



CIBC European Index Fund

Annual Financial Statements

for the financial year ended December 31, 2016

Statements of Financial Position (in 000s, except per unit amounts)

As at December 31, 2016 and 2015 (note 1)

	December 31, 2016	December 31, 2015
Assets		
Current assets		
Investments (non-derivative financial assets) † (notes 2 and 3)	\$ 61,532	\$ 66,669
Cash including foreign currency holdings, at fair value	77	282
Dividends receivable	208	169
Receivable for units issued	2	51
Total Assets	61,819	67,171
Liabilities		
Current liabilities		
Payable for portfolio securities purchased	—	95
Payable for units redeemed	13	183
Other accrued expenses	42	50
Total Liabilities	55	328
Net Assets Attributable to Holders of Redeemable Units (note 5)	\$ 61,764	\$ 66,843
Net Assets Attributable to Holders of Redeemable Units per Class		
Class A	\$ 51,371	\$ 56,690
Premium Class	\$ 8,288	\$ 9,868
Institutional Class	\$ 2,105	\$ 285
Net Assets Attributable to Holders of Redeemable Units per Unit (note 5)		
Class A	\$ 10.01	\$ 10.70
Premium Class	\$ 14.84	\$ 15.87
Institutional Class	\$ 10.99	\$ 11.77

† Securities Lending

The tables that follow indicate the Fund had assets involved in securities lending transactions outstanding as at December 31, 2016 and 2015.

	Aggregate Value of Securities on Loan(\$000s)	Aggregate Value of Collateral for Loan(\$000s)
December 31, 2016	4,177	4,573
December 31, 2015	2,724	2,924

Collateral Type* (\$000s)

	i	ii	iii	iv
December 31, 2016	—	4,573	—	—
December 31, 2015	—	2,917	—	7

* See note 2j for Collateral Type definitions.

Organization of the Fund (note 1)

The Fund was established on August 12, 1998 (*Date Established*).

	Inception Date
Class A	September 22, 1998
Premium Class	January 16, 2012
Institutional Class	October 10, 2013

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Statements of Comprehensive Income (in 000s, except per unit amounts)

For the periods ended December 31, 2016 and 2015 (note 1)

	December 31, 2016	December 31, 2015
Net Gain (loss) on Financial Instruments		
Dividend revenue	\$ 2,270	\$ 2,170
Derivative income (loss)	18	8
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments and derivatives	189	237
Net realized gain (loss) on foreign currency (notes 2f and g)	(11)	(1)
Net change in unrealized appreciation (depreciation) of investments and derivatives	(4,511)	6,819
Net Gain (loss) on Financial Instruments ±	(2,045)	9,233
Other Income		
Foreign exchange gain (loss) on cash	(26)	2
Securities lending revenue ±±	30	34
	4	36
Expenses (note 6)		
Management fees ±±±	744	814
Audit fees	13	11
Custodial fees	136	144
Independent review committee fees	—	—
Legal fees	1	1
Regulatory fees	34	42
Transaction costs ±±±±	11	21
Unitholder reporting costs	480	480
Withholding taxes (note 7)	209	289
Other expenses	—	1
	1,628	1,803
Expenses waived/absorbed by the Manager	(745)	(761)
	883	1,042
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units (excluding distributions)	(2,924)	8,227
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Class (excluding distributions)		
Class A	\$ (2,630)	\$ 7,378
Premium Class	\$ (413)	\$ 812
Institutional Class	\$ 119	\$ 37
Average Number of Units Outstanding for the period per Class		
Class A	5,143	5,311
Premium Class	579	519
Institutional Class	137	21
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit (excluding distributions)		
Class A	\$ (0.52)	\$ 1.39
Premium Class	\$ (0.71)	\$ 1.57
Institutional Class	\$ 0.88	\$ 1.78

± Net Gain (Loss) on Financial Instruments (in 000s)

	Net gains (losses)	
Category	December 31, 2016	December 31, 2015
Financial assets at FVTPL		
Held for Trading	\$ 18	\$ (11)
Designated at Inception	(2,063)	9,244
Total financial assets at FVTPL	(2,045)	9,233

±± Securities Lending Revenue (note 2j)

	December 31, 2016		December 31, 2015	
	(in 000s)	% of Gross securities lending revenue	(in 000s)	% of Gross securities lending revenue
Gross securities lending revenue	\$ 43	100.0	\$ 51	100.0
Interest paid on collateral	—	—	—	—
Withholding taxes	—	—	3	5.9
Agent fees - Bank of New York Mellon Corp. (The)	13	30.2	14	27.5
Securities lending revenue	\$ 30	69.8	\$ 34	66.6

±±± Maximum Chargeable Annual Management Fee Rates (note 6)

Class A	1.20%
Premium Class	0.75%
Institutional Class	0.60%

±±±± Brokerage Commissions and Fees (notes 8 and 9)

	2016	2015
Brokerage commissions and other fees (\$000s)		
Total Paid	6	9
Paid to CIBC World Markets Inc.	—	—
Paid to CIBC World Markets Corp.	—	—
Soft dollars (\$000s)		
Total Paid	—	—
Paid to CIBC World Markets Inc. and CIBC World Markets Corp.	—	—

Administrative and Other Fund Operating Expenses (note 9)

	2016	2015
(\$000s)	98	106

Service Provider (note 9)

The amounts paid by the Fund (including all applicable taxes) to CIBC Mellon Trust Company for custodial fees, and to CIBC Mellon Global Securities Services Company (*CIBC GSS*) for securities lending, fund accounting and reporting, and portfolio valuation (all net of absorptions) for the periods ended December 31, 2016 and 2015 were as follows:

	2016	2015
(\$000s)	38	43

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (in 000s)

For the periods ended December 31, 2016 and 2015 (note 1)

	Class A Units		Premium Class Units		Institutional Class Units	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units (excluding distributions)	\$ (2,630)	\$ 7,378	\$ (413)	\$ 812	\$ 119	\$ 37
Distributions Paid or Payable to Holders of Redeemable Units ‡						
From net investment income	(1,088)	(928)	(233)	(237)	(65)	(7)
	(1,088)	(928)	(233)	(237)	(65)	(7)
Redeemable Unit Transactions						
Amount received from the issuance of units	7,635	10,494	2,779	6,724	1,705	277
Amount received from reinvestment of distributions	1,080	922	223	227	61	7
Amount paid on redemptions of units	(10,316)	(11,799)	(3,936)	(2,891)	—	(253)
	(1,601)	(383)	(934)	4,060	1,766	31
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	(5,319)	6,067	(1,580)	4,635	1,820	61
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period	56,690	50,623	9,868	5,233	285	224
Net Assets Attributable to Holders of Redeemable Units at End of Period	\$ 51,371	\$ 56,690	\$ 8,288	\$ 9,868	\$ 2,105	\$ 285

Redeemable Units Issued and Outstanding (note 5)

As at December 31, 2016 and 2015

Balance - beginning of period	5,298	5,343	622	372	24	21
Redeemable units issued	773	979	191	417	162	23
Redeemable units issued on reinvestments	109	87	15	14	5	1
	6,180	6,409	828	803	191	45
Redeemable units redeemed	(1,046)	(1,111)	(270)	(181)	—	(21)
Balance - end of period	5,134	5,298	558	622	191	24

‡ Net Capital and Non-Capital Losses (note 7)

As at December 2016, the Fund had non-capital and capital losses (in \$000s) for income tax purposes available to be carried forward as follows:

	Total Non-Capital Losses that Expire in: 2026 to 2036
Total Net Capital Losses	5,932
	—

Statements of Cash Flows
(in 000s)

For the periods ended December 31, 2016 and 2015 (note 1)

	December 31, 2016	December 31, 2015
Cash Flows from Operating Activities		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units from Operations (excluding distributions)	\$ (2,924)	\$ 8,227
Adjustments for:		
Foreign exchange loss (gain) on cash	26	(2)
Net realized (gain) loss on sale of investments and derivatives	(189)	(237)
Net change in unrealized (appreciation) depreciation of investments and derivatives	4,511	(6,819)
Purchase of investments	(11,374)	(18,446)
Proceeds from the sale of investments	12,094	14,935
Margin	—	2
Dividends receivable	(39)	(67)
Other accrued expenses and liabilities	(8)	5
	2,097	(2,402)
Cash Flows from Financing Activities		
Amount received from the issuance of units	12,168	17,472
Amount paid on redemptions of units	(14,422)	(14,897)
Distributions paid to unitholders	(22)	(16)
	(2,276)	2,559
Increase (Decrease) in Cash during the Period	(179)	157
Foreign exchange loss (gain) on cash	(26)	2
Cash (Bank Overdraft) at Beginning of Period	282	123
Cash (Bank Overdraft) at End of Period	\$ 77	\$ 282
Dividends received, net of withholding taxes	\$ 2,022	\$ 1,814

