

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

Most major equity market indices consolidated during the month of June after experiencing significant gains from the March lows to the end of May. The much narrower trading ranges and reduced volatility seems to indicate that a huge element of the fear that was present during the September 2008 to early March 2009 period has diminished as market participants appear to be reducing their concerns of systemic risk.

Although economic conditions continue to remain difficult, it appears the cumulative efforts of governments around the world to stabilize the financial system have gained some traction. Confidence in the ability of the financial system to improve increased during the month as more details of the government stabilization efforts were released. The results of the US government's "stress tests" on the major US financial services companies appeared to reassure markets. The ability of both US and Canadian banks to raise additional capital to bolster their balance sheets has also been a huge positive on market sentiment.

Selected leading economic and confidence indicators are showing early, albeit modest signs that point to an increased chance for a rebound in economic growth in the coming months. It appears that the worst of the deleveraging and capital market liquidation may have already occurred and if so, this will be positive for investors focusing on fundamentals of the underlying companies. Q2 earnings reports will begin to be released during the second week of July and this will serve as a more accurate barometer of economic conditions and allow market participants to better measure the extent to which economic conditions may have improved.

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

	One Month to June 30, 2009	Year to Date June 30, 2009
TSX	0.05%	15.43%
S&P 500	0.02%	1.78%
DJII	-0.63%	-3.75%
NASDAQ	3.42%	16.36%

Distributions (by record date)

	XCM	XCM.PR.A	Total
Total to Date	\$0.6000	\$1.0266	\$1.6266
2009 YTD	\$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:	\$9.09* (Jun 30/09)

* Net of accrued Preferred share dividends.

Cash & Fixed Income Weighting:	83%*
Canadian Equity Weighting:	17%*

XCM.PR.A Trading Price:	\$7.16 (Jun 30/09)
Market Capitalization:	\$57,580,541

XCM Trading Price:	\$1.09 (Jun 30/09)
Market Capitalization:	\$8,765,753

* All numbers are approximate.

Holding Symbol

Canadian Imperial Bank of Commerce	CM
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Company News

CIBC % return for June 2009:	6.9%
CIBC % return year-to-date 2009:	14.1%
Dividend Yield on CIBC shares:	5.97%