



# Dividend 15

As at August 31, 2011

# Monthly Update

**Dividend 15 Split Corp** is an Investment Corporation designed to pay monthly cash dividends. The Corporation invests in a diversified portfolio consisting of 15 high-yielding Canadian companies. Two types of shares are available, a Class A and a Preferred.

### Distributions (by record date)

	DFN	DFN (specials)	DFN.PR.A	Total
Total to Date	\$8.90	\$3.50	\$3.9147	\$16.3147
2011 YTD	\$0.80		\$0.3500	\$1.1500
2010	\$1.20		\$0.5250	\$1.7250
2009	\$1.20		\$0.5250	\$1.7250
2008	\$1.20		\$0.5250	\$1.7250
2007	\$1.20	\$2.25	\$0.5250	\$3.9750
2006	\$1.20	\$0.75	\$0.5250	\$2.4750
2005	\$1.20	\$0.50	\$0.5250	\$2.2250
2004 (8 months)	\$0.80		\$0.3500	\$1.1500
Jun 29/04	\$0.10		\$0.06473 <sup>(1)</sup>	\$0.16473

(1) Initial distribution for the period Mar 16/04 to Jun 29/04.

### Commentary

The North American financial markets continued to weaken during the month largely as a result of US economic data suggesting the economic recovery had begun to moderate significantly. Global economic indicators have deteriorated with several Euro zone countries having to consider significant reductions in spending to reign in record deficits. Market participants are concerned that this will further impact growth in these countries with a spillover to overall world growth. As mentioned in previous commentaries, the key question of whether 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.

Canadian economic indicators generally remain relatively strong with housing and employment conditions much stronger than most other developed economies. Although it should be noted that Canadian economic growth did stall out in the second quarter and could continue to deteriorate if global financial conditions worsen. Record low interest rates in North America are expected to remain until economic growth is deemed to be on a self sustaining growth path. In the context of these low rates, 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. The dividend income continues to be supplemented by income generated from the covered call writing overlay on the companies in the Portfolio.

	One Month to Aug 31, 2011	Year to Date Aug 31, 2011
TSX	-1.37%	-5.02%
S&P 500	-5.68%	-3.08%
DJII	-4.36%	0.31%
NASDAQ	-6.42%	-2.77%

### Details

Total Net Assets:	\$311,687,966
Units Outstanding:	16,276,134
Inception Date:	March 16, 2004
Termination Date:	December 1, 2014
Net Asset Value	\$19.15
Cash Weighting:	10%
Canadian Equity Weighting:	90%
DFN.PR.A Trading Price:	\$10.35
Current Yield:	5.1%
Asset Coverage:	192%
Market Capitalization:	\$168,457,987
DFN Trading Price:	\$11.84
Current Yield:	10.1%
Market Capitalization:	\$192,709,427

### Top Holdings (sorted by weight)

Canadian Imperial Bank of Commerce  
 Toronto-Dominion Bank  
 BCE Inc.  
 TMX Group Inc.  
 Enbridge Inc.  
 Telus Corporation  
 Royal Bank of Canada  
 CI Financial Corp.  
 Bank of Montreal  
 Manulife Financial Corporation  
 TransAlta Corporation  
 Bank of Nova Scotia  
 National Bank of Canada  
 Sun Life Financial Inc.  
 Thomson Reuters Corp.

Weightings subject to change at any time.