

## Annual Management Report of Fund Performance

for the financial year ended August 31, 2011

All figures are reported in Canadian dollars unless otherwise noted.

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. If you have not received a copy of the annual financial statements with this annual management report of fund performance, you can get a copy of the annual financial statements at your request, and at no cost, by calling us toll-free at 1-888-888-FUND (3863), by writing to us at Renaissance Investments, 1500 University Street, Suite 800, Montreal, Quebec, H3A 3S6, by visiting the SEDAR website at [www.sedar.com](http://www.sedar.com), or by visiting [www.renaissanceinvestments.ca](http://www.renaissanceinvestments.ca).

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

### Management Discussion of Fund Performance

#### Investment Objective and Strategies

Investment Objective: Renaissance Emerging Markets Fund (the *Fund*) seeks to achieve long-term capital appreciation by investing in securities, principally equities, of issuers in countries having smaller capital markets.

Investment Strategies: The Fund invests primarily in equity securities of countries having smaller capital markets, mostly defined by the constituents of the MSCI Emerging Markets Index.

#### Risk

The Fund is an emerging markets equity fund suitable for long-term investors who can tolerate high investment risk.

For the period ended August 31, 2011, the Fund's overall level of risk remains as discussed in the Fund's simplified prospectus.

#### Results of Operations

The portfolio sub-advisor of the Fund is Pictet Asset Management Limited (*the sub-advisor*). The commentary that follows reflects the views of the sub-advisor and provides a summary of the results of operations for the period ended August 31, 2011. All dollar figures are expressed in thousands, unless otherwise indicated.

- The Fund's net asset value decreased by 7% during the period, from \$18,380 as at August 31, 2010 to \$17,162 as at August 31, 2011. Net redemptions of \$629 and negative investment performance resulted in an overall decrease in net asset value.
- Class A units of the Fund posted a return of -3.3% for the period. The Fund's primary benchmark, the MSCI Emerging Markets Index (*the benchmark*), returned 0.3% for the same period. The Fund return is after the deduction of fees and expenses, unlike the benchmark. See *Past Performance* for the returns of other classes of units offered by the Fund.
- The Fund underperformed the benchmark over the period. The volatile and disruptive nature of financial markets has provided a

challenging environment for the sub-advisor's fundamental and valuation based stock-picking approach.

- In terms of country allocation, there was positive impact from an overweight position in Russia and an underweight strategy in Turkey. The Fund had no exposure to Egypt, which fell sharply due to the political turmoil witnessed at the start of 2011. An underweight position in the relatively expensive Mexican stock market was less successful as this market fell by less than other markets during the 2011 summer correction.
- At a sector allocation level, there was negative impact on relative performance from the underweight in consumer staple stocks, which the sub-advisor deemed to be unattractively valued relative to the banking and consumer discretionary sectors. As an offset, there was positive contribution from an overweight in the energy sector and an underweight in utilities.
- Stock selection made a negative contribution to relative performance, particularly from Asia. Holdings in Taiwanese and Korean technology companies struggled to outperform. Earnings visibility in these sectors was reduced following the Japanese earthquake and fragile consumer demand from developed economies. Stocks in the material and industrial sectors in China also struggled to out perform as the Chinese government implemented measures to cool economic growth and related inflationary pressures. On the positive side, there was a very strong contribution to relative performance from selecting financial and consumer stocks in Brazil and South Africa.
- Over the period, the sub-advisor remained committed to its investment approach of identifying cheap companies on an objective asset value and selecting those with strong underlying fundamentals. Fund weightings in China moved to an above-benchmark position over the period, while more global cyclical markets of Taiwan and Korea were underweight. Holdings in the telecommunications sector have been increased, reflecting their attributes of value, stable growth, and strong balance sheets.

