



Annual Management Report of Fund Performance

for the financial year ended December 31, 2008

All figures are reported in Canadian dollars unless otherwise noted.

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. If you have not received a copy of the annual financial statements with this annual management report of fund performance, you can get a copy of the annual financial statements at your request, and at no cost, by calling us toll-free at 1-800-465-3863, by writing to us at CIBC, 5650 Yonge Street, 20th Floor, Toronto, Ontario, M2M 4G3, or by visiting www.cibc.com/mutualfunds or the SEDAR website at www.sedar.com.

Unitholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Investment Objective and Strategies

- The investment objective of CIBC Global Bond Fund (the *Fund*) is to provide a high level of income and some capital growth, while attempting to preserve capital, by investing primarily in debt securities denominated in foreign currencies issued by Canadian or non-Canadian governments or corporations, and international agencies such as the International Bank for Reconstruction and Development, also known as the World Bank.
- The Fund employs a strategy that consists of undertaking a value approach based on high real yields and positioning the Fund with respect to country, currency, and sector allocations, average term to maturity, and term structure. The basis on which these decisions are made comes from a review of global macroeconomic and capital market conditions, with focus on identifying countries with high real yields, supportive currencies for protection and enhanced returns, and positive political and economic environments, as well as attractive sectors and credits on a cyclical basis. The Fund will manage the currency/country exposure to protect principal and increase returns.

Risk

- The Fund is a global fixed income fund that is suitable for medium-term investors who can tolerate low to moderate investment risk.
- Global capital markets experienced high levels of volatility over the period as a result of the ongoing credit crisis and weakening global economic environment. The third quarter was marked, in particular, by the sudden collapse of several large U.S. financial institutions that resulted in mergers, bankruptcy, or the sale of a substantial number of shares to the U.S. government and other investors. The credit markets were hit hard by the substantial selling that has resulted from the unwinding of many leveraged investors such as hedge funds, Structured Investment Vehicles, and various banks. The implications of these failures not only intensified this trend but also led to an erosion of investor confidence and a temporary seizing of credit and money markets. As confidence in global financial markets diminished, governments around the world

- responded with frequent cash infusions to add temporary liquidity and work to unlock credit markets. These events had a direct impact on global equity and fixed income markets and, as a result, the potential general market risk to the Fund was increased over the period. The potential credit risk was also increased over the period as credit spreads between government and corporate bonds widened and as liquidity in the corporate bond market deteriorated.
- Over the 12-month period ended December 31, 2008, the above-mentioned risk factor did not significantly impact the overall risk level of the Fund. The risks of investing in the Fund remain as discussed in the Fund's simplified prospectus.

Results of Operations

The portfolio sub-advisor of the Fund is Brandywine Global Investment Management (the *sub-advisor*). The commentary that follows reflects the views of the sub-advisor and provides a summary of the results of operations of the Fund for the period ended December 31, 2008. All dollar figures are expressed in thousands.

- The Fund's net asset value decreased by 6% during the period, from \$67,422 on December 31, 2007 to \$63,414 on December 31, 2008. Net redemptions of \$11,544 contributed to this decrease, which was partially offset by positive investment performance.
- Over the period, the euro has fallen more than 4.0% versus the U.S. dollar in response to deteriorating economic fundamentals in Europe and a worsening of the credit crisis. The Fund's underweight position in euro currency contributed positively to relative performance.
- A combination of deteriorating economic conditions, falling commodity prices, and a benign inflationary environment led Australia to be one of the best performing countries during the year. The Fund's overweight to Australia contributed positively to performance.
- As economic growth around the world rapidly deteriorated, most central banks slashed interest rates, thus lowering the cost of owning yen. This, coupled with extreme risk aversion, created a flight-to-safety into the Japanese yen, which strengthened meaningfully during the past year. The Fund's underweight to the Japanese yen negatively impacted performance.

