



May 16, 2007

Index Rebalancing Forecast

S&P/TSX Canadian Bond Index

Summary of projected changes to the index due to May 31 rebalancing effects and June 1 coupon effects

Duration of the S&P/TSX Canadian Bond Index is projected to extend by 0.15 in total following the May 31 and the June 1 coupon effects (Figure 1):

- The broad composite index will experience a net decrease of more than \$ 6.1 bn in face value due to rebalancing, which will cause the index to extend duration by 0.10 on May 31. The net decrease is due to over \$11.3 bn in face value dropping out of the index and more than \$5.2 bn in new bonds entering the index as a result of new additions and re-openings. The broad composite index will extend a further 0.05 on June 1 due to coupon outflows, estimated at \$5.4 bn, for a total duration impact from both effects of +0.15.
- On average over the last eight years, a broad market composite index of the Canadian bond market has extended by 0.18 in total given the May month-end rebalancing and June 1 coupon effects, fluctuating within a range of +0.11 to +0.23.
- The weight of the short index will increase by 1.37%, due primarily to the deletions of over \$10.9 bn in face value being offset by rolls of over \$13 bn from the mid to the short index. In contrast, the mid and long indexes will see decreases in weight of 0.63 and 0.74 respectively.
- Figures 2 to 5 below illustrate the impact of the May 31 rebalancing and June 1 coupon effects on the broad, short, mid and long indices at the sectoral level.
- See Figure 6 on page 4 for details of projected changes to the index on a bond-by-bond basis.
- See Figure 7 on page 5 for details of projected June 1 index rolls on a bond-by-bond basis.
- See Figure 8 on page 5 for expected upcoming cash flows in the S&P/TSX Canadian Bond Index.

See "Legal Disclaimer" section at the end of this report for important disclosures, including potential conflicts of interest

Figure 1: Projected changes in index characteristics for June 1, 2007

S&P/TSX CANADIAN BOND INDEX: Projected changes in weights (%)						
Sector	Projected			Time ¹	31-May Rebalance ²	1-Jun Coupon ³
	14-May	1-Jun	Change			
BROAD COMPOSITE	100.00	100.00	0	0	0	0
SHORT TERM	44.34	45.71	1.37	-0.01	1.29	0.08
MID TERM	24.48	23.86	-0.63	0.01	-0.61	-0.02
LONG TERM	31.18	30.44	-0.74	0.00	-0.68	-0.06

1. "Time" is the projected change, prior to rebalancing, of the passage of time from May 14 to May 31 given yields of May 14.
2. "Rebalance" is the change due to projected rebalancing effects on May 31.
3. "Coupon" is the change due to projected coupon cash flows on June 1.

S&P/TSX CANADIAN BOND INDEX: Projected changes in modified duration						
Sector	Projected			Time ¹	31-May Rebalance ²	1-Jun Coupon ³
	14-May	1-Jun	Change			
BROAD COMPOSITE	6.39	6.50	0.11	-0.04	0.10	0.05
SHORT TERM	2.56	2.69	0.13	-0.04	0.16	0.01
MID TERM	5.84	6.09	0.25	-0.04	0.24	0.05
LONG TERM	12.27	12.53	0.26	-0.03	0.17	0.12

1. "Time" is the projected change, prior to rebalancing, of the passage of time from May 14 to May 31 given yields of May 14.
2. "Rebalance" is the change due to projected rebalancing effects on May 31.
3. "Coupon" is the change due to projected coupon cash flows on June 1.

Maurice Smith, CFA, 416-594-8076

Kenneth Kelly, CFA, 416-594-8238

Jonathan O'Keefe, 416-594-7388

Joanna Zapior, CFA, 416-594-8498

Source for all the data in this report CIBC World Markets and S&P/TSX Canadian Bond Index

Note that we use 'will/would/is/expected to' interchangeably for readability. All comments are our opinions only, based on the applications on the index methodology.

Within the broad composite, there will be a 0.62% shift in weight from the All Government to the All Corporate sector. Notably, the Canada/Agencies weight will fall 1.17%, but its impact on All Governments is muted by an increase in Provincial weight of 0.51%.

