

Quarterly Fund Commentary | Q3 2017

Epoch U.S. Small-Mid Cap Equity Fund

Institutional Class



Symbol: TDUSX	Asset Class: U.S. Equity	Style: Active Fundamental	Inception: 05/30/2013	CUSIP: 87237U477
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Fund Commentary¹

As of September 30, 2017

U.S. economic growth picked up, climbing at a rate of 3.1% in the second quarter. Job growth remained robust, with unemployment at a low 4.4%, but nominal wage growth slowed. The Federal Reserve adopted a mildly hawkish tone, with its dot plot suggesting four rate hikes by the end of 2018. In September, the Fed announced it would shrink its balance sheet starting in October. Fed Chair Janet Yellen spoke of the puzzling weakness in inflation.

The portfolio underperformed the benchmark. While security selection was positive overall in the industrials and financials sectors, selection in other sectors more than offset that advantage. Certain holdings within the consumer staples, health care, and information technology sectors, detracted from relative results amongst others. All eleven sectors posted positive returns for the period.

It is crucial to keep in mind that disruptive innovation will affect all economic sectors, not just information technology. As a result, we believe it is ever more important to favor companies with demonstrated abilities to produce free cash flow and allocate that cash flow wisely between options for returning capital and opportunities for reinvestment and acquisitions. Epoch has always favored such companies, believing they are the most probable winners. These attributes are likely to be even more important going forward, as management is tasked with creating value during a period of unprecedented innovation and disruption.

Investment Overview

Investment Objective: The Epoch U.S. Small-Mid Cap Equity Fund ("Fund") seeks to provide long-term capital appreciation.

Portfolio Management:

Epoch Investment Partners Inc.

David N. Pearl
Executive Vice President, Co-CIO
Industry Experience: 33 years

Michael A. Welhoelter, CFA
Managing Director
Industry Experience: 31 years

Historical performance (%)

	1 mos.	3 mos.	1 yr.	3 yrs.	5 yrs.	10 yrs.	Since Inception
Fund	4.26	1.85	15.17	8.67	-	-	9.42
Benchmark ²	4.54	4.74	17.79	10.60	-	-	11.05

Calendar year returns (%)

	YTD	2016	2015	2014	2013
Fund	8.48	16.02	-4.72	6.63	
Benchmark ²	11.00	17.59	-2.90	7.07	

Benchmark: Russell 2500 Total Return Index

Gross Expense Ratio³: 1.13%

Net Expense Ratio^{3,4}: 1.00%

Actual Expense Ratio³: 1.00%

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.

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

Epoch U.S. Small-Mid Cap Equity Fund Institutional Class



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 July 31, 2017 as calculated in the most recent semi-annual or 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, 2019.

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Investment Risks

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