TD BANK FINANCIAL GROUP
INVESTOR SESSION: FOCUS ON TD WEALTH MANAGEMENT
TUESDAY, APRIL 13, 2010

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Good afternoon, everyone. We'd like to get started today. Good afternoon, and thank you for joining us. I'm delighted with the wonderful attendance that we have today, so we do hope you enjoy the afternoon.

My name is Rudy Sankovic. I'm the incoming head of Investor Relations and currently the CFO for TD Wealth Management. Tim Thompson who is our current head of Investor Relations is also with us; as is Colleen Johnston who's the CFO of the Bank, so welcome Colleen.

Thank you for joining us today. I do know that some of you are from out of town, so we really do appreciate that you've made the effort to join us live today. And we really appreciate all of you for taking the time out of your busy schedules to join us for a dialogue with the Wealth Management team and, hopefully, an insightful presentation for you.

Welcome to the TD Bank Financial Group Investor Session, with a focus on TD Wealth Management. This is the second in a series of investor sessions that we'll be hosting. The objective is to provide you with a better understanding of the objectives and priorities of all of the TD businesses during the course of the next 12 months or so.

It's also an opportunity for each of you to get to know the leadership teams from all of the TD businesses through this type of process as well. So we're very excited about this event and the previous event, the TDCT Investor Day, and some of the upcoming ones that we'll be hosting as well, so we hope you enjoy them.

In this session you'll hear from the TD Wealth Management leadership team. The focus will be on the Canadian and European operations today. In this session we will not be discussing TD Ameritrade's business strategies or financial results.

However, through the course of the presentations we will make reference to TD Ameritrade, as TD Wealth and TD Ameritrade are partnering on a number of opportunities across North America and Europe in the online space. So we will be making reference to TD Ameritrade in terms of the growth opportunities available for both businesses.

Just a reminder; these sessions are not intended to be an update on our performance or to provide a financial outlook for the quarter or for the balance of the year.

Before we get started, I need to take care of some disclosure matters. I need to remind you that this presentation contains forward-looking statements and actual results could differ materially. These statements are intended to assist your understanding of our strategic priorities and objectives, and may not be appropriate for other purposes.

Certain material factors or assumptions were applied in making these statements. For additional information please see our Annual Report or our quarterly reports at www.td.com. These documents include a description of factors that could cause actual results to differ.

So why don't we move on to the agenda for the day? We're going to start with Bill Hatanaka who's the Group Head of Wealth Management. Bill will give you an overview of the Wealth Management story and the priorities that we see in the upcoming years.

You will then hear from some of Bill's management team; John See who heads up our Online Channel in Canada; Sandy Cimoroni who heads up Financial Planning, but will be representing the Advice Channels today; Brian Murdock heads up Asset Management; and Angus Rigby is the head of our International Operations. These will be the keynote speakers today.

Following that we will have a Q&A, and then Bill will wrap it up with final and concluding remarks. We also plan to make sure that we conclude by no later than 3 PM just to be respectful of your time.

Housekeeping items -- we've got to get those out of the way. So in terms of the washrooms, they are through the doors, down the hall and to the left. I would ask you to mute or turn off your Blackberrys and your cell phones; that would be very much appreciated.

One of the things that is very important to us is to hear your feedback on this session, and we do that through the form of a survey which you will find in your packages. These comments that you provide us will really help us shape the content and the way we present future investor sessions, so they are quite important to us.

So for those that are here in person, obviously, they're in your package. I encourage you maybe to fill in the survey as the presentations are being concluded and -- maybe a little bit more timely and give you a little bit of a chance to get out of here faster at the end of the session. Surveys -- there's a box at the back for your completed surveys. So for those of you joining by webcast, we will send out an e-mail following the meeting and get your feedback at that time.

So with that, I will turn it over to Bill Hatanaka, Group Head of Wealth Management. Bill over to you.

Bill Hatanaka - TD Bank Financial Group - Chairman and CEO, TD Waterhouse

Well thank you very much, Rudy. Good afternoon, everyone. Thank you so much for joining us in such numbers. This is really fantastic. This is very energizing as well. Our team -- our Wealth Management team is very excited to be here today as we conduct the first of what we hope will be a series of ongoing dialogues with our current and our potential stakeholders. So, thank you all for being here.

Woven throughout today's presentations are some recurring themes. And what we'd like to do is start at a very high level and work deeper as we go throughout the presentation. Okay? So, let's go.

For context, the demographics for the Wealth Management industry and for our business model are extremely attractive. As the economy repairs itself, we believe that we will have the wind at our backs over the next decade.

We work constantly as a Wealth Management organization on the proactive integration and alignment of businesses within Wealth Management, and between us and our number one-ranked-partners in the retail bank TD Canada Trust. This, we believe, is a significant source of competitive advantage in attracting and retaining client assets, which are the life blood of our industry.

We've learned that our integrated Wealth Management business model and the resulting client experience is best facilitated by critical mass and strength in each of our underlying businesses, whether we are talking about increasing our market leadership in the online brokerage space, our accelerated build out of our advice channels or the extension of our continuum of solutions in our Asset Management business.

Additionally, in good times and bad, we have continued to make significant investments in building our integrated infrastructure out. Things such as our products, services and solutions continuum, our operations and technology infrastructure, our training and practice management capability and in building our physical premises under one roof to facilitate best-in-class teaming.

So in summary, what we do is we work to eliminate the barriers and the obstacles to smooth interaction while servicing our clients. We believe that we have got multiple opportunities to grow our business in aggregate and within individual business lines. So taking all these themes into account, we anticipate that within the bank's high quality Canadian retail business, we will continue to be a segment that is counted on to produce significant, substantial growth and high quality recurring earnings.

With those general themes to this context, let's go one level deeper. Now I've stated that for us integration and alignment are keys to sustainable competitive advantage. I want to start by removing any alchemy associated with these words, and say that this is just the simple manifestation of doing things that are logical to us as an organization.

A good way to illustrate how we operate today is to compare and to contrast today's model with where we were seven short years ago. So prior to 2003, we were a group of siloed businesses, multiple product areas and multiple operations and technology groups supporting these disparate businesses. There was significant duplication, lots of overlap as you can imagine, and no particular incentive to work together. So, let's compare that with today.

Each business unit is asked to play a critical role in delivering one efficient and fulsome Wealth Management bottom line. Our Wealth Management Operating Committee, all of whom are present today, has absolute accountability for one set of objectives, is paid from one bottom line and their success is measured not by the performance of their own individual business areas, but also by their efforts to help their partners to achieve their goals as well which is very, very powerful stuff.

Now for efficiency; we see -- and we constantly say this, we see that every dollar is a Wealth Management dollar and scarce resources, human and financial, are allocated on an enterprise basis. There is one only, and only one, business development project priority list for the platform.

We have one enterprise product services and solutions continuum developing those capabilities on behalf of the enterprise and then teeing up those capabilities to match off against the varying needs of the various businesses within our continuum.

Our operations and our technology groups have been brought together to form one universal service bureau to take advantage of the obvious economies of scale. And instead of that duplication and overlap from the last model, we free up those dollars for critical future investments.

For effectiveness, we work proactively to link manufacturing and distribution capabilities to enhance our overall margins, and we leverage our investments to benefit more than one business whenever that's possible.

Now we also work diligently to help our clients move freely across our platforms to find the home of best fit. We are indifferent as to whether they are in one business unit or the other provided it’s the home of best fit for them, and they are able to get what they need from us as an organization.

We are not only integrated within our Wealth Management segment, but we also work closely with our partners across all of TD’s and with our partners in the United States, at TD Ameritrade and also at TD Bank, America's Most Convenient Bank.

So in the subject of alignment, the other half of integration alignment, I will start by saying that we have purposefully constructed our Wealth Management model to closely align with our Canadian Retail Bank. From our perspective, when you adjunct to TD Canada Trust, which is arguably the most prolific source of client origination ever put together in Canada, it just makes real good business sense, especially when you consider their focus and their amazing passion around client service – which we love.

If I could tell you one reason that our Wealth Management organization has been able to move forward so confidently and so aggressively against the competition, it is because of the relentless support from our partners on the retail side. Their partnership and their prolific referrals have been a source of huge competitive advantage to us throughout many years.

So although TD Wealth Management is the smaller of the two business segments, we work real hard – teaming, partnership and reciprocity every day to make sure that that relationship is meaningful and value-added to all parties.

Collectively we train and educate each other, we hold community and client events together, we share marketing material, we share advertising spend. And this theme of partnership replicates itself over and over again in the US, globally in the online space, and through the entire TD Bank network.

It's been quite journey. It's not always been easy. It's been quite a journey since 2003 to get where we are today. And creating this culture of teaming that we're talking about so easily today was not always that easy.

The question I think becomes, how do you know when things really start to improve? I wanted to give you an example of a moment that really kind of sticks in my mind when I was starting to see the transition. Back in 2004, I began to notice that our retail partners were no longer calling the financial planners in those branches “those guys in Wealth Management”. They had in fact started referring to them as “our financial planners” -- our financial planners.

That kind of inclusive language being used by our retail partners signaled a very positive turning point to me, and I knew that we were truly making progress. More importantly, we worked hard to create this culture of close alignment primarily to provide a seamless service continuum for our customers throughout the entire retail organization.

The proficiency of this process within our overall bank and the strength of this partnership, we think, is a significant differentiator. You will see the impact of our integrated and aligned model when you look at our consistent and accelerated asset growth.

So this next slide on asset growth -- I would say if there was one metric that is the key to determinant to our long-term prosperity and success as a Wealth Management organization, it's our ongoing ability to attract, to manage, and to transition a high quality, deep and enduring pool of revenue-generating assets.

We believe that if we can continue to grow our asset base by double digits each year that we will continue to advance against our industry competition, and be able to obtain our long-term objectives.

Growth in asset level is important to our organization for several obvious reasons. First, is that critical mass of client assets is key to building a sustainable stream of revenues for our Wealth Management segment. On par we generate about 75 to 80 basis points of revenue on our retail asset base -- 75 to 80 basis points.

Secondly, and of equal importance to us, is that growth in assets is really a validation of our integrated business model. It's a testimonial, we think, to the faith that our clients have in the organization as a whole, and the trust that they have in our men and women who are working in the field.

To that end we continue to see profound client engagement within our organization. New clients with new assets is a key metric. Existing clients with additional assets and strong transfer-in transfer-out ratios have highlighted the last few years which, in combination with strong equity markets, have resulted in a new high water mark in assets for our young and growing organization.

So our TD brand is in ascension, our integrated business model continues to resonate with clients, and we continue to work diligently to build critical mass.

Slide nine will show you the structure of our organization by business line. TD Wealth Management is comprised of eight growth businesses across three main lines, all in various stages of maturity, each intensely focused on asset growth.

The online component is comprised of TD Waterhouse discount brokerage here in Canada and TD Waterhouse International in UK and Europe. In Canada, we are a strong number one rank in the online space with 46% market share. This business has successfully earned through several significant price reductions experienced in the industry over the last several years.

TD Waterhouse is a best-in-class service model as well. Our clients are particularly proud to be associated with the business. As an example, we had our annual meeting just recently in Quebec City. I was at a recent client dinner during the annual meeting when I got to talking with several of our clients.

So many of them voiced real pride at being a member of our Presidents Accounts. There's a real pride amongst our clients at being associated with TD Waterhouse discount brokerage and the service that they got from it. So, it was very energizing to hear.

Internationally -- TD Waterhouse International is an equally exciting story, also with a very strong number one market share in the UK. This is a multi-exchange, multi-currency, multi-language service bureau business headquartered in Leeds and with the Language Service Bureau in Luxembourg, and in Luxembourg because everybody there seems to speak five languages.

We have also made several strategic acquisitions in the last 12 months in the online space because we really, truly believe that there is a brilliant future for the online brokerage business.

As we extend our continuum into the advice space, our second business line continues to gain some real momentum. Our Advice Channel is comprised of: financial planning, which is our branch base offering to the mass affluent; Private investment advice, which is our full-service brokerage to the affluent and to the high net worth audience; and our private client group, which is comprised of private banking, private trust and private investment counsel here in Canada and also replicated in the United States. This is our team-based offering providing comprehensive products and solutions to the complex needs of the high net worth audience. Now advice as a channel was previously a significantly under-penetrated channel for us, and it's an area that we have been making significant investments in over the last several years.

Our third main business line, TD Asset Management, is comprised of two very strong components; our Mutual Fund organization in Canada, and our North American institutional money management side. Together these two units comprise a high quality, critical mass Asset Management organization that in concert with our other Wealth Management businesses link up origination, manufacturing, wholesaling, and distribution.

