



As at May 31, 2011

# Monthly Update

**TDb Split Corp** is an Investment Corporation designed to pay monthly cash dividends. The Corporation invests in common shares of TD Bank, a leading Canadian Financial institution. Two types of shares are available, a Class A and a Preferred (Priority Equity Share).

## Commentary

The North American financial markets generally weakened during the month largely as result of US economic data suggesting the economic recovery had begun to moderate significantly. The impact of the Japanese tsunami disaster on the supply chain for the automotive and technology industry was a contributing factor for some of the slower economic growth. Higher commodity prices, especially energy costs were also seen to be impacting growth.

The U.S. housing market and unemployment market continue to exert a drag on the U.S. economy. The anticipated end of the US Federal Reserve's "QE2" policy at the end of June has also been a source of apprehension by market participants. Market participants have worried that the removal of this major source of monetary stimulus will adversely impact equity markets which has in large part been credited for fueling a significant increase in equity markets since its announcement and implementation in the fall of 2010. The question of whether this economic growth can become sustainable without the continued record levels of fiscal and monetary stimulus remains to be answered in the coming months and years.

Canadian economic indicators generally remain relatively strong with housing and employment conditions much stronger than most other developed economies.

Record low interest rates in North America are expected to remain until economic growth is deemed to be on a self sustaining growth path. In the context of these low rates, the valuations of the companies in the portfolio generally remain at very reasonable levels when measured by price to earnings ratios and current dividend yields and this should continue to act as a major support at these current market prices. The dividend income continues to be supplemented by income generated from the covered call writing program.

(1) Initial distribution for the period Aug 7/07 to Dec 31/07.  
(2) Please review the [Annual Information Form](#).

## Details

Gross Proceeds:	\$35,000,000
Units Issued:	1,750,000
Inception Date:	August 7, 2007
Termination Date:	December 1, 2014
Net Asset Value:	\$14.11
Cash Weighting:	3%
Canadian Equity Weighting:	97%
XTD.PR.A Trading Price:	\$10.15
Current Yield*:	5.2%
Market Capitalization:	\$16,922,689
XTD Trading Price:	\$5.61
Current Yield*:	10.7%
Market Capitalization:	\$9,353,329

\*Last distribution annualized.

## Holding

## Symbol

Toronto-Dominion Bank

TD



## TD Company News

TD Bank % return for May 2011:	1.9%
TD Bank % return year-to-date 2011:	12.5%
Dividend Yield on TD Bank shares:	3.16%

## Distributions (by record date)

	XTD	XTD.PR.A	Total
Total to Date	\$1.7000	\$2.0026	\$3.7026
2011 YTD	\$0.2500 <sup>(2)</sup>	\$0.2188	\$0.4688
2010	\$0.5000 <sup>(2)</sup>	\$0.5250	\$1.0250
2009	\$0.1500 <sup>(2)</sup>	\$0.5250	\$0.6750
2008	\$0.5500	\$0.5250	\$1.0750
2007	\$0.2500	\$0.2089 <sup>(1)</sup>	\$0.4589