The May 31 rebalancing plus June 1 coupon effects will cause the All Governments sector to extend duration by 0.21 (i.e. 0.14 + 0.07) and the Canada/Agencies sector by 0.25 (i.e. 0.17 + 0.08).

In the short index, the Canada/Agencies sector will see the biggest increase in weight at 0.33%. The re-opening of the Canada 3.75% June 12 bond and the roll of the two Canada issues, whose par value is over \$14.8 bn, are the main causes.

Within the All Governments sector, duration will extend by 0.23 given rebalancing and June 1 coupons, mostly due to government bonds exiting the index, with the Canada/Agencies sector extending by 0.29.

Figure 2: Projected changes in broad index characteristics for June 1, 2007

S&P/TSX CANADIAN BOND INDEX: Projected changes in weight in broad index						
Sector	Projected			Time ¹	31-May Rebalance ²	1-Jun Coupon ³
	14-May	1-Jun	Change			
BROAD MARKET	100.00	100.00	0.00	0	0	0
ALL GOVERNMENTS	72.32	71.70	-0.62	0.02	-0.46	-0.18
CANADA/AGENCIES	45.13	43.96	-1.17	0.04	-0.95	-0.25
ALL PROVINCIALS	25.14	25.66	0.51	-0.01	0.46	0.06
MUNICIPALS	2.05	2.09	0.04	0.00	0.03	0.01
ALL CORPORATES	27.68	28.30	0.62	-0.02	0.46	0.18
CORPORATE AAA	3.89	3.99	0.09	-0.01	0.08	0.03
CORPORATE AA	6.76	6.91	0.15	0.00	0.11	0.04
CORPORATE A	11.48	11.82	0.34	-0.01	0.28	0.08
CORPORATE BBB	5.55	5.58	0.03	0.00	0.00	0.04

1. "Time" is the projected change, prior to rebalancing, of the passage of time from May 14 to May 31 given yields of May 14.
2. "Rebalance" is the change due to projected rebalancing effects on May 31.
3. "Coupon" is the change due to projected coupon cash flows on June 1.

S&P/TSX CANADIAN BOND INDEX: Projected changes in duration in broad index						
Sector	Projected			Time ¹	31-May Rebalance ²	1-Jun Coupon ³
	14-May	1-Jun	Change			
BROAD MARKET	6.39	6.50	0.11	-0.04	0.10	0.05
ALL GOVERNMENTS	6.69	6.86	0.17	-0.04	0.14	0.07
CANADA/AGENCIES	5.74	5.94	0.20	-0.05	0.17	0.08
ALL PROVINCIALS	8.33	8.38	0.05	-0.03	0.04	0.04
MUNICIPALS	7.49	7.50	0.01	-0.02	0.00	0.03
ALL CORPORATES	5.60	5.57	-0.03	-0.03	0.00	0.01
CORPORATE AAA	3.27	3.30	0.03	-0.03	0.06	0.00
CORPORATE AA	4.33	4.29	-0.04	-0.04	0.00	0.01
CORPORATE A	6.84	6.79	-0.05	-0.03	-0.03	0.01
CORPORATE BBB	6.23	6.22	-0.02	-0.04	0.01	0.01

1. "Time" is the projected change, prior to rebalancing, of the passage of time from May 14 to May 31 given yields of May 14.
2. "Rebalance" is the change due to projected rebalancing effects on May 31.
3. "Coupon" is the change due to projected coupon cash flows on June 1.

Figure 3: Projected changes in short index characteristics for June 1, 2007

S&P/TSX CANADIAN BOND INDEX: Projected changes in weight in short index						
Sector	Projected			Time ¹	31-May Rebalance ²	1-Jun Coupon ³
	14-May	1-Jun	Change			
SHORT TERM	100.00	100.00	0.00	0	0	0
ALL GOVERNMENTS	69.01	69.11	0.10	0.01	0.23	-0.14
CANADA/AGENCIES	53.54	53.87	0.33	0.06	0.37	-0.09
ALL PROVINCIALS	14.46	14.26	-0.20	-0.04	-0.12	-0.04
MUNICIPALS	1.00	0.97	-0.02	0.00	-0.02	0.00
ALL CORPORATES	30.99	30.89	-0.10	-0.01	-0.23	0.14
CORPORATE AAA	6.74	6.53	-0.21	-0.03	-0.22	0.04
CORPORATE AA	8.98	9.05	0.07	0.00	0.03	0.04
CORPORATE A	9.89	10.05	0.16	0.00	0.11	0.04
CORPORATE BBB	5.39	5.26	-0.12	0.01	-0.15	0.02

