

Quarterly Fund Commentary | Q1 2017

TD High Yield Bond Fund, Advisor Class



Symbol: TDHYX	Asset Class: Fixed Income	Style: Active Fundamental	Inception: 03/21/2013	CUSIP: 87237U634
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Fund Commentary¹

As of March 31, 2017

Market Recap:

The US High Yield market posted gains during Q1 driven by lower rated bonds. The strongest industries were Health Care, Telecom, Transportation and Utilities partly offset by weak Retail. The portfolio advisor believes that US economic growth should continue to be moderate over the mid-term and that the US Federal Reserve will gradually but relatively slowly raise rates and reduce its holdings of Treasuries. The rate of global growth should remain stable but low with services, infrastructure spending and technology contributing the most. However, the portfolio advisor also believes that some issuers will lever up to pursue shareholder friendly activities and therefore selectivity and caution continues to be important.

Performance Summary:

The portfolio advisor remains disciplined in following their investment philosophy and focus on issuers who can comfortably support their fixed obligations over cycle, have improving credit profiles and higher than average liquidity. To manage risks, the Fund is broadly diversified by industry, overall quality of the Fund's holdings is higher than that of the benchmark and its duration is shorter.

Historical performance (%)¹

	1 mos.	3 mos.	1 yr.	3 yrs.	5 yrs.	Since Inception
Fund	-0.44	0.56	11.80	3.85	–	4.31
Benchmark ²	-0.15	2.30	13.80	4.64	–	5.20

Calendar year returns (%)¹

	YTD	2016	2015	2014	2013
Fund	0.56	13.78	-3.19	3.51	–
Benchmark ²	2.30	14.75	-2.86	3.47	–

Performance information represents past performance and does not guarantee future results. Current performance may be higher or lower than the performance data cited. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. For performance information current to the most recent month end, please visit www.tdamusa.com. Performance greater than one year is annualized.

Before investing you should carefully read the prospectus and/or the summary prospectus and carefully consider the investment objectives, risks, charges and expenses of the Fund. The prospectus and the summary prospectus contain this and other information about the Fund and may be obtained by calling 1-866-416-4031.

Investment Overview

Investment Objective: The TD High Yield Bond Fund ("Fund") seeks to provide high current income.

Portfolio Management:

Greg Kocik, CFA
Managing Director
Industry Experience: 27 years

Shawna Millman, CFA
Vice President & Director
Industry Experience: 17 years

Benchmark: Bank of America Merrill Lynch BB-B U.S. High Yield Index

Gross Expense Ratio³: 3.00%

Net Expense Ratio^{3,4}: 0.95%

Actual Expense Ratio³: 0.79%

SECURITIES AND INVESTMENTS		
NOT FDIC INSURED	NO BANK GUARANTEE	MAY LOSE VALUE



Important Information

1. All information provided within this document is current as of the date indicated on the first page unless otherwise specified and is subject to change. Source: TD Asset Management.
2. Benchmark performance is not impacted by fees. There are no fees for the benchmark as one cannot invest in an index.
3. Gross Expense and Net Expense Ratios are taken from the most recent prospectus. Actual Expense Ratio is historical and annualized based on the six-month period ending 01/31/2017 as calculated in the most recent annual report. The Net Expense Ratio represents the amount that will be paid by the investor.
4. The Adviser has contractually agreed to waive fees and reimburse expenses at least through May 31, 2017.

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Investment Risks

Bonds and bond funds are subject to interest rate risk and will decline in value as interest rates rise. High yield bonds involve greater risks of default or downgrade and are more volatile than investment grade securities, due to the speculative nature of their investments. In addition to the normal risks associated with investing, international investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from social, economic or political instability in other nations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. The Fund may invest in derivatives, which are often more volatile than other investments and may magnify the Fund's gains or losses. Not FDIC Insured • May Lose Value • No Bank Guarantee.

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