

**New Commerce Split Corp** is an Investment Corporation that invests in common shares of Canadian Imperial Bank of Commerce, a Canadian financial institution. Three types of shares are available, a Capital share, a Class I Preferred and a Class II Preferred.

On March 26, 2010 a Capital Reorganization of Commerce Split was completed. Two funds were created, Original Commerce Split and New Commerce Split.

Holders of Priority Equity Shares (Symbol: **XCM.PR.A**) that did not elect to remain in the Original Commerce Split Fund had each Priority Equity Share held converted into the following new securities in the New Commerce Split Fund: One \$5.00 Class I Preferred Share (Symbol: **YCM.PR.A**); One \$5.00 Class II Preferred Share (Symbol: **YCM.PR.B**); One half 2011 Warrant (Symbol: **YCM.WT**); and One 2012 Warrant (Symbol: **YCM.WT.A**).

Holders of Class A Shares (Symbol: **XCM**) that did not elect to remain in the Original Commerce Split Fund had each Class A Share held converted into the following securities (in order to achieve the required balancing objectives):

- 0.7167721 of a Capital Share in the New Commerce Split Fund (Symbol: **YCM**); and
- 0.283228 of a Class A Share 2010 in the Original Commerce Split Fund (Symbol: **YCM.X**)

For complete details, please [click here](#) to view the Information Circular dated December 23, 2009.

## Commentary

North American financial markets experienced solid gains during July spurred on by generally stronger than expected Q2 earnings, an easing of the European sovereign debt crisis and progress in the containment of the Gulf oil spill. In particular, the results of the European bank stress tests which were released in June were generally received favorably and helped reverse the decline in the Euro which improved stability in world financial markets.

Despite these positive developments, the economy and stock markets seem to have reached a critical juncture as market participants are increasingly questioning the durability and robustness of the recovery as many of the government sponsored stimulus measures come to an end. High unemployment, continued housing weakness and ballooning deficits in the U.S continue to act as a significant headwind for a more robust economic recovery. The Canadian economy is clearly doing better than most other developed countries but will be adversely impacted if worldwide growth slows due to its dependence on resource exports.

Over the coming months, market participants will continue to carefully scrutinize every piece of economic data in order to try and ascertain the shape and durability of this economic recovery. As mentioned in previous commentaries, sustained economic growth will require a greater transition from government led growth to private economic growth.

The valuations of the companies in the portfolio generally remain at very reasonable levels when measured by price to earnings ratios and current dividend yields and this should act as a major support at these current market prices.

	One Month to July 31, 2010	Year to Date July 31, 2010
TSX	3.71%	-0.28%
S&P 500	6.88%	-1.21%
DJII	7.08%	0.36%
NASDAQ	6.90%	-0.64%

## Distributions (by record date)

	YCM	YCM.PR.A	YCM.PR.B	Total
Total to Date	\$0.0000	\$0.1563	\$0.0000	\$0.1563
2010 YTD	\$0.0000	\$0.1563	\$0.0000	\$0.1563

## Details

Units Outstanding:	3,778,509
Inception Date:	Feb 16, 2007
Capital Reorganization Date:	Mar 26, 2010
Termination Date:	Dec 1, 2014
Net Asset Value:	\$9.55 (July 30/10)

Cash Weighting:	20%
Canadian Equity Weighting:	80%

<b>YCM.PR.A</b> Trading Price:	\$5.35 (July 30/10)
Current Yield:	7.0%* annually
Market Capitalization:	\$20,215,023

\*Last distribution annualized.

<b>YCM.PR.B</b> Trading Price:	\$2.70 (July 30/10)
Market Capitalization:	\$10,201,974

<b>YCM</b> Trading Price:	\$0.93 (July 30/10)
Market Capitalization:	\$3,514,013

Holding	Symbol
Canadian Imperial Bank of Commerce	CM



## CIBC Company News

CIBC % return for July 2010:	6.7%
CIBC % return year-to-date 2010:	3.6%
Dividend Yield on CIBC shares:	4.9%