1. "Time" is the projected change, prior to rebalancing, of the passage of time from May 14 to May 31 given yields of May 14.
2. "Rebalance" is the change due to projected rebalancing effects on May 31.
3. "Coupon" is the change due to projected coupon cash flows on June 1.

S&P/TSX CANADIAN BOND INDEX: Projected changes in duration in short index						
Sector	Projected			Time ¹	31-May Rebalance ²	1-Jun Coupon ³
	14-May	1-Jun	Change			
SHORT TERM	2.56	2.69	0.13	-0.04	0.16	0.01
ALL GOVERNMENTS	2.55	2.74	0.19	-0.04	0.21	0.02
CANADA/AGENCIES	2.56	2.80	0.24	-0.05	0.27	0.02
ALL PROVINCIALS	2.50	2.51	0.01	-0.04	0.02	0.02
MUNICIPALS	2.84	2.83	-0.01	-0.04	0.00	0.03
ALL CORPORATES	2.58	2.57	0.00	-0.04	0.04	0.00
CORPORATE AAA	2.52	2.51	-0.01	-0.03	0.02	0.00
CORPORATE AA	2.50	2.50	0.00	-0.04	0.04	0.00
CORPORATE A	2.71	2.72	0.01	-0.04	0.05	0.00
CORPORATE BBB	2.55	2.52	-0.03	-0.04	0.01	0.00

1. "Time" is the projected change, prior to rebalancing, of the passage of time from May 14 to May 31 given yields of May 14.
2. "Rebalance" is the change due to projected rebalancing effects on May 31.
3. "Coupon" is the change due to projected coupon cash flows on June 1.

In the mid index, the All Governments sector will see a decrease in weight of 1.85%, with Canadas/Agencies decreasing by 2.76% while All Provincials will increase by 0.73%.

Duration for the All Government sector will extend by 0.41 due to the May 31 and June 1 effects, with the largest increase coming in the Canada/Agencies (i.e. 0.70). This is mostly due to the roll of the \$9.6 bn 5.25% Canada 06/01/12 issue from the mid to the short index.

In the long index, the All Corporates sector will see an increase in weight of 0.43%, attributable mostly to an increase in weight in the Corporate A sector of 0.46% and a decrease in Canadas/Agencies sector of 2.84%

The May 31 and June 1 effects will cause duration for the All Government index to extend by 0.39, with duration for the Canada/Agencies extending by 0.82. This is mostly due to the roll of the \$7.6 bn 4.0% Canada 06/01/17 issue from the long to the mid index.

Figure 4: Projected changes in mid index characteristics for June 1, 2007

S&P/TSX CANADIAN BOND INDEX: Projected changes in weight in mid index						
Sector	Projected			Time ¹	31-May Rebalance ²	1-Jun Coupon ³
	14-May	1-Jun	Change			
MID TERM	100.00	100.00	0.00	0.00	0.00	0.00
ALL GOVERNMENTS	69.14	67.29	-1.85	0.03	-1.66	-0.22
CANADA/AGENCIES	39.45	36.69	-2.76	0.02	-2.43	-0.35
ALL PROVINCIALS	26.75	27.48	0.73	0.01	0.61	0.11
MUNICIPALS	2.94	3.11	0.18	0.00	0.16	0.02
ALL CORPORATES	30.86	32.71	1.85	-0.03	1.66	0.22
CORPORATE AAA	3.69	4.20	0.51	0.00	0.49	0.02
CORPORATE AA	9.01	9.20	0.19	0.00	0.13	0.07
CORPORATE A	12.12	13.02	0.90	-0.02	0.82	0.09
CORPORATE BBB	6.05	6.30	0.25	-0.01	0.21	0.04

1. "Time" is the projected change, prior to rebalancing, of the passage of time from May 14 to May 31 given yields of May 14.
2. "Rebalance" is the change due to projected rebalancing effects on May 31.
3. "Coupon" is the change due to projected coupon cash flows on June 1.