On slide ten, it's also instructive to see how our eight individual businesses roll up into three core sources of revenue; transactional revenue, net interest income, and fee-based revenues. Each source of revenue, a significant interest, is impacted by a different primary influencer.

Our transactional revenue, which continued to grow through a very difficult 2009, is heavily influenced by volatility and global equity markets, as you can imagine. With the price points where they are today and the subsequent advent of stream of consciousness trading, it is no longer just the up markets or the down markets but more often market volatility that drives transactional revenue for our organization.

Secondly, net-interest income is generated primarily from our client deposits and is significantly influenced by where interest rates are at any particular point. Now this prolonged period that we've been through of low interest rates has had a significant dampening effect on our ability to generate rate net interest income from our client deposit base. With our current level of cash deposits, which is at $14 billion, as rates rise we expect to see an increase from this source of revenue. Another point of interest related as well is that the lower-interest rate environment has had a negative effect on returns and profitability in our money market funds.

Going onto the fee-based side, fee-based revenue is closely correlated to increases and decreased in overall asset levels. A rising equity market usually generates higher fee-based revenue from growing client portfolios.

Net interest income, fee-based revenue contain considerable embedded growth if certain economic conditions and capital assumptions prevail. All three sources of revenues -- very important components to our overall growth story. If interest rates move up in the short-term and if asset levels remain stable, we are confident that our revenue will continue its healthy upward trend.

Additionally, a great point is that we are very pleased to see a shift in the mix of these resources towards the more recurring revenue streams even as our transactional component has continued to increase, which is the important other part of that. This should increase earnings predictability over time and really signals our growing maturity as an overall Wealth Management organization.

Slide 11 demonstrates the growth of overall Wealth Management NIAT since 2003. What you see is that from 2003 through 2007, we saw profound momentum in our adjusted earnings going from $143 million -- a very low number in '03 -- to hitting a cyclical high of $501 million in fiscal 2007; significant and accelerated growth from 2003 to 2007. 2008 earnings were stable, and then in 2009 we saw a significant downturn due to lower equity markets and a weaker global economy.

But, with the North American economy recovering and the equity markets continuing to improve, we are comfortable at this time that we can meet or exceed our '07 earnings record in the medium term. We believe we can meet or exceed our '07 earnings record in the medium term, and resume our double-digit earnings growth on a go forward basis.

Our business paradigm strives to achieve double-digit revenue growth, a 300 basis point gap between growth in revenues and growth in expenses, resulting in double-digit increases in our ongoing earnings.

So we're a very young and a growing organization, and we've also continued to make significant investments in our platform since 2003. We've grown our people, hiring over 700 client-facing advisors since 2003. We've significantly expanded our volumes in the online space and maintained our market share while earning through significant unit price reductions.

We've continually invested in technology to build out the infrastructure of our integrated model and we made a series of rapid-fire strategic acquisitions which have helped us to move forward aggressively through enhanced capability and much greater critical mass. So even with the downturn, we've continued our overall investments and building out our platform and in doing so this has enabled us to go into this next cycle that we're going into with a significantly more mature platform with really enhanced critical mass.

Our unwavering focus on our clients is a key part of our overall growth as an organization, and we exist to provide a unique and exceptional client experience to the individuals and families and the institutions that place their trust in us. That's what we really exist to do.

Our focus on the client has helped us to earn a reputation as one of the most professional Wealth Management firms out there. We believe that we've got the best people in the industry and we hear from clients all the time that our people are approachable, that they're engaged, and that they're very service-oriented. They also cite our trustworthiness and the TD brand and set of values as reasons that we've been able to earn their business over the long term.

So we've been on a great journey with the measurement of this experience as slide 13 illustrates. It began over nine years ago with the Client Service Index or CSI. This was primarily focused on our clients' interactions with us during isolated transactions. Over the years, we rolled out the CSI to include more and more and more of our businesses.

Now at the start of 2008, we revamped our measurement to be more comprehensive and more focused on the overall experience that our clients are having with us; not just the transaction, but the relationship as well. This was the start of our Client Experience Index or CEI.

Every month we call hundreds of our -- well we don't personally call hundreds of our clients, we have a group call hundreds of our clients to get their perspective on the quality of their interaction and their relationship with us and we measure ourselves on how we are rated by them.

The key question that we ask or the most important question that we ask is, “what is the likelihood that you will refer someone else to our overall organization?” We ranked their responses on a five-point must scale to get what we call our net promoter score. The only positive in that lexicon is a five out of five.

So while overall on a net basis we are registering positive numbers, our biggest opportunity that we can cite is to move the majority of our clients who are in the four out of five range to that five out of five zone and become true advocates of the organization.

So, we'll continue to work at it as a team, we'll measure our client response on an ongoing basis, all in the interest of continuous improvement of the overall client experience.

A quick snapshot on some of our future growth opportunities, which you're going to hear more about during my colleagues' presentations; whether it's deepening functionality in the online space through options and global equities, or our focus on key segments of our population where we know our offering resonates exceptionally well, or our efforts to become a preferred provider of retirement services, we are focused on capitalizing on these and other opportunities across our entire Wealth Management organization.

So lots of exciting things going on that we are collectively focused on, and you're going to hear more about all of them a little bit later today. So at this point, we would like to take our presentation another layer deeper to talk more specifically about some of the individual metrics and levers by business to give you a little bit more color on some of our immediate priorities.

To do this I'd like to call on several members of the best Wealth Management team in the business, all of whom have played a significant role in the leadership and development of this overall platform. So this is a veteran team you're going to be hearing from, great group of men and women, and I feel very, very fortunate to have them as partners.

First up today will be John See, head of our industry-leading TD Waterhouse Discount Brokerage business in Canada; the number one provider of self-directed investing services in Canada. John also heads up our Institutional Services business, which provides transactional and record keeping services to approximately 250 independent investment counselor and security firms.

Sandy Cimoroni leads TD Waterhouse Financial Planning, and oversees a network of nearly 700 financial planners across Canada. This is a best-in-class relationship model, where every single one of our clients receives a financial plan.

While Sandy will be discussing our Advice businesses in aggregate, we also have with us today two great industry veterans; Mike Reilly, who heads our Private Investment Advice business, and Bill Fulton who leads our private client group both here in Canada and in the United States. Both of these folks will be able to answer questions at the end of our presentation.

Brian Murdock is the newest member of our Wealth Management Operating Committee, and brings nearly 30 years of industry experience to TD. Brian heads up our North American asset management business, TD Asset Management, and is currently charged with working through our longer-term strategy in North America.

Then Angus Rigby is the head of our TD Waterhouse International businesses headquartered in Leeds and Luxembourg, which has grown to be the number one retail business in the UK as measured by transactional market share. Angus will put a spotlight on emerging opportunities in the growing international online space.

So, we have a very exciting series of presentations up for you today. Thank you very much, and I will turn it over to my colleague John See. Thank you.

John See - TD Bank Financial Group - President, Discount Brokerage and Institutional Services, TD Waterhouse

Thanks, Bill, and good afternoon, everyone. I'm really pleased to be here and to talk about what's happening in our Canadian Online Brokerage business. We have a number of incredibly exciting stories and opportunities that I'd like to share. As background I thought I'd start with who we are, what and how we do what we do, and where we stand in the marketplace.

TD Waterhouse Discount Brokerage serves the needs of Canadian self-directed investors, or investors who choose to self-manage a portion of their total investable assets, and we act as an integrative provider within the overall TD Wealth Management continuum.

So the point regarding investors choosing to self-manage a portion of their assets is a very important one, given that increasingly, Canadians are establishing both advised and self-directed relationships. In a JD Power industry survey just last spring, the penetration of self-directed brokerage accounts held by full-service clients actually increased by 50% over the previous year and now stands at 33%.

Given that we run an integrated wealth model, our numbers our significantly higher. Almost two-thirds of TD Waterhouse private investment advice clients also have a TD Waterhouse online brokerage account.

As Bill has mentioned, our platform also allows us to run a highly effective, efficient and leading Institutional Services business; essentially a custody and clearing very, very similar to the Registered Independent Advisor business at TD Ameritrade, and the newly acquired Corporate Services businesses of TD Waterhouse International, which Angus is going to speak to you about in just a few minutes.

So the success of our online business is reflected in the strong growth of our client assets. This consistent growth was interrupted only temporarily by the market downturn in 2008, but has since regained its previous momentum.

Of interest is that during the downturn, the number of new accounts opened and assets gathered or consolidated actually accelerated. This and the overall industry recovery have contributed to the $102 billion in assets at the end of Q1 that you see in the slide here. I'm extremely pleased to report that we're now at new all-time highs.

So what we really love about our business is that we have been able to build a very client-centric offering, and have done so with a number of key differentiators not easily replicated.

Foremost, is the integrated approach with our partners at TD Canada Trust and the strong reciprocal referral relationship that has been cultivated there. TD Canada Trust is the primary source of new business for online brokerage. Online brokerage likewise contributes to a differentiated banking experience and is a referrer of new customers to TD Canada Trust, given our market position and our reputation.

Best-in-class service is delivered in a number of unique ways. We own the convenience space along, of course, with our retail bank as the only online broker in Canada to deliver extended hours -- 7x24 service, and we do this in four languages: English, French, Cantonese and Mandarin. We have established specialty desks for specific products such as mutual funds, fixed income, new issues and options, where specific expertise may be sought and is of client value.

We have a national network of client relationship managers dedicated to the servicing of our high value and more sophisticated trading clients. We've invested in market research and information, such that we provide more of this online than any of our other competitors.

And finally, we have delivered tools and education both online and in person via over 2,000 seminars, lunch and learns, presentations, et cetera annually across the country through the largest network of investor centers in Canada.

Now we have a terrific history of leadership in the Discount Brokerage business, and it actually continues today. Looking at the left-hand side of this slide you will see some of our specific examples of this leadership.

So over 25 years ago, simultaneously with the deregulation of the brokerage industry in Canada, we began operations from a single office under TD’s King and Bay branch. Before long a nationwide network of investor centers, today 30 in all, were established to support sales people in the 1,100 TD Canada Trust branches across the country. Our clients are now served over the phone by four geographically dispersed, state-of-the-industry call centers.

Our business model is built on the principal of making investments and investing accessible to Canadians in person, over the telephone via a licensed investment representatives, automated touch-tone or voice recognition services, or through the Web or at the desktop. Since the beginning we have been at the forefront of industry innovation, and responsible for many, many firsts.

We were the first to provide 24x7 telephone service; the first to introduce flat-fee commissions on electronic trading platforms; the first to introduce Canadians to investing electronically and then over the Web; the first to integrate clients banking and brokerage relationships online; the first to offer paperless record keeping. And today, almost 70% of all confirmations, statements and tax documents are actually delivered through secure e-mail.

Now speaking of secure, we are the first and only discount brokerage in Canada to utilize advanced biometric voice verification technology to authenticate clients over the telephone. These accomplishments and actually many, many more have defined and actually extended our leadership in the industry.

Turning to the graphs on the right-hand side of this slide, I wanted to let you know that we've seen an incredible increase in client engagement since 2003. Our account growth, supported by the relationship with TDCT, has benefited from the strength of the TD brand and the leadership reputation earned through the client experience and innovation we discussed.

Due to our market presence and the efficiency of scale that we have, we strategically decided to lead pricing reductions and introduce flat commission schedules at levels that are now comparable to those charged in the US. Of note, is that the industry followed.

Now the commission per trade price declines experienced were of the magnitude perhaps only witnessed within the computer chip industry. As in the chip industry however, price elasticity of the market in conjunction with the growing popularity and penetration of the Internet has rewarded us with dramatic increases in trade volumes and plan activity. What is even more impressive during this period is that we have managed to absorb those per-trade commission reductions and maintain top line revenue and earnings growth throughout.

This next slide addresses one of the embedded earnings opportunities that Bill has spoken about. Given the significant absolute size of our client cash deposit and margin book -- margin loan book, the events of the last 24 months have created some revenue challenges for us, however they are now set to correct themselves.

While client accounts, assets and cash grew strongly through this past market cycle, the historically low rate environment severely reduced spread revenue generated on the client cash balances.

Quite the opposite now occurred with our margin book of business. While we were successful in actually managing improvement in the overall rate spread on borrowings, the level of margin loans did decline as clients deleveraged their portfolios and we proactively managed our exposure.

The very good news here is that as equity and interest rate markets continue to normalize, we are well positioned to benefit and anticipate a significant bounce back of net interest income from these two important revenue drivers.

Okay, now that you have got a bit of a perspective on just how well we're positioned in the current marketplace and an indication of the positive that will accrue to us through a more normalized industry environment, I'd like to turn for a moment to the key trends as we see them and discuss how we have moved to capitalize.