CIBC European Index Fund

Schedule of Investment Portfolio As at December 31, 2016

Security	Number of Shares	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
INTERNATIONAL EQUITIES				
Austria				
Andritz AG	422	24	28	
Erste Group Bank AG	1,737	80	68	
OMV AG	851	43	40	
Raiffeisen International Bank-Holding AG	678	43	17	
Voestalpine AG	660	33	35	
		223	188	0.3%
Belgium				
Ageas NV	1,129	196	60	
Anheuser-Busch InBev NV	4,408	317	626	
Colruyt NV	390	19	26	
Groupe Bruxelles Lambert SA	467	47	53	
KBC Group NV	1,450	123	120	
Proximus SA	881	40	34	
Solvay SA	429	56	67	
Telenet Group Holding NV	305	13	23	
UCB SA	731	46	63	
Umicore	552	19	42	
		876	1,114	1.8%
Denmark				
A.P. Moller - Maersk AS, Class 'A'	23	52	47	
A.P. Moller - Maersk AS, Class 'B'	37	80	79	
Carlsberg AS, Series 'B'	628	62	73	
Christian Hansen Holdings AS	573	48	42	
Coloplast AS, Class 'B'	686	18	62	
Danske Bank AS	3,983	111	162	
DONG Energy AS	486	22	25	
DSV AS	1,099	23	65	
Genmab AS, Bearer	328	55	73	
ISS AS	965	36	44	
Novo Nordisk AS, Series 'B'	11,068	229	533	
Novozymes AS, Class 'B'	1,333	28	62	
Pandora AS	643	56	113	
TDC AS	4,695	42	32	
Tryg AS	670	13	16	
Vestas Wind Systems AS	1,282	74	111	
William Demant Holding AS	693	9	16	
		958	1,555	2.5%
Finland				
Elisa OYJ	822	16	36	
Fortum OYJ	2,568	76	53	
Kone OYJ, Class 'B'	1,952	38	117	
Metso OYJ	653	22	25	
Neste Oil OYJ	742	21	38	
Nokia OYJ	33,785	688	218	
Nokian Renkaat OYJ	662	22	33	
Orion OYJ, Class 'B'	594	14	35	
Sampo OYJ, Series 'A'	2,588	76	155	
Stora Enso OYJ, Series 'R'	3,191	44	46	
UPM-Kymmene Corp. OYJ	3,092	61	101	
Wärtsilä OYJ, Series 'B'	857	26	52	
		1,104	909	1.5%
France				
Accor SA	988	70	49	
Aéroports de Paris	172	18	25	
Air Liquide SA	2,239	221	334	
Alstom SA	888	69	33	
Arkema	394	41	52	
Atos SE	510	38	72	
AXA SA	11,241	403	380	
BNP Paribas SA	6,125	521	523	
Bolloré	5,023	35	24	
Bouygues SA	1,198	73	58	
Bureau Veritas SA	1,533	39	40	
Cappellini SA	947	109	107	
Carrefour SA	3,203	212	104	
Casino Guichard Perrachon SA	328	36	21	
Christian Dior SA	316	43	89	
CNP Assurances	994	25	25	
Compagnie de Saint-Gobain SA	2,865	163	179	
Compagnie Générale des Établissements Michelin, Series 'B', Registered	1,053	91	157	
Crédit Agricole SA	6,499	141	108	
Danone	3,415	242	290	
Dassault Aviation SA	13	19	19	
Dassault Systèmes SA	744	30	76	
Edenred	1,204	27	32	
Eiffage SA	340	33	32	
Electricité de France SA	1,446	103	20	

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Schedule of Investment Portfolio As at December 31, 2016 (cont'd)

Security	Number of Shares	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
Engie	8,456	387	145	
Essilor International SA	1,190	70	180	
Eurazeo	235	18	18	
Eutelsat Communications SA	1,009	32	26	
Fonciere des Regions	195	19	23	
Gecina SA	238	38	44	
Groupe Eurotunnel SA	2,705	31	35	
Hermes International	153	68	84	
ICADE	214	23	20	
Iliad SA	153	27	39	
Imerys SA	208	15	21	
Ingenico Group	318	52	34	
JC Decaux SA	430	14	17	
Kering	439	77	132	
Klépierre	1,273	66	67	
Lagardère SCA, Registered	683	45	25	
Legrand SA	1,545	76	118	
L'Oréal SA	1,467	181	359	
LVMH Moët Hennessy-Louis Vuitton SA	1,615	209	413	
Natixis SA	5,424	37	41	
Orange SA	11,492	403	234	
Pernod-Ricard SA	1,228	116	178	
PSA Peugeot Citroën SA	2,812	44	62	
Publicis Groupe	1,097	65	102	
Rémy Cointreau SA	128	13	15	
Renault SA	1,115	99	133	
Rexel SA	1,750	35	39	
Safran SA	1,810	86	175	
Sanofi SA	6,701	593	728	
Schneider Electric SE	3,237	194	302	
SCOR SE	944	28	44	
SEB SA	130	24	24	
SFR Group SA	633	25	24	
Societe BIC SA	167	14	30	
Société Générale SA	4,439	356	293	
Sodexho Alliance SA	546	42	84	
Suez	1,888	39	37	
Technip SA	635	47	61	
Thales SA	611	40	79	
Total SA	13,030	841	897	
Unibail-Rodamco SE	574	117	184	
Valeo SA	1,380	56	106	
Veolia Environnement SA	2,608	114	60	
Vinci SA	2,922	172	267	
Vivendi SA	5,954	308	152	
Wendel SA	167	21	27	
Zodiac Aerospace	1,177	32	36	
		8,211	9,063	14.7%

Germany

Adidas AG	1,089	75	231	
Allianz AG, Registered	2,646	562	586	
Axel Springer SE	250	15	16	
BASF SE	5,320	342	662	
Bayer AG	4,792	446	670	
Bayerische Motoren Werke (BMW) AG	1,919	129	240	
Bayerische Motoren Werke (BMW) AG, Preferred	316	20	32	
Beiersdorf AG	584	42	66	
Brenntag AG	894	42	67	
Commerzbank AG	6,161	190	63	
Continental AG	637	82	165	
Covestro AG	410	23	38	
Daimler AG, Registered	5,580	439	556	
Deutsche Bank AG, Registered	7,999	524	195	
Deutsche Boerse AG	1,118	126	122	
Deutsche Lufthansa AG	1,350	37	23	
Deutsche Post AG, Registered	5,616	160	247	
Deutsche Telekom AG, Registered	18,935	498	436	
Deutsche Wohnen AG	1,952	45	82	
E.ON SE	11,596	475	110	
Evonik Industries AG	943	44	38	
Fraport AG Frankfurt Airport Services Worldwide	241	18	19	
Fresenius Medical Care AG	1,267	79	144	
Fresenius SE	2,371	99	248	
FUCHS PETROLUB SE, Preferred	402	19	23	
GEA Group AG	1,058	40	57	
Hannover Rueckversicherungs SE	349	23	51	
HeidelbergCement AG	817	64	102	
Henkel AG & Co. KGaA	603	31	84	
Henkel AG & Co. KGaA, Preferred	1,032	56	165	
Hochtief AG	121	20	23	
Hugo Boss AG	387	52	32	
Infineon Technologies AG	6,566	49	153	
Innogy SE	803	45	37	
K+S AG, Registered	1,109	76	35	

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Schedule of Investment Portfolio As at December 31, 2016 (cont'd)

Security	Number of Shares	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
Lanxess AG	530	41	47	
Linde AG	1,074	160	237	
MAN SE	204	19	27	
Merck KGaA	748	46	105	
Metro AG	1,032	61	46	
Muenchener Rueckversicherungs-Gesellschaft AG, Registered	933	202	237	
Osram Licht AG	516	21	36	
Porsche AG, Preferred	886	94	65	
ProSiebenSat.1 Media SE	1,267	57	65	
RWE AG, Class 'A'	2,830	230	47	
SAP AG	5,690	389	661	
Schaeffler AG	963	20	19	
Siemens AG, Registered	4,431	529	728	
Symrise AG, Bearer	714	49	58	
Telefonica Deutschland Holding AG	4,299	31	25	
ThyssenKrupp AG	2,136	90	68	
TUI AG	2,885	65	55	
United Internet AG, Registered	711	24	37	
Volkswagen AG	188	48	36	
Volkswagen AG, Preferred	1,075	178	202	
Vonovia SE	2,698	105	118	
Zalando SE	502	23	26	
		7,469	8,763	14.2%
Ireland				
Bank of Ireland	159,004	54	52	
CRH PLC	4,794	118	223	
DCC PLC	514	62	51	
Experian PLC	5,554	62	144	
Kerry Group PLC, Class 'A'	915	50	88	
Paddy Power Betfair PLC	461	93	66	
Ryanair Holdings PLC	955	6	20	
Shire PLC	5,192	241	398	
		686	1,042	1.7%
Italy				
Assicurazioni Generali SPA	6,787	232	135	
Atlantia SPA	2,397	63	75	
Enel SPA	44,164	347	261	
Eni SPA	14,739	414	321	
Ferrari NV	710	43	55	
Intesa Sanpaolo	73,409	325	250	
Intesa Sanpaolo, RNC	5,399	17	17	
Leonardo-Finmeccanica SPA	2,342	53	44	
Luxottica Group SPA	980	40	71	
Mediobanca SPA	3,273	47	36	
Poste Italiane SpA	3,023	30	27	
Prismian SPA	1,130	25	39	
Saipem SPA	35,100	67	26	
Snam SPA	14,176	81	78	
Telecom Italia SPA	93,445	199	103	
Terna SPA	8,722	39	54	
UniCredit SPA	30,367	505	117	
UnipolSai Assicurazioni SPA	6,557	22	19	
		2,549	1,728	2.8%
Jersey, Channel Islands				
Randgold Resources Ltd.	544	51	56	
		51	56	0.1%
Luxembourg				
ArcelorMittal SA	10,709	329	106	
Eurofins Scientific SE	63	37	36	
Millicom International Cellular SA	380	33	22	
RTL Group SA	224	29	22	
SES SA	2,105	62	62	
Tenaris SA	2,737	39	65	
		529	313	0.5%
Mexico				
Fresnillo PLC	1,283	24	26	
		24	26	0.0%
Netherlands				
ABN AMRO Group NV	1,631	44	49	
AEGON NV	10,555	193	78	
AerCap Holdings NV	974	55	54	
Airbus Group	3,386	154	300	
Akzo Nobel NV	1,432	100	120	
Altice NV, Class 'A'	2,137	80	57	
Altice NV, Class 'B'	632	26	17	
ASML Holding NV	2,132	85	321	
EXOR NV	641	25	37	
Gemalto NV	465	36	36	
Heineken Holding NV	583	32	54	
Heineken NV	1,333	74	134	

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Schedule of Investment Portfolio As at December 31, 2016 (cont'd)

