



CIBC Mutual Funds

CIBC Family of Managed Portfolios

*Interim Management Report of
Fund Performance*

June 30, 2006

CIBC International Small Companies Fund

This interim management report of fund performance contains financial highlights but does not contain either the 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 1-800-465-3863, by writing to us at CIBC, 5650 Yonge Street, 22nd floor, Toronto, Ontario, M2M 4G3, or by visiting 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, annual management report of fund performance, or quarterly portfolio disclosure.

All of the CIBC Mutual Funds (except for CIBC Canadian T-Bill Fund, CIBC Premium Canadian T-Bill Fund, CIBC Money Market Fund, CIBC U.S. Dollar Money Market Fund, CIBC High Yield Cash Fund, CIBC Mortgage and Short-Term Income Fund, and CIBC Canadian Short-Term Bond Index Fund) have received regulatory approval so that they may engage in short selling transactions on a limited, prudent, and disciplined basis and subject to certain conditions and compliance with the investment objective of each fund.

Short selling is a strategy in which portfolio sub-advisers identify securities that they expect will fall in value. The fund then borrows the securities and sells them on the open market. The fund must repurchase the securities at a later date in order to return them to the lender. If the value of the securities falls during that time, the fund will profit from the difference in the price (minus any interest or fees the fund pays to the lender).

Short selling can offer several advantages to mutual funds. It can enhance a fund's performance by giving the portfolio sub-adviser an opportunity to make profitable investments in both rising and declining markets. It can also reduce a fund's volatility, especially during periods of general market decline.

There are risks associated with short selling, namely that the borrowed securities will rise in value or not decline enough to cover the fund's costs, or that market conditions will cause difficulties in the sale or repurchase of the securities. In addition, the lender could become bankrupt before the transaction is complete, causing the borrowing fund to forfeit the collateral it deposited when it borrowed the securities. However, each fund will implement the following controls when conducting a short sale:

- The market value of all securities sold short by a fund will not exceed 10% of the total net assets of the fund.
- The fund will hold "cash cover" in an amount, including the fund assets deposited as collateral with lenders, that is at least 150% of the market value of all securities sold short by the fund.
- No proceeds from short sales by the fund will be used by the fund to purchase long positions in securities, other than cash cover.
- The securities sold short will be liquid securities that are: (i) in the case of equities, listed for trading on a stock exchange, and the issuer of the securities has a market capitalization of not less than CDN \$300 million; or (ii) in the case of debt securities, issued or guaranteed by the Government of Canada or any province or territory of Canada or the Government of the United States of America.
- At the time securities of a particular issuer are sold short: (i) the market value of all securities of that issuer sold short by the fund will not exceed 2% of the total assets of the fund; and (ii) the fund will place a "stop-loss" order to immediately purchase for the fund an equal number of the same securities if the trading price of the securities exceeds 115% (or such lesser percentage as CIBC may determine) of the price at which the securities were sold short.
- Short selling transactions will be completed through market facilities through which the securities sold short are normally bought and sold.

Prior to engaging in any short selling transactions, the funds will comply with the conditions of the regulatory approval, including establishing written policies and procedures that set out: (i) the objectives for short selling and the risk management procedures applicable to short selling; (ii) who is responsible for setting and reviewing the policies and procedures, how often the policies and procedures are reviewed, and the extent and nature of the involvement of the board of directors or trustee in the risk management process; (iii) the trading limits or other controls on short selling in place and who is responsible for authorizing the trading and placing limits or other controls on the trading; (iv) whether there are individuals or groups that monitor the risks, independent of those who trade; and (v) whether risk measurement procedures or simulations are used to test the portfolio under stress conditions.



CIBC International Small Companies Fund

Management Report of Fund Performance

for the six-month period ended June 30, 2006

All figures are reported in Canadian dollars unless otherwise noted.

Management Discussion of Fund Performance

Results of Operations

The portfolio sub-adviser of CIBC International Small Companies Fund (the *Fund*) is Pictet International Management Limited (the *sub-adviser*). The commentary that follows reflects the views of the sub-adviser and provides a summary of the results of operations of the Fund for the six-month period ended June 30, 2006.

The Fund returned 4.34% for the period and underperformed the HSBC James Capel World Small Cap Index (ex. U.S.) (the *benchmark*), which returned 5.78% over the same period.

In the first quarter of 2006, most markets rose strongly. At the macro level, investors were reassured that global economic growth had broadened out beyond the U.S. consumer and China, to include Japan and Europe. Furthermore, within the U.S., investors had also begun to look beyond the U.S. Federal Reserve Board (the *Fed*) tightening and to the anticipated goldilocks scenario of the 1990s when economic growth was strong enough to support corporate earnings, but not so strong as to prompt an aggressive anti-inflationary response from the Fed.

In early May 2006, this all came to an end. Global equity markets gave way as investors reacted to a varied, and somewhat contradictory, mix of concerns regarding the outlook for economic growth, inflation, and interest rates.