The first trend is a general globalization and integration of the world's financial and securities markets. Hand-in-hand with this is a growing interest among retail clients to invest outside of domestic North American markets. Second, we have definitely witnessed an increasing level of sophistication among our investors. They are engaged, they are eager to learn and, quite frankly, enjoy the prospect of managing their own wealth.

This engagement has naturally led to an almost insatiable demand for more data and information along with relevant tools and features to analyze, screen, sort and support intelligent decision making. Investors want us to help them make sense of it all. The way that we've been able to accommodate these demands and how and what that has made it all possible for us to provide more, faster and cheaper is the use and adoption of technology, both by ourselves and by our clients.

In the case of pre-retirees and retirees, many actually now have more time than they've ever had in their past lives and combined with interest and desire to learn this new technology. For the Gen X, Gen Yers they've grown up digital and would not consider any other way to, say, book a vacation online than to buy a stock.

So, given our best-in-class service and the very competitive pricing, our focus has now turned to deepening functionality, and to bring more products to our existing accounts and attract new clients and assets at an accelerated pace.

Okay. So if we are supposed to be positioned as a growth company, where is the growth to come from, given that we are a business that has a near 50% share? So, at TD Waterhouse Discount Brokerage, we focused on a few very strategic opportunities that over time have significant upside potential for us.

First, is the opportunity to continue to work closely with Canada's largest and best retail bank, TD Canada Trust. Second, we have a unique position within key Canadian demographic segments that could be leveraged for upside. Lastly, is the opportunity to deepen functionality of our offering, to increase trading volumes amongst our client base.

A way for us to do this is by expanding our relationship with America's largest online brokerage, TD Ameritrade, and the number one player in the UK, TD Waterhouse International.

So, you've heard a lot already about the strategic importance of our integrated approach within Wealth Management and across TD. So, let me show you how consistently and rapidly our Discount Brokerage business has grown because of the strong reciprocal referral relationship that exists with TD Canada Trust.

The TD Waterhouse Discount Brokerage value proposition is well understood and embedded within our retail bank branches. The result is that we're able to leverage the over 1,100 TD Canada Trust branches right across the country as storefronts for TD Waterhouse, and to facilitate the opening of new accounts.

Now, a great example of this partnership in action was the overwhelming success that we experienced with the tax-free savings accounts just last year. Now, as most of you know, this is a brand new product and for us, at least, it received almost no specific business channel advertising or external promotion. And yet, over 129,000 Discount Brokerage TFSAs were opened through the retail bank branches alone in just 12 months, a great success story.

I'd like for a moment to tell you about efforts in serving new demographic segments. So, here in Canada, appealing to and serving new immigrant populations is critical given that, in fact, is where this country's future population growth is projected to come from. So TD, generally, has an absolutely fantastic reputation with the new Canadian community.

We have been recognized as a top employer for new Canadians, and we also have been considered to be the best financial institution in Canada as rated by Chinese, South-Asian and Korean populations in a 2008 Ipsos Reid study. And, of course, this is for very good reason.

In particular, given the rapid pace of new bank branch openings, many of which have been located in communities populated by new Canadians over the past several years. Now today, persons from Asian communities comprise three out of every five new Canadians, very often well-educated with wealth to invest and experience in domestic securities markets. This is a community that we have -- we at TD Waterhouse have focused on serving for a number of years.

Specifically, we provide our Chinese clients with telephone support, educational seminars and an online experience, in both Cantonese and Mandarin or simplified and traditional Chinese. In addition to being a growing demographic, our experience is that our Chinese client, on average, has larger account balances and is a more profitable relationship in comparison to our non-Chinese client segment.

I'd like to take a few minutes now to talk how we're deepening functionality across our platform. So, delivering more products and services to an existing client base or driving more activity or usage by that client base of existing products are proven strategies for growth and we're doing both, so let me tell you how.

Although today we facilitate the trading of US and Canadian options, the retail derivatives market in Canada is generally underdeveloped and under-penetrated right across the retail investor base. Now, as the chart here on the left-hand side of slide 24 illustrates, the demand for US options has generally been growing extremely rapidly.

Now, we know this both from industry statistics, as well as through comparisons with US online brokers, whose option mix of business would be almost four times that in which we have in our business here in Canada today. So, at TD Waterhouse Discount Brokerage we have the opportunity to derive more options business from our existing clients, as well as attract an increasing share of very sophisticated and active option traders.

This will be accomplished through the delivery of the number-one-rated options and equity and trading platform available in the US marketplace as ranked just recently by Barron's. We bring this to the Canadian retail investor market, talking of course about thinkorswim.

thinkorswim Canada was acquired by us simultaneous with TD Ameritrade's purchase of the parent company last year. Our opportunity to access and distribute the trading platforms of thinkorswim on a proprietary basis is only possible due to our ownership position and mutually beneficial working partnership with TD Ameritrade. We completed a necessary clearing conversion just last month, and are now preparing to begin offering new thinkorswim accounts to active trader clients and prospects later this year.

Globalization and the interdependency of world financial markets have become fact; I don't have to tell any of you this. And, our retail investor clients have declared that they want an easy, less expensive way to invest outside of North America. This is particularly the case, I should mention, with our new Canadian Chinese clients who continue to follow home markets in Hong Kong and Singapore, for example, even while living here.

We are currently well along in the development of a Canadian-compliant TD Waterhouse International integrated offering, which will deliver ten major markets in seven domestic currencies online in real time and at a competitive price point.

Strategically linking up the number one player in Canada with the leader in the UK providing access to European and Asian equity markets is an opportunity, quite frankly, both for our clients and for our overall Wealth Management organization that has significant long-term potential.

Okay. In summary, as part of an integrated Global Wealth business we can deliver real and proprietary differentiators that will be difficult to replicate. Despite having almost half the total market, there remains significant opportunities for growth, quite frankly because we are the acknowledged leader in this growing space.

There is significant and real embedded earnings growth opportunities in our business today. Our integrated approach with our partners at TD Canada Trust will continue to drive asset growth. Our future client and revenue opportunities exist across growing demographic segments that we are well placed to win, and the power of integration across businesses and geographies is demonstratable for online brokerage, with specific and actionable strategies well underway.

Okay. So, I hope my enthusiasm for the future of this business is contagious and I want to thank you. And I'd like to now turn the podium over to my colleague, Sandy Cimoroni, to discuss our Advice-Based businesses.

Sandy Cimoroni - TD Bank Financial Group - Senior Vice President, Financial Planning, Wealth Management

So thank you, John, and good afternoon, everyone. So, as Bill mentioned in his opening remarks I actually have the pleasure of leading the Financial Planning business, but I'm going to speak to you today in aggregate about the advice channel, which includes three businesses. And Mike Reilly and Bill Fulton, my counterparts, will also join me for the Q&A.

So I think, like John, I think the place to start is probably to tell you who we are and what we do. When we describe our wealth advice strategy, we're really focusing on three distinct businesses. So we have Financial Planning, Private Investment Advice, and the Private Client Group. And each of these businesses are focused on the discrete market or client segment.

So, like all businesses in wealth, we are clearly very focused on asset growth, and the chart to the top right will just demonstrate what that growth looks like. So back in 2003 $47 billion up to $113 billion just this past quarter.

From a market share perspective, our private investment counseling, estates and trust business are part of the most tenured of our advice channels, which is the Private Client Group, and they're number one and number two in terms of market share. The Financial Planning and Private Investment Advice businesses are two of our youngest tenured businesses, ranking third and fifth in terms of market share.

So, our positioning really is defined by three primary themes. So first, as Bill noted and certainly as John mentioned in his update, we always lead with a client-centric approach, so we embed the client experience in everything that we do. Secondly, again, another very common theme, we work in an integrated way. So, we are deeply focused on ensuring that our wealth channels work together to ensure clients are being served in the best channel of fit.

Lastly, we're also focused on the pre-retirement and the retirement needs of our clients; helping them manage both their asset accumulation as well as meeting their preservation and transition of wealth needs.

So, really what truly differentiates our advice strategy, we believe, is that integrated approach, so not just within the wealth channel but certainly within our partnership with TD Canada Trust, so all of us focused on what's the best channel of fit for our clients and how do we grow their assets over time.

So a little bit more about the businesses just to help you understand what market segments we do serve. So each business, as I said, is focused on a discrete segment and each with its own value proposition that really aligns with asset levels for the client and the complexity of their needs.

So starting with the Financial Planning business, this channel is focused on the mass affluent segment. These are clients generally with $100,000 to $500,000 in investable assets. Our financial planners are located in TD Canada Trust branches, so we have quite a large footprint.

And, as you can see, the majority of the source of our business really happens internally through referrals from TD Canada Trust to the Financial Planning channel. Every client, as Bill mentioned, does receive a financial plan and we typically fulfill their investment needs through mutual funds.

The second of the businesses, Private Investment Advice -- so their focus is the affluent and the high net worth segment, so clients that have greater than $500,000 in investable assets. Their source of business is really two sources. One, is they're focused on attracting clients and assets through external business development activities, and they're also focused on referrals from TD Canada Trust.

We have 75 TD Waterhouse locations where our investment advisors are located, and in terms of a value proposition those clients do receive an investment policy statement. We fulfill with a broader range of products and solutions in that channel, which can also include insurance.

Then we have the Private Client Group. So they're focused on the high net worth segment, so in this definition, it's $1 million or greater. Their core offering for the Private Client Group is our full discretionary money management solutions called Private Investment Counsel.

Similar to Private Investment Advice, two sources of business for them, so they're very much focused on external business development activities, as well as referrals from TD Canada Trust. In addition, in the group, in that Private Client Group, we also offer some very distinct and specialized services for our clients, including estates and trusts and tax planning, also the high net worth or the private banking services for our high net worth clients.

So collectively, our advice channels work together to ensure that as our clients' asset levels change, or certainly as the complexity of their needs change, we can ensure their position with the best channel of fit. So, it's really not uncommon to have a client transition from one business to another as their asset levels increase or their needs change.

In fact, many times if you think about the Financial Planning businesses, our clients' assets evolve over time or their needs change in terms of complexity. We're quite willing and we're quite focused on transitioning the client to a different channel to help fulfill those needs.

So, before I talk about growth opportunities within the advice segment, I really wanted to highlight what we believe is truly a major driving force that will affect our overall advice channel and certainly our overall wealth management organization. So, one of the most important trends of our times and certainly not surprising to any of you, I'm sure, is the aging population and the growing complexity of their needs and the resulting impact that this demographic will certainly have on the wealth management space and the advice segment.

So, we know that people are getting older and that the boomers, so those born between 1946 and 1964, are in control of a disproportionate of wealth and overall assets, and it's predicted by 2014 that the 50 plus age group will control about 72% of the wealth market in North America, so close to $3 trillion.

We also know that boomers do show a propensity as they age to want to simplify their lives, so they consolidate financial providers, down typically from six or seven to one or two at the very most. So, the opportunity here is that the top consolidator, on average, receives four times more revenue than the second place provider, so it's obviously imperative for us that we get the strategy right.

So in the short term, we also know this group has been through some tough times, certainly over the past couple of years, and the volatility in the global capital markets has caused their assets and their overall net worth to decline. So second, boomers who are in the midst of transitioning from the accumulation to preservation or transition of their assets were certainly filled with remorse because they felt that perhaps they hadn't done right by their families.

So -- but in March, back in 2009 when the markets did begin to recover, investors who hadn't fled to the sidelines were given a second chance and, we believe, began moving to fulfill their desire for preserving and transitioning that wealth. So for us, as a Wealth Management organization, we do really believe the future is now, and we're focused on capturing this opportunity by ensuring we have the right solutions in place to be the preferred retirement provider for clients.

So with that framework in place, we really want to talk about the growth opportunities that really do shape our strategy. So first, we are deeply focused on building deeper client relationships. And what that really means is, we have to find a way to consistently apply a comprehensive investment and planning process across all of our Advice businesses so that we can focus on capturing that retirement segment.

We'll also continue to leverage our integrated platform to generate strong referrals and drive consolidation of assets. And, finally, we're focused on leveraging the upfront investment that we've made in our client-facing advisors to continue to grow our asset base.

So, the question always is, so how do you actually deepen client relationships? So I'd like to describe, if I could, the comprehensive and investment planning approach that we are in the midst of adopting, and to illustrate why we believe this will be our key differentiator in the marketplace.

So, by utilizing the investment and wealth planning approach, we consider our clients' holistic needs. And, we ensure from the first engagement and throughout the entire relationship we're addressing the various elements that will affect themselves and certainly their families as they plan for their future. So, we're modifying all aspects of our approach, our client collateral, our tools and our resources, our training and our support for our advisors, to make sure that we can consistently deliver on this approach.