Security	Number of Shares	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
Ing Groep NV	22,442	515	424	
Koninklijke Ahold Delhaize NV	7,408	125	210	
Koninklijke DSM NV	1,049	58	84	
Koninklijke KPN NV	19,760	174	78	
Koninklijke Philips NV	5,384	201	221	
Koninklijke Vopak NV	407	19	26	
NN Group NV	1,831	71	83	
NXP Semiconductors NV	1,715	213	226	
QIAGEN NV	1,279	28	48	
Randstad Holding NV	689	28	50	
RELX NV	5,753	78	130	
Royal Boskalis Westminster NV	509	20	24	
Royal Dutch Shell PLC, Class 'A'	25,020	863	927	
Royal Dutch Shell PLC, Class 'B'	21,659	752	836	
Unilever NV	9,420	320	520	
Wolters Kluwer NV	1,747	59	85	
		4,428	5,229	8.5%
Norway				
DNB ASA	5,656	76	113	
Gjensidige Forsikring ASA	1,157	16	24	
Marine Harvest	2,210	46	54	
Norsk Hydro ASA	7,783	74	50	
Orkla ASA	4,706	50	57	
Schibsted ASA	437	21	13	
Schibsted ASA, Class 'B'	515	24	15	
Statoil ASA	6,442	177	158	
Telenor ASA	4,340	70	87	
Yara International ASA	1,034	46	54	
		600	625	1.0%
Portugal				
Banco Espirito Santo SA, Registered	1,445	21	—	
Energias de Portugal SA	13,391	68	55	
Galp Energia, SGPS SA, Class 'B'	2,677	40	54	
Jeronimo Martins SGPS SA	1,455	28	30	
		157	139	0.2%
Spain				
Abertis Infraestructuras SA	3,723	65	70	
ACS Actividades de Construcción y Servicios SA	1,120	40	47	
Aena SA	391	47	72	
Amadeus IT Group SA	2,538	86	155	
Banco Bilbao Vizcaya Argentaria SA	37,472	492	339	
Banco de Sabadell SA	30,618	96	57	
Banco Popular Espanol SA	19,441	99	25	
Banco Santander SA	84,447	817	590	
Bankia SA	26,592	51	36	
Bankinter SA	3,897	38	40	
CaixaBank SA	19,062	93	84	
Distribuidora Internacional de Alimentacion SA	3,604	18	24	
Enagas SA	1,311	37	45	
Endesa SA, Registered	1,837	46	52	
Ferrovial SA	2,800	41	67	
Gas Natural SDG SA	2,029	54	51	
Grifols SA, Class 'A'	1,724	34	46	
Iberdrola SA	31,350	243	276	
Industria de Diseno Textil SA	6,315	99	289	
Mapfre SA	6,241	27	26	
Red Electrica Corp. SA	2,505	44	63	
Repsol SA	6,429	144	121	
Telefónica SA	26,934	561	334	
Zardoya Otis SA	1,087	16	12	
		3,288	2,921	4.7%
Sweden				
AB SKF, Series 'B'	2,298	37	57	
Alfa Laval AB	1,694	23	38	
Assa Abloy AB, Class 'B'	5,779	50	144	
Atlas Copco AB, Series 'A'	3,878	56	158	
Atlas Copco AB, Series 'B'	2,253	29	82	
Boliden AB	1,600	21	56	
Electrolux AB, Series 'B'	1,387	26	46	
Getinge AB, Series 'B'	1,156	27	25	
Hennes & Mauritz AB, Series 'B'	5,468	152	203	
Hexagon AB, Series 'B'	1,490	38	71	
Husqvarna AB	2,398	23	25	
ICA Gruppen AB	463	21	19	
Industrivarden AB, Series 'C'	948	19	24	
Investment AB Kinnevik, Series 'B'	1,356	32	43	
Investor AB, Series 'B'	2,627	69	131	
L E Lundbergforetagen AB, Series 'B'	219	17	18	
Lundin Petroleum AB	1,095	27	32	
Nordea Bank AB	17,617	239	262	
Sandvik AB	6,164	92	102	

CIBC European Index Fund

Schedule of Investment Portfolio As at December 31, 2016 (cont'd)

Security	Number of Shares	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
Securitas AB, Series 'B'	1,802	29	38	
Skandinaviska Enskilda Banken, Series 'A'	8,758	113	123	
Skanska AB, Series 'B'	1,963	32	62	
Svenska Cellulosa AB, Series 'B'	3,497	57	132	
Svenska Handelsbanken AB, Class 'A'	8,747	91	163	
Swedbank AB	5,221	111	169	
Swedish Match AB	1,088	20	46	
Tele2 AB, Class 'B'	1,854	26	20	
Telefonaktiebolaget LM Ericsson, Series 'B'	17,676	292	139	
Telia Co. AB	14,982	120	81	
Volvo AB, Series 'B'	8,897	114	139	
		2,003	2,648	4.3%
Switzerland				
ABB Ltd., Registered	10,889	242	308	
Actelion Ltd., Registered	561	40	163	
Adecco SA, Registered	961	72	84	
Aryzta AG, Registered	505	21	30	
Baloise Holding AG, Registered	290	33	49	
Barry Callebaut AG	13	13	21	
Coca-Cola HBC AG	1,046	28	31	
Compagnie Financiere Richemont SA, Registered	3,025	177	268	
Credit Suisse Group AG	11,483	476	220	
Dufry AG Registered	265	48	44	
Ems-Chemie Holding AG, Registered	48	12	33	
Galenica AG, Registered	23	45	35	
Geberit AG, Registered	219	34	118	
Givaudan SA, Registered	54	60	133	
Glencore PLC	70,949	364	322	
Julius Baer Group Ltd.	1,299	54	77	
Kuehne & Nagel International AG, Registered	313	30	55	
LafargeHolcim Ltd., Registered	2,638	204	186	
Lindt & Spruengli AG	5	14	35	
Lindt & Spruengli AG, Registered	1	24	82	
Lonza Group AG, Registered	307	40	71	
Nestlé SA, Registered, Series 'B'	18,001	938	1,731	
Novartis AG, Registered	12,926	877	1,262	
Pargesa Holding SA, Class 'B'	200	20	17	
Partners Group Holding AG	100	27	63	
Roche Holding AG Genusscheine	4,071	855	1,246	
Schindler Holding AG	257	18	61	
Schindler Holding AG, Registered	119	10	28	
SGS SA, Registered	32	42	87	
Sika AG	13	24	84	
Sonova Holding AG, Registered	309	28	50	
STMicroelectronics NV	3,696	94	56	
Swatch Group AG (The)	179	49	75	
Swatch Group AG (The), Registered	288	15	24	
Swiss Life Holding AG, Registered	186	45	71	
Swiss Prime Site AG, Registered	405	37	44	
Swiss Re AG	1,875	123	238	
Swisscom AG	150	68	90	
Syngenta AG	538	128	285	
UBS Group AG	21,205	449	445	
Wolseley PLC	1,459	80	120	
Zurich Insurance Services AG	872	266	322	
		6,224	8,764	14.2%
United Kingdom				
3i Group PLC	5,625	69	65	
Aberdeen Asset Management PLC	5,334	26	23	
Admiral Group PLC	1,224	25	37	
Anglo American PLC	8,146	329	155	
Antofagasta PLC	2,285	28	25	
Ashtead Group PLC	2,911	55	76	
Associated British Foods PLC	2,057	48	93	
AstraZeneca PLC	7,309	437	536	
Auto Trader Group PLC	5,809	47	39	
Aviva PLC	23,464	266	188	
Babcock International Group PLC	1,458	17	23	
BAE Systems PLC	18,351	162	179	
Barclays PLC	97,785	594	360	
Barratt Developments PLC	5,790	66	44	
Berkeley Group Holdings PLC	759	47	35	
BHP Billiton PLC	12,250	293	262	
BP PLC	107,907	1,129	907	
British American Tobacco PLC	10,774	395	820	
British Land Co. PLC	5,655	73	59	
BT Group PLC	48,775	379	296	
Bunzl PLC	1,938	29	68	
Burberry Group PLC	2,570	30	64	
Capita PLC	3,852	59	34	
Carnival PLC	1,100	43	75	
Carphone Warehouse Group PLC	5,668	36	33	
Centrica PLC	31,391	171	121	

CIBC European Index Fund

Schedule of Investment Portfolio As at December 31, 2016 (cont'd)

Security	Number of Shares	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
CNH Industrial NV	5,917	69	69	
Cobham PLC	9,867	37	27	
Coca-Cola European Partners PLC	1,257	62	53	
Compass Group PLC	9,500	97	236	
Croda International PLC	759	30	40	
Diageo PLC	14,565	323	507	
Direct Line Insurance Group PLC	7,958	38	49	
easyJet PLC	919	21	15	
Fiat Chrysler Automobiles NV	5,230	102	64	
GKN PLC	9,917	37	54	
GlaxoSmithKline PLC	28,174	855	727	
Group 4 Securicor PLC	8,969	38	35	
Hammerson PLC	4,584	54	43	
Hargreaves Lansdown PLC	1,510	22	30	
Hikma Pharmaceuticals PLC	830	36	26	
HSBC Holdings PLC	114,598	1,606	1,241	
IMI PLC	1,576	28	27	
Imperial Brands PLC	5,546	209	325	
Inmarsat PLC	2,605	33	32	
InterContinental Hotels Group PLC	1,087	26	65	
International Consolidated Airlines Group SA	4,687	21	34	
Intertek Group PLC	934	30	54	
Intu Properties PLC	5,454	46	25	
Investec PLC	3,576	35	31	
iShares Europe ETF	37,060	1,888	1,931	
ITV PLC	21,000	31	72	
J Sainsbury PLC	9,499	70	39	
Johnson Matthey PLC	1,120	39	59	
Kingfisher PLC	13,139	69	76	
Land Securities Group PLC	4,569	97	81	
Legal & General Group PLC	34,407	101	141	
Lloyds Banking Group PLC	371,681	917	383	
London Stock Exchange Group PLC	1,813	61	87	
Marks & Spencer Group PLC	9,386	74	54	
Mediclinic International PLC	2,129	35	27	
Meggitt PLC	4,481	30	34	
Merlin Entertainments PLC	4,103	29	30	
Mondi PLC	2,122	60	58	
National Grid PLC	21,649	280	340	
NEX Group PLC	1,832	29	14	
Next PLC	819	31	67	
Old Mutual PLC	28,523	87	98	
Pearson PLC	4,748	94	64	
Persimmon PLC	1,778	37	52	
Petrofac Ltd.	1,505	26	22	
Provident Financial PLC	854	62	40	
Prudential PLC	14,872	246	398	
Reckitt Benckiser Group PLC	3,668	209	417	
RELX PLC	6,328	84	151	
Rio Tinto PLC, Registered	7,175	456	368	
Rolls-Royce Holdings PLC	500,033	86	118	
Royal Bank of Scotland Group PLC	20,380	481	76	
Royal Mail PLC	5,201	54	40	
RSA Insurance Group PLC	5,899	77	57	
Sage Group PLC (The)	6,241	43	68	
Schroders PLC	785	22	39	
SEGRO PLC	4,786	46	36	
Severn Trent PLC	1,361	39	50	
SKY PLC	5,960	82	98	
Smith & Nephew PLC	5,171	58	104	
Smiths Group PLC	2,283	56	53	
SSE PLC	5,826	145	149	
St. James's Place Capital PLC	3,045	54	51	
Standard Chartered PLC	18,974	466	208	
Standard Life PLC	11,430	86	70	
Tate & Lyle PLC	2,696	29	31	
Taylor Wimpey PLC	18,851	66	48	
Tesco PLC	47,202	318	162	
Travis Perkins PLC	1,446	41	35	
Tullett Prebon PLC	1,497	10	11	
Unilever PLC	7,418	248	403	
United Utilities Group PLC	3,944	59	59	
Vodafone Group PLC	153,430	920	507	
Weir Group PLC (The)	1,239	39	39	
Whitbread PLC	1,056	34	66	
William Hill PLC	5,020	35	24	
William Morrison Supermarkets PLC	12,837	67	49	
Worldpay Group PLC	10,407	56	46	
WPP PLC	7,465	122	223	
		17,689	16,449	26.6%
TOTAL INTERNATIONAL EQUITIES		57,069	61,532	99.6%
TOTAL EQUITIES		57,069	61,532	99.6%
Less: Transaction costs included in average cost		(43)		

CIBC European Index Fund

Schedule of Investment Portfolio As at December 31, 2016 (cont'd)

<i>Security</i>	<i>Number of Shares</i>	<i>Average Cost (\$000s)</i>	<i>Fair Value (\$000s)</i>	<i>% of Net Assets</i>
TOTAL INVESTMENTS		57,026	61,532	99.6%
Other Assets, less Liabilities			232	0.4%
TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			61,764	100.0%

Supplemental Schedule to Schedule of Investment Portfolio

Offsetting Arrangements (note 2d)

The Fund may enter into various master netting arrangements or other similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of the contracts.