S&P/TSX CANADIAN BOND INDEX: Projected changes in duration in mid index						
Sector	Projected			Time ¹	31-May Rebalance ²	1-Jun Coupon ³
	14-May	1-Jun	Change			
MID TERM	5.84	6.09	0.25	-0.04	0.24	0.05
ALL GOVERNMENTS	5.80	6.17	0.37	-0.04	0.34	0.07
CANADA/AGENCIES	5.64	6.30	0.66	-0.04	0.59	0.11
ALL PROVINCIALS	5.97	5.97	0.00	-0.05	0.02	0.03
MUNICIPALS	6.28	6.29	0.01	-0.03	0.03	0.02
ALL CORPORATES	5.95	5.95	-0.01	-0.04	0.02	0.01
CORPORATE AAA	5.76	5.65	-0.10	-0.03	-0.09	0.02
CORPORATE AA	5.83	5.83	0.00	-0.04	0.03	0.01
CORPORATE A	5.93	5.97	0.04	-0.03	0.06	0.01
CORPORATE BBB	6.31	6.29	-0.03	-0.03	0.00	0.01

1. "Time" is the projected change, prior to rebalancing, of the passage of time from May 14 to May 31 given yields of May 14.
2. "Rebalance" is the change due to projected rebalancing effects on May 31.
3. "Coupon" is the change due to projected coupon cash flows on June 1.

Figure 5: Projected changes in long index characteristics for June 1, 2007

S&P/TSX CANADIAN BOND INDEX: Projected changes in weight in long index						
Sector	Projected			Time ¹	31-May Rebalance ²	1-Jun Coupon ³
	11-May	1-Jun	Change			
LONG TERM	100.00	100.00	0.00	0	0	0
ALL GOVERNMENTS	79.04	78.62	-0.43	0.04	-0.25	-0.21
CANADA/AGENCIES	38.82	35.98	-2.84	0.03	-2.37	-0.50
ALL PROVINCIALS	37.13	39.42	2.29	0.02	2.00	0.27
MUNICIPALS	3.09	3.22	0.13	-0.01	0.12	0.03
ALL CORPORATES	20.96	21.38	0.43	-0.04	0.25	0.21
CORPORATE AA	2.25	1.98	-0.27	0.00	-0.29	0.01
CORPORATE A	13.78	14.24	0.46	-0.04	0.35	0.14
CORPORATE BBB	4.92	5.16	0.24	0.00	0.19	0.06

1. "Time" is the projected change, prior to rebalancing, of the passage of time from May 11 to May 31 given yields of May 11.
2. "Rebalance" is the change due to projected rebalancing effects on May 31.
3. "Coupon" is the change due to projected coupon cash flows on June 1.

S&P/TSX CANADIAN BOND INDEX: Projected changes in duration in long index						
Sector	Projected			Time ¹	31-May Rebalance ²	1-Jun Coupon ³
	11-May	1-Jun	Change			
LONG TERM	12.03	12.30	0.28	-0.04	0.19	0.13
ALL GOVERNMENTS	12.21	12.54	0.33	-0.05	0.22	0.17
CANADA/AGENCIES	12.26	13.02	0.76	-0.06	0.50	0.32
ALL PROVINCIALS	12.30	12.27	-0.03	-0.05	-0.02	0.05
MUNICIPALS	10.50	10.51	0.01	-0.01	0.00	0.03
ALL CORPORATES	11.34	11.43	0.09	-0.02	0.10	0.01
CORPORATE AA	10.93	11.53	0.60	-0.04	0.60	0.04
CORPORATE A	11.67	11.72	0.05	-0.01	0.06	0.00
CORPORATE BBB	10.64	10.60	-0.03	-0.03	0.00	0.00

1. "Time" is the projected change, prior to rebalancing, of the passage of time from May 11 to May 31 given yields of May 11.
2. "Rebalance" is the change due to projected rebalancing effects on May 31.
3. "Coupon" is the change due to projected coupon cash flows on June 1.