So, the wheel that's actually shown on this slide is the actual visual that we'll use when engaging with clients to talk to them about the various elements of planning for their future. It really helps our conversations, so helps shape our advisor's conversation, and it helps us also reinforce a very important message for us, which is that we do have in-house expertise to help satisfy each one of those elements on that wheel.

There's a lot of benefits obviously to this approach, but three in particular I think that you should be aware of. First, it's regardless of the Advice business, so whether it's Planning, Private Investment Advice or Private Client Group, we will utilize the approach. So, for our advice strategy the benefit of course is a consistent delivery, which really speaks to that experience for the client, which obviously is also a benefit to the client. So, no matter which channel they engage with they'll know they can be assured we'll look at them in a very holistic way.

Secondly, through the process we're able to uncover many opportunities to assist clients in meeting their needs. So, this translates into recommendations and adoption of solutions and products and leads obviously to greater consolidation.

So, I spoke earlier about the in-house expertise. By applying our holistic approach we're able to uncover obviously many different needs, and regardless of the business a client's we can fulfill them. So, a simple example but I think one that might illustrate the point.

So, in the Financial Planning business a planner will very much use this tool to talk to clients about their estate needs, and really highlight for them the necessity to think about their future and planning for their families.

The planner themself can't fulfill those needs, but they will engage members of our Private Client Group or our Private Trust area to actually fulfill those needs on behalf of the client. So again, a simple example, but I think it just demonstrates the power of the integration and really looking holistically at our clients.

Then lastly and thirdly, the most important benefit is our ability to deepen that client relationship. So, we are really focused on making sure our clients have multiple relationships, product solutions and multiple interactions across a platform. This translates obviously into happy and, hopefully, far more loyal clients.

So bottom line, we believe that consistently having deeper discussions builds stronger relationships, which gives our clients more reasons to want to consolidate their assets with us.

So through the process I just described we're able, obviously, to identify how best to fulfill our clients' needs and then relate to their accumulation or preservation or transition of wealth needs.

So first, to address their core investment strategies we offer a broad range of products and solutions focused on helping our clients accumulate their wealth. So, these products could range from -- range it -- by the channel, but certainly can range from fixed income, term mutual funds or standalone equities.

So when you think of a wealth management organization, I think you probably all think of that -- the products that we provide to help fulfill that asset accumulation on behalf of our clients. But products and solutions really are just table stakes, and every strong wealth management firm obviously has to have the table stakes of great, excellent products. From a business perspective, the fulfillment of products and solutions does drive obviously our transaction fee-based revenue.

When we consider our suite of products we're also focused on how best to leverage our in-house products, which results in deep channel distribution of our Asset Management business, so another powerful example of an integrated model.

So as an example, for our mutual fund space in the Financial Planning and Private Investment Advice businesses, on a combined basis we have greater than 40% penetration of proprietary mutual funds of our total mutual fund assets. So again, that doesn't only drive fee-based revenue for us in the advice channels, but also drives manufacturing profit in the Asset Management business.

So, as I said, quality products and solutions are table stakes and our retail mutual fund offering that Brian will speak of in a few moments fulfills these needs for many of our clients. And the second part of the continuum is what we believe is, again, another differentiator for us.

So, how can we go simply beyond products and solutions, and ensure we're addressing the more complex needs or the more specialized or underserved needs of our clients? So, our focus is to respond to the needs as they relate to the preservation and transition of wealth.

So we offer, as I said, comprehensive services related to estates and trusts, business succession planning or philanthropic services, and these really comprise our tailored approach, which we take to helping our clients to meet their goals and as their needs become more complex. So again, the focus is on the holistic client need and our ability to add that value-added service to help fulfill those needs, regardless of the channel that the client might be residing in currently.

So, we talked about the increased need for advice among pre-retirees and retirees, but I wanted to dig a little further into another very important segment for us, and that's the women's segment.

So, women have increasingly become more involved in their own financial affairs and represent a growing majority of the self-employed and entrepreneurial set, certainly over the last few years. As the chart illustrates, by 2019 67% of the high net worth segment, and in this definition it's those who have greater than $625,000, will be women.

We also know that women approach investing and planning for their retirement differently than men. They're more likely to seek out the services of an advisor than a man would, and that personal trust and education are key factors in their decisioning.

Of particular interest and, I think, of clear importance for women is that they generally outlive men by seven years -- so clearly a longer time horizon for planning for their retirement. We also know that women have a deep need for a financial plan as only one-quarter of women actually respond to say they have one in place today, so obviously another great opportunity for us.

So, how we respond to that is we have a number of targeted ads, client-facing seminars, workshops and, of course, the media presence of our personal finance spokesperson, Patricia Lovett-Reid, and we've been working really hard to increase our profile among women and positioning ourselves to help meet their unique needs. So, we do view this as a growing opportunity and we feel we have a lot to offer the women's segment, so clearly it will be an important strategy for us moving forward

So, when we talk about the three Advice businesses and their respective sources of business, I did note that one of the primary sources across all three was referrals from our partners at TD Canada Trust. So collectively, we receive more referrals from TDCT than any other source, and this has been a powerful factor in our asset growth.

So, as both Bill and John already highlighted, the integrated approach that we'd had not just within the wealth channel but certainly with our partners at TD Canada Trust is paramount in helping us in the advice channel, find clients who have a specific need and help position them through the continuum in the advice channel.

The power of the relationship, as the slide illustrates there, is that for every dollar that we have referred from retail we add another $1.11. So, in other words, we double assets we receive from TDCT through consolidation. Our success in consolidating is really driven by again that holistic approach so they can look at all of the needs of the client, and by offering a robust suite of products and solutions that may not be available in TD Canada Trust.

Our partnership, certainly as John had already mentioned, is very much based on strong core values that we do share, recognizing that clients have to be positioned in the channel of best fit. So whether that's the mass affluent, the affluent or high net worth, our partners in TD Canada Trust spend a lot of time and are really focused on making sure they get their client positioned to the right channel.

Likewise, our advice businesses are actively referring clients back to TDCT for fulfillment of banking, savings and credit needs, and it's very common that a TD client will have a very deep relationship across both TD Canada Trust, as well as the wealth advice platform, so again a key to our partnership and certainly a key client experience differentiator for us.

So when we talk about asset growth, of course, our ability to continually grow our asset base is tied to the number of client-facing advisors that we have across the advice businesses. We've grown -- and this chart actually illustrates both the Investment Advice and Financial Planning business, we've doubled our numbers from 696 to just over 1,400 advisors in six years, reaching what we call initial critical mass.

So, what's important to note here in our growth is that it's happened organically, so by recruiting established advisors from other firms as well as recruiting developing advisors who are new to the field. We do believe that organic growth has really allowed us to ensure that our client-facing advisors are aligned to what our values are, to ensure that they understand the integrated approach and that they're an overall fit for our culture.

So, in fact, when we recruit today -- and you'll ask an external recruit why they chose TD, typically they'll tell you three reasons. They do quote, first and foremost, probably the TD brand in terms of credibility and positioning in terms of strength. They also talk about the deep relationship that we have with our partners at TD Canada Trust, that referral and reciprocity relationship that we have with them. Then they're very familiar with our integrated approach and how we operate across the TD Waterhouse platform to make sure that we're working on the clients' best interests first and sharing clients across the platform.

So, of course, having the right number of advisors is one part of the equation. The other part is to ensure that each advisor is growing their book of business and their tenure with the organization. So overall for our advice channels we're still, as I said, a relatively young organization. About 46% of our advisors are still working towards profitability.

On average it takes an advisor, so one that would join us without an existing book of business, about four years to breakeven. So, profitability occurs obviously as they become more tenured, their book of business grows, and their revenue also grows and becomes more consistent. Mature advisors on average will deliver three times the revenue, so clearly a very big focus of ours in terms of tenure and growth of that asset base.

The upfront investment that we have made in building out the critical mass in our advisor population has taken us six years. Because of the upfront investment in building out the number, our overall wealth earnings have been affected. However, we do feel we're at the stage now where we can leverage that aggressive recruiting effort with our advisors and certainly generate strong asset growth.

So, the focus so far has been on Canada, but I thought we'd take a little bit of time and just talk a little bit about our wealth advice strategy in the US. So first, I think it's important to know that we've been refining our client segmentation approach in the US, probably over the past 18 months, and we now have a strong model in place that's well positioned for future growth.

The US is very much an area of growth for TD Wealth Management, as it is obviously for the overall bank. In wealth, our focus has been on clearly defining our target client segments and aligning our advisory relationships to those segments.

With TD Ameritrade as a key partner, we recognize that they have the best-in-class model and are established at lead -- at a leading provider of services to the mass affluent client in the US. In the US definition, that would be individuals who have less than $750,000 in investable assets, so a little bit different definition than Canada.

So rather than duplicate this model, we decided as a wealth organization to leverage what TD Ameritrade already does well, which is to focus on the needs of the mass affluent segment. So for that mass affluent segment, we're in the early stages of execution focused primarily on piloting referral strategy from TD Bank, America's Most Convenient Bank, to TD Ameritrade.

What is similar, however, to our model here in Canada is that for our high net worth clients, so in the US this would $750,000 or greater, they are serviced by our Private Client Group, whose business model is very much aligned to the value proposition I described here for Canada. So again, similar to Canada, the Private Client Group business in the US works closely with our colleagues at TD Bank who generate strong client referrals, primarily from the commercial banking clients.

And in the US, our current footprint is also focused on high opportunity markets, including New York City, Philadelphia, Boston, Washington, DC, and Miami. So it really is early days for our overall US wealth strategy, but we feel very strongly that it is an area of growth for us and we're certainly excited about the potential opportunity that does exist.

So in summary, we believe the growth opportunities in the advice channel are very favorable, and we have strong strategy in place to help capture that growth. While our Advice businesses each are focused on discrete segments and each have a unique value proposition, collectively we are very much focused on continuing to deepen that client relationship and gather assets through that rigorous and client-centric process.

We're also very focused on leveraging on the strong referrals across our integrated Wealth Management platform, as well as through our partnership with TD Canada Trust, and our focus obviously continues to attract, retain and grow our client assets. Lastly, now that we have reached critical mass in our client-facing advisors, we're focused on leveraging the investment that we have made in recruiting and training our people to continue to accelerate our asset growth.

So with that, I'm now going to turn it over to my colleague, Brian Murdock, to talk to you about the Asset Management business.

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

Thanks, Sandy. Hi. Good morning, everyone. I'm Brian Murdock. I'm going to you a little bit about TD Asset Management, or what we sometimes call TDAM. We like acronyms. Bill mentioned to you earlier that it's a growth business, and so what I'd like to do is spend just a couple of minutes talking about how we're growing, why that growth matters, and maybe some ways in which we can accelerate our rate of growth.

For the first slide, let me just start with kind of an overview. Let's talk about what TD Asset Management and one of Canada's largest asset management firms. It's a diversified, fully scaled -- we have diversified, fully scaled investment capability, so we face off against all asset classes: fixed income, equities, alternatives and both quantitative capabilities.

We also deliver those investment capabilities down multiple channels of distribution. So, one of the significant advantages that TDAM has is we have this single, integrated investment capability that's broad-based in terms of what we can do and then we can basically distribute that down multiple channels: retail, high net worth, institutional and both proprietary and non-proprietary. So we basically pay for it once and have the opportunity to distribute everywhere.

It's a fairly balanced book of business, even on the retail side. In our retail channels, about a third of the business comes from the bank channels, about a third from our wealth partners and another third from the non-proprietary advisors that we serve.

As you can see from the chart in front of you, the assets have grown. The CAGR over the last five years -- and this has been kind of a tough cycle to measure ourselves in, has grown about 6% so up to just over $150 billion. The value of that growth, if you're familiar with the Asset Management business, it's a very scalable business.

So, we basically have scalable solutions that have a high component of fixed cost. To the extent that we can drive top line growth, then we get significant operating leverage, so that's the appeal of the business.

What are the drivers of growth? Well principally, we think there are two; investment excellence and client focus. Investment excellence are, as Sandy mentioned, table stakes. It's actually hard to achieve, so when you refer to it as table stakes it feels like you just gave it away, but it's really hard to do but it is the table stakes. You really have to be good and deliver consistent investment excellence in order to be able to compete.

How do we validate how we're doing? I mean, there's a lot of rankings for investment performance. We're a top-quartile manager. I know two-thirds of managers claim to be top quartile, but we actually do do that.

The validation of that is though in flows, because clients are smart and they consolidate their money to where whoever's doing well. So, the validation for how well we're managing the money is that we see positive flows in every channel we're distributing in. So whether it's institutional, retail or high net worth, whether it's proprietary or non-proprietary, we're in a positive flow situation and we're able to do so through a difficult market channel.

We -- in fact, we were seeing -- throughout 2008 and 2009, we were setting records for opening net new client accounts. So even though assets were leveling out, you can see there the markets were taking asset levels down, clients were still signing up with us. So, that's the best validation that we have.