The initial trigger for the setback centred on growing concerns regarding economic imbalances and the resulting potential for a fall in the U.S. dollar. Subsequently, the early declines were given further impetus with the release of consumer price data, which showed acceleration in U.S. core inflation. In the sub-adviser's view, uncertainty generated over the direction of U.S. interest rates and the sustainability of global growth caused a rapid readjustment of investors' risk appetite and small-capitalization stocks suffered. Later, comments by Fed Chairman Bernanke that core inflation was "higher than that consistent with price stability" and that the Fed would be vigilant to ensure that "the recent period of elevated monthly core inflation readings is not sustained" only served to make matters worse.

In the first quarter of 2006, one of the major changes in strategy concerned Japan. After strong performance in the last quarter of 2005, the sub-adviser moved towards a neutral position as, in their opinion, valuations became less attractive. Portfolio holdings in Japan were reallocated to core Europe, where the sub-adviser was more optimistic on German growth prospects, and also to the U.K., where the sub-adviser wanted to slightly reduce the long-term underweight that had served the Fund so well. Bid activity in the U.K. had been picking up, and the housing market appeared to be defying the doom-mongers. The sub-adviser's sector strategy was to reduce exposure to cyclical areas such as resources and energy, in favour of emerging and defensive areas.

The country and sector weightings remain largely unchanged as the sub-adviser was not tempted to undertake a major change in strategy despite volatile market conditions in the second quarter of 2006. In the sub-adviser's view, while this component has exhibited strong performance in the favourable market background that has been in place for three years or more, it has also done so (albeit modestly) in sharply reversed conditions. The sub-adviser feels that this is the result of trimming the best performers in the "cyclical growth" category, mainly basic materials stocks, and that this component has been reinvesting the proceeds in "defensive growth" stocks over the last few months of 2006.

At the country level, the Japanese equity market continues to perform poorly. The sub-adviser is confident on a medium-term view that the Japanese economy is turning and that a virtuous cycle of increased bank lending, rising corporate gearing, and improving consumer confidence is on the point of emerging. As a result, the sub-adviser is likely to add to current weightings and has intensified research efforts there.

Recent Developments

Cash inflows from unitholders caused an increase in Fund assets of approximately 45% over the period. Although these cash flows are notable, the impact on the Fund is considered to be minimal.

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 of the Fund

CIBC is the manager (*Manager*) of the Fund. CIBC receives management fees with respect to the Fund as described in the section entitled *Management Fees*.

Trustee of the Fund

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

Portfolio Adviser of the Fund

CIBC Asset Management Inc. (*CAMI*), a wholly-owned subsidiary of CIBC, is the portfolio adviser of the Fund.

Distributors of the Fund

Units of the Fund are offered through CIBC Securities Inc., CIBC Investor Services Inc., and CIBC World Markets Inc. (collectively, *Distributors*), each a wholly-owned subsidiary of CIBC, and through other dealers.

Brokerage Arrangements and Soft Dollars

The sub-adviser makes 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 the sub-adviser to CIBC World Markets Inc. (*CIBC WM*) and CIBC World Markets Corp., each a subsidiary of CIBC. Dealers, including CIBC WM and CIBC World Markets Corp., may furnish research, statistical, and other services to the sub-adviser that processes trades through them (referred to in the industry as “soft-dollar” arrangements). These services assist the sub-adviser with investment decision-making services to the Fund. As per the terms of the sub-advisory agreement, 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 relevant Fund.

During the period, no brokerage commissions or other fees were paid by the Fund to CIBC WM or CIBC World Markets Corp. 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. Spreads associated with fixed income securities are not ascertainable and, for that reason, cannot be included when determining these amounts.

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 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 these 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 borne as an operating expense by the Fund. CIBC owns approximately one-half of 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. CIBC indirectly owns approximately one-half of 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 six-month period ended June 30, 2006 and for the other financial years ended December 31, as indicated. This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements.

The Fund's Net Asset Value per Unit

	2006	2005	2004	2003	2002	2001
Net Asset Value, beginning of period	\$20.52	\$16.85	\$14.47	\$11.14	\$13.08	\$17.73
Increase (decrease) from operations:						
Total revenue	\$0.24	\$0.38	\$0.29	\$0.22	\$0.23	\$0.19
Total expenses	(0.31)	(0.49)	(0.42)	(0.31)	(0.33)	(0.39)
Realized gains (losses) for the period	1.31	2.81	2.79	0.50	(1.31)	(4.15)
Unrealized gains (losses) for the period	(0.81)	0.94	(0.35)	2.80	(0.52)	(0.31)
Total increase (decrease) from operations¹	\$0.43	\$3.64	\$2.31	\$3.21	\$(1.93)	\$(4.66)
Distributions:						
From income (excluding dividends)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
From dividends	—	—	—	—	—	—
From capital gains	—	—	—	—	—	—
Return of capital	—	—	—	—	—	—
Total Distributions²	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Net Asset Value, end of period	\$21.41	\$20.52	\$16.85	\$14.47	\$11.14	\$13.08

¹Net asset values 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 year.

²Distributions were paid in cash, reinvested in additional units of the Fund, or both.

