



## 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](http://www.cibc.com/mutualfunds) or the SEDAR website at [www.sedar.com](http://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 Monthly Income Fund (the *Fund*) is to provide a reasonably consistent level of monthly income while attempting to preserve capital by investing primarily in a diversified portfolio of debt and equity instruments located throughout the world.
- The investment strategy involves adding value through prudent security selection based on fundamental, bottom-up analysis and through the allocation of assets between cash, fixed income instruments, common and preferred shares, income trust units, and other equity securities. The asset allocation of the Fund can vary over time depending on the outlook for the economy and capital markets.

#### Risk

- The Fund is a global neutral balanced 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 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

Multiple portfolio sub-advisors provide investment advice and investment management services to the Fund. The commentary that follows reflects the views of the portfolio advisor and the views of the portfolio sub-advisors 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 24% during the period, from \$440,641 on December 31, 2007 to \$335,855 on December 31, 2008. Net redemptions of \$29,049 and negative investment performance contributed to this decrease.
- The Fund's portfolio turnover rate change was a result of a decrease in Canadian equity weighting and an increase in Canadian fixed income.
- Global equity markets sold off sharply as economic data confirmed that most of the economies in the developed world had entered recession. As consumers and businesses curtailed spending in light of economic uncertainty, corporate earnings declined significantly in the major world economies, including the U.S., U.K., Eurozone, and Japan.
- Commodity prices, especially crude oil, rose in the first half of the period, but then fell significantly due to expectations of weakening demand in a challenging economic environment.
- The Fund has three sub-advisors in order to achieve diversification and exposure to multiple styles and market capitalization ranges. The Fund's target allocation is as follows: 40% Canadian balanced, 40% global equity, and 20% global fixed income.
- The Fund's negative return was driven by the global equity portion, which underperformed the global equity benchmark MSCI World Index and was negative in absolute terms during the period. In absolute terms, the global fixed-income portion contributed most to

performance. At the end of the period, the global equity portion had its largest sector allocations in financials and consumer discretionary. The Fund's three largest holdings at the end of the period were a Government of Canada Bond expiring in 2015, a Government of Canada Bond expiring in 2011, and Pfizer Inc., respectively.

- The Canadian balanced portion, managed by CIBC Global Asset Management Inc. (*CIBC Global*), held 59 securities. At the end of the period, the portfolio's highest sector weight was in energy and financials and it did not have any exposure to the health care or information technology sectors. Its three largest holdings at the end of the period were three Government of Canada bonds expiring in 2011, 2013, and 2015, respectively.
- Brandywine Global Investment Management (*Brandywine*), which manages the global fixed income portion of the Fund, lagged its benchmark, the Citigroup World Government Bond Index, over the period, but had the best absolute performance. Global fixed income as an asset class performed well, outperforming equities. An underweight to the Japanese yen in this portion of the Fund, which appreciated significantly relative to the Canadian dollar, detracted from performance. This component consisted of 73 holdings. Brandywine's three largest holdings were a New South Wales Treasury Corp 2017, a Poland Government Bond 2017, and a United Kingdom Government Bond 2016.
- Mackenzie Cundill Investment Management Ltd. manages the global equity portion, which underperformed its benchmark, the MSCI World Index, over the period. At the end of the period, this portion held 22 securities. At the end of the period the largest overweight in the global equity portion was in the consumer discretionary sector, while the largest underweights were in the energy, industrials, materials, and utilities sectors, where the portion had no exposure. The three largest holdings of the global equity portion at the end of the period were Pfizer, Montpelier Re Holdings Ltd., and Deutsche Telekom AG.

## 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.

### *Sub-advisor*

CAMI has retained CIBC Global, a wholly-owned subsidiary of CIBC, as a sub-advisor of the Fund, to provide investment advice and portfolio management services to the Fund. CAMI will pay a fee to CIBC Global.

### *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, including CIBC Global, 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, including CIBC Global, that process trades through them (referred to in the industry as “soft dollar” arrangements). These services assist sub-advisors, including CIBC Global, 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, brokerage commissions and other fees of \$24,824 were paid by the Fund to CIBC WM. Spreads associated with fixed income securities are not ascertainable and, for that reason, are not included in the dollar values. No brokerage commissions or other fees were paid by the Fund to 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 Unit<sup>1</sup>