But, as I said, there's two drivers of growth, and the other is client focus. It's the client focus that allows to monetize that investment success by being relevant to clients in all the channels that we deal in. So, despite these really difficult market environments, we've continued to grow our business across all channels.

Now, I'll talk a little bit about some key trends. The secular trends in our industry for asset management is that we have the nice tailwinds of growth. There's three ways that the industry grows. It grows in part because the markets we're investing our clients' assets in tend to appreciate. In fact, four years out of five the markets appreciate, and over the long run they compound at much higher levels.

The second way it grows is the money that we're managing are really the aggregation of savings pools, and those savings pools have been growing meaningfully for decades and that trend continues. So, sort of two tailwinds.

The third obviously is if you're good at investment management, if you produce investment excellence, and if you focus on solving clients and being relevant to their needs, then guess what? You take market share from your competitors. So, three kind of nice tailwinds to grow the business.

So, when we look at trends we tend to think about what can go wrong. What are the disabling trends we need to be alert to? Here we've identified four: industry consolidation; basically fee pressure; product innovation, and I would say this would be good and bad -- it could be product proliferations, we worry about that a bit: then regulatory pressures. So, let me take each one of those in turn.

Industry consolidation, what's driving that? Well basically, I think a lot of -- except for all but the smallest investment boutiques, a desire to basically emulate the model that TDAM has already achieved, which is how do you have broad-based investment solutions that you can deliver down multiple channels? It takes a lot of scale to support that, so it's kind of chicken and the egg, but a lot of people are trying to basically consolidate into larger economies of scale in order to have multi-channel and multi-investment capabilities.

That challenge is made, I think, more acute in Canada given the relative size of the marketplace here, and how much opportunity there is to create giant economies of scale for multiple players.

Fee compression, it's being driven I think -- principally over the last decade, decade and a half, it has been driven by passive investing. So it's not a new thing, although the latest manifestation of that are exchange-traded funds, ETFs. And really, all this is about is the desire of investors to be more efficient about what they're paying for.

So, when they invest in active strategies, where they're trying to outperform benchmarks, they're buying alpha. They're willing to pay for that if they can get it. But if they're going to pay for passive investing or what's called beta, buying the volatility of the benchmark, they don't want to pay a lot. So that disaggregation, that partitioning of those two investment strategies, as a very -- it bifurcates the fees that are being paid.

There's some risk of if you don't differentiate what you're doing, you can get commoditized our you can get a fee pressure that kind of blends those two together. So if you have distinctive alpha capabilities you can do well, and we're also a major passive manager, beta manager, and we do that well too. We're -- expect to get paid for each separately. But, it is a source of fee pressure if you're not differentiated in your performance.

The other impact that's -- we're seeing on fees, at least in the short run, is what's happening in a zero interest-rate environment. So, in a zero interest-rate environment it's very hard to manage the money market funds and produce a net result for your clients, very important though if you're an established money market fund manager to protect those channels and produce a net yield to your customers.

What's been the net of that? Basically, many millions of dollars in fee waivers. So, what has traditionally been a foundation business for asset management, managing money market funds, it's sort of a high margin, very stable, sticky business, has suddenly in this sort of very challenging interest rate environment been not as interesting a business to be in. Our view is that's a trend that kind of reverses itself, and we're comfortable that that's -- in a more normalized rate environment we'll actually continue to do very well there.

All of this could sort of -- all of these various trends are also driving some level of product innovation. So, you have two areas here and I'll say it's both good and bad. The bad part is you get a lot of product proliferation. A lot of people try to compete by innovating products at the margin. They're chasing trends. They're creating new opportunities. They sort of see what's going on. They show up in our Q&A asking about -- what's about this new trend?

Everyone wants to jump on that bus and ride that one too and then it disappears, so we try not to do that. It's very tactical. So, our response to this sort of product innovation is to go back to client focus. We look for things where we have scalable opportunities, where we can -- we're going to be strategic with clients and provide durable solutions for them. So we don't get caught up in the product proliferation, but we actually see an innovation opportunity to allow us to be very creative and very relevant to our clients.

The last trend is regulatory pressures, but actually -- and they seem more acute now because everybody's talking about them, but they've been out there for a long time. They've been around -- legislation has been in force in the United States since 1940. So, for 70 years we've been in a highly regulated environment.

What that traditionally has favored is the larger players. So, we think in this case scale is a real advantage because economies of scale allow us to have a functional excellence model in the way we organize, and apply best practice to everything we do. So, the conclusion to these trends is that scale is critical and we intend to use it. We're going to use our scale to compete to grow our business at higher levels.

Let's talk a little bit about what the growth opportunities will be. We've had some significant success within our proprietary wealth channels, and this is really important today because we can see the trends that Canadian retail distribution is consolidating to the banks. So, it's a good association for us to have.

The value of the integrated wealth model for us is proprietary -- to have proprietary channels to have access to our proprietary money management so they can get the customized, consistent and reliable capabilities that they need. They're not exclusive to us, but obviously having the insight and transparency and consistency of what we can deliver allows us to partner very tightly with them to produce a reliable success.

The evidence of that is that basically the business has grown from a standing start to almost a $60 billion mutual fund platform by leveraging those partnerships very, very well. A specific example, Sandy talked about her Financial Planning channel, TDAM's mutual fund business today has a 72% market share.

So, sustaining investment excellence and maintaining that client orientation, we think we'll get further and greater traction with our wealth partners, but it's our -- and we know that investment performance has been a big part of that to get us started. So, it's sort of that necessary but insufficient condition for our success.

When performance is good all things are possible, but it's investment excellence that enables our ability to compete. It's really been our relationships with our clients and our distribution partners that's produced the growth that we've talked about.

So, what does that mean as -- most manufacturers tend to talk where -- the temptation as an asset manager is to get product-centric, so you get kind of oriented around -- you're organized around client -- around products; we don't do that. We try to stay very true to the idea that our discipline is client focus.

Everyone talks about client focus. What does that really mean in practice? What it means in practice is three things: focus on who are our clients, how do we serve them, and then what needs are we solving.

And so, what I'm going to talk about in the next couple of slides -- I'm just going to talk a little bit about three way in which we can sort of leverage our client focus by deepening our channel penetration with TD Canada Trust Bank, as well as our non-proprietary advisors and then also to broaden our institutional relationships.

Then, I'll talk briefly about what a targeted category of investment capabilities, international equities. We think we can sort of broaden our opportunity set by penetrating that more deeply as well.

So, let me start with the bank channel. So, we're currently experiencing pretty good success, actually great success, with the long-term funds in the bank channel. I think we have a keen understanding of who our clients are and what products are most suitable to them.

We know that in the bank channel it's really important -- it really requires products that are sort of easy to sell and easy to understand. So the retail clients, they want the safety and security, but in order to make the transaction happen it has to be really easy to sell and really easy to understand.

So we devised our customized -- customized package of risk-managed, turnkey solutions with embedded advice, and we call these TD Comfort Portfolios. Basically, each one of these portfolios contains five underlying TD mutual funds. Each are professionally selected across a risk continuum from sort of conservative to more growth-oriented, and basically in 15 months we've grown it to a $2 billion platform.

So, try to picture January 2009. We're launching this new platform into the worst headwind we could imagine. 12 months later to the day we had $1 billion in assets, and then three months later we $2 billion. So, the business has momentum and all because we're basically focused on meeting that client need with a smart but simple, easy-to-sell solution.

What's our opportunity then? We think we know who are clients are. We think we've done a pretty good job about what they need. It should be more about how we serve those clients. And so, what we really want to do is make sure that we're building the sales infrastructure that recognizes the unique nature of selling in branch offices.

Right,. so it's a high volume, transaction-based sale. It's different than we sell in almost any other channel we face in, so it's very important to make sure that we have sort of a very, focused effort on that. We know that in partnering closely with TD Canada Trust we can build that sort of sales infrastructure and get a lot smarter about how we deal with that channel so we get a sustainable, durable success.

Just one data point I would share with you, that -- you probably know this. 40% of Canadian households own mutual funds, but only 12% of TD Canada Trust customers hold mutual funds with TD, so an enormous amount of upside. We haven't fully exploited the channel. And that close partnership with TDCT, we think we could actually have an opportunity to double our mutual funds -- assets under management with bank customers over the next five years.

So, let's talk about the non-proprietary TD channels. This slide illustrates we've had pretty good success. This is not a space we wandered into. This is actually a space we chose to compete in -- so a very focused, targeted effort. This chart also shows that the -- what I said earlier about the advantage of being -- having access to proprietary distribution because the independent money manager, the independent fund managers who don't have proprietary distribution access are losing relative share.

So, we targeted this. We basically put it -- we resourced it, we identified and trained a wholesaling force, and we executed that plan. So today, we have one of the best-ranked mutual -- best-ranked sales teams in the industry. And again, we want to make sure that this initial sales success is made permanent and that we grow it to the next level.

So, our success has been enabled by a commitment to win. We went into this channel very deliberately with a very specific strategy, and I think we had a good focus on what to sell because we know what's suitable for the clients in this channel. The opportunity going forward now we think then is in the who -- who and maybe to some extent how we serve these clients. So, there's three ways -- three things I'd like to talk about.

One is, how we expand the who we're dealing with by increasing -- proactively increasing our profile and recognition with third-party advisors. Today, two-thirds of our sales come from just 1,100 of these advisors, but there are 40,000 advisors in the channel. So clearly, we have some room to run. So, we've done really well with a very narrow focus. If we can broaden out who we're dealing with we can obviously take that to the next level.

We also want to increase the size and scope of our national accounts sales team. So national accounts is sort of a top-down sales process, and the goal here is to get on more third-party product platforms. Why do we want to do that? Because we want to get access to the third-party advisors who use those third-party platforms; so get on more shelves, get access to more advisors.

The third way we -- third goal in trying to deep -- more deeply penetrate the channel is to work on improving our profile around our product familiarity. So, we're known as a big fixed income house. Can we do more around equities? We're actually pretty good at equities -- so how do we get more recognition for that. Then a little more resourcing around sort of our local marketing efforts in order to get traction in all the markets across Canada

But, I would emphasize here that this success in this channel proves our ability to focus and execute a channel strategy. We're very proud of the success. We applied these lessons to other places, and we know that we can continue to grow this channel better than we have.

So, let me talk about institutional. TDAM, TD Asset Management, ranks number one or two in almost every institutional category. We have significant economies of scale, which act as a high barrier of entry to our Canadian competitors. We are the largest passive manager based in Canada, and we've had huge success as the core solutions provider. So, you see that we were very subtle in the way we depicted it on the slide there, but with our -- we are really the definitive core solutions provider.

Why do we care about this? Because that's where all the sticky assets are. These sticky assets really provide sort of annuity-type revenues in good markets and bad. So, when I mentioned that we were growing our Institutional business into the teeth of a headwind of that -- markets that we saw through 2008 and 2009, it's because we basically have strategic relationships with our institutional partners and we can drive that to other levels.

The opportunity we see here really is to extend those strategic relationships beyond those core solutions. One of the ways we've been engaging in those conversations is around what's often talked about, liability-driven investments, or LDI. All that really is is by being more consultative with clients around their long-term obligations, there's an opportunity to broaden our investment solutions reach.

So, we think historically we've been successful because we have mastered who our clients are and how we can best serve them. And so, I think our biggest opportunity in this channel going forward is around the what. How do we monetize the core solutions relationships that we have in order to offer enhanced and active solutions to complement the core needs of our clients?

The best example of that would be active equities. Right now, we have excellent performance in Canadian growth equities. We haven't really taken that down the institutional channels historically, but we should -- we are and we're going to, in fact are currently doing that. So, we see an opportunity to leverage this channel by increasing the value of our services across the entire portfolio of solutions while at the same time improving the level of the fees that we earn.

Let's talk about one sort of investment capability. TDAM today is a leader in fixed income and passive investing. We're also a big balance manager because we do a lot of solutions-oriented investing, a lot of solutions-based offerings, Comfort Portfolios being a great example of that. We'd like to focus on growing our active equity capabilities. We want to be able to monetize our multiple channels of access to clients, and we think international equities is a great way to do that.

Why do we like international equities? Well basically, it's very broad-based appeal in all channels with all clients. It a highly scalable investment category, and it's also a category in which you can earn high fees if you produce the results. In Canada, it's a fairly fragmented business.

It's not -- there's a lot of good international equity players, but no one has control of that market, so the barriers to entry are low, and that's despite the fact it's a $200 billion marketplace. So to -- and we think that'll want to be growing at some point, particularly when the Canadian dollar isn't seeing all the relative strength that it has in the last several years.