As at December 31, 2016 and 2015, the Fund did not enter into any arrangements whereby the financial instruments were eligible for offset.

Interests in Underlying Funds (note 4)

As at December 31, 2016 and 2015, the Fund had no investments in underlying funds where the ownership exceeded 20% of each underlying fund.

CIBC European Index Fund

Financial Instrument Risks

Investment Objective: CIBC European Index Fund (the *Fund*) seeks to provide long-term growth through capital appreciation. The Fund is managed to obtain a return that approximates the performance of the MSCI Europe Index, which is a free float-adjusted market capitalization index that is designed to measure developed market equity performance of 16 countries in Europe.

Investment Strategies: The Fund uses passive management strategies to create a portfolio with characteristics similar to the MSCI Europe Index, allowing the Fund to obtain a return that approximates the performance of that index in Canadian dollars.

Significant risks that are relevant to the Fund are discussed here. General information on risk management and specific discussion on concentration, credit, currency, interest rate, liquidity, and other price/market risk can be found in note 2 of the financial statements.

In the following risk tables, Net Assets is defined as meaning "Net assets attributable to holders of redeemable units".

Concentration Risk as at December 31, 2016 and 2015

The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2016.

The following table presents the investment sectors held by the Fund as at December 31, 2015 and groups the securities by asset type, industry sector, geographic region, or currency exposure:

As at December 31, 2015

Portfolio Breakdown	% of Net Assets
International Equities	
Austria	0.3
Belgium	2.2
Denmark	2.9
Finland	1.4
France	14.0
Germany	13.7
Ireland	1.3
Italy	3.2
Jersey, Channel Islands	0.1
Luxembourg	0.3
Netherlands	6.7
Norway	0.8
Portugal	0.2
Spain	4.7
Sweden	4.3
Switzerland	14.8
United Kingdom	28.8
Other Assets, less Liabilities	0.3
Total	100.0

Credit Risk

Credit ratings represent a consolidation of the ratings provided by various outside service providers and are subject to change, which could be material.

See the Schedule of Investment Portfolio for counterparty from over-the-counter derivative contracts, where applicable.

As at December 31, 2016 and 2015, the Fund had no significant investments in debt securities.

Currency Risk

The tables that follow indicate the currencies to which the Fund had significant exposure as at December 31, 2016 and 2015, based on the market value of the Fund's financial instruments (including cash and cash equivalents) and the underlying principal amounts of forward foreign currency contracts, as applicable.

As at December 31, 2016

Currency (note 2m)	Total Currency Exposure* (\$000s)	% of Net Assets
EUR	28,829	46.7
GBP	17,505	28.3
CHF	8,321	13.5
SEK	2,671	4.3
USD	2,229	3.6
DKK	1,560	2.5
NOK	628	1.0

* Amounts reflect the carrying value of monetary and non-monetary items (including the notional amount of forward foreign currency contracts, if any).

As at December 31, 2015

Currency (note 2m)	Total Currency Exposure* (\$000s)	% of Net Assets
EUR	30,333	45.4
GBP	19,854	29.7
CHF	9,629	14.4
SEK	2,893	4.3
DKK	1,916	2.9
USD	1,517	2.3
NOK	557	0.8

* Amounts reflect the carrying value of monetary and non-monetary items (including the notional amount of forward foreign currency contracts, if any).

The table that follows indicates how net assets as at December 31, 2016 and 2015 would have decreased or increased had the Canadian dollar strengthened or weakened by 1% in relation to all foreign currencies. This analysis assumes that all other variables remain unchanged. In practice, the actual results may differ from this analysis and the difference could be material.

	December 31, 2016	December 31, 2015
Impact on Net Assets (\$000s)	617	667

Interest Rate Risk

As at December 31, 2016 and 2015, the majority of the Fund's financial assets and liabilities are non-interest bearing and short-term in nature; accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. The Fund is exposed to daily cash redemptions of redeemable units. The Fund maintains sufficient cash on hand to fund anticipated redemptions.

With the exception of derivative contracts, where applicable, all of the Fund's financial liabilities are short-term liabilities maturing within 90 days after the period end.

For funds that hold derivative contracts with a term-to-maturity that exceeds 90 days from the period end, further information related to those contracts can be referenced in the derivative schedules following the Schedule of Investment Portfolio.

Other Price/Market Risk

The table that follows indicates how net assets as at December 31, 2016 and 2015 would have increased or decreased had the value of the Fund's benchmark(s) increased or decreased by 1%. This change is estimated based on the historical correlation between the return of Class A units of the Fund as compared to the return of the Fund's benchmark(s), using 36 monthly data points, as available, based on the monthly net returns of the Fund. This analysis assumes that all other variables remain unchanged. The historical correlation may not be representative of the future correlation and, accordingly, the impact on net assets could be materially different.

	Impact on Net Assets (\$000s)
Benchmark	December 31, 2016 December 31, 2015
MSCI Europe Index	619 660

Fair Value Measurement of Financial Instruments

The following is a summary of the inputs used as at December 31, 2016 and 2015 in valuing the Fund's financial assets and financial liabilities, carried at fair value:

CIBC European Index Fund

As at December 31, 2016

Classification	Level 1 (i) (\$000s)	Level 2 (ii) (\$000s)	Level 3 (iii) (\$000s)	Total (\$000s)
Financial Assets				
Equities	2,900	58,632	–	61,532
Total Financial Assets	2,900	58,632	–	61,532

(i) Quoted prices in active markets for identical assets

(ii) Significant other observable inputs

(iii) Significant unobservable inputs

As at December 31, 2015

Classification	Level 1 (i) (\$000s)	Level 2 (ii) (\$000s)	Level 3 (iii) (\$000s)	Total (\$000s)
Financial Assets				
Equities	2,041	64,628	–	66,669
Total Financial Assets	2,041	64,628	–	66,669

(i) Quoted prices in active markets for identical assets

(ii) Significant other observable inputs

(iii) Significant unobservable inputs

Transfer of assets between Level 1 and Level 2

Financial assets and liabilities transferred from Level 1 to Level 2 are the result of securities no longer being traded in an active market.

	December 31, 2016	December 31, 2015
Fair value of assets transferred from Level 1 to Level 2 during the period (\$000s)	–	417

Financial assets and liabilities transferred from Level 2 to Level 1 are the result of securities now being traded in an active market.

	December 31, 2016	December 31, 2015
Fair value of assets transferred from Level 2 to Level 1 during the period (\$000s)	–	425

Reconciliation of financial asset and liability movement – Level 3

The Fund did not hold any significant positions of Level 3 investments at the beginning of, during, or at the end of either reporting period.

Notes to Financial Statements

As at and for the periods as disclosed in the financial statements (see note 1)

1. Organization of the Funds and Financial Reporting Periods

Each of the CIBC Mutual Funds and CIBC Family of Managed Portfolios (individually, a *Fund*, and collectively, the *Funds*) is a mutual fund trust organized under the laws of Ontario and governed by a declaration of trust (*Declaration of Trust*). The address of the Funds' registered office is 18 York Street, Suite 1300, Toronto, Ontario.

CIBC Securities Inc. is the principal distributor, Canadian Imperial Bank of Commerce (*CIBC*) is the manager (the *Manager*), and CIBC Trust Corporation is the trustee (the *Trustee*) of the Funds.

Each Fund is permitted to have an unlimited number of classes of units and may issue an unlimited number of units of each class. In the future, the offering of any classes of units of a Fund may be terminated or additional classes of units may be offered. The following table indicates the classes of units offered for sale by each of the Funds, as at the date of these financial statements:

Funds	Class A	Class T4	Class T6	Class T8	Premium Class	Institutional Class	Class O
CIBC Canadian T-Bill Fund	✓				✓		
CIBC Money Market Fund	✓				✓		✓
CIBC U.S. Dollar Money Market Fund	✓				✓		✓
CIBC Short-Term Income Fund	✓				✓		✓
CIBC Canadian Bond Fund	✓				✓		✓
CIBC Monthly Income Fund	✓						✓
CIBC Global Bond Fund	✓						✓
CIBC Global Monthly Income Fund	✓						✓
CIBC Balanced Fund	✓						
CIBC Dividend Income Fund	✓						✓
CIBC Dividend Growth Fund	✓						✓
CIBC Canadian Equity Fund	✓						✓
CIBC Canadian Equity Value Fund	✓						✓
CIBC Canadian Small-Cap Fund	✓						
CIBC U.S. Equity Fund	✓						✓
CIBC U.S. Small Companies Fund	✓						✓
CIBC Global Equity Fund	✓						
CIBC International Equity Fund	✓						✓
CIBC European Equity Fund	✓						✓
CIBC Emerging Markets Fund	✓						✓
CIBC Asia Pacific Fund	✓						✓
CIBC Latin American Fund	✓						
CIBC International Small Companies Fund	✓						
CIBC Financial Companies Fund	✓						
CIBC Canadian Resources Fund	✓						✓
CIBC Energy Fund	✓						✓
CIBC Canadian Real Estate Fund	✓						✓
CIBC Precious Metals Fund	✓						✓
CIBC Global Technology Fund	✓						
CIBC Canadian Short-Term Bond Index Fund	✓				✓	✓	✓
CIBC Canadian Bond Index Fund	✓				✓	✓	✓
CIBC Global Bond Index Fund	✓				✓	✓	
CIBC Balanced Index Fund	✓				✓	✓	
CIBC Canadian Index Fund	✓				✓	✓	✓
CIBC U.S. Broad Market Index Fund	✓				✓	✓	✓
CIBC U.S. Index Fund	✓				✓	✓	✓
CIBC International Index Fund	✓				✓	✓	✓
CIBC European Index Fund	✓				✓	✓	
CIBC Emerging Markets Index Fund	✓				✓	✓	✓
CIBC Asia Pacific Index Fund	✓				✓	✓	✓
CIBC Nasdaq Index Fund	✓				✓	✓	
CIBC Managed Income Portfolio	✓	✓	✓				
CIBC Managed Income Plus Portfolio	✓	✓	✓				
CIBC Managed Balanced Portfolio	✓	✓	✓	✓			
CIBC Managed Monthly Income Balanced Portfolio	✓		✓	✓			
CIBC Managed Balanced Growth Portfolio	✓	✓	✓	✓			
CIBC Managed Growth Portfolio	✓	✓	✓	✓			
CIBC Managed Aggressive Growth Portfolio	✓	✓	✓	✓			
CIBC U.S. Dollar Managed Income Portfolio	✓	✓	✓				
CIBC U.S. Dollar Managed Balanced Portfolio	✓	✓	✓	✓			
CIBC U.S. Dollar Managed Growth Portfolio	✓	✓	✓	✓			