Figure 6 shows CIBC World Markets forecasted additions, deletions, net re-openings and other changes in the index on May 31, 2007 due to rebalancing.

\$11.4 bn in par will be deleted from the index, while \$5.3 bn will be added. This is, for the most part, due to the removal of two Government of Canada bonds, the \$5.4 bn Canada 6.0 06/01/08 and the \$4.4 bn Canada 3.75 06/01/08.

Figure 6: Projected changes in the composition of the index on May 31, 2007

Issue	Coupon (%)	Maturity	Par value (\$000's)	Market value weight		Sector
ADDITIONS						
ROYAL BANK	4.53	7-May-12	950,000	0.14%	SHORT	FINANCIALS A
ALGONQUIN CREDIT CARDS TR	4.56	15-Jun-12	397,500	0.06%	MID	ASSET BACKED SECURITIES AAA
CITIGROUP FIN CDA	4.54	16-May-13	200,000	0.03%	MID	FINANCIALS AAA
OTTAWA MACDONALD-CARTIER	4.73	2-May-17	200,000	0.03%	MID	INDUSTRIALS A
MONTREAL QUEBEC	4.60	1-Jun-17	100,000	0.01%	MID	MUNICIPALS
NEWFOUNDLAND	4.65	17-Oct-40	350,000	0.05%	LONG	ALL PROVINCIALS
TOTAL ADDITIONS			2,197,500			
DELETIONS						
ROYAL BANK	4.39	15-May-08	(200,000)	0.03%	SHORT	FINANCIALS AA
GLOUCESTER CREDIT CARD TR	4.72	15-May-08	(295,750)	0.04%	SHORT	ASSET BACKED SECURITIES AAA
CANADA	10.00	1-Jun-08	(587,186)	0.09%	SHORT	CANADA/FEDERAL AGENCIES
CANADA	6.00	1-Jun-08	(5,465,759)	0.83%	SHORT	CANADA/FEDERAL AGENCIES
CANADA	3.75	1-Jun-08	(4,449,326)	0.65%	SHORT	CANADA/FEDERAL AGENCIES
DOFASCO	7.55	1-Oct-08	(125,000)	0.02%	SHORT	MATERIALS BBB
DOFASCO	4.96	15-Jun-17	(250,000)	0.04%	LONG	MATERIALS BBB
TOTAL DELETIONS			(11,373,021)			
RE-OPENINGS/REPURCHASES						
CANADA	5.50	01-Jun-10	(249,000)	-0.04%	SHORT	CANADA/FEDERAL AGENCIES
CIBC	4.95	02-Sep-10	500,000	0.07%	SHORT	FINANCIALS AA
CANADA	6.00	01-Jun-11	(151,000)	-0.02%	SHORT	CANADA/FEDERAL AGENCIES
CANADA	3.75	01-Jun-12	2,000,000	0.29%	SHORT	CANADA/FEDERAL AGENCIES
QUEBEC	4.50	01-Dec-17	500,000	0.07%	LONG	ALL PROVINCIALS
BRITISH COLUMBIA	4.70	18-Jun-37	500,000	0.08%	LONG	ALL PROVINCIALS
NET RE-OPENINGS			3,100,000			
STRIPPING AND RECONSTITUTION						
ONTARIO	5.60	02-Jun-35	243,500	0.04%	LONG	ALL PROVINCIALS
ONTARIO	7.60	02-Jun-27	123,500	0.03%	LONG	ALL PROVINCIALS
CANADA	3.75	01-Jun-12	100,000	0.01%	SHORT	CANADA/FEDERAL AGENCIES
CANADA	3.75	01-Jun-09	68,720	0.01%	SHORT	CANADA/FEDERAL AGENCIES
CANADA	5.25	01-Jun-12	(279,204)	-0.04%	SHORT	CANADA/FEDERAL AGENCIES
ONTARIO	4.70	02-Jun-37	(242,000)	-0.04%	LONG	ALL PROVINCIALS
QUEBEC HYDRO	5.00	15-Feb-45	(145,500)	-0.02%	LONG	ALL PROVINCIALS
CANADA	5.50	01-Jun-09	(69,000)	-0.01%	SHORT	CANADA/FEDERAL AGENCIES
All Other			111,396	0.02%		
NET STRIPS AND RECONS			(88,588)			
TOTAL			(6,164,109)			

Figure 7 shows projected rolls between the long, mid and short indices as of May 31, 2007.