- During the period, liquidity in the U.S. collateralized mortgage obligation (CMO) market dried up. This lack of liquidity exacerbated price declines and volatility and, in combination with forced selling from cash-strapped investors, created significant mark-to-market losses on the Fund's CMO holdings. The sub-advisor strongly believes that current market valuations do not reflect the true value of these securities.
- In early 2008, the sub-advisor increased the Fund's credit (corporate bond and mortgage-backed securities) exposure and decreased the sovereign debt exposure. As part of the sub-advisor's investment strategy to take advantage of widening spreads during the opportune stage of a credit cycle, they increased the allocation to these sectors from the levels at the end of 2007.
- During the year, the sub-advisor utilized forward contracts to gain active foreign currency exposure (e.g., Euro position) and to hedge what they believed were overvalued currencies.

Recent Developments

Accounting Policy Change

The Canadian Institute of Chartered Accountants (CICA) issued CICA Handbook Section 3862, *Financial Instruments – Disclosures*, and Section 3863, *Financial Instruments – Presentation*, effective for fiscal years beginning on or after October 1, 2007. These policies provide comprehensive disclosure and presentation requirements for financial instruments. Section 3862 replaces the disclosure portion of Section 3861, *Financial Instruments – Disclosure and Presentation*, and introduces new requirements for specific qualitative and quantitative disclosure about risks. This includes the requirements to quantify exposures for certain risks and provide sensitivity analysis on some risks. The objective of these policies is to enable investors to evaluate the significance of financial instruments, the nature and extent of risks involved, and how the risks are managed. On January 1, 2008, the Fund adopted these standards retroactively without restatement of prior period financial statements in accordance with their transitional provisions. The adoption of these standards did not have an impact on net assets, increase (decrease) in net assets from operations, or increase (decrease) in net assets from operations per unit of the Fund.

Related Party Transactions

Canadian Imperial Bank of Commerce (CIBC) and its affiliates have the following roles and responsibilities with respect to the Fund, and receive the fees described below in connection with their roles and responsibilities:

Manager

CIBC is the manager (the *Manager*) of the Fund. CIBC will receive management fees with respect to the day-to-day business and operations of the Fund, calculated based on the net asset value of the units of the Fund, as described in the section entitled *Management Fees*. The Manager will also compensate its wholesalers in connection with their marketing activities regarding the Fund. From time to time, CIBC may provide seed capital to the Fund.

Trustee

CIBC Trust Corporation, a wholly-owned subsidiary of CIBC, is the trustee (the *Trustee*) of the Fund. The Trustee holds title to the property (cash and securities) of the Fund on behalf of its unitholders.

Portfolio Advisor

CIBC Asset Management Inc. (CAMI), a wholly-owned subsidiary of CIBC, is the portfolio advisor of the Fund. As portfolio advisor, CAMI provides, or arranges to provide, investment advice and portfolio management services to the Fund.

Distributor

Dealers and other firms will sell the units of the Fund to investors. These dealers and other firms will include CIBC's related dealers such as the principal distributor, CIBC Securities Inc. (*CIBC SI*), the CIBC Investor's Edge discount brokerage division of CIBC Investor Services Inc. (*CIBC ISI*), the CIBC Imperial Service division of CIBC ISI, and the CIBC Wood Gundy division of CIBC World Markets Inc. (*CIBC WM*). CIBC SI, CIBC ISI, and CIBC WM are wholly-owned subsidiaries of CIBC.

CIBC may pay trailing commissions to these dealers and firms in connection with the sale of units of the Fund. These dealers and other firms may pay a portion of these trailing commissions to their advisors who sell units of the Fund to investors.

Brokerage Arrangements and Soft Dollars

Sub-advisors make decisions, including the selection of markets and dealers and the negotiation of commissions, with respect to the purchase and sale of portfolio securities and the execution of portfolio transactions. Brokerage business may be allocated by sub-advisors to CIBC WM and CIBC World Markets Corp., each a subsidiary of CIBC. CIBC WM and CIBC World Markets Corp. may also earn spreads on the sale of fixed income and other securities to the Fund. A spread is the difference between the bid and ask prices for a security in the applicable marketplace, with respect to the execution of portfolio transactions. The spread will differ based upon various factors such as the nature and liquidity of the security.