Each class of units may charge a different management fee. Operating expenses can be either common or class-specific. Class-specific expenses are allocated on a class-by-class basis. As a result, a separate net asset value per unit is calculated for each class of units.

Class A units are available to all investors on a no-load basis with a minimum investment of \$500. Investors may have to pay a short-term trading fee if applicable.

Class T4, T6, and T8 units have the same characteristics as Class A units, except that they each intend to pay a fixed distribution amount per unit, which also results in a separate net asset value per unit for each class, and may have different minimum investment requirements.

Premium Class units are available to investors on a no-load basis with a minimum investment of \$100,000 for CIBC Canadian T-Bill Fund and CIBC Money Market Fund, US\$100,000 for CIBC U.S. Dollar Money Market Fund, \$50,000 for CIBC Short-Term Income Fund, CIBC Canadian Bond Fund, CIBC Canadian Short-Term Bond Index Fund, CIBC Canadian Bond Index Fund, CIBC Global Bond Index Fund, CIBC Balanced Index Fund, CIBC Canadian Index Fund, CIBC U.S. Broad Market Index Fund, CIBC U.S. Index Fund, CIBC International Index Fund, CIBC European Index Fund, CIBC Emerging Markets Index Fund, CIBC Asia Pacific Index Fund, and CIBC Nasdaq Index Fund, and US\$50,000 for the U.S. dollar purchase option of CIBC U.S. Broad Market Index Fund and CIBC Nasdaq Index Fund. Management fees charged in respect of Premium Class units are lower than those charged in respect of Class A units.

Institutional Class units are available to investors with a minimum investment of \$50,000. Institutional Class units are available to investors participating in programs that do not require the payment of sales charges by investors and do not require the payment of service or trailing commissions to dealers, and others who pay an annual fee to their dealer. For these investors, we “unbundle” the typical distribution costs and charge a lower management fee. Potential investors include institutional clients, clients of “fee-for-service” investment advisors, dealer sponsored “wrap accounts”, and others who pay an annual fee to their dealer instead of transactional sales charges and where the dealer does not receive service fees or trailing commissions from the Manager.

Class O units are only available to certain investors who have been approved by and have entered into a Class O unit account agreement with the Manager or whose dealer or discretionary manager offers separately managed accounts or similar programs and has entered into a Class O unit account agreement with the Manager. These investors are typically financial services companies, including the Manager, that use Class O units of a fund to facilitate offering other products to investors. No management fees or operating expenses are charged to a fund in respect of Class O units; instead, a negotiated management fee is charged by the Manager directly to, or as directed by, Class O unitholders or dealers and discretionary managers on behalf of unitholders.

The date upon which each Fund was established by Declaration of Trust (*Date Established*) and the date upon which each class of units of each Fund was first sold to the public (*Inception Date*) are reported in footnote *Organization of the Fund* on the Statements of Financial Position.

The Schedule of Investment Portfolio of each of the Funds is as at December 31, 2016. The Statements of Financial Position of each of the Funds are as at December 31, 2016 and 2015. The Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Holders of Redeemable Units, and the Statements of Cash Flows of each of the Funds are for the annual periods ended December 31, 2016 and 2015, except for Funds or classes established during either period, in which case the information presented is from the Date Established or the Inception Date to December 31, 2016 or 2015.

These financial statements were approved for issuance by the Manager on March 2, 2017.

2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with International Financial Reporting Standards (*IFRS*) as published by the International Accounting Standards Board (*IASB*). The Funds adopted IFRS in 2014 as required by Canadian securities legislation and the Canadian Accounting Standards Board. Previously, the Funds prepared their financial statements in accordance with Canadian generally accepted accounting principles (*GAAP*) as defined in Part V of the CPA Canada Handbook.

The financial statements have been prepared on a going concern basis using the historical cost convention. However, each Fund is an investment entity and primarily all financial assets and financial liabilities are measured at fair value in accordance with IFRS. Accordingly, the Funds’ accounting policies for measuring the fair value of investments and derivatives are consistent with those used in measuring the Net Asset Value for transactions with unitholders. In applying IFRS, these financial statements include estimates and assumptions made by management that affect the reported amounts of assets, liabilities, income, and expenses during the reporting periods. However, existing circumstances and assumptions may change due to market changes or circumstances arising beyond the control of the Funds. Such changes are reflected in the assumptions when they occur.

These financial statements have been presented in Canadian dollars, which is the Funds’ functional currency (unless otherwise noted).

a) Financial Instruments

Classification and recognition of financial instruments

In accordance with IAS 39 Financial Instruments: Recognition and Measurement, financial assets and financial liabilities are classified at initial recognition into the following categories:

Financial assets and liabilities at fair value through profit or loss (“FVTPL”)

This category is sub-divided into:

- Financial instruments classified as Held For Trading: Financial assets and liabilities are classified as Held For Trading if they are acquired for the purpose of selling and/or repurchasing in the near term, and are acquired principally for the purpose of generating a profit from short-term fluctuations in price. Derivatives and securities sold short held by the Funds are classified as Held For Trading and do not meet the definition of effective hedging instruments as defined by IAS 39.
- Financial instruments designated as FVTPL through inception: All investments held by the Funds, excluding those classified as Held For Trading (discussed above), are designated as fair value through profit or loss upon initial recognition. These financial assets are designated upon initial recognition on the basis that they are part of a group of financial assets that are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Funds, as set out in the Funds’ prospectus.

Loans and receivables

The Funds include in this category receivable balances relating to portfolio investments and other short-term receivables such as receivable for units issued.

Other financial liabilities

This category includes all financial liabilities, other than those classified as fair value through profit or loss. The Funds include in this category amounts relating to payables for portfolio securities purchased and other accrued liabilities such as payable for units redeemed and distributions payable to holders of redeemable units.

All Funds have contractual obligations to distribute cash to the unitholders. As a result, each Fund’s obligation for net assets attributable to holders of redeemable units represents a financial liability and is presented at the redemption amount.

b) Risk Management

The Funds’ overall risk management approach includes formal guidelines that govern the extent of exposure to various types of risk, including diversification within asset classes and limits on the exposure to individual investments and counterparties. In addition, derivative financial instruments may be used to manage certain risk exposures. The Manager also has various internal controls to oversee the Funds’ investment activities, including monitoring compliance with the investment objectives and strategies, internal guidelines, and securities regulations. Please refer to each Fund’s *Supplemental Schedule to Schedule of Investment Portfolio* for specific risk disclosures.

Fair value of financial instruments by using valuation techniques

Financial instruments are valued at their fair value which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Refer to notes 3a to 3f for valuation of each specific type of financial instrument held by the Funds. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day’s bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the price that is most representative of fair value based on the specific facts and circumstances.

For financial assets and financial liabilities that are not traded in an active market, fair value is determined using valuation techniques.

The Funds classify fair value measurement within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

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Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable for the asset or liability.

If inputs are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. Each Fund's fair value hierarchy classification of its assets and liabilities is included in the *Supplemental Schedule to Schedule of Investment Portfolio*.

The carrying values of all non-investment assets and liabilities approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The Manager is responsible for performing the fair value measurements included in the financial statements of a Fund, including the Level 3 measurements. The Manager obtains pricing from third-party pricing vendors and the pricing is reviewed daily. At each financial reporting date, the Manager reviews and approves all Level 3 fair value measurements. The Funds also have a Valuation Committee which meets quarterly to perform detailed reviews of the valuations of investments held by the Funds, which includes discussion on Level 3 measurements.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument, such as a fixed income security or a derivative contract, will fail to discharge an obligation or commitment that it has entered into with the Funds. The value of fixed income securities and derivatives as presented on the Schedule of Investment Portfolio includes consideration of the creditworthiness of the issuer and, accordingly, represents the maximum credit risk exposure of the Funds. Certain Funds may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or, any Canadian provincial or Canadian municipal government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low and these securities primarily have credit ratings of 'A-1 (Low)' or higher (as rated by S&P Global Ratings, a division of S&P Global, or equivalent rating from another rating service).

The bond ratings noted in the Funds' 'Financial Instruments Risk' under sub-section 'Credit Risk' represent ratings collected and disseminated by recognized third party vendors. These ratings utilized by the Manager, while obtained from vendors skilled and recognized for bond rating services, may not be the same as those used directly by the portfolio advisor or portfolio sub-advisors. Ratings used by the portfolio advisor or portfolio sub-advisors could be higher or lower than those used for risk disclosure in the financial statements in compliance with their investment policy guidelines.

The Funds may engage in securities lending transactions. The credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Funds in connection with these transactions is at least 102% of the fair value of the securities loaned. The collateral and loaned securities are marked to market on each business day. Further information regarding the collateral and securities on loan can be found in the footnotes to the Statements of Financial Position and in note 2j.

Currency risk

Currency risk is the risk that the value of an investment will fluctuate due to changes in foreign exchange rates. Mutual funds may invest in securities denominated or traded in currencies other than the Funds' reporting currency.

Interest rate risk

Prices of fixed income securities generally increase when interest rates decline and decrease when interest rates rise. This risk is known as interest rate risk. Prices of longer-term fixed income securities will generally fluctuate more in response to interest rate changes than would shorter-term securities. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates.