So, what's the strategy? Take international equities and distribute it in Canada to both our retail and institutional clients. We think it'll also enable an initial penetration into the US marketplace because international equities is a big category there -- a lot of positive flow is going to that category.

And finally, it's -- we think it's a critical dimension to our investment capabilities here in Canada. So, we have very broad-based capabilities. We'd like to be bigger stronger in international equities so that we know that we can compete against any cross-border competitors who come into Canada.

So, let me just recap then for you. Key takeaways here are TDAM is a highly scaled, diversified, successful business and we compete in an industry that has natural long-term growth trends. We have a multi-channel business: institutional, high net worth, retail, and it's both proprietary and non-proprietary.

We also have broad-based investment capabilities that are relevant to all of our clients, so we have both sides of the coin. We have -- and we have the economies of scale to support all of that, but which can act also as a barrier to entry to new competitors.

So, we think TDAM is well positioned today for further profitable growth and, therefore, significant operating leverage. The foundation of our success has been our proprietary money management offering in the proprietary wealth channels, and that's the way we -- way -- allows us to leverage our integrated model.

We have identified some specific opportunities to increase the rate of our top line growth: deeper penetration in TD Canada Trust, deeper penetration in the third-party advisor channels, and then to broaden those institutional relationships beyond our industry-leading core position.

And then finally, we think if we can enhance our capabilities around international equities we can gain more share and gain more traction with clients. With continued investment excellence and an ongoing focus on client needs in every channel, we have multiple levers to grow this business.

So, that concludes my remarks about our Asset Management business. I'd like to turn it over now to my colleague, Angus Rigby. He's going to talk to you about emerging opportunities.

Angus Rigby - TD Bank Financial Group - CEO - TD Waterhouse UK

Thank you, Brian. It's great to be in Toronto today and to be a part of the investor relations session. You may pick up from the accent I'm not from these parts of the world, but I'll do my best to fit in.

So, I'm going to talk to you today about TD Waterhouse International. It's probably a business you know the least about in the wealth management space, so I'll spend a little bit of time. We're not going into too much detail. It's a new business, but it's a very exciting business. So I'd like to spend a little bit of time running through some of those key metrics.

A lot of similarities with what you've heard today, particularly with John's business. We are predominantly an online business in the brokerage space in the UK. We're made up of four strong businesses, and I'll talk about each of those as we go a little bit further through the presentation.

Our headquarters, as Bill mentioned, are in Leeds in the UK, in the north. We're there for a reason. It's much cheaper than -- being there than in London, but we do have other offices across the UK. We also had our European headquarters in Luxembourg. We've pushed our online presence into Ireland, and I'll touch on that in a little bit more, but all headquartered and centralized out of the Leeds head office in the UK, and I'll touch on the rationale behind that a little later on.

Our primary business is the online brokerage space for the self-directed retail investor in the UK, and that's a business we've grown to be number one in the UK over the last 12 months.

We're also very excited about recent acquisition of what was OMX Securities from NASDAQ OMX, renamed to TD Waterhouse Corporate Services, a very similar business to the Institutional business that John described, a clearing and custody business for corporate clients, in this case clients that are in the wealth management space.

What that's allowed us to do is to access the wealth management scale and volume that's in the UK without us being in the advisory space ourselves. We don't provide advice in the UK. It's given us access to those channels.

We've taken advantage of the recent financial crisis, as Bill mentioned, to make a number of strategic acquisitions. In the bottom left you'll see some names that you'd recognize. We recently acquired the UK client base of E-Trade UK. That business will come onto our platform at the end of this month, so we're excited by that. We also acquired a -- an online competitor, Hoodless Brennan, back last year to continue to add some scale to the existing platform. The OMX acquisition I touched on. That's the clearing and custody business for institutional clients.

And then Internaxx -- I'll spend a little bit more time on Internaxx. A press release just went out today actually. We have acquired the remaining 25% of Internaxx. That's the online, offshore business based in Luxembourg providing online broker services to basically any international clients, and I'll talk a little bit more about that.

Our asset under administration graph there is for the online brokerage business, and you can see good growth there. If we added on our recent Internaxx acquisition and also the net worth stockbrokers' business those numbers would double, so a pretty decent-sized business and I'm going to talk about their growth we've seen recently, and also the implication for future growth as we continue to expand those assets.

You've seen a consistent theme across all of the presentations today about how customer-centric we are; we are no different in the UK. We see that as being a true differentiator compared to some of our competition. We've learned a lot from our colleagues here in Canada and in America and taken a lot of client-centric focus to the UK, and we're very pleased with the awards we've won as recognition really that those efforts and that commitment to the customer are paying dividends.

And that's what you see there, in particular the Financial Times awards -- Financial Times a very well recognized brand. The award is voted by the readers and by our clients, so obviously the team is very proud of that.

So, just moving on to talk a little bit about the four business units that make up TD Waterhouse International, I think the key point here is all of these businesses utilize the same platform, the same technology base, the same operational capability and scalability and, as you heard from John and you heard from Bill, scalability is key.

So on the top left, the TD Waterhouse investor services is the online brokerage business for the self-directed, retail investor. Domiciled in the UK, we've expanded that into Ireland and I'll touch on a little bit more when we get to growth opportunities how we intend to push that platform into Europe and beyond.

The TD Waterhouse Corporate Services, that's the recent OMX acquisition, white-label trading and clearing for institutional services clients and their brokers. We basically provide the platform; they provide the client-facing element.

Internaxx. Internaxx is a bank in Luxembourg, a fully-fledged bank. We use it to provide online brokerage services and some banking services to our international-based customers. That's the base in Luxembourg.

And then -- and NatWest, you may have heard, we've -- we had a joint venture with the Royal Bank of Scotland for a number of years. That's providing brokerage services, both to their branch platform but also to their online platform, and I'll go into a little bit more detail about that. But, as you can see, four strong businesses in their own right, all consolidating into one TD Waterhouse International hub that we're particularly excited about.

So, some key trends but also some demonstrations of how TD Waterhouse International is performing in this marketplace -- Web penetration. Now why is Web penetration important? We talk about scalability. We talk about utilizing the scale, the straight-through processing and what it delivers.

If we can grow in the right way in an electronic and an online basis we can continue to grow our margin and our profitability, and you can see there TD Waterhouse has gone from 65% up to 90%. Actually, we finished Q1 at 93% so that is a continuing trend and one we continue to drive and are very proud of.

Just for your information, the peer group has gone from 50% to about 80%, so we continue to be ahead of our peer group there, and it's certainly a differentiator as we continue to look at expanding and adding more volume onto the platform.

The second one, active traders, John touched on active traders -- let me expand on it a little bit more. Active traders are the hungry investors who want more off the platform but also give you more. And you can see there TD Waterhouse International is particularly well placed in the active trader space. We don't have the brand recognition in the UK that TD Waterhouse and TD Bank and TD Canada Trust has here in Canada, but we are very well known in the active trader space.

And you can see almost 50% of that volume is being driven by that highly sought after active trader segment. This compares to the industry there around 39%. So once again, well ahead of the industry and something we continue to strive towards. The E-Trade acquisition will actually add to that active trader -- they had quite an active trader population; one of the attractions of us of that acquisition.

The bottom two slides really, I think, demonstrate that growth, that scale, the fact that we have arrived in the UK, not only arrived, we've taken the number one position -- 27% market share as you see from the bottom right-hand side. You can also see what that's correlated to in regards to trading volumes.

The UK is a very different market from Canada. It doesn't yet have the same equity culture you have here in Canada. But to be in the number one place as the market expands, we think, is a significant opportunity and one we're particularly excited about.

I could have used the cash deposits slide that John used as an example. We've recently doubled our cash book to just over a GBP1 billion. In the last two years that's doubled. We've seen similar margin compressions. In fact, in the UK with the interest rates where they are we're seeing more. We've seen over 300 basis points of compressions on our margins in the last two years.

Now whilst that's causing us some grief now huge upside as we look to see normalized interest rates. A one percentage point increase by the Bank of England would deliver over CAD$10 million profitability to TD Waterhouse International and ultimately to TD Wealth. So once again tremendous upside there, but demonstrating scale and capability that differentiates where we are now than where we were in the early days of the international expansion.

I'll just go on to some of our growth opportunities now; really two key factors and strategies that I want to focus on. How do we drive organic growth? Clearly, we’ve demonstrated an ability to drive growth through acquisitions, and clearly we'll continue to look at those as they come. I feel right now we've got a great opportunity to make the most out of the businesses we've acquired and assembled under the TD Waterhouse umbrella.

So we are looking to take -- and make the most of leveraging the existing platform, the existing infrastructure and the investments we've made in that platform to continue to grow in the UK and consolidate our number one position, but also expand that platform into Europe. Our first test case for that was Ireland and we're well underway there. I'll give you a bit more detail about where we're going a little later on.

The second one is to leverage the TD brand internationally and the partners we have within the TD Bank. You've heard that as a consistent message today. We have an unbelievable stable of fantastic opportunities within our bank. By combining those in a more systematic way, in a more coordinated way we've got tremendous upside.

We look to develop basically the TD Waterhouse international hub, which would give access to international markets to all TD Waterhouse and future TD Ameritrade customers. It's rather ironic as we talk about the TD brand it's never been particularly sexy being owned by a Canadian bank in the UK. That was until about two years ago. Now I'm in the fantastic position of being able to talk to my competitors from a position of the top of the tree. TD Bank has never been more highly recognized internationally, and I see that firsthand in the UK.

The inflow of assets we've seen into our organization since the financial crisis has been incredible and that is undoubtedly because of the TD shield and the ownership of TD Bank. So a tremendous opportunity for us, and one that we really have to and will take advantage of.

So going into a little more detail about each of the businesses and what the growth opportunities are for each of those four business units. So TD Waterhouse Investor Services; the online brokerage business. We've achieved that number one in the UK with 27% market share. There continues to be huge opportunities for us to take market share from some of our competitors. The financial services industry in the UK is not focused.

A lot of them have been fighting for survival over the last number of years. We see that as a key opportunity. We are extremely focused on delivering the best client experience to our customers on the best platform, and we're seeing that as we continue to take organic growth as well as seek opportunities from an acquisition perspective.

We want to grow our new accounts and we're seeing net new accounts growth as we've never seen it before. We also are taking the platform into Europe. We launched in Ireland last year as a test case. Ireland is not a big market, but it's a great market to test your European capabilities. It's been extremely successful, far beyond our wildest dreams. We have demonstrated that we can take the platform based in the UK, leverage the infrastructure, and get the lift from other countries.

We'll be going to The Netherlands by the end of this year, and into France and Germany over the two following years from there. So extremely big opportunity for us to get into some bigger markets, take the TD brand, take the TD capability and see what we can do there.

In regards to Corporate Services, it's a recent acquisition. We need to get it embedded. We are working through getting that much closer to the overall organization. It's the same platform utilizing the same technology, so the opportunity for us to leverage that same investment is huge.

We're currently servicing 22 large institutional clients. Combined there is about 1,500 advisors within those corporate clients, and we're competing against the Bank of New York Pershing in the UK in that space. No one has owned that space in the UK. We see this as a tremendous opportunity for us.

We can differentiate on price, we can differentiate on product, our platform is better than the competition and we've got the TD brand and everything that that brings with it. Into the online private banking, Internaxx. As I said the announcement, I think, went out today or yesterday regarding our final acquisition of the 25% of Internaxx. We're extremely excited about this. Actually, I started this business in Luxembourg back in 2000, so it's a business that I'm extremely close to and extremely proud of.

We service clients in 160 different countries. This is a unique proposition. No one else is giving international clients the access to the markets that they need in the currencies that they need with the comfort that their money is with a TD Bank owned organization, a tremendous opportunity.

Luxembourg as Bill mentioned seems to have this phenomena by where it's geographically positioned that everyone speaks multiple languages. We're utilizing Luxembourg as our hub to push into France, to push into Germany, to push into the Netherlands, and as a result keeping and containing those cost bases we don't have to go out and build into each of those countries.

NatWest stockbrokers; this is really a unique proposition that we're seeing great benefit from recently. It's the 50/50 joint venture we have with the Royal Bank of Scotland. We've had it for eight years. They've got 2,300 branches across the UK.

And really this is our opportunity because we don't have a TD Canada Trust delivering all those significant referrals into the Wealth business, this is our opportunity to diversify our distribution and we're taking advantage of that. So, we utilized those branches. Each of those branches refers clients but also refers trades through their own online platform, and we're seeing great growth in this business.

It gives us access to a client base that TD Waterhouse International doesn't necessarily play in. This is middle England, NatWest and RBS is very much 22% market share of retail banking and we're looking at that retail mix. So, great distribution and opportunity for us.