Dealers, including CIBC WM and CIBC World Markets Corp., may furnish research, statistical, and other services to sub-advisors that process trades through them (referred to in the industry as "soft dollar" arrangements). These services assist sub-advisors with investment decision-making services to the Fund. As per the terms of the sub-advisory agreements, such soft dollar arrangements are in compliance with applicable laws. In addition, the Manager may enter into commission recapture arrangements with certain dealers with respect to the Fund. Any commission recaptured will be paid to the Fund.

During the period, no brokerage commissions or other fees were paid by the Fund to CIBC WM or CIBC World Markets Corp.

Fund Transactions

The Fund may purchase and sell securities of CIBC. The Fund may also, from time to time, purchase securities underwritten by a related dealer, such as CIBC WM or CIBC World Markets Corp., each an affiliate of the Manager. Such transactions are currently made pursuant to standing instructions rendered by the Independent Review Committee.

Custodian

CIBC Mellon Trust Company is the custodian (the *Custodian*) that holds all cash and securities for the Fund and ensures that those assets are kept separate from any other cash or securities that it

may be holding. The Custodian may hire sub-custodians for the Fund. The fees for the services of the Custodian are paid by the Manager, and charged to the Fund on a recoverable basis. CIBC owns a fifty percent interest in the Custodian.

Service Provider

CIBC Mellon Global Securities Services Company (*CIBC GSS*) provides certain services to the Fund, including fund accounting and reporting, securities lending, and portfolio valuation. Such servicing fees are paid by the Manager, and charged to the Fund on a recoverable basis. CIBC indirectly owns a fifty percent interest in CIBC GSS.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the periods ended December 31.

The Fund's Net Assets per Unit¹

	2008	2007	2006	2005	2004
Net Assets, beginning of period	\$ 9.03	\$ 9.77	\$ 9.51	\$10.60	\$10.80
Increase (decrease) from operations:					
Total revenue	\$ 1.23	\$ 0.25	\$ 0.27	\$ 0.08	\$ 0.22
Total expenses	(0.18)	(0.18)	(0.18)	(0.20)	(0.21)
Realized gains (losses) for the period	(0.43)	(0.35)	(1.00)	(0.26)	(0.04)
Unrealized gains (losses) for the period	0.43	(0.45)	0.93	(0.73)	(0.19)
Total increase (decrease) from operations²	\$ 1.05	\$(0.73)	\$ 0.02	\$(1.11)	\$(0.22)
Distributions:					
From income (excluding dividends)	\$ 0.18	\$ —	\$ —	\$ —	\$ —
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total Distributions³	\$ 0.18	\$ —	\$ —	\$ —	\$ —
Net Assets, end of period	\$ 9.93	\$ 9.03	\$ 9.77	\$ 9.51	\$10.60

¹This information is derived from the Fund's audited annual financial statements. The net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements.

²Net assets and distributions are based on the actual number of units outstanding at the relevant time. The total increase (decrease) from operations is based on the weighted average number of units outstanding during the period.

³Distributions were paid in cash, reinvested in additional units of the Fund, or both.

Ratios and Supplemental Data

	2008	2007	2006	2005	2004
Total Net Asset Value (000s)⁴	\$63,414	\$67,422	\$78,063	\$274,928	\$268,035
Number of Units Outstanding⁴	6,373,326	7,457,811	7,989,977	28,921,974	25,293,265
Management Expense Ratio⁵	1.95%	1.96%	1.94%	1.94%	1.97%
Management Expense Ratio before waivers or absorptions⁶	2.36%	2.49%	1.98%	1.95%	1.97%
Trading Expense Ratio⁷	0.00%	0.00%	0.00%	0.00%	0.00%
Portfolio Turnover Rate⁸	56.51%	72.70%	178.61%	100.49%	94.84%
Net Asset Value per Unit	\$ 9.95	\$ 9.04	\$ 9.77	\$ 9.51	\$ 10.60

⁴This information is provided as at December 31 of the period shown.