### Recent Developments

#### *International Financial Reporting Standards (IFRS)*

In January 2011, the Accounting Standards Board (AcSB) amended the Introduction to Part I of the CICA Handbook – Accounting to allow investment companies, which include investment funds, to adopt IFRS for the first time no later than interim and annual financial statements relating to annual periods beginning on or after January 1, 2013. Investment companies electing to defer the first time adoption may continue to apply existing Canadian generally accepted accounting principles (GAAP) until the changeover to IFRS.

The Fund will defer the first time adoption and adopt IFRS beginning September 1, 2013. As at August 31, 2011, the Manager has developed a changeover plan to meet this timetable.

### Related Party Transactions

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

#### *Manager, Trustee, and Portfolio Advisor of the Fund*

CIBC Asset Management Inc., a wholly-owned subsidiary of CIBC, is the manager, trustee, and portfolio advisor of the Fund (CAMI or the *Manager*). CAMI will receive management fees with respect to the day-to-day business and operations of the Fund, calculated based on the net asset value of each respective class of units of the Fund, as described in the section entitled *Management Fees*. As portfolio advisor, CAMI provides, or arranges to provide, investment advice and portfolio management services to the Fund. CAMI will also compensate its wholesalers in connection with their marketing activities regarding the Fund. From time to time, CAMI may provide seed capital to the Fund.

#### *Distributor*

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

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

#### *Brokerage Arrangements and Soft Dollars*

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 (including futures) and the execution of portfolio transactions. Brokerage business may be allocated by portfolio sub-advisors to CIBC WM and CIBC World Markets Corp., each a subsidiary of CIBC. CIBC

WM and CIBC World Markets Corp. may also earn spreads on the sale of fixed income, other securities and certain derivative products (including forwards) to the Fund. A spread is the difference between the bid and ask prices for a security in the applicable marketplace, with respect to the execution of portfolio transactions. The spread will differ based upon various factors such as the nature and liquidity of the security.

Dealers, including CIBC WM and CIBC World Markets Corp., may also furnish goods and services, other than order execution, to 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 portfolio sub-advisors with investment decision making services to the Fund or relate directly to executing portfolio transactions on behalf of the Fund. As per the terms of the portfolio sub-advisory agreements, such soft dollar arrangements are in compliance with applicable laws. In addition, CAMI may enter into commission recapture arrangements with certain dealers with respect to the Fund. Any commission recaptured will be paid to the Fund.

During the period, the Fund did not pay any brokerage commissions or other fees to CIBC WM or CIBC World Markets Corp. Spreads associated with fixed income and other securities are not ascertainable and, for that reason, cannot be included when determining these amounts.

#### *Fund Transactions*

The Fund may enter into one or more of the following transactions in reliance on the standing instructions rendered by the Independent Review Committee (*IRC*):

- trade in securities of CIBC;
- invest in the securities of issuers for which CIBC WM, CIBC World Markets Corp. or another related party acts as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- purchase of securities from or sell securities to CIBC WM, CIBC World Markets or another related party, where it is acting as principal; and
- purchases or sales of securities of an issuer from or to another investment fund managed by the Manager or an affiliate of the Manager.

The relevant standing instructions require that the transactions (i) be made free from any influence of an entity related to the Manager or any sub-advisor and without taking into account any consideration relevant to an entity related to the Manager or any sub-advisor, (ii) represent the business judgment of the Manager and such sub-advisor, uninfluenced by considerations other than the best interests of the Fund, (iii) be conducted in accordance with the Manager's policies and procedures, and (iv) achieve a fair and reasonable result for the Fund. The Manager is required to report a material breach in respect of the standing instructions to the IRC.

*Custodian*

The custodian holds all cash and securities for the Fund and ensures that those assets are kept separate from any other cash or securities that the custodian may be holding. CIBC Mellon Trust Company is the custodian of the Fund (the *Custodian*). The fees for the services of the Custodian are paid by the Manager and charged to the Fund on a recoverable basis.