Nearly 45% of the value of the overall rolls can be attributed to a single bond, the \$9.6 bn Government of Canada 5.25 06/01/12 issue.

Figure 7: Projected index rolls on May 31, 2007

Issue	Coupon (%)	Maturity	Par value (\$000's)	Sector
Rolls				
Mid to Short				
ALTA MUNIC FIN	5.85	1-Jun-12	498,500	ALL PROVINCIALS
CANADA	3.75	1-Jun-12	3,202,900	CANADA/FEDERAL AGENCIES
CANADA	5.25	1-Jun-12	9,670,266	CANADA/FEDERAL AGENCIES
CAPITAL DESJARDINS INC	6.32	1-Jun-12	283,400	FINANCIALS AA
CMHC	5.50	1-Jun-12	257,000	CANADA/FEDERAL AGENCIES
TOTAL			13,912,066	
Long to Mid				
CANADA	4.00	1-Jun-17	7,606,850	CANADA/FEDERAL AGENCIES
GREATER TORONTO AIRPORT	4.85	1-Jun-17	450,000	INDUSTRIALS A
TOTAL			8,056,850	
TOTAL			21,968,916	

Figure 8 shows projected cash flows for June 2007.

The table includes the following information:

- There are 137 bonds in the index that have coupon payments on June 1 or June 2, for a total of \$6.46 bn.
- There are 33 Canada/Agencies bonds that pay coupons on these two days, of which 27 are Government of Canada bonds.
- There are 56 Provincial bonds that pay coupons on these two days, led by Ontario and Quebec, with 15 and 11 bonds respectively.

Figure 8: Upcoming cash flows in the S&P/TSX Canadian Bond Market Index

Projected Cashflows for the Broad Market Composite (\$000's)			
Date	Interest	Principal Amortization	Total
01-Jun-07	5,411,498	4,875	5,416,373
04-Jun-07	1,048,686	3,542	1,052,228
05-Jun-07	17,940	0	17,940
06-Jun-07	48,248	0	48,248
07-Jun-07	13,688	0	13,688
08-Jun-07	21,183	5,145	26,328
11-Jun-07	114,007	2,346	116,353
12-Jun-07	34,175	0	34,175
13-Jun-07	19,000	0	19,000
14-Jun-07	71,119	0	71,119
15-Jun-07	596,503	0	596,503
18-Jun-07	224,442	2,637	227,079
19-Jun-07	24,441	0	24,441
20-Jun-07	20,546	0	20,546
21-Jun-07	7,541	0	7,541
22-Jun-07	128,409	0	128,409
25-Jun-07	32,510	0	32,510
27-Jun-07	35,907	0	35,907
28-Jun-07	48,760	0	48,760
29-Jun-07	29,113	0	29,113

Potential Conflicts of Interest: Research analysts and economists employed by CIBC World Markets are compensated from revenues generated by various CIBC World Markets businesses, including the CIBC World Markets Investment Banking Department within the Corporate and Leveraged Finance Division. Research analysts do not receive compensation based upon revenues from specific investment banking transactions. CIBC World Markets generally prohibits any research analyst and any member of his or her household from executing trades in the securities of a company that such research analyst covers. Additionally, CIBC World Markets generally prohibits any research analyst from serving as an officer, director or advisory board member of a company that such analyst covers.

CIBC World Markets may have a long or a short position or deal as principal in the securities discussed herein, related securities or in options, futures or other derivative instruments based thereon.

Legal Disclaimer: This report is issued and approved for distribution by (i) in Canada, CIBC World Markets Inc., a member of the Investment Dealers Association ("IDA"), the Toronto Stock Exchange, the TSX Venture Exchange and CIPF, (ii) in the United Kingdom, CIBC World Markets plc, which is regulated by the Financial Services Authority ("FSA"), and (iii) in Australia, CIBC World Markets Australia Limited, a member of the Australian Stock Exchange and regulated by the ASIC (collectively, "CIBC World Markets"). This report is distributed in the United States by CIBC World Markets Inc. and has not been reviewed or approved by CIBC World Markets Corp., a member of the New York Stock Exchange ("NYSE"), NASD and SIPC. This report is intended for distribution in the United States only to Major Institutional Investors (as such term is defined in SEC 15a-6 and Section 15 of the Securities Act of 1934, as amended) and is not intended for the use of any person or entity that is not a major institutional investor. Major Institutional Investors receiving this report should effect transactions in securities discussed in the report through CIBC World Markets Corp.

