+

The following is the credit rating for short-term investments held by the Fund based on Standard & Poor's credit ratings as of June 30, 2011:

Type of Short-Term Investment	Rating	% of Short-Term Investments
Province of Ontario Treasury Bills	AA	100%
Total		100%

The following is the credit rating for short-term investments held by the Fund based on Standard & Poor's credit ratings as of December 31, 2010:

Type of Short-Term Investment	Rating	% of Short-Term Investments
Government of Canada Treasury Bills	AAA	100%
Total		100%

The carrying amount of these investments represents their maximum credit risk exposure, as they will be settled in the short-term.

Core Canadian Dividend Trust

Notes to Financial Statements

June 30, 2011

5. Future Accounting Policy Changes

The Fund was required to adopt International Reporting Standards (“IFRS”) for the year beginning on January 1, 2011. However, the Canadian Accounting Standards Board approved a two year deferral from IFRS adoption for investment companies applying Accounting Guideline 18 - Investment Companies. As a result, the Fund will adopt IFRS for the year beginning on January 1, 2013 and will issue its initial financial statements in accordance with IFRS, with comparative information, for the semi-annual period ending June 30, 2013.

Core Canadian Dividend Trust

Investment Funds Managed by Mulvihill Capital Management Inc.

UNIT TRUSTS

Canadian Utilities & Telecom Income Fund
Core Canadian Dividend Trust
Gold Participation and Income Fund
Premier Canadian Income Fund
Top 10 Canadian Financial Trust

SPLIT SHARES

Premium Income Corporation
S Split Corp.
Top 10 Split Trust
World Financial Split Corp.

PRINCIPAL PROTECTED FUNDS

Government Strip Bond Trust

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