Liquidity risk

The Funds are exposed to daily cash redemptions of redeemable units. Generally, the Funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity. However, liquidity risk also involves the ability to sell an asset for cash easily and at a fair price. Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a Fund to sell such securities quickly or at a fair price. Difficulty in selling securities could result in a loss or a lower return for a Fund.

Other price/market risk

Other price/market risk is the risk that the value of investments will fluctuate as a result of changes in market conditions. Several factors can influence market trends, such as economic developments, changes in interest rates, political changes, and catastrophic events. All investments are exposed to other price/market risk.

c) Investment Transactions, Income Recognition, and Recognition of Realized and Unrealized Gains and Losses

- i) Interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Fund accounted for on an accrual basis. The Funds do not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds, which are amortized on a straight-line basis.
- ii) Dividend income is recorded on the ex-dividend date.
- iii) Securities that are exchange-traded are recorded at fair value established by the last traded market price when that price falls within that day's bid-ask spread. Debt securities are recorded at fair value, established by the last traded price on the over-the-counter market (*OTC*) when that price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the price that is most representative of fair value based on the specific facts and circumstances. Gold bullion recorded at fair value established by the last traded market price when the price falls within that day's bid-ask spread. Unlisted securities are recorded at fair value using fair valuation techniques established by the Manager in establishing a fair value.
- iv) Realized gains and losses on investments and unrealized appreciation or depreciation of investments are calculated using the average cost, excluding transaction costs, of the related investments.
- v) Investment income is the sum of income paid to the fund that is generated from a fund's investment fund holdings.
- vi) Other income is the sum of income, excluding transaction costs, other than that which is separately classified on the Statements of Comprehensive Income.

d) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Where applicable, additional information can be found in the table *Offsetting Arrangements* as part of the Supplemental Schedule to Schedule of Investment Portfolio. This supplemental schedule discloses the OTC derivatives which are subject to offsetting.

e) Portfolio Securities

The cost of securities of a Fund is determined in the following manner: securities are purchased and sold at a market-traded price to arrive at a value for the position traded. The total purchased value represents the total cost of the security to the Fund. When additional units of the same security are purchased, the cost of those additional units is added to the total security cost. When units of the same security are sold, the proportionate cost of the units of the security sold is deducted from the total security cost. If there is a return of capital paid by a security, the amount of this return of capital is deducted from the total security cost. This method of tracking security cost is known as "average cost" and the current total for any one security is referred to as the "adjusted cost base" or "ACB" of the security. Transaction costs incurred in portfolio transactions are excluded from the average cost of investments and are recognized immediately in Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units and are presented as a separate expense item in the financial statements.

The difference between the fair value of securities and their average cost, excluding transaction costs, represents the unrealized appreciation (depreciation) in value of the portfolio investments. The applicable period change in unrealized appreciation (depreciation) of investments is included on the Statements of Comprehensive Income.

Short-term investments on the Schedule of Investment Portfolio are presented at their amortized cost which approximates the fair value. Accrued interest for bonds is disclosed separately on the Statements of Financial Position.

f) Foreign Exchange

The value of investments and other assets and liabilities denominated in foreign currencies is translated into Canadian dollars, which is the Funds' functional and presentation currency (except for CIBC U.S. Dollar Money Market Fund, CIBC U.S. Dollar Managed Income Portfolio, CIBC U.S. Dollar Managed Balanced Portfolio, and CIBC U.S. Dollar Managed Growth Portfolio, which are valued in U.S. dollars) at the current rates prevailing on each valuation date.

Purchases and sales of investments, income, and expenses are translated into Canadian dollars, which is the Funds' functional and presentation currency (with the exception of the above-mentioned Funds which are valued in U.S. dollars) at the foreign exchange rates prevailing on the dates of such transactions. Foreign currency translation gains (losses) on investments and income transactions are included in Net realized gain (loss) on foreign currency and in Income, respectively, on the Statements of Comprehensive Income.

g) Forward Foreign Currency Contracts

The Funds may enter into forward foreign currency contracts for either hedging or non-hedging purposes where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities.

Changes in the fair value of forward foreign currency contracts are included in derivative assets or derivative liabilities on the Statements of Financial Position, and are recorded as an Increase (decrease) in unrealized appreciation (depreciation) of investments and derivatives during the applicable period on the Statements of Comprehensive Income.

The gain or loss arising from the difference between the value of the original forward foreign currency contract and the value of such contract at close or delivery is realized and recorded as Net realized gain (loss) on foreign currency for Funds that use the forward foreign currency contracts for hedging, or as Derivative income (loss) from forward foreign currency contracts for Funds that do not use the forward foreign currency contracts for hedging.

h) Futures Contracts

The margin deposits with brokers relating to futures contracts are included in Margin on the Statements of Financial Position. Any change in the margin requirement is settled daily and included in Receivable for portfolio securities sold or Payable for portfolio securities purchased on the Statements of Financial Position.

Any difference between the settlement value at the close of business on each valuation date and the settlement value at the close of business on the previous valuation date is recorded as Derivative income (loss) from futures contracts on the Statements of Comprehensive Income.

i) Options

Premiums paid for purchased call and put options are included in derivative assets and subsequently measured at fair value on the Statements of Financial Position. When a purchased option expires, the Fund will realize a loss in the amount of the cost of the option. For a closing transaction, the Fund will realize a gain or loss depending on whether the proceeds are greater or less than the premium paid at the time of purchase. When a purchased call option is exercised, the cost of the security purchased is increased by the premium paid at the time of purchase.

Premiums received from writing options are included in derivative liabilities and subsequently measured at fair value on the Statements of Financial Position as initial reductions in the value of investments. Premiums received from writing options that expire unexercised are recorded as realized gains and reported as Net gain (loss) on sale of investments and derivatives on the Statements of Comprehensive Income. For a closing transaction, if the cost of closing the transaction exceeds the premium received, the Fund will record a realized loss or, if the premium received at the time the option was written is greater than the amount paid, the Fund will record a realized gain and is reported as Net gain (loss) on sale of investments and derivatives. If a written put option is exercised, the cost for the security delivered is reduced by the premiums received at the time the option was written.

j) Securities Lending

A Fund may lend portfolio securities in order to earn additional revenue, which is disclosed on the Statements of Comprehensive Income. The loaned assets of any one Fund are not permitted to exceed 50% of the fair value of the assets of that Fund (excluding collateral debt for the loaned securities). The minimum allowable collateral is 102% of the fair value of the loaned securities as per the requirements of National Instrument 81-102 – *Investment Funds*. Collateral can consist of the following:

- i) Cash.
- ii) Qualified securities.
- iii) Irrevocable letters of credit issued by a Canadian financial institution that is not the counterparty, or an affiliate counterparty, of the fund in the transaction, if evidences of indebtedness of the Canadian financial institution that are rated as short-term debt by an approved credit rating organization have an approved credit rating.
- iv) Securities that are immediately convertible into securities of the same issuer, class, or type, and the same term, as the securities loaned.

The fair value of the loaned securities is determined on the close of any valuation date and any additional required collateral is delivered to the Fund on the next business day. The securities on loan continue to be included on the Schedule of Investment Portfolio and are included in the total value on the Statements of Financial Position in Investments (non-derivative financial assets) at fair value. Where applicable, a Fund's securities lending transactions are reported in footnote *Securities Lending* on the Statements of Financial Position.

Changes to National Instrument 81-106 – *Investment Fund Continuous Disclosure* took effect for Funds with a financial year beginning on or after January 1, 2016. Those changes now require a reconciliation of the gross amount generated from the securities lending transactions of the Funds to the revenue from securities lending disclosed in the Funds' Statements of Comprehensive Income. The gross amount generated from securities lending includes interest paid on collateral, withholding taxes deducted, the fees paid to the Funds' lending agent and the securities lending revenue received by the Funds. Where applicable, the reconciliation can be found in the footnotes to the Funds' Statements of Comprehensive Income.

k) Multi-Class Structured Funds

The realized and unrealized capital gains or losses, income, and common expenses (other than class-specific operating expenses and management fees) of the Fund are allocated on each valuation date to the unitholders in proportion to the respective prior day's net asset value, which includes unitholder trades dated for that day, of each class of units at the date on which the allocation is made. All class-specific operating expenses and management fees do not require allocation. All class-specific operating expenses are paid by the Manager and are collected from the Funds on a recoverable basis.

l) Loans and Receivables, Other Assets and Liabilities

Loans and Receivables, other assets and liabilities (other than those classified as FVTPL) are recorded at cost, which approximates their fair value, with the exception of net assets attributable to holders of redeemable units which are presented at the redemption value.

m) Legend of Abbreviations

The following is a list of abbreviations (foreign currency translation and others) that may be used on the Schedule of Investment Portfolio:

Currency Abbreviations

AED	– United Arab Emirates Dirham	KRW	– South Korean Won
ARS	– Argentine Peso	MAD	– Morocco Dirham
AUD	– Australian Dollar	MXN	– Mexican Peso
BRL	– Brazilian Real	MYR	– Malaysian Ringgit
CAD	– Canadian Dollar	NOK	– Norwegian Krone
CHF	– Swiss Franc	NZD	– New Zealand Dollar
CLP	– Chilean Peso	PEN	– Peruvian Nuevo Sol
CNY	– Chinese Renminbi	PHP	– Philippine Peso
COP	– Colombian Peso	PKR	– Pakistan Rupee

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CZK	– Czech Koruna	PLN	– Polish Zloty
DKK	– Danish Krone	QAR	– Qatari Riyal
EGP	– Egyptian Pound	RUB	– Russian Ruble
EUR	– Euro	SEK	– Swedish Krona
GBP	– British Pound	SGD	– Singapore Dollar
HKD	– Hong Kong Dollar	THB	– Thai Baht
HUF	– Hungarian Forint	TRY	– New Turkish Lira
IDR	– Indonesian Rupiah	TWD	– Taiwan Dollar
ILS	– Israeli Shekel	USD	– United States Dollar
INR	– Indian Rupee	VEF	– Venezuelan Bolivar Fuerte
JOD	– Jordanian Dinars	ZAR	– South African Rand
JPY	– Japanese Yen		

Other Abbreviations

ADR	– American Depositary Receipt
CVO	– Contingent Value Obligations
ETF	– Exchange-Traded Fund
GDR	– Global Depositary Receipt Securities
NVDR	– Non-Voting Depositary Receipt

n) Standards Issued but not yet Effective

Standards issued but not yet effective up to the date of issuance of the Funds' financial statements are listed below. The Funds intend to adopt applicable standards when they become effective.