Ratios and Supplemental Data

	2006	2005	2004	2003	2002	2001
Net Assets (000s)³	\$99,318	\$68,599	\$54,545	\$48,447	\$41,848	\$51,477
Number of Units Outstanding³	4,638,609	3,342,947	3,237,756	3,349,108	3,756,623	3,936,425
Management Expense Ratio⁴	2.79%*	2.67%	2.67%	2.68%	2.68%	2.69%
Management Expense Ratio before waivers or absorptions⁵	3.37%*	3.61%	3.66%	3.96%	3.85%	3.59%
Portfolio Turnover Rate⁶	40.32%	115.54%	166.89%	170.46%	137.26%	137.69%
Trading Expense Ratio⁷	0.44%*	0.50%	0.80%	0.89%	0.72%	0.71%

*Ratio has been annualized.

³This information is provided as at June 30, 2006 and December 31 of any other financial years shown.

⁴Management expense ratio is based on the total expenses of the Fund for the period shown, expressed as an annualized percentage of daily average net assets during the period. This ratio may change due to changes in operating expenses recovered from the Fund and/or management fees charged to the Fund over the remainder of the financial year, and may differ significantly from the management expense ratio to be reported for the financial year ending December 31, 2006.

⁵The 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.

⁶The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the 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.

⁷The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets 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 assets and is calculated and credited daily, and paid monthly. The Fund is required to pay Goods and Services Tax (GST) on the management fee.

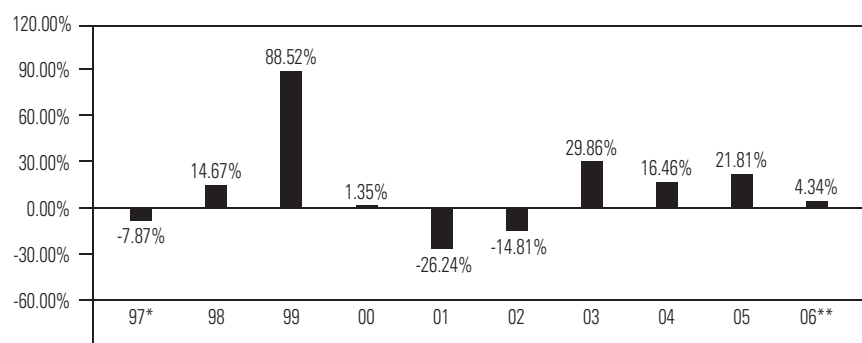
For the period ended June 30, 2006, of the management fees collected from the Fund, approximately 23.93% is attributable to sales and trailing commissions paid to dealers and approximately 76.07% is attributable to general administration, investment advice, and profit.

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

This bar chart shows the performance of the Fund for the periods shown, and illustrates how the performance has changed from period to period. The bar chart shows in percentage terms how much an investment made on January 1 would have grown or decreased by December 31 of that year, unless otherwise noted.



*1997 return is for the period from September 22, 1997 to December 31, 1997.

**2006 return is for the period from January 1, 2006 to June 30, 2006.

Summary of Investment Portfolio (as at June 30, 2006)

The *Summary of Investment Portfolio* may change due to ongoing portfolio transactions of the Fund. A quarterly update is available by calling 1-800-465-3863, by writing to us at CIBC, 5650 Yonge Street, 22nd floor, Toronto, Ontario, M2M 4G3, or by visiting our website at www.cibc.com.

Portfolio Breakdown	% of Net Assets
Japan	20.87%
Other	18.60%
United Kingdom	18.38%
France	6.19%
Germany	5.70%
Switzerland	4.86%
Australia	4.58%
Italy	4.55%
Austria	4.49%
Short-Term Investments	4.11%
Singapore	3.82%
Hong Kong	3.39%
Other Assets, Less Liabilities	0.46%

Top Positions	% of Net Assets
Cash & Cash Equivalents	4.51%
SCi Entertainment Group PLC	1.37%
bioMérieux	1.31%
Geberit International AG, Registered	1.29%
Pfleiderer AG, Registered	1.25%
SR.Teleperformance	1.15%
Forth Ports PLC	1.15%
Andritz AG	1.15%
Oriflame Cosmetics SA, SDR	1.12%
Credito Emiliano SPA	1.10%
Regus Group PLC	1.09%
St. James's Place Capital PLC	1.08%
Nutreco Holding NV	1.08%
Timbercorp Ltd.	1.05%
Bergman & Beving AB, Class 'B'	1.04%
IVG Immobilien AG	1.03%
Izumi Co. Ltd.	1.02%
Kingspan Group PLC	1.02%
Sol Melia SA	1.01%
Nabtesco Corp.	1.01%
Tokyo Tatemono Co. Ltd.	1.00%
Japan General Estate Co. Ltd. (The)	1.00%
Wincor Nixdorf AG	0.99%
Nippon Seiki Co. Ltd.	0.99%
Prime Success International Group Ltd.	0.98%

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 or Portfolio, 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 or Portfolio 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.

**CIBC Mutual Funds
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Asset Management**

For what matters.