

# Monthly Update

**US Financial 15 Split Corp** is an Investment Corporation designed to pay monthly cash dividends. The Corporation invests in a diversified, portfolio consisting of 15 U.S. financial services companies. Two types of shares are available, a Class A and a Preferred.

## Distributions (by record date)

	FTU	FTU.PR.A	Total
<b>Total to Date</b>	<b>\$3.70</b>	<b>\$2.5633</b>	<b>\$6.2633</b>
2011 YTD	\$0.00	\$0.0438	\$0.0438
2010	\$0.00	\$0.4438	\$0.4438
2009	\$0.00	\$0.0438	\$0.0438
2008	\$0.30	\$0.5250	\$0.8250
2007	\$1.20	\$0.5250	\$1.7250
2006	\$1.20	\$0.5250	\$1.7250
2005	\$1.00	\$0.4570*	\$1.4570

\*Initial Distribution was for the period Feb 15/05 to Apr 29/05

## Commentary

The North American financial markets ended the year on a strong note and that performance continued into the first month in 2011. The extension of the Bush tax cuts for all individuals in the United States for at least another two years combined with improving economic data seemed to provide the fuel for the continued rally in the month of January. The US housing market and unemployment market continue to exert a drag on the US 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. The dividend income continues to be supplemented by income generated by the covered call writing program.

	One Month to Jan 31, 2011	Year to Date Jan 31, 2011
TSX	0.81%	0.81%
S&P 500	2.26%	2.26%
DJII	2.72%	2.72%
NASDAQ	1.78%	1.78%

## Details

Gross Proceeds:	\$121,857,000
Units Issued:	4,875,000
Inception Date:	February 15, 2005
Termination Date:	December 1, 2012
Net Asset Value	\$6.22
Cash Weighting:	2%
U.S. Equity Weighting:	98%
Portfolio Currency Hedging:	65-75%
FTU.PR.A Trading Price:	\$6.46
Current Yield*:	8.13%
Market Capitalization:	\$19,906,335
FTU Trading Price:	\$0.68
Current Yield*:	0.00%
Market Capitalization:	\$2,095,404

\*Last distribution annualized.

## Top Holdings (sorted by weight)

Goldman Sachs Group Inc.  
 J.P. Morgan Chase & Co.  
 Bank of America Corp.  
 CME Group Inc.  
 Fifth Third Bancorporation  
 Morgan Stanley  
 US Bancorp.  
 SunTrust Banks Inc.  
 Citigroup Inc.  
 Bank of New York Mellon Corp.  
 State Street Corp  
 PNC Financial Services Group Inc.  
 American Express Company  
 Regions Financial Corp.  
 City National Corporation

Weightings subject to change at any time.