IFRS 9, *Financial Instruments - Classification and Measurement*

In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments* which reflects all phases of the financial instruments project and replaces IAS 39, *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. The Funds are in the process of assessing the impact of IFRS 9.

o) Increase (decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit

Increase (decrease) in net assets attributable to holders of redeemable units per unit of each class is calculated by dividing the Increase (decrease) in net assets attributable to holders of redeemable units (excluding distributions), as reported on the Statements of Comprehensive Income, by the weighted average number of units in issue during the related period.

3. Valuation of Investments

The valuation date (*Valuation Date*) for a Fund is any day when the Manager's head office is open for business. The Manager may, at its discretion, establish other Valuation Dates.

The value of the investments or assets of a Fund is determined as follows:

a) Cash and Other Assets

Cash, accounts receivable, dividends receivable, distributions receivable, and interest receivable are valued at fair value or at their recorded cost, plus or minus any foreign exchange between recognition of the asset by the Fund and the current Valuation Date, which approximates fair value.

b) Bonds, Debentures, and Other Debt Obligations

Bonds, debentures, and other debt obligations are fair valued using the last traded price provided by a recognized vendor upon the close of trading on a Valuation Date, whereby the last traded price falls within that day's bid-ask spread. If the last traded price does not fall within that day's bid-ask spread, the Manager will then determine the price that is most representative of fair value based on the specific facts and circumstances.

c) Listed Securities, Unlisted Securities, Gold Bullion and Fair Value Pricing of Foreign Securities

Any security that is listed or traded on a securities exchange is fair valued using the last traded price, whereby the last traded price falls within that day's bid-ask spread or, if there is no traded price on that exchange or the last traded price does not fall within that day's bid-ask spread and in the case of securities traded on an OTC market, at the fair value as determined by the Manager as an appropriate basis for valuation. In such situations, a fair value will be determined by the Manager to establish current value. If any securities are inter-listed or traded on more than one exchange or market, the Manager will use the principal exchange or market for the fair value of such securities.

Units of each mutual fund in which a Fund invests will be valued at fair value using the most recent net asset value quoted by the Trustee or Manager of the mutual fund on the Valuation Date.

Unlisted securities are fair valued using the last traded price quoted by a recognized dealer, or the Manager may determine a price that more accurately reflects the fair value of these securities if the Manager feels the last traded price does not reflect fair value.

Gold bullion, which is listed and traded on a securities exchange is fair valued using the last traded price, if the last traded price falls within that day's bid-ask spread. If there is no traded price on a securities exchange or if the last traded price does not fall within that day's bid-ask spread, the fair value is determined by the Manager.

Fair value pricing is designed to avoid stale prices and to provide a more accurate fair value, and may assist in the deterrence of harmful short-term or excessive trading in the Fund. When securities listed or traded on markets or exchanges that close prior to North or South American markets or exchanges are valued by the Manager at their fair market value, instead of using quoted or published prices, the prices of such securities used to calculate the Fund's net assets or net asset value may differ from quoted or published prices of such securities.

d) Derivatives

Long positions in options, debt-like securities, and listed warrants are fair valued using the last traded price as established on either their principal trading exchange or by a recognized dealer in such securities, whereby the last traded price falls within that day's bid-ask spread and the credit rating of each counterparty (as rated by S&P Global Ratings, a division of S&P Global) meets or exceeds the minimum approved credit rating.

When any option is written by any Fund, the premium received by the Fund will be reflected as a liability that will be valued at an amount equal to the current fair value of the option that would have the effect of closing the position. Any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment; the liability shall be deducted in arriving at the net assets attributable to holders of redeemable units of the Fund. The securities that are the subject of a written option, if any, will be valued in the manner described above for listed securities.

Futures contracts, forward contracts, or swaps will be valued at fair value of the gain or loss, if any, that would be realized on the Valuation Date if the position in the futures contracts, forward contracts, or swaps were to be closed out.

Margin paid or deposited in respect of futures contracts and forward contracts will be reflected as an account receivable and margin consisting of assets other than cash will be noted as held as collateral.

Other derivatives and margin are fair valued in a manner that the Manager determines to represent their fair value.

e) Restricted Securities

Restricted securities purchased by any Fund will be fair valued in a manner that the Manager determines to represent their fair value.

f) Other Investments

All other investments of the Funds will be fair valued in accordance with the laws of the Canadian securities regulatory authorities where applicable.

The value of any security or other property of a Fund for which a market quotation is not readily available or where the market quotations do not properly reflect the fair value of such securities will be determined by the Manager by valuing the securities at their fair value. In such situations, fair value will be determined using fair valuation techniques that most accurately reflect their fair value as established by the Manager.

4. Interest in Underlying Funds

The Funds may invest in other investment funds (Underlying Funds). Each Underlying Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for its unitholders. Each Underlying Fund finances its operations primarily through the issuance of redeemable units, which are puttable at the unitholder's option and entitle the unitholder to a proportionate share of the Underlying Fund's net assets. The funds' interests in Underlying Funds held in the form of redeemable units, are reported in their Schedule of Investments at fair value, which represents the Funds' maximum exposure on those investments. The Funds' interests in Underlying Funds as at the prior year period ends are presented in the Financial Instruments Risks - Concentration Risk section in the Supplemental Schedule to Schedule of Investment Portfolio. Distributions earned from Underlying Funds are included in "Investment Income" in the Statements of Comprehensive Income. The total realized and change in unrealized gains (losses) arising from Underlying Funds are also included in the Statements of Comprehensive Income. The Funds do not provide any additional significant financial or other support to Underlying Funds.

Where applicable, the table "Interests in Underlying Funds" presented as part of the Supplemental Schedule to Schedule of Investment Portfolio, provides additional information on the Funds' investments in Underlying Funds where the ownership interest exceeds 20% of each Underlying Fund.

5. Redeemable Units Issued and Outstanding

Each Fund is permitted to have an unlimited number of classes of units and may issue an unlimited number of units of each class. The outstanding units represent the net assets attributable to holders of redeemable units of a Fund. Each unit has no par value and the value of each unit is the net asset value as determined on each valuation date. Settlement of the cost for units issued is completed as per security regulations in place at the time of issue. Distributions made by a Fund and reinvested by unitholders in additional units also constitute issued redeemable units of a Fund.

Units are redeemed at the net assets attributable to holders of a redeemable unit per unit of a Fund. A right to redeem units of a Fund may be suspended with the approval of the Canadian securities regulatory authorities or when normal trading is suspended on a stock, options, or futures exchange within Canada or outside of Canada on which securities or derivatives that make up more than 50% of the value or underlying exposure of the total assets of a Fund, not including any liabilities of a Fund, are traded and when those securities or derivatives are not traded on any other exchange that represents a reasonably practical alternative for a Fund. The Fund is not subject to any externally imposed capital requirements.

The capital received by a Fund is utilized within the respective investment mandate of the Fund. This includes the ability to make liquidity available to satisfy unitholder unit redemption requirements upon a unitholder's request.

Changes in issued and outstanding units for the annual periods ended December 31, 2016 and 2015 can be found on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units.

6. Management Fees and Operating Expenses

Management fees are based on the net asset value of the Funds and are calculated daily. Management fees are paid to the Manager in consideration for providing, or arranging for the provision of, management, distribution, and portfolio advisory services. The maximum annual management fee expressed as a percentage of the average net asset value for each class of units of the Fund is reported in footnote *Maximum Chargeable Annual Management Fee Rates* on the Statements of Comprehensive Income. For Class O units, management fees are negotiated with and paid by, or as directed by, unitholders, or dealers and discretionary managers on behalf of unitholders.

In addition to the management fees, the Funds are responsible for all expenses relating to the operation and conduct of the business of the Funds, including interest, operating, and administrative costs (other than advertising and promotional expenses, which are the responsibility of the Manager), brokerage fees, commissions, spreads, regulatory fees, Independent Review Committee fees, taxes, audit and legal fees and expenses, safekeeping and custodial fees, investor servicing costs, and costs of unitholder reports, prospectuses, and other reports. All class-specific operating expenses are paid by the Manager and recovered from the Funds. The Funds do not pay a fee to the Trustee.

The Manager may recover from a Fund less than the actual class-specific operating expenses paid by the Manager, resulting in the Manager absorbing class-specific expenses. The Manager may also charge to a Fund less than the maximum management fee in footnote *Maximum Chargeable Annual Management Fee Rates* on the Statements of Comprehensive Income, resulting in the Manager waiving management fees.

At its sole discretion, the Manager may stop absorbing class-specific operating expenses and/or waiving management fees at any time. Class-specific operating expenses absorbed and/or management fees waived by the Manager are disclosed on the Statements of Comprehensive Income.

In some cases, the Manager may charge management fees to a Fund that are less than the management fees the Manager is entitled to charge in respect of certain investors in a Fund. The difference in the amount of the management fees will be paid out by the Fund to the applicable investors as a distribution of additional units of the Fund (*Management Fee Distributions*). Management Fee Distributions are negotiable between the Manager and the investor and are dependent primarily on the size of the investor's investment in the Fund. Management Fee Distributions paid to qualified investors do not adversely impact the Fund or any of the Fund's other investors. The Manager may increase or decrease the amount of Management Fee Distributions to certain investors from time to time.

Where a Fund invests in units of an Underlying fund, the Fund does not pay duplicate management fees on the portion of its assets that it invests in units of the Underlying Fund. In addition, the Fund will not pay duplicate sales fees or redemption fees with respect to the purchase or redemption by it of units of the Underlying Fund. Some of the Underlying Funds held by the Funds may offer Management Fee Distributions. Such Management Fee Distributions of an Underlying Fund will be paid out as required for taxable distribution payments by a Fund. The manager of an Underlying Fund may, in some cases, waive a portion of an Underlying Fund's management fee and/or absorb a portion of an Underlying Fund's operating expenses.

7. Income Taxes and Withholding Taxes

The Funds qualify as mutual fund trusts under the *Income Tax Act* (Canada). No income tax is payable by the Funds on net income and/or net realized capital gains that are distributed to unitholders. In addition, income taxes payable on undistributed net realized capital gains are refundable on a formula basis when units of the Funds are redeemed. Sufficient net income and realized capital gains of the Funds have been, or will be, distributed to the unitholders such that no tax is payable by the Funds and, accordingly, no provision for income taxes has been made in the financial statements. Occasionally, a Fund may pay distributions in excess of the net income and net realized capital gains of the Fund. This excess distribution is called a return of capital and is non-taxable to the unitholder. However, a return of capital reduces the average cost of the unitholder's units for tax purposes, which may result in a capital gain to the unitholder to the extent the average cost becomes less than zero.