|  | 2008     | 2007     | 2006 <sup>a</sup>    |
|--|----------|----------|----------------------|
| <b>Net Assets, beginning of period</b>                       | \$ 9.31  | \$ 9.97  | \$10.00 <sup>b</sup> |
| <b>Increase (decrease) from operations:</b>                  |          |          |                      |
| Total revenue  | \$ 0.51  | \$ 0.37  | \$ 0.05              |
| Total expenses   | (0.16)   | (0.18)   | (0.02)               |
| Realized gains (losses) for the period                       | (0.97)   | 0.07     | —                    |
| Unrealized gains (losses) for the period                     | (1.00)   | (0.65)   | (0.02)               |
| <b>Total increase (decrease) from operations<sup>2</sup></b> | \$(1.62) | \$(0.39) | \$ 0.01              |
| <b>Distributions:</b>  |          |          |                      |
| From income (excluding dividends)                            | \$ 0.30  | \$ 0.09  | \$ 0.01              |
| From dividends   | 0.07     | 0.07     | —                    |
| From capital gains   | —        | 0.08     | —                    |
| Return of capital  | —        | 0.12     | 0.02                 |
| <b>Total Distributions<sup>3</sup></b>                       | \$ 0.37  | \$ 0.36  | \$ 0.03              |
| <b>Net Assets, end of period</b>                             | \$ 7.31  | \$ 9.31  | \$ 9.97              |

<sup>a</sup>Information presented is for the period from August 29, 2006 to December 31, 2006.

<sup>b</sup>Initial offering price.

<sup>1</sup>This 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.

<sup>2</sup>Net 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.

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

### Ratios and Supplemental Data

|   | 2008       | 2007       | 2006 <sup>a</sup> |
|---|------------|------------|-------------------|
| <b>Total Net Asset Value (000s)<sup>4</sup></b>                           | \$335,855  | \$440,641  | \$244,943         |
| <b>Number of Units Outstanding<sup>4</sup></b>                            | 45,885,127 | 47,300,863 | 24,553,873        |
| <b>Management Expense Ratio<sup>5</sup></b>                               | 1.85%      | 1.87%      | 1.76%*            |
| <b>Management Expense Ratio before waivers or absorptions<sup>6</sup></b> | 2.22%      | 2.25%      | 2.13%*            |
| <b>Trading Expense Ratio<sup>7</sup></b>                                  | 0.14%      | 0.09%      | 0.61%*            |
| <b>Portfolio Turnover Rate<sup>8</sup></b>                                | 55.06%     | 28.37%     | 0.00%             |
| <b>Net Asset Value per Unit</b>   | \$ 7.32    | \$ 9.32    | \$ 9.97           |

<sup>a</sup>Information presented is for the period from August 29, 2006 to December 31, 2006.

\*Ratio has been annualized.

<sup>4</sup>This information is provided as at December 31 of the period shown.

<sup>5</sup>Management 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.

<sup>6</sup>The 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.

<sup>7</sup>The 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.

<sup>8</sup>The 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        | 19.27% |
| General administration, investment advice, and profit | 80.73% |

## 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 primary benchmarks are the Citigroup World Government Bond Index and the MSCI World Index. The Citigroup World Government Bond Index is an index that 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. The MSCI World Index is a free float-adjusted market capitalization index composed of companies representative of the market structure of 23 developed market countries in North America, Europe, Australia, and the Asia/Pacific region.

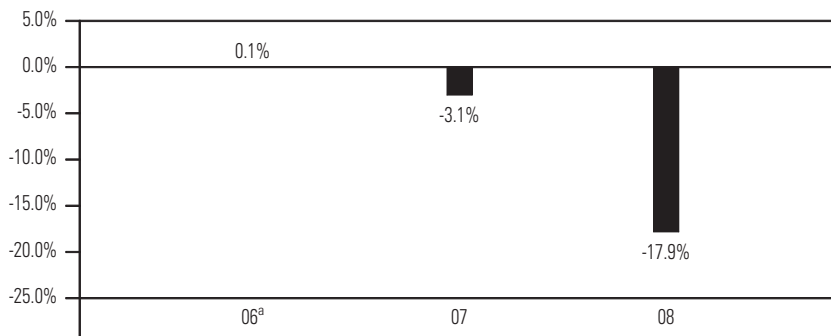
The Fund's secondary benchmark is a blended index consisting of 5% DEX 91 Day T-Bill Index, 15% DEX Universe Bond Index, 20% Citigroup World Government Bond Index, 20% S&P/TSX Composite Index, and 40% MSCI World Index (*Blended Benchmark*). The DEX 91 Day T-Bill Index measures the returns attributable to 91-day Treasury Bills. Treasury Bills are secured by the full faith and credit of the Canadian Government. The DEX Universe Bond Index is comprised of more than 900 marketable Canadian bonds intended to reflect the performance of the broad Canadian investment-grade bond market. Returns are calculated daily and are weighted by market capitalization. The S&P/TSX Composite Index is intended to represent the Canadian equity market. It includes the largest companies listed on the Toronto Stock Exchange. It includes common stock and income trust units and serves as the benchmark for the majority of Canadian pension funds and equity market mutual funds.