⁵Management expense ratio is based on the total expenses of the Fund (excluding commissions and other portfolio transaction costs) for the period shown and is expressed as an annualized percentage of the daily average net asset value during the period.

⁶The decision to waive and/or absorb management fees and operating expenses is at the discretion of the Manager. The practice of waiving and/or absorbing management fees and operating expenses may continue indefinitely or may be terminated at any time without notice to unitholders.

⁷The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the daily average net asset value during the period. Spreads associated with fixed income securities trading are not ascertainable and, for that reason, are not included in the trading expense ratio calculation.

⁸The portfolio turnover rate indicates how actively the portfolio sub-advisor manages the portfolio investments. A portfolio turnover rate of 100% is equivalent to a fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a portfolio turnover rate in a period, the greater the trading costs payable by a fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Management Fees

The Fund, either directly or indirectly, pays an annual management fee to the Manager in consideration for the provision of, or arranging for the provision of, management, distribution, and portfolio advisory services. This fee is calculated as a percentage of the Fund's net asset value and is calculated and credited daily, and paid monthly. The Fund is required to pay Goods and Services Tax (GST) on the management fee.

The following table shows a breakdown of the services received in consideration of the management fees, as a percentage of the management fees collected from the Fund for the period ended December 31, 2008. These amounts do not include waived fees or absorbed expenses.

Sales and trailing commissions paid to dealers	5.10%
General administration, investment advice, and profit	94.90%

Past Performance

The performance data provided assumes reinvestment of distributions only and does not take into account sales, redemption, distribution, or other optional charges payable by any unitholder that would have reduced returns. Past performance does not necessarily indicate how a fund will perform in the future.

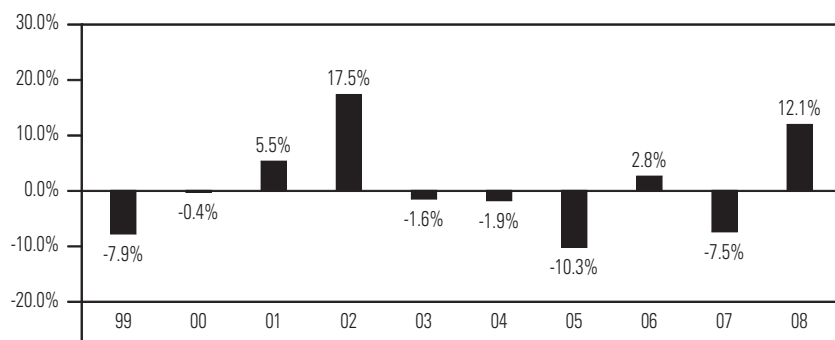
The Fund's benchmark is the Citigroup World Government Bond Index. The Citigroup World Government Bond Index is intended to represent the global government bond market. Currently it consists of approximately 640 fixed income securities (bonds) issued by 21 governments in various developed countries.

For the period, the Fund returned 12.1%. The Fund underperformed the Citigroup World Government Bond Index return of 38.7% for the same period.

The Fund's return is after the deduction of fees and expenses. See the section entitled *Financial Highlights* for the management expense ratio.

Year-by-Year Returns

The bar chart shows the annual performance of the Fund for each of the periods shown and illustrates how the performance has changed from period to period. The bar chart shows, in percentage terms, how an investment made on January 1 would have increased or decreased by December 31, unless otherwise indicated.



Annual Compound Returns

The table shows the annual compound total return of the Fund for each indicated period ended December 31, 2008. The annual compound total return is also compared to the Fund's applicable benchmark(s).