This report is provided, for informational purposes only, to institutional investor and retail clients of CIBC World Markets in Canada, and does not constitute an offer or solicitation to buy or sell any securities discussed herein in any jurisdiction where such offer or solicitation would be prohibited. This document and any of the products and information contained herein are not intended for the use of private investors in the United Kingdom. Such investors will not be able to enter into agreements or purchase products mentioned herein from CIBC World Markets plc. The comments and views expressed in this document are meant for the general interests of clients of CIBC World Markets Australia Limited.

The securities mentioned in this report may not be suitable for all types of investors. This report does not take into account investment objectives, financial situation or specific needs of any particular client of CIBC World Markets. Recipients should consider this report as only a single factor in making an investment decision and should not rely solely on investment recommendations contained herein as a substitution for independent judgment of the merits and risks of investments. Before making an investment decision with respect to any security recommended in this report, the recipient should consider whether such recommendation is appropriate given the recipient's particular investment needs, objectives and financial circumstances. CIBC World Markets suggests that, prior to acting on any of the recommendations herein, Canadian retail clients of CIBC World Markets contact one of our client advisers in your jurisdiction to discuss your particular circumstances. Non-client recipients of this report who are not institutional investor clients of CIBC World Markets should consult with an independent financial advisor prior to making any investment decision based on this report or for any necessary explanation of its contents. CIBC World Markets will not treat non-client recipients as its clients by virtue of their receiving this report.

Past performance is not a guarantee of future results, and no representation or warranty, express or implied, is made regarding future performance of any security mentioned in this report. The price of the securities mentioned in this report and the income they produce may fluctuate and/or be adversely affected by exchange rates, and investors may realize losses on investments in such securities, including the loss of investment principal. CIBC World Markets accepts no liability for any loss arising from the use of information contained in this report, except to the extent that liability may arise under specific statutes or regulations applicable to CIBC World Markets.

Information, opinions and statistical data contained in this report were obtained or derived from sources believed to be reliable. CIBC World Markets does not represent that such information, opinion or statistical data is accurate or complete (with the exception of information contained in the Important Disclosures section of this report provided by CIBC World Markets or individual research analysts). They should not be relied upon as such. All estimates, opinions and recommendations expressed herein constitute judgments as of the date of this report and are subject to change without notice.

Nothing in this report constitutes legal, accounting or tax advice. Since levels and bases of taxation can change, any reference in this report to the impact of taxation should not be construed as tax advice on the tax consequences of investments. As with any investment having potential tax implications, clients should consult with their own independent tax adviser.

This report may provide addresses of, or contain hyperlinks to, Internet web sites. CIBC World Markets has not reviewed the linked Internet web site of any third party and takes no responsibility for the contents thereof. Each such address or hyperlink is provided solely for the recipient's convenience and information, and the content of linked third party web sites is not in any way incorporated into this document. Recipients who choose to access such third-party web sites or follow such hyperlinks do so at their own risk.

Although each company issuing this report is a wholly owned subsidiary of Canadian Imperial Bank of Commerce ("CIBC"), each is solely responsible for its contractual obligations and commitments, and any securities products offered or recommended to or purchased or sold in any client accounts (i) will not be insured by the Federal Deposit Insurance Corporation ("FDIC"), the Canada Deposit Insurance Corporation or other similar deposit insurance, (ii) will not be deposits or other obligations of CIBC, (iii) will not be endorsed or guaranteed by CIBC, and (iv) will be subject to investment risks, including possible loss of the principal invested. The CIBC trademark is used under license.

© 2005 CIBC World Markets Inc. All rights reserved. Unauthorized use, distribution, duplication or disclosure without the prior written permission of CIBC World Markets is prohibited by law and may result in prosecution.