For the period, the Fund returned  $-17.9\%$ . The Fund underperformed the Citigroup World Government Bond Index return of  $38.7\%$ , outperformed the MSCI World Index return of  $-25.4\%$ , and underperformed the Blended Benchmark return of  $-10.3\%$  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.



<sup>a</sup>2006 return is for the period from December 8, 2006 to December 31, 2006.

## 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<br>Government<br>Bond Index | MSCI World<br>Index | Blended<br>Benchmark |
|--|--------|---|---------------------|----------------------|
| 1 Year   | -17.9% | 38.7%                                       | -25.4%              | -10.3%               |
| Since Inception<br>(for the period from December 8, 2006 to December 31, 2008) | -10.5% | 13.8%                                       | -15.0%              | -5.1%                |

## 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](http://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<br>Net Asset Value |
|---|-------------------------|
| Government of Canada & Guaranteed Bonds | 19.67%                  |
| Foreign Currency Bonds                  | 18.32%                  |
| Financials                              | 17.07%                  |
| Cash & Cash Equivalents                 | 16.00%                  |
| Consumer Discretionary                  | 9.62%                   |
| Information Technology                  | 6.11%                   |
| Telecommunication Services              | 5.72%                   |
| Energy                                  | 4.27%                   |
| Consumer Staples                        | 3.23%                   |
| Health Care                             | 3.14%                   |
| Other Sectors                           | 3.02%                   |
| Corporate Bonds                         | 1.22%                   |
| Other Assets, Less Liabilities          | -0.23%                  |
| Forward & Spot Contracts                | -7.16%                  |

| Top Positions  | % of<br>Net Asset Value |
|--|-------------------------|
| Cash & Cash Equivalents  | 16.00%                  |
| Government of Canada, 4.50%, 2015/06/01                          | 9.68%                   |
| Government of Canada, 6.00%, 2011/06/01                          | 7.12%                   |
| Pfizer Inc.  | 3.14%                   |
| Montpelier Re Holdings Ltd.                                      | 2.97%                   |
| Government of Canada, 5.25%, 2013/06/01                          | 2.87%                   |
| Deutsche Telekom AG, Registered                                  | 2.84%                   |
| Liberty Media Corp., Series 'A'                                  | 2.81%                   |
| Munchener Rueckversicherungs-Gesellschaft AG, Registered         | 2.67%                   |
| Celestica Inc.   | 2.28%                   |
| Microsoft Corp.  | 1.95%                   |
| Dell Inc.  | 1.88%                   |
| Old Republic International Corp.                                 | 1.72%                   |
| Tokio Marine Holdings Inc.                                       | 1.67%                   |
| Mediaset SPA   | 1.61%                   |
| TV Asahi Corp.   | 1.57%                   |
| Foot Locker Inc.   | 1.48%                   |
| IFIL Investments SPA   | 1.39%                   |
| Royal Bank of Canada   | 1.38%                   |
| FamilyMart Co. Ltd.  | 1.34%                   |
| New South Wales Treasury Corp., Series '2017', 5.50%, 2017/03/01 | 1.19%                   |
| BCE Inc.   | 1.16%                   |
| Parmalat SPA   | 1.09%                   |
| Government of Poland, Series 'DS1017', 5.25%, 2017/10/25         | 1.07%                   |
| United Kingdom Treasury Bond, 4.00%, 2016/09/07                  | 0.96%                   |

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.

---



For what matters.

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

**CIBC**

5650 Yonge Street, 20th Floor  
Toronto, Ontario  
M2M 4G3

**CIBC Securities Inc.**

1-800-465-3863

**Website**

[www.cibc.com/mutualfunds](http://www.cibc.com/mutualfunds)

CIBC Securities Inc. is a wholly-owned subsidiary of CIBC and is the principal distributor of the CIBC Mutual Funds and the CIBC Family of Managed Portfolios. CIBC Family of Managed Portfolios are mutual funds that primarily invest in other CIBC Mutual Funds. To obtain a copy of the prospectus, call CIBC Securities Inc. at 1-800-465-3863 or ask your advisor.

The CIBC logo and "CIBC For what matters" are registered trademarks of CIBC.