

NEW

As at March 31, 2011

COMMERCE Split

Monthly Update

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.

Capital Share (YCM)

The Capital Shares participate in any net asset value growth over \$10 per unit. These shares are highly leveraged to any change in the value of the CIBC common shares. In addition, dividends would be paid if and when the net asset value exceeds \$15.00.

Class I Preferred Share (YCM.PR.A)

Class I Preferred Shares receive cumulative monthly dividends to yield 7.5% of its \$5 par value. These shares have excellent asset coverage and their dividends are covered by dividends received on the underlying portfolio.

Class II Preferred Share (YCM.PR.B)

The Class II Preferred Shares have a par value of \$5 and are entitled to the assets of the company above \$5 per unit to a maximum of \$5. In addition, the Class II Preferred Shares are entitled to receive dividends at a rate of 7.5% once the net asset value of the company exceeds \$12.50.

Note: On March 26, 2010 a Capital Reorganization of Commerce Split was completed. Two funds were created, Original Commerce Split and New Commerce Split. For complete details, please [click here](#) to view the Information Circular dated December 23, 2009.

Commentary

The North American financial markets displayed incredible resilience given the number of geopolitical concerns that came into play in March; an earthquake and tsunami in Japan, Yemen President negotiating to step down by year's end, Hosni Mubarak resigning as President of Egypt and increased violence in Libya under calls for Moammar Gadhafi to step down to name a few. These concerns will be continually monitored for their impact going forward.

The U.S. housing market and unemployment market continue to exert a drag on the U.S. economy. Other measures of economic activity including manufacturing activity and retail sales seemed to suggest that the economy continues to improve, albeit at a fairly modest pace. The question of whether this economic growth can become sustainable without the continued record levels of fiscal and monetary stimulus remains to be answered in the coming months and years.

The valuations of the companies in the portfolio generally remain at very reasonable levels when measured by price to earnings ratios and current dividend yields and this should continue to act as a major support at these current market prices. Many Canadian companies held in the portfolios are expected to raise their dividends over the next 6 months. During the bank earnings release last month Bank of Nova Scotia and TD Bank increased their annual dividend by 6% and 8% respectively. The dividend income continues to be supplemented by income generated from the covered call writing program.

	One Month to Mar 31, 2011	Year to Date Mar 31, 2011
TSX	-0.14%	5.01%
S&P 500	-0.11%	5.42%
DJII	0.76%	6.41%
NASDAQ	-0.04%	4.83%

Distributions (by record date)

	YCM	YCM.PR.A	YCM.PR.B	Total
Total to Date	\$0.0000	\$0.4063	\$0.0000	\$0.4063
2011 YTD	\$0.0000	\$0.0938	\$0.0000	\$0.0938
2010	\$0.0000	\$0.3125	\$0.0000	\$0.3125

Details

Units Outstanding:	4,304,953
Inception Date:	February 16, 2007
Capital Reorganization Date:	March 26, 2010
Termination Date:	December 1, 2014
Net Asset Value:	\$10.71
Cash Weighting:	25%
Canadian Equity Weighting:	75%
YCM.PR.A Trading Price:	\$5.52
Current Yield*:	6.8%
Market Capitalization:	\$23,763,341
<i>*Last distribution annualized.</i>	
YCM.PR.B Trading Price:	\$3.55
Market Capitalization:	\$15,282,583
YCM Trading Price:	\$1.31
Market Capitalization:	\$5,639,488

Holding

Symbol

Canadian Imperial Bank of Commerce	CM
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CIBC Company News

CIBC % return for Mar 2011:	1.7%
CIBC % return year-to-date 2011:	6.7%
Dividend Yield on CIBC shares:	4.16%

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