	Fund	Citigroup World Government Bond Index
1 Year	12.1%	38.7%
3 Years	2.2%	11.3%
5 Years	-1.3%	5.1%
10 Years	0.5%	3.6%

Summary of Investment Portfolio (as at December 31, 2008)

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. A quarterly update is available by visiting www.cibc.com/mutualfunds. The Top Positions table includes a fund's 25 largest positions. For funds with fewer than 25 positions in total, all positions are shown. Cash and cash equivalents are shown in total as one position.

Portfolio Breakdown	% of Net Asset Value
United States Dollar	49.68%
Australian Dollar	9.71%
Malaysian Ringgit	5.90%
Cash & Cash Equivalents	5.15%
British Pound Sterling	4.98%
Polish Zloty	4.51%
Mexican New Peso	4.08%
New Zealand Dollar	3.63%
Brazilian Real	3.48%
South African Rand	2.71%
Indonesian Rupiah	2.35%
Swedish Krona	2.22%
Canadian Dollar	1.66%
Forward & Spot Contracts	0.33%
Other Assets, Less Liabilities	-0.39%

Top Positions	% of Net Asset Value
Fannie Mae, Callable, 6.00%, 2036/04/18	5.25%
Cash & Cash Equivalents	5.15%
New South Wales Treasury Corp., Series '2017', 5.50%, 2017/03/01	5.14%
Freddie Mac, 5.00%, 2038/09/01	5.01%
Government of Poland, Series 'DS1017', 5.25%, 2017/10/25	4.51%
Federal Republic of Brazil, 12.50%, 2016/01/05	3.48%
Government of Malaysia, Series '4-05', 3.76%, 2011/04/28	3.38%
United Kingdom Treasury Bond, 4.00%, 2016/09/07	3.31%
Fannie Mae, 5.00%, 2038/09/01	2.95%
Queensland Treasury Corp., Series '15G', 6.00%, 2015/10/14	2.74%
Republic of South Africa, Series 'R153', 13.00%, 2010/08/31	2.71%
Government of Malaysia, Series '5-06', 3.72%, 2012/06/15	2.52%
Government of Sweden, Series '1048', 4.00%, 2009/12/01	2.22%
Mexican Bonos de Desarrollo, Series 'M10', 7.75%, 2017/12/14	2.10%
Mexican Bonos de Desarrollo, Series 'M20', 7.50%, 2027/06/03	1.98%
Time Warner Cable Inc., Callable, 7.30%, 2038/07/01	1.87%
General Electric Capital Corp., 7.63%, 2014/12/10	1.85%
AstraZeneca PLC, Callable, 6.45%, 2037/09/15	1.84%
New South Wales Treasury Corp., Series '12RG', 6.00%, 2012/05/01	1.83%
Indonesia Treasury Bond, 11.00%, 2020/11/15	1.79%
Wells Fargo Mortgage Backed Securities Trust, Class 'A36', Series '2007-11', Callable, 6.00%, 2037/08/25	1.78%
Swedish Export Credit Corp., 7.63%, 2014/06/30	1.67%
United Kingdom Treasury Bond, 4.75%, 2015/09/07	1.67%
Government of Canada, 6.00%, 2011/06/01	1.66%
Wal-Mart Stores Inc., 6.50%, 2037/08/15	1.63%

This document may contain forward-looking statements. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates”, or other similar wording. In addition, any statements that may be made concerning future performance, strategies, or prospects, and possible future actions taken by the Fund, are also forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the actual results and achievements of the Fund to differ materially from those expressed or implied by such statements. Such factors include, but are not limited to: general economic; market and business conditions; fluctuations in securities prices, interest rates, and foreign currency exchange rates; changes in government regulations; and catastrophic events. We do not undertake, and specifically disclaim, any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments, or otherwise.



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**CIBC Mutual Funds
CIBC Family of Managed Portfolios**

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