As I said, we don't have the same infrastructure in the UK that TD Waterhouse has the opportunity here with the bank branches, with the referrals. But you can see through strategic acquisitions, though the right partnerships we've managed to create that same opportunity of gathering customers through a wider distribution and appealing to the whole of the UK market and we hope to replicate that as we go into Europe.

Touching further on the organic growth, we're combining our efforts with our partners. I can't stress how excited we are by this. John touched on the opportunity to deliver this to the TD Waterhouse Canadian customers. We're looking forward to also delivering the TD Ameritrade platform to other -- of our customers, so the bringing together of these platforms is a significant opportunity.

We already have an award-winning platform in the UK and we're going to continue to invest in that, continue to deepen the functionality, deepen the research and products that out customers are looking for and take advantage of that. We don't give advice -- I mentioned on that. So, it's imperative that we make sure we give all the tools to our clients. And there's a great leveraging opportunity for us to see what TD Waterhouse is doing here in Canada, what TD Ameritrade is doing in the US, and utilize some of that learnings on our platform.

Our unique selling point, and this is unique, is that we give our customers right now access to 70 markets, ten currencies all in real-time. So, we are almost trading 24x7 around the world. That is a unique proposition that we will share and we will leverage across the group.

Whilst that's relatively common within some small European countries that's unheard of on a proper real-time straight through processing basis here in North America, so very excited by that. As I said, we are looking to take advantage of linking up the key businesses. John mentioned we are a clear number one in Canada, TD Ameritrade by trade per day, clear number one in the US, TD Waterhouse International now a clear number one in the UK by trades per day.

What we're looking to do is to bring those platforms together to not only service our existing client base in all of those geographies, but utilize that unique platform to push into new geographies. Undoubtedly, Asia has a significant attraction for the future. If you look at that demographic on the bottom regarding the online population growth -- people who have access to the online space; tremendous growth in those Asian opportunities.

We believe we have a platform that can allow us to compete there. By linking up and coordinating our approaches we feel we can take advantage. There is no single global dominant player in the online brokerage space. We see that as an opportunity for us to take advantage of our three number one position businesses -- bringing them together in a coordinated, systematic way, and taking that internationally.

We already have a great set of building blocks internationally. You can see from the demographics I gave you before we have some critical scale and mass in the UK to leverage that from, and we're looking to take advantage of that as we push further afield.

So I could summarize what I see as a great opportunity, and one that I'm extremely excited about within TD Waterhouse International. We've got great momentum. We have a solid platform to grow from. We're the number one broker in the UK with significant scale, significant opportunity to continue to increase that scale.

We're going to continue to invest in growing organically. We will look at strategic acquisitions as they come up, but our key focus in the short term is to make the most out of those acquisitions we've made and continue to consolidate there.

Our European expansion is well underway. As I said, Ireland has been a great success for us -- The Netherlands by the end of the year, a push into France and Germany in the following two years to come. Huge markets, with huge potential and once again whilst there might be a dominant local player there, there is no dominant international player and that's the space we think we can take.

In the UK we obviously achieved the number one space; we're going to maintain that. Our focus on client service, our focus on being customer-centered will differentiate us, along with all of the learnings and leverage we can from the TD Bank Financial Group; we believe we're tremendously positioned.

As I said, combining our efforts both in North America and in the UK gives us a tremendous opportunity, but also a tremendous advantage over any of our competitors. There is no one who has a global domination in online brokerage. We think we're the best positioned to take advantage of that and we look forward to doing that.

Okay, thank you very much. I'm going to hand back to Rudy.

Rudy Sankovic - TD Bank Financial Group - Chief Financial Officer, Wealth Management

Great. Thank you, Angus. Great presentation, a lot of enthusiasm for our global strategy. So that ends the -- concludes the formal part of the presentation, but we will move now to a Q&A. We've got about half an hour or so that we'd like to spend giving you a chance to ask us some questions.

So, I would ask the presenters. I would also ask Mike Reilly and Bill Fulton from our Advice channels to come on up. Just in terms of logistics the folks on the phone who are interested in asking a question please press star one and you'll get into the queue for the questions and answers. Folks in the room we've got a number of people with microphones who will try to respond to get to your questions.

We would ask you to wait until the microphone is in front of you so that we can -- folks on the phone can hear the questions and the answers. Same with the presenters, please have the microphone with you before you start answering. And so, Mike Reilly and -- Bill Fulton heads up our US and Canadian private client groups, and Mike heads up our full service brokerage in Canada.

So with that, I will turn it over to any questions on your part. So we've got one over in -- and I apologize I don't know everybody's name, so excuse my finger pointing.

QUESTION AND ANSWER

Jamie Keating - McLean Budden - Analyst

Thank you very much. Jamie Keating from McLean Budden. I just have a question and I hope it's not a distasteful question. It's about compensation. I guess I'll start where it counts. Right?

Rudy Sankovic - TD Bank Financial Group - Chief Financial Officer, Wealth Management

Here we go.

Jamie Keating - McLean Budden - Analyst

And this probably is most pertinent to Bill. The message that came across from everyone was the cross-group, coordinated effort, one approach. And of course, the challenge to that is typically how to compensate everyone across those groups fairly for referrals and so on.

Is there anything differentiable at all about how TD does this versus peers that puts you in the lead?

Bill Fulton - TD Bank Financial Group - Executive Vice President, Wealth Management

With regard to compensation between Wealth Management and TD Canada Trust there are some business-to-business transfer payments that equalize from a shareholder value perspective. Within Canada Trust the team incents their employees on a balance scorecard the regular way. So we in Wealth Management don't specifically -- are not specifically able to influence through compensation definitely.

There's also a referral mechanism that renders our employees in TD Canada Trust, primarily the side counter reps, indifferent as to where they refer the assets into Wealth Management so that's the first part of it.

Within Wealth Management right now we are working to put into place an intra-wealth referral system that will compensate for doing the right thing on a timely basis but does not diminish shareholder value whatsoever. So, there's no incremental compensation that would influence an individual unduly.

Rudy Sankovic - TD Bank Financial Group - Chief Financial Officer, Wealth Management

Okay thank you. Let's go over here.

Michael Goldberg - Desjardins Securities - Analyst

Thanks. Michael Goldberg, Desjardins Securities. It's been my impression that people don't buy Wealth products for the joy of buying these products. They buy it for an end result in mind particularly if you're thinking about the retirement segment of the market they buy it for a pension. So with that thought in mind where does insurance fit into the overall Wealth plan?

Bill Fulton - TD Bank Financial Group - Executive Vice President, Wealth Management

Michael, I'll turn that question over to Mike Reilly. Mike runs our private investment advice business and also coordinates the enterprise wealth insurance capability, which is away from let's say our -- which is separate from our partners in the TD Insurance side. Mike?

Mike Reilly - TD Bank Financial Group - Senior Vice President, TD Private Investment Advice, TD Waterhouse

Okay, Michael, thanks very much for the question. So Insurance is becoming a very, very important part of our Wealth Management offering and it's one of the ones that we're most excited about.

I think if you look across our platform and I'm sure the key message you've heard today is really we're sitting there and we start with the client out and we look at whether that client is sitting with a PIA advisor or the ability for some of Sandy's senior financial planners who are not located in bank branches or Bill Fulton's pick portfolio managers. Because if you go through the continuum the value proposition in dealing with our clients Insurance is a big component of that.

What you're doing is you're really -- as you look at creating the plan if you look at taking them through their financial continuum Insurance now becomes a part of it whether it's wealth protection, whether they're setting themselves up in their will and estate planning we have the capability now --.

And as a matter of fact, I'm very proud of the fact that today in certainly the full service business, and certainly the bank-owned dealers we have the highest percentage of our advisors certainly in PIA, and I would say across the platform, that are licensed for insurance in the Wealth business.

So it's a key growth area for us. It is an area that we will continue to grow and pour resources into and it's certainly a key part of the investment and wealth planning tool that you saw today as in the material items that are on the circle, insurance is in there, wealth protection is in there.

Rudy Sankovic - TD Bank Financial Group - Chief Financial Officer, Wealth Management

Great question, thank you. Over here.

John Reucassel - BMO Capital Markets - Analyst

John Reucassel from BMO Capital Markets. Just a question for Brian. I just want to make sure I have some numbers right. You said in the asset management segment, TDAM, a third of your business came from the banks. A third from other TD affiliates versus a third from outside, is that correct?

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

That's correct.

John Reucassel - BMO Capital Markets - Analyst

So two-thirds from internally, has that changed at all over the last five or six years or seven years?

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

Right, so we're talking about the retail channels in general?

John Reucassel - BMO Capital Markets - Analyst

Yes.

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

And so if it's a third, a third, a third, then two-thirds are coming from proprietary sources. What has change as we talked about is that the non-proprietary advisor channel is something that's really grown dramatically in the last three years. So, it would have been even more proprietary oriented three, four years ago than it is today.

John Reucassel - BMO Capital Markets - Analyst

So to -- so I'm just trying to gauge what the potential there is. You mentioned 40% of Canadians own mutual funds but only 12% of TD customers own a TD --.

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

So now, you're back to the bank channel.

John Reucassel - BMO Capital Markets - Analyst

Yes, but I'm just trying to understand how we're supposed to judge where is the greater growth, is it in the non-proprietary?

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

No, there's growth in all channels. That's supposed to get you excited. Right?

John Reucassel - BMO Capital Markets - Analyst

Okay -- okay.

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

But the calibration is hard, so we have not fully exploited the opportunity in the bank channel. And we don't want to -- it's hard to pinpoint what a natural share would be so we're not even going to guess at that. But what I said is we could double the assets under management so if it's a third, a third, a third, a little over $15 billion in long-term funds in the bank channel. Can we double that over the next five years? We think we can. Does that help?

John Reucassel - BMO Capital Markets - Analyst

Kind of. The last question on slide 34, I think for Sandy, I just want to understand there's a $1.11 in extra money from a dollar brought in from a referral. Is that money -- so you bring someone in and they add -- instead of bringing a dollar in they bring $2.11 or is this – how -- where does that money come in from?

Sandy Cimoroni - TD Bank Financial Group - Senior Vice President, Financial Planning, Wealth Management

So the example is a dollar will come from TDCT through a client that exists there. We bring the client over, we consolidate assets externally, so it's an additional $1.11 from outside the organization.

John Reucassel - BMO Capital Markets - Analyst

Outside the proprietary channel.

Sandy Cimoroni - TD Bank Financial Group - Senior Vice President, Financial Planning, Wealth Management

Yes.

John Reucassel - BMO Capital Markets - Analyst

Great. Thank you.

Rudy Sankovic - TD Bank Financial Group - Chief Financial Officer, Wealth Management

A question in the back, please.

Rob Sedran - CIBC World Markets - Analyst

Hi, thanks. Rob Sedran, CIBC. I just had a couple of questions around the margin opportunity, I guess. There was one slide, I think it was on the discount brokerage side where it looks like margins are down about 100 basis points. Do we need to see 2007 interest rates to see that margin come back to that kind of level? And do you consider '07 to be a normalized margin, or is there a higher or lower destination in the medium term?

John See - TD Bank Financial Group - President, Discount Brokerage and Institutional Services, TD Waterhouse

So one of the get things about operating in an integrated environment is the fact that we have access to world-class treasury management. So I know a lot of you have asked a number of questions on how we manage margin and spread within TD Canada Trust. What I can tell you that we utilize the same tools and resources and individuals actually to manage the balances and the margin on those balances within our Wealth Management channel and within discount brokerage.

So I would say that we're actively looking at different ways and have executed some of the strategies, tractors, going some duration, those kinds of things to -- so that we're not completely passive on it. Obviously, we see just naturally with interest rates returning that we're going to get the pickup to what you saw in those slides we think are historical numbers.

Rob Sedran - CIBC World Markets - Analyst

And then -- thanks. And then just turning to the money market side is there a level at which the money market funds -- is it almost like a trigger at some point you'll start to charge a fee again or you'll stop waiving the fees? Or, how should we think about the impact of rising rates on those fees?

Rudy Sankovic - TD Bank Financial Group - Chief Financial Officer, Wealth Management

Brian?

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

Yes, it's an excellent question and it's very timely in sense that the short end of the curve has been appreciating materially over the last several weeks, right -- so almost averaging ten basis points a week now. So clearly there's an opportunity to do so. We have been basically working without compensation throughout this tough period so our intention is to as rates go up to reverse some of those fee waivers and also pass some of that through to the clients.

Rob Sedran - CIBC World Markets - Analyst

(inaudible-microphone inaccessible)

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

Okay, you're saying like the split of that --?

Rob Sedran - CIBC World Markets - Analyst

Just in terms of how quickly, I mean presumably the clients get used to paying less. So as you want to start charging more, how sticky are those rebates that you've been giving or can we assume the first increases in rates are going to translate into an increase in fees?