*Service Provider*

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

## Financial Highlights

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

### The Fund's Net Assets per Unit<sup>1</sup> – Class A Units

	2011	2010	2009	2008	2007
<b>Net Assets, beginning of period</b>	\$14.78	\$13.12	\$15.17	\$21.40	\$19.44
<b>Increase (decrease) from operations:</b>					
Total revenue	\$ 0.37	\$ 0.29	\$ 0.37	\$ 0.36	\$ 0.30
Total expenses	(0.48)	(0.42)	(0.32)	(0.54)	(0.60)
Realized gains (losses) for the period	1.50	2.06	(5.47)	0.81	4.88
Unrealized gains (losses) for the period	(1.84)	(0.32)	2.99	(2.84)	0.12
<b>Total increase (decrease) from operations<sup>2</sup></b>	\$ (0.45)	\$ 1.61	\$ (2.43)	\$ (2.21)	\$ 4.70
<b>Distributions:</b>					
From income (excluding dividends)	\$ –	\$ –	\$ –	\$ –	\$ –
From dividends	–	–	–	–	–
From capital gains	–	–	–	4.62	2.86
Return of capital	–	–	–	–	–
<b>Total Distributions<sup>3</sup></b>	\$ –	\$ –	\$ –	\$ 4.62	\$ 2.86
<b>Net Assets, end of period</b>	\$14.29	\$14.78	\$13.12	\$15.17	\$21.42

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

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

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

### Ratios and Supplemental Data – Class A Units

	2011	2010	2009	2008	2007
<b>Total Net Asset Value (000s)<sup>4</sup></b>	\$16,944	\$18,194	\$16,654	\$21,118	\$23,423
<b>Number of Units Outstanding<sup>4</sup></b>	1,184,035	1,229,696	1,268,191	1,389,181	1,093,440
<b>Management Expense Ratio<sup>5</sup></b>	3.05%	2.92%	2.90%	2.90%	2.90%
<b>Management Expense Ratio before waivers or absorptions<sup>6</sup></b>	4.11%	4.01%	4.01%	3.23%	3.50%
<b>Trading Expense Ratio<sup>7</sup></b>	0.61%	0.55%	0.76%	0.84%	0.47%
<b>Portfolio Turnover Rate<sup>8</sup></b>	109.5%	108.37%	187.65%	200.60%	146.85%
<b>Net Asset Value per Unit</b>	\$14.31	\$14.80	\$13.13	\$15.20	\$21.42

<sup>4</sup> This information is presented as at August 31 of the period(s) shown.

<sup>5</sup> Management expense ratio is based on the total expenses of the fund (excluding commissions and other portfolio transaction costs), incurred by or allocated to a class of units for the period shown, expressed as an annualized percentage of the daily average net asset value of that class during the period.

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

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

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

**The Fund's Net Assets per Unit<sup>1</sup> – Class F Units**

	2011	2010	2009	2008	2007 <sup>a</sup>
<b>Net Assets, beginning of period</b>	\$ 8.63	\$ 7.56	\$ 8.61	\$ 9.91	\$11.24 <sup>b</sup>
<b>Increase (decrease) from operations:</b>					
Total revenue	\$ 0.26	\$ 0.17	\$ 0.22	\$ 0.19	\$ 0.33
Total expenses	(0.15)	(0.13)	(0.10)	(0.15)	(0.15)
Realized gains (losses) for the period	0.75	1.19	(2.48)	0.42	2.35
Unrealized gains (losses) for the period	(1.81)	(0.39)	1.73	(3.46)	0.10
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>\$(0.95)</b>	<b>\$ 0.84</b>	<b>\$(0.63)</b>	<b>\$(3.00)</b>	<b>\$ 2.63</b>
<b>Distributions:</b>					
From income (excluding dividends)	\$ –	\$ –	\$ –	\$ –	\$ –
From dividends	–	–	–	–	–
From capital gains	–	–	–	0.37	4.02
Return of capital	–	–	–	–	–
<b>Total Distributions<sup>3</sup></b>	<b>\$ –</b>	<b>\$ –</b>	<b>\$ –</b>	<b>\$ 0.37</b>	<b>\$ 4.02</b>
<b>Net Assets, end of period</b>	<b>\$ 8.47</b>	<b>\$ 8.63</b>	<b>\$ 7.56</b>	<b>\$ 8.61</b>	<b>\$ 9.92</b>

<sup>a</sup> Information presented is for the period from May 25, 2007 to August 31, 2007.

