



## Interim Management Report of Fund Performance

for the period ended June 30, 2008

All figures are reported in Canadian dollars unless otherwise noted.

This interim management report of fund performance contains financial highlights but does not contain the complete interim or annual financial statements of the investment fund. If you have not received a copy of the interim financial statements with this interim management report of fund performance, you can get a copy of the interim or 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, 22nd 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, annual management report of fund performance, or quarterly portfolio disclosure.

### Management Discussion of Fund Performance

#### Results of Operations

The portfolio sub-advisor of CIBC Precious Metals Fund (the *Fund*) is Front Street Investment Management Inc. (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 June 30, 2008. All dollar figures are expressed in thousands, unless otherwise indicated.

- The Fund's net asset value decreased by 8% to \$133,278 as of June 30, 2008, from \$145,648 at December 31, 2007. Of this change, \$9,325 was attributable to net redemptions, while \$3,044 was attributable to investment losses.
- Although the price of gold rose about 10% during the period and hit an all-time high of more than US\$1000.00 per ounce, most companies didn't fully benefit from the increase as rising cost structures, such as fuel, electricity, steel, and labour, ate into corporate margins. Investment demand for gold has increased in the background of rising inflation, a dramatically declining U.S. dollar, and continued political instability. Middle Eastern buyers increased their purchasing as a way of diversifying their oil revenues out of U.S. dollars. The U.S. sub-prime crisis also sent investors looking for a safe haven investment.
- Many companies that operated solely in Canada saw their earnings hurt by the strength in the Canadian dollar. Most see all their revenue based in U.S. dollars but their costs based in Canadian dollars, leading to big currency losses.
- Political risk became a bigger factor over the last six months, as many governments asked for higher royalties, taxes, and direct interests in projects as commodity prices rose. Most of the bottom performers in the S&P/TSX Global Gold Index were companies operating in foreign jurisdictions.
- In the precious metals sector, large-cap stocks vastly outperformed smaller-cap stocks. The global credit crunch hurt many smaller companies that had development projects, as it was felt that they would have difficulty sourcing financing. The Fund's performance was hurt by its exposure to small-cap names. As a result, new positions put in the Fund tended to be larger, more liquid names.

- The sub-advisor feels that commodity markets in general would not be significantly impacted by a mild recession in the U.S., however a global recession would have a negative impact on demand, and hence prices, of commodities.

#### 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 (*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 (*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 the 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 and 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 exemptions the Fund has received from the Canadian securities regulatory authorities.

*Custodian*

CIBC Mellon Trust Company is the custodian (*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 CIBC Mellon Trust Company.

*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 period ended June 30, 2008, and for any other periods ended December 31, as indicated.

### The Fund's Net Assets per Unit<sup>1</sup>

	2008	2007	2006	2005	2004	2003
<b>Net Assets, beginning of period</b>	\$19.80	\$18.64	\$11.87	\$ 9.47	\$11.23	\$ 7.11
<b>Increase (decrease) from operations:</b>						
Total revenue	\$ 0.04	\$ 0.05	\$ 0.23	\$ 0.04	\$ 0.04	\$ 0.02
Total expenses	(0.23)	(0.47)	(0.38)	(0.23)	(0.23)	(0.19)
Realized gains (losses) for the period	1.50	1.61	1.78	0.42	1.78	2.07
Unrealized gains (losses) for the period	(1.83)	(0.10)	4.64	2.11	(3.44)	2.06
<b>Total increase (decrease) from operations<sup>2</sup></b>	\$ (0.52)	\$ 1.09	\$ 6.27	\$ 2.34	\$ (1.85)	\$ 3.96
<b>Distributions:</b>						
From income (excluding dividends)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
From dividends	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
From capital gains	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Return of capital	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
<b>Total Distributions<sup>3</sup></b>	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
<b>Net Assets, end of period</b>	\$19.28	\$19.80	\$18.77	\$11.87	\$ 9.47	\$11.23
Adjustment from bid to last traded market prices	\$ 0.31	\$ 0.21	\$ –	\$ –	\$ –	\$ –
<b>Net Asset Value, end of period (at last traded market prices, "pricing NAV")</b>	\$19.59	\$20.01	\$18.77	\$11.87	\$ 9.47	\$11.23

<sup>1</sup>This information is derived from the Fund's unaudited interim and audited annual financial statements. CICA Handbook Section 3855, *Financial Instruments – Recognition and Measurement*, the new accounting policy adopted for valuation of securities in accordance with Canadian GAAP as of January 1, 2007 may result in a different valuation of securities held by the Fund for financial reporting purposes than the valuation of securities used to determine the pricing net asset value (*pricing NAV*). As a result, the net assets per unit presented in the financial statements may differ from the net asset value per unit as of June 30, 2008 and December 31, 2007, and the reconciliation between them is provided in this table. The Net Assets, beginning of period for 2007 is the closing Net Asset Value, end of period from 2006, adjusted for adoption of the new accounting policy. This adjustment can be found in the Statements of Changes in Net Assets.

