

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

Commentary

January started off with a rather lackluster beginning, unable to continue the broad market indices rally from December 2009. Although economic conditions are continuing to improve, double digit unemployment in the U.S. is likely to keep fiscal and monetary stimulus in place for some time to come. The low levels of interest rates around the world are proving to provide significant fuel to propel the prices of financial assets and some commodities. As Canadian and U.S. government fixed income yields continue to remain at very low absolute and relative rates, this should continue to be very supportive to the strong dividend paying companies.

Overall confidence in the U.S. financial system continues to improve as some of the larger U.S. Banks continue to repay government funds and raise private capital. However, credit expansion through lending is still very sluggish and this will likely have the effect of dampening the recovery as many small businesses in particular have not been able to access capital. Concerns over commercial real estate and a still weak U.S. housing market continue to weigh on the prospect of a more robust recovery. A surprisingly strong housing market has continued to provide support to the Canadian economy.

Attractive dividend yields, low historic valuations and significant option premiums available in the marketplace continue to bode well for the portfolio. The Manager continues to actively manage the relative weightings of the companies held within the portfolio.

Distributions (by record date)

	XCM	XCM.PR.A	Total
Total to Date	\$0.6000	\$1.0266	\$1.6266
2010 YTD	\$0.0000	\$0.0000	\$0.0000
2009	\$0.0000	\$0.0438	\$0.0438
2008	\$0.1000	\$0.5250	\$0.6250
2007	\$0.5000	\$0.4578 ⁽¹⁾	\$0.9578

(1) Initial distribution for the period Feb 16/07 to Mar 31/07.

Details*

Units Issued:	8,710,000
Inception Date:	Feb 16, 2007
Termination Date:	Dec 1, 2014
Net Asset Value:	\$9.26* (Jan 29/10)

* Net of accrued Preferred share dividends.

Cash & Fixed Income Weighting:	87%*
Canadian Equity Weighting:	13%*

XCM.PR.A Trading Price:	\$7.80 (Jan 29/10)
Market Capitalization:	\$45,647,160

XCM Trading Price:	\$0.75 (Jan 29/10)
Market Capitalization:	\$4,389,150

* All numbers are approximate.

Holding Symbol

Canadian Imperial Bank of Commerce CM



CIBC Company News

CIBC % return for January 2010:	-6.2%
CIBC % return year-to-date 2010:	-6.2%
Dividend Yield on CIBC shares:	5.45%

	One Month to Jan 29, 2010	Year to Date Jan 29, 2010
TSX	-5.55%	-5.55%
S&P 500	-3.70%	-3.70%
DJII	-3.46%	-3.46%
NASDAQ	-5.37%	-5.37%