CIBC U.S. Dollar Money Market Fund, CIBC U.S. Dollar Managed Income Portfolio, CIBC U.S. Dollar Managed Balanced Portfolio, and CIBC U.S. Dollar Managed Growth Portfolio may realize net foreign currency gains and losses on the translation of their net realized capital gains to Canadian dollars for tax purposes. These gains will be distributed to investors annually unless these Funds elect to retain them, with the result that the tax would be payable by the Funds.

Non-capital losses that arose in 2006 and thereafter are available to be carried forward for 20 years.

Capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains realized in future years. Where applicable, a Fund's net capital and non-capital losses are reported in footnote *Net Capital and Non-Capital Losses* on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units.

The Funds have a taxation year-end of December 15 (except for CIBC Canadian T-Bill Fund, CIBC Money Market Fund, CIBC U.S. Dollar Money Market Fund which have a taxation year-end of December 31).

The Funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

8. Brokerage Commissions and Fees

The total commissions paid by the Funds to brokers in connection with portfolio transactions are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Fund where applicable. In allocating brokerage business, consideration may be given by the portfolio sub-advisors of the Funds to dealers that furnish research, statistical analysis, and other securities to portfolio sub-advisors that process trades through such dealers (referred to in the industry as "soft dollar" arrangements). These goods and services are paid for with a portion of brokerage commissions and assist the portfolio sub-advisors with their investment decision-making services to the Funds. The total soft dollar payments paid by the Funds to brokers are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Fund. 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 applicable Fund.

Fixed income and certain other securities are transacted in an OTC market, where participants are dealing as principals. Such securities are generally traded on a net basis and do not normally involve brokerage commissions, but will typically include a "spread" (being the difference between the bid and the offer prices on the security of the applicable marketplace).

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Spreads associated with fixed income securities trading and certain other securities are not ascertainable and, for that reason, are not included in the dollar amounts. In addition, the soft dollar amounts only include the value of research and other services supplied by a third party to CIBC Asset Management Inc. (*CAMI* or the *Portfolio Advisor*) and any portfolio sub-advisors, as the value of the services supplied to the Portfolio Advisor and any portfolio sub-advisors by the dealer is not ascertainable. When these services benefit more than one Fund, the costs are allocated among the Funds based on transaction activity or some other fair basis as determined by the Portfolio Advisor and any portfolio sub-advisors.

9. Related Party Transactions

CIBC and its affiliates have the following roles and responsibilities with respect to the Funds and receive the fees described below in connection with their roles and responsibilities. The Funds may hold securities of CIBC. CIBC and its affiliates may also be involved in underwriting or lending to issuers of securities that may be held by the Funds, have purchased or sold securities from or to the Funds while acting as principal, have purchased or sold securities from or to the Funds on behalf of another investment fund managed by CIBC or an affiliate, and also may have been involved as a counterparty to derivative transactions. Management fees payable and other accrued expenses on the Statements of Financial Position are amounts generally payable to a related party of the Fund.

Manager, Trustee, Portfolio Advisor, and certain Portfolio Sub-Advisors of the Funds

CIBC is the Manager, CIBC Trust Corporation is the Trustee, and CAMI is the Portfolio Advisor of each of the Funds. American Century Investment Management, Inc. (*ACI*) is a portfolio sub-advisor to certain Funds. Although not an affiliate, CIBC had previously owned a 41% equity interest in ACI. On December 21, 2015, CIBC announced that it entered into a definitive agreement to sell its minority position in ACI. The sale was completed on May 19, 2016.

The Manager also arranges for fund administrative services (other than advertising and promotional, which are the responsibility of the Manager), legal, investor servicing, and costs of unitholder reports, prospectuses, and other reports. The Manager is the registrar and transfer agent for the Funds and provides, or arranges for the provision of, all other administrative services required by the Funds. The dollar amount (including all applicable taxes) of all fund administrative expenses (net of absorptions) that the Manager recovers from a Fund is reported in footnote *Administrative and Other Fund Operating Expenses* on the Statements of Comprehensive Income.

Brokerage Arrangements and Soft Dollars

The Portfolio Advisor generally delegates trading and execution authority to the portfolio sub-advisors.

The Portfolio Advisor and portfolio 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, certain derivative products and the execution of portfolio transactions. Brokerage business may be allocated by the Portfolio Advisor or portfolio sub-advisors to CIBC World Markets Inc. and CIBC World Markets Corp., each a subsidiary of CIBC. The total commissions paid to related brokers in connection with portfolio transactions are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Fund.

CIBC World Markets Inc. and CIBC World Markets Corp. may also earn spreads on the sale of fixed income and other securities, and certain derivative products to the Funds. Dealers, including CIBC World Markets Inc. and CIBC World Markets Corp., may furnish goods and services, other than order execution, to the Portfolio Advisor and portfolio sub-advisors that process trades through them (referred to in the industry as “soft dollar” arrangements). These goods and services are paid for with a portion of brokerage commissions and assist the Portfolio Advisor and portfolio sub-advisors with their investment decision-making services to the Fund or relate directly to executing portfolio transactions on behalf of the Fund. As per terms of the portfolio sub-advisory agreements, such soft dollar arrangements are in compliance with applicable laws. Custodial fees directly related to portfolio transactions incurred by a Fund, otherwise payable by the Fund, shall be paid by CAMI, and/or dealer(s) directed by CAMI, up to the amount of the credits generated under soft dollar arrangements from trading on behalf of the Fund, or a portion of the Fund, during that month. The total soft dollar payments paid by the Fund to related brokers are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Fund. In addition, the Manager may enter into commission recapture arrangements with certain dealers with respect to the Funds. Any commission recaptured will be paid to the relevant Fund.

Custodian

The custodian holds all cash and securities for the Funds and ensures that those assets are kept separate from any other cash or securities that the custodian might be holding. The custodian also provides other services to the Funds including record keeping and processing of foreign exchange transactions. CIBC Mellon Trust Company is the custodian of the Funds (the *Custodian*). The Custodian may hire sub-custodians for the Funds. The fees and spreads for services of the Custodian directly related to the execution of portfolio transactions by a Fund, or a portion of a Fund, are paid by CAMI and/or dealer(s) directed by CAMI up to the amount of the credits generated under soft dollar arrangements from trading on behalf of the Funds during that month. All other fees for the services of the Custodian are paid by the Manager, and charged to the Funds on a recoverable basis. CIBC owns a 50% interest in CIBC Mellon Trust Company.

Service Provider

CIBC Mellon Global Securities Services Company (*CIBC GSS*) provides certain services to the Funds, including securities lending, fund accounting and reporting, and portfolio valuation. Such servicing fees are paid by the Manager and charged to the Funds on a recoverable basis. CIBC indirectly owns a 50% interest in CIBC GSS.

The dollar amount paid by the Funds (including all applicable taxes) to CIBC Mellon Trust Company for custodial fees (net of absorptions) and to CIBC GSS for securities lending, fund accounting and reporting, and portfolio valuation (net of absorptions) for the annual periods ended December 31, 2016 and 2015 is reported in footnote *Service Provider* on the Statements of Comprehensive Income.

10. Hedging

Certain foreign currency denominated positions have been hedged, or partially hedged, by forward foreign currency contracts as part of the investment strategies of certain Funds. These hedges are indicated by a hedging reference number on the Schedule of Investment Portfolio and a corresponding hedging reference number on the Schedule of Derivative Assets and Liabilities - Forward Foreign Currency Contracts for those Funds.

11. Collateral on Specified Derivatives

Short-term investments may be used as collateral for futures contracts outstanding with brokers.

Independent Auditors' Report

To the Unitholders of

CIBC Canadian T-Bill Fund
CIBC Money Market Fund
CIBC U.S. Dollar Money Market Fund
CIBC Short-Term Income Fund
CIBC Canadian Bond Fund
CIBC Monthly Income Fund
CIBC Global Bond Fund
CIBC Global Monthly Income Fund
CIBC Balanced Fund
CIBC Dividend Income Fund
CIBC Dividend Growth Fund
CIBC Canadian Equity Fund
CIBC Canadian Equity Value Fund
CIBC Canadian Small-Cap Fund
CIBC U.S. Equity Fund
CIBC U.S. Small Companies Fund
CIBC Global Equity Fund
CIBC International Equity Fund
CIBC European Equity Fund
CIBC Emerging Markets Fund
CIBC Asia Pacific Fund
CIBC Latin American Fund
CIBC International Small Companies Fund
CIBC Financial Companies Fund
CIBC Canadian Resources Fund
CIBC Energy Fund
(collectively, the "Funds")

CIBC Canadian Real Estate Fund
CIBC Precious Metals Fund
CIBC Global Technology Fund
CIBC Canadian Short-Term Bond Index Fund
CIBC Canadian Bond Index Fund
CIBC Global Bond Index Fund
CIBC Balanced Index Fund
CIBC Canadian Index Fund
CIBC U.S. Broad Market Index Fund
CIBC U.S. Index Fund
CIBC International Index Fund
CIBC European Index Fund
CIBC Emerging Markets Index Fund
CIBC Asia Pacific Index Fund
CIBC Nasdaq Index Fund
CIBC Managed Income Portfolio
CIBC Managed Income Plus Portfolio
CIBC Managed Balanced Portfolio
CIBC Managed Monthly Income Balanced Portfolio
CIBC Managed Balanced Growth Portfolio
CIBC Managed Growth Portfolio
CIBC Managed Aggressive Growth Portfolio
CIBC U.S. Dollar Managed Income Portfolio
CIBC U.S. Dollar Managed Balanced Portfolio
CIBC U.S. Dollar Managed Growth Portfolio

We have audited the accompanying financial statements of each of the Funds, which comprise the statements of financial position as at December 31, 2016 and 2015, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as at December 31, 2016 and 2015, and their financial performance and their cash flows for the years then ended in accordance with International Financial Reporting Standards.

Toronto, Canada
March 20, 2017



Chartered Professional Accountants
Licensed Public Accountants

The Fund is not sponsored, endorsed, or promoted by Morgan Stanley Capital International Inc. "MSCI" and MSCI bear no liability with respect to such Fund or any index on which such Fund is based. The simplified prospectus contains a more detailed description of the limited relationship MSCI has with CIBC, CIBC Asset Management Inc., and any related funds.

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

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