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

Right, so the yields that clients have been experiencing over the last six months or so between five and 50 basis points. So these aren't so much rate sensitive investors as they just want a safe place to keep their money. So does that help answer your question? Okay.

Darko Mihelic - Cormark Securities - Analyst

Thank you, it's Darko from Cormark, a question for Bill. You mentioned that you have a medium-term goal of meeting or exceeding the record earnings you made in 2007, what year is medium term?

Bill Hatanaka - TD Bank Financial Group - Chairman and CEO, TD Waterhouse

Thank you for the easy ones, Darko. Our goal, if your economic assumptions are that interest rates will start to rise somewhere in the latter half of this year, and if your economic assumptions also assume that we will have a stable to a recovering economy and therefore stable equity markets, our goal is to surpass our previous record high in 2011.

From there we will continue to work to grow our bottom line on a double-digit basis annually speaking. So just to review our paradigm, we work to achieve double-digit revenue growth. We work as an organization to make sure that there's a 300 basis points spread between growth in revenue and growth in expenses. Therefore spinning off a bottom line that can increase on a double-digit basis. So that's our paradigm, Darko.

Darko Mihelic - Cormark Securities - Analyst

Great, thank you. And maybe a question for Angus. You're the number one online broker in the UK and the number one broker here; the difference seems to be quite big, I mean, over $100 billion of assets here, you only have $6 billion in the UK. And you mentioned that there really isn't an equity culture there.

Can you help size it for us? Do you think there's something changing there? And can you help size for us -- you mention that you have great growth opportunities in the Netherlands, France and so on, but can you help us size that?

Angus Rigby - TD Bank Financial Group - CEO - TD Waterhouse UK

Sure, good question. The $6 billion in assets you saw on that slide if we include our recent acquisition of Internaxx and the NatWest business along with the E-Trade assets that are coming in, that will go to around $12 billion. So as of the end of April that will be around the $12 billion mark where markets are today. So, that will give you a better comparison in regards to where John is.

The UK market -- customers and clients continue to rely on the government for their pension and a variety of other retirement benefits. There isn't that mindset that I need to take control of my own investing for retirement as there is in North America, as there is in Australia and other countries. We continue to be very optimistic that in the short to medium term that realization is going to hit home and we've got a population of 60 million in the UK that will have to take control of their future investment and future retirement needs. So hopefully, that scales it.

You'll find a more active equity culture in Europe, particularly in Germany and France. The German and French markets are both more than double the size of the UK retail market and more similar in size to the Canadian market.

Rudy Sankovic - TD Bank Financial Group - Chief Financial Officer, Wealth Management

Next question, please?

Sumit Malhotra - Macquarie Capital Markets - Analyst

Sumit Malhotra, Macquarie Capital Markets, for Bill. On the 3% operating leverage target if I look at the last two years where revenue was understandably challenged, expenses still grew in each of '08 and '09. The bank's talked a lot about the advice channel being an under-penetrated business line.

Do you feel that you're now sufficiently scaled here such that if we had another unfortunate step back in revenue you'd be able to be closer to at least a breakeven on operating leverage, or is there still growth here that's going to prevent expenses from being moderated the way TDCT was able to do during the downturn?

Bill Hatanaka - TD Bank Financial Group - Chairman and CEO, TD Waterhouse

The answer within the investment advice side is that we do believe that we've hit initial critical mass as of late last year, early this year and the numbers are starting to fall into place quite nicely. I think the reason that our expenses -- the specific reasons that our expenses continued to increase were (a) our investment in our client-facing advisors, which as you know is an upfront investment, a short-term drag on earnings and then it becomes an opportunity.

And also the fact that we've been working continuously to build out our integrated infrastructure so that the infrastructure of the overall organization -- away from the business units and the product areas, the functional areas and the ops and tech areas were able to scale up as well to support the growth on the business side. So, during the bad markets we continued to invest in each of those areas throughout the downturn.

Rudy Sankovic - TD Bank Financial Group - Chief Financial Officer, Wealth Management

Good question. Maybe I'll shift my neck over to this -- anything on this side of the room in terms of questions? Yes, thank you.

Steve Theriault - Bank of America/Merrill Lynch - Analyst

Hi, Steve Theriault, Bank of America/Merrill Lynch. Just to follow up on the money market fee waiver question for Brian. Could you quantify maybe what that's costing TD on an annualized basis in terms of subsidies that are being provided currently?

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

Yes, many millions.

Steve Theriault - Bank of America/Merrill Lynch - Analyst

How many is many?

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

I'm sorry?

Steve Theriault - Bank of America/Merrill Lynch - Analyst

How many, many?

Brian Murdock - TD Bank Financial Group - Chairman and CEO, TD Asset Management

Yes, many, lots. It's probably better not to because it's not really public information, but a significant impact to the bottom line that we look forward to reversing.

Steve Theriault - Bank of America/Merrill Lynch - Analyst

Okay, fair enough. And then just one more on margins. Angus, was kind enough to give us some sensitivity on what 100 basis point rise in short-term rates in the UK would do to, I believe, it was the revenue line. But is there any -- can you roll that up to TD Wealth, I know there's tractors and there's all kinds of different moving parts, but could you roll that up to TD Wealth as a whole? Is there any sensitivity you could give us there?

Bill Hatanaka - TD Bank Financial Group - Chairman and CEO, TD Waterhouse

The largest pool of client deposits is within our discount brokerage business so John, over to you.

John See - TD Bank Financial Group - President, Discount Brokerage and Institutional Services, TD Waterhouse

I think we've given you most of the information in the slide actually. If you look at the size of our balances and the spread that we're currently achieving on them. And I think it would be your best estimate in terms of where rates are going from that side.

Steve Theriault - Bank of America/Merrill Lynch - Analyst

So very little offset from anything else there.

John See - TD Bank Financial Group - President, Discount Brokerage and Institutional Services, TD Waterhouse

That's pretty clear.

Steve Theriault - Bank of America/Merrill Lynch - Analyst

Thanks.

Unidentified Audience Member

Thanks, wondered if you could elaborate more on the strategy in the US in the high net worth segment. To start with, how many advisors do you have now? I wasn't even aware that you had advisors there. How many you plan to have, over what period of time, and how do you get there? And, where would you get them from?

Bill Hatanaka - TD Bank Financial Group - Chairman and CEO, TD Waterhouse

I'll turn that over to Bill Fulton. Bill runs our US Wealth Management business on behalf of us, so Bill.

Bill Fulton - TD Bank Financial Group - Executive Vice President, Wealth Management

Thank you. The US is an exciting opportunity, but it is a work in progress. So in our high net worth business we're focusing on leveraging our partners at TD Bank, America's most convenient bank. We have 1,000 stores and 6.5 million customers. And so, our goal is to work those customers to get referrals.

And so, where we are right now we're focusing on large urban centers with our high net worth business. We're in Boston, New York, Philadelphia, at Washington, DC and the Miami area. And we have right now about 120 advisors. We're adding 20 new client-facing advisors a year. And we recruit these advisors from the biggest and the best of our competitors in the US, and the TD story plays very well.

The strength of the TD brand and our name and the strength of our balance sheet is really attractive, and the opportunity to get in at ground floor of a growth strategy has really attracted high quality people to our team.

Rudy Sankovic - TD Bank Financial Group - Chief Financial Officer, Wealth Management

Good question. Any other questions around the room? Yes, there's one over here.

Cheryl Pate - Morgan Stanley - Analyst

Hi, Cheryl Pate from Morgan Stanley. Just a question for Angus on the pricing and commissions for trade on the UK; we got a slide on the Canadian business. I'm wondering if you can talk a little bit about what you see both in the UK in terms of how that's contracted over the last few years? It seems a little bit less of an active equity focus, so I wonder if there's been as much compression or if that's still to come. And also if you could talk about the dynamics of the UK versus Europe -- France, Germany, The Netherlands

Angus Rigby - TD Bank Financial Group - CEO - TD Waterhouse UK

Sure, in regards to commissions per trade, online trades in the UK average around the GBP12 mark. Now that used to be worth about CAD$24; it's significantly less now. We have seen compression in that, but not to the extent that John demonstrated on his slide and I think it's stabilized.

In the UK you've got to remember we have a stamp duty, so every acquisition incurs 0.5% stamp duty. So on an average transactional size of GBP7,500 to GBP10,000 our commission is the least of the customer's concerns. You know the government stamp duty is a more significant aspect. So, I don't think we're going to see contraction of that until we see the stamp duty go away.

In regards to Europe, Europe can be very competitive on the local market. Where we see a big opportunity in the European markets is the international access. For example, there's some very dominant German players, also some very dominant French players; there isn't players that are dominant internationally and that's where we see the big opportunity.

The price points on the local exchanges are similar to those that I explained on the UK market, but once again our opportunity is not necessarily to compete with the local, very consolidated play; it's more to bring active international access.

Rudy Sankovic - TD Bank Financial Group - Chief Financial Officer, Wealth Management

Other questions? I don't think there's anything on the phones, so going once, going twice. All right with that, thank you very much. It was excellent questions. I think with, that I'm going to turn it back to Bill for some concluding remarks. So, Bill?

CLOSING REMARKS

Bill Hatanaka - TD Bank Financial Group - Chairman and CEO, TD Waterhouse

Thank you, Rudy. Well folks, thank you for your attention for the last few hours. We really appreciate it. In summary, we are comprised of eight growing businesses across three main lines. Together, we form an integrated wealth management model that is closely aligned to our partners at TD Canada Trust and across our overall bank.

And the bank is counting on us to be one of the primary growth vehicles for the overall organization going into the future. Operationally, integration and alignment facilitates accelerated growth in assets and a more seamless client experience and that is the core of how we operate on a day-to-day basis. And we believe there's a brilliant future, individual, business-wise for the Online Brokerage business.

Our two current Online Brokerage businesses are each number one in market share in Canada and the UK. And, while we hold the leadership position in both of these countries the message here today is that we remain intensely focused on continuing to grow and build out our presence in the online brokerage space.

So you heard today about our best-in-class Canadian service model, best-in-class US transactional engine, best-in-class UK multi-exchange, multi-currency, multi-language capability. Our goal now as partners is to link arms as partners, and build out our global capability in the online space as quickly and as effectively and as powerfully as we possibly can. So, we do believe that there's an amazing future for the Online business throughout the world.

And as we extend our continuum into the overall advice channels we are reaching now initial critical mass within Canada, our financial planning side and our investment advice side. And our investment in the client-facing advisors is quickly changing from being what has been an earnings drag over the last few years, to being a significant earnings opportunity, so we're very excited about that.

And now, it's about leveraging that opportunity, leveraging that investment and enhancing our ability to grow our assets and more consistent revenue growth as well -- revenue generation. On the asset management side, you heard from Brian we've got a high quality, critical mass organization. We're working to link up origination and manufacturing, wholesaling and distribution to benefit, and we're focused on deepening our relationships in multiple channels as was spoken about internal and external while looking for great opportunities to expand our international equity space.

To ensure strength up and down the line, we make consistent and focused investments, good times and bad, not just in our business units, but in the product area and our functional groups and in our infrastructure groups because that's the best way to ensure that there's a consistent and powerful integrated wealth management offering.

So going forward, as you've seen from each of the business presentations today, we have an unbelievable number of great opportunities in the aggregate and within each of the individual business lines. And our challenge really is not to find new opportunities, but to sort through the myriad of great opportunities that we have the potential of capitalizing on, prioritize them in a way that makes sense to us as an overall integrated organization and then capitalizing on executing on those initiatives over a long period of time.

I think that although we all know because we're in this business in one way, shape or form, that execution is critical, I think it's the heart and the passion behind the operating teams that really drive the success of the model, and I'm sure that in your firm and in our ours it's no different.

The team that I've had has been through the worst over the last two years and they've never lost their focus, their intensity, their camaraderie, and their passion for the overall business. So, it gives me an opportunity here to thank all of my teammates. Thank you. And I'll leave it there and just say thank you very much for your time.

Thank you for joining us, and I'll turn it back to Rudy. Rudy?

Rudy Sankovic - TD Bank Financial Group - Chief Financial Officer, Wealth Management

Great. Thank you very much. Let me first thank the presenters, thank you great job -- a lot of enthusiasm and passion. So hopefully, we've given you a good insight into our business. The wealth story is probably something that hasn't been a big focus of the investor group or the analysts. So, I think this is probably a good chance for you to get to see our business in action and shaping our future growth. So, thank you.

I do thank you for your time. Thank you for your interest in TD, and in the wealth story in particular. So with that, we will conclude. And if there's any questions or follow up that you'd like, our award-winning Investor Relations team is at your service. So thank you very much, and we appreciate your time. Thank you.