



Dividend 15

October 2009

Monthly Update

Dividend 15 Split Corp II 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.

	One Month to Oct 30, 2009	Year to Date Oct 30, 2009
TSX	-4.25%	21.40%
S&P 500	-1.98%	14.72%
DJII	0.00%	10.67%
NASDAQ	-3.64%	29.68%

Distributions (by record date)

	DF	DF (specials)	DF.PR.A	Total
Total to Date	\$2.90	-	\$1.5522	\$4.4522
2009 YTD	\$0.50	-	\$0.4375	\$0.9375
2008	\$1.10	-	\$0.5250	\$1.6250
2007	\$1.20	-	\$0.5250	\$1.7250
2006 (initial)	\$0.10	-	\$0.06473 ⁽¹⁾	\$0.16473

(1) Initial distribution for the period Nov 16/06 to Dec 31/06.

Commentary

The steady pace of the upward market trend that has been ongoing since the lows reached in March has come to a halt with October showing a pullback in many of the equity indices. This slight retracement in the market is to be expected as investors begin to digest the bevy of economic news shaping the market.

Last month many economists believed the worst recession since the Great Depression will have officially ended in the quarter ending September 2009 and that Q3 GDP for both Canada and the United States will be positive. However, Canada surprised investors this month with a slip in the newly released August GDP number. Although the slip was merely 0.1%, it complicates investors' vision on whether we are truly coming out of the recession. Market participants are now grappling with what the recovery may look like over the next few quarters and how that assessment will be reflected in equity prices.

Although many other leading economic indicators are pointing to a growing economy, unemployment rates (a lagging indicator) continue to be problematic, especially in the United States. The official US unemployment rate at 10.2% (as of October 2009) is now at a 26 year high and remains the biggest challenge to a robust recovery. Policy makers in the United States have become very focused on this metric and as a result it is likely that US interest rates will remain low and government stimulus will continue until this trend starts reversing.

Canada's economy appears to be in much stronger shape with a stronger financial system, lower unemployment levels, improving commodity prices and a much stronger housing market.

Against the historic low level of current interest rates, equity markets appear to be fairly supported by attractive dividend yields. The high levels of low yielding cash and money market instruments "sitting on the sidelines" could prove to be a catalyst for further market gains if investors shift some of this money towards equities as the economy continues to recover.

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.

Details

Gross Proceeds:	\$139,750,000
Units Issued:	5,590,000
Inception Date:	Nov 16, 2006
Termination Date:	Dec 1, 2014
Net Asset Value:	\$16.04 (Oct 30/09)
Cash Weighting:	8%
Canadian Equity Weighting:	92%

DF.PR.A Trading Price:	\$9.90 (Oct 30/09)
Current Yield:	5.3% annually
Asset Coverage:	160%
Market Capitalization:	\$50,084,100
DF Trading Price:	\$6.90 (Oct 30/09)
Market Capitalization:	\$34,907,100

Top Holdings (sorted by weight)

CI Fund Management	CIX
TransAlta	TA
Bell Canada Inc.	BCE
Manulife Financial	MFC
TransCanada Corporation	TRP
Enbridge Inc.	ENB
Telus	T
Canadian Imperial Bank of Commerce	CM
Bank of Montreal	BMO
Toronto-Dominion Bank	TD
Thomson Corp	TOC
Royal Bank	RY
National Bank	NA
Bank of Nova Scotia	BNS
Sun Life Financial	SLF

Weightings subject to change at any time.

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