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

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

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

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

**Ratios and Supplemental Data – Class F Units**

	2011	2010	2009	2008	2007 <sup>a</sup>
<b>Total Net Asset Value (000s)<sup>4</sup></b>	\$218	\$186	\$117	\$83	\$5
<b>Number of Units Outstanding<sup>4</sup></b>	25,758	21,519	15,402	9,647	544
<b>Management Expense Ratio<sup>5</sup></b>	1.66%	1.58%	1.56%	1.56%	1.57%*
<b>Management Expense Ratio before waivers or absorptions<sup>6</sup></b>	2.30%	2.33%	2.32%	1.64%	2.69%*
<b>Trading Expense Ratio<sup>7</sup></b>	0.61%	0.55%	0.76%	0.84%	0.50%*
<b>Portfolio Turnover Rate<sup>8</sup></b>	109.5%	108.37%	187.65%	200.60%	146.85%
<b>Net Asset Value per Unit</b>	\$8.48	\$8.64	\$7.57	\$8.63	\$9.92

<sup>a</sup> Information presented is for the period from May 25, 2007 to August 31, 2007.

\*Ratio has been annualized.

<sup>4</sup> This information is presented as at August 31 of the period(s) shown.

<sup>5</sup> Management expense ratio is based on the total expenses of the fund (excluding commissions and other portfolio transaction costs), incurred by or allocated to a class of units for the period shown, expressed as an annualized percentage of the daily average net asset value of that class during the period.

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

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

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

## Management Fees

The Fund, either directly or indirectly, pays one or more annual management fees to CAMI in consideration for the provision of, or arranging for the provision of, management, distribution, and portfolio advisory services. These fees are calculated as a percentage of the Fund's class level net asset value and are calculated and credited daily, and paid monthly. The Fund is required to pay all applicable taxes on the management fees.

The following table shows a breakdown of the services received in consideration of the management fees, as a percentage of the management fees collected from the Fund for the period ended August 31, 2011. These amounts do not include waived fees or absorbed expenses.

	Class A Units	Class F Units
Sales and trailing commissions paid to dealers	51.16%	0.00%
General administration, investment advice, and profit	48.84%	100.00%

## Past Performance

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

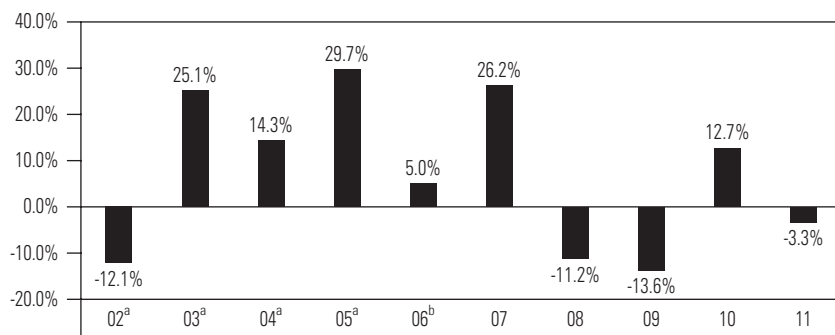
Past performance for Class O units has not been shown because, as at August 31, 2011, there were no Class O units in existence.

The Fund's returns are after the deduction of fees and expenses, and the difference in returns between classes is primarily due to the difference in management expense ratio. See the section entitled *Financial Highlights* for the management expense ratio.

## Year-by-Year Returns

These bar charts show the annual performance of each class of units of the Fund for each of the periods shown, and illustrates how the performance has changed from period to period. These bar charts show, in percentage terms, how an investment made on September 1 would have increased or decreased by August 31, unless otherwise indicated.