<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	2005	2004	2003
<b>Total Net Asset Value (000s)<sup>4</sup></b>	\$133,278	\$145,648	\$129,587	\$67,007	\$55,236	\$71,607
<b>Number of Units Outstanding<sup>4</sup></b>	6,803,924	7,279,971	6,904,128	5,646,378	5,829,963	6,376,765
<b>Management Expense Ratio<sup>5</sup></b>	2.31%*	2.37%	2.42%	2.40%	2.41%	2.41%
<b>Management Expense Ratio before waivers or absorptions<sup>6</sup></b>	2.34%*	2.38%	2.44%	2.56%	2.52%	2.55%
<b>Portfolio Turnover Rate<sup>7</sup></b>	30.47%	23.09%	44.66%	65.92%	130.89%	93.17%
<b>Trading Expense Ratio<sup>8</sup></b>	0.30%*	0.14%	0.31%	0.53%	1.10%	0.75%

\*Ratio has been annualized.

<sup>4</sup>This information is provided as at June 30, 2008, and December 31 of any other periods 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 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 portfolio turnover rate indicates how actively the portfolio 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.

<sup>8</sup>The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of 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.

### 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 June 30, 2008. These amounts do not include waived fees or absorbed expenses.

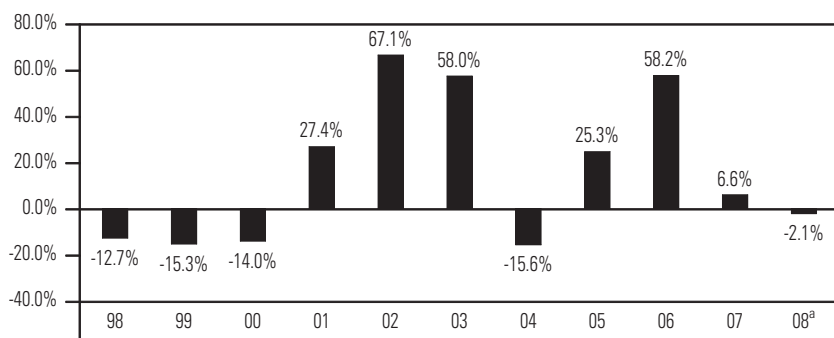
Sales and trailing commissions paid to dealers	32.87%
General administration, investment advice, and profit	67.13%

### 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.

### 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>2008 return is for the period from January 1, 2008 to June 30, 2008.

### Summary of Investment Portfolio (as at June 30, 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 the 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
Metals & Mining	93.10%
Materials	3.11%
Oil, Gas & Consumable Fuels	2.10%
Cash & Cash Equivalents	1.85%
Other Assets, Less Liabilities	-0.16%

<b>Top Positions</b>	<b>% of Net Asset Value</b>
Yamana Gold Inc.	6.81%
Goldcorp Inc.	6.70%
Kinross Gold Corp.	5.61%
Barrick Gold Corp.	3.50%
Agnico-Eagle Mines Ltd.	3.32%
Silver Wheaton Corp., Warrants, 2009/08/05	3.24%
Capstone Mining Corp.	2.94%
Silver Wheaton Corp.	2.70%
Compañía de Minas Buenaventura SAU, ADR	2.49%
Antares Minerals Inc.	2.46%
RandGold Ltd.	2.11%
Berkeley Resources Ltd.	2.10%
Platinum Group Metals Ltd.	2.06%
FNX Mining Co. Inc.	1.88%
Franco-Nevada Corp.	1.85%
Cash & Cash Equivalents	1.85%
Major Drilling Group International Inc.	1.81%
Compania de Minas Buenaventure SAU, ADR	1.81%
Minefinders Corp. Ltd.	1.71%
Fresnillo PLC	1.66%
CGA Mining Ltd.	1.65%
Silverstone Resources Corp.	1.55%
Compañía de Minas Buenaventura SA, ADR, Series 'B'	1.49%
Baffinland Iron Mines Corp.	1.43%
Silver Bear Resources Inc.	1.30%



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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