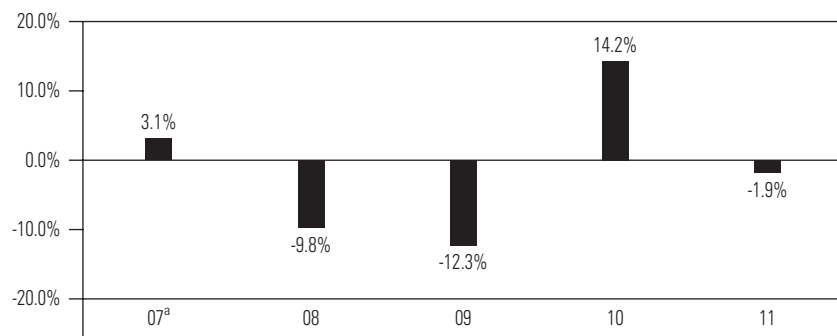
### Class A Units



<sup>a</sup>Return is for the period from January 1 to December 31 of the year shown.

<sup>b</sup>2006 return is for the period from January 1, 2006 to August 31, 2006.

## Class F Units



<sup>a</sup>2007 return is for the period from May 25, 2007 to August 31, 2007.

## Annual Compound Returns

This table shows the annual compound return of each class of units of the Fund for each indicated period ended on August 31, 2011. The annual compound total return is also compared to the Fund's benchmark(s).

	1 Year	3 Years	5 Years	10 Years* or Inception*	Since Inception*
Class A units	-3.3%	-2.0%	1.1%	7.3%	
MSCI Emerging Markets Index	0.3%	2.6%	6.0%	11.1%	
Class F units (Inception Date – May 25, 2007)	-1.9%	-0.6%			-2.1%
MSCI Emerging Markets Index	0.3%	2.6%			1.0%

\*If a class of units has been in existence for less than 10 years, the annual total compound return since inception is shown.

**MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is intended to represent the emerging countries equity market. It includes stocks from emerging countries in Asia, Latin America, Europe, Africa, and the Middle East.

A discussion of the relative performance of the Fund compared to its primary benchmark(s) can be found in *Results of Operations*.

**Summary of Investment Portfolio** (as at August 31, 2011)

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

<i>Portfolio Breakdown</i>	<i>% of Net Asset Value</i>	<i>Top Positions</i>	<i>% of Net Asset Value</i>
Brazil	15.50	Samsung Electronics Co. Ltd.	3.21
Other Countries	15.15	Companhia Vale do Rio Doce, Preferred, Series 'A'	3.00
South Korea	13.65	Cash & Cash Equivalents	2.62
China	10.77	China Mobile Ltd.	2.32
Hong Kong	9.92	Bank of China Ltd., Class 'H'	2.12
Taiwan	8.70	Industrial and Commercial Bank of China, Class 'H'	1.94
Russia	6.80	Sberbank RF	1.91
South Africa	6.51	Hyundai Motor Co. Ltd.	1.77
India	5.60	Gazprom OAO, ADR	1.75
Indonesia	4.59	Petróleo Brasileiro SA, Sponsored ADR	1.74
Cash & Cash Equivalents	2.62	Taiwan Semiconductor Manufacturing Co. Ltd.	1.68
Other Assets, Less Liabilities	0.19	MTN Group Ltd.	1.66
		Banco do Brasil SA	1.55
		CNOOC Ltd.	1.33
		AngloGold Ashanti Ltd.	1.22
		Sasol Ltd.	1.20
		KB Financial Group Inc.	1.19
		Chunghwa Telecom Co. Ltd.	1.13
		Petróleo Brasileiro SA, ADR	1.10
		Axiata Group BHD	1.09
		Kumba Iron Ore Ltd.	1.06
		Cia. Hering	1.05
		Banco Santander (Brasil) SA, ADR	1.00
		Reliance Industries Ltd.	0.99
		Novatek OAO, GDR	0.96

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

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