



The Munro Fund

Fact Sheet 6: January 2008

Fund Manager's Comment

Final terms for the takeover of ICI and Resolution have been received and a date for the purchase of Kelda is expected shortly. Scottish & Newcastle is the subject of a bid and Rio Tinto has had an informal approach from BHP Billiton. This corporate activity has been in sharp contrast to the weakness in the remainder of the market over the last month, mostly driven by the financial sector. The evidence for that can be seen by the continued reduction in forecast dividends from the banks for 2008. Consensus forecasts for RBS have decreased from 39p to 36p and HBOS from 52p to 51p. The two oil stocks, BP and Shell, were the only two companies that benefited from increases to forecast dividends. The relative outperformance of BP had increased its weight in the fund relative to the model portfolio so the position was trimmed to bring it back into line. There was no other trading during the month.

Investment Objective

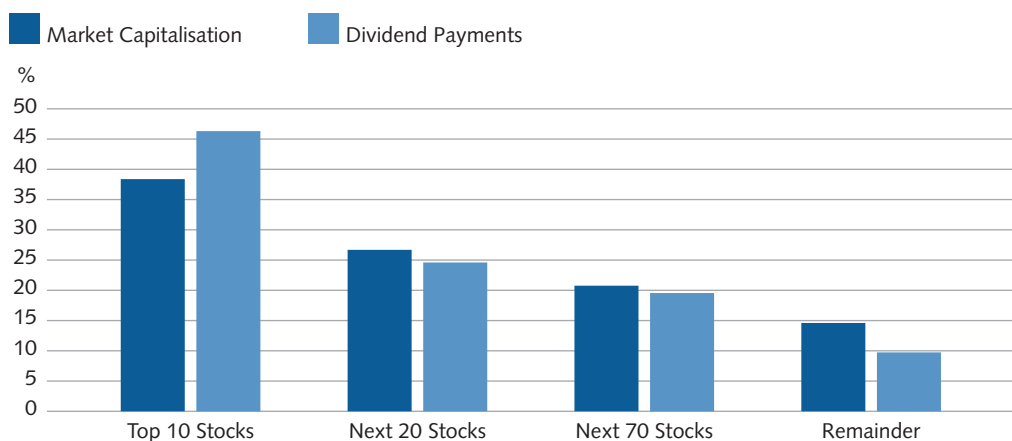
To provide a core, long term, UK equity market investment vehicle at low cost and low maintenance that will outperform a relevant tracker fund.

Why choose this Fund?

This fund combines the best attributes of a tracker fund and an active fund, but with less risk. Because it will hold most of the companies that make up the FTSE 350 index when fully invested it will have a lower risk relative to more concentrated funds. This also helps to capture most of the returns. As the portfolio is calculated using a defined systematic investment process it removes individual bias from stock selection. It also means the process will be the same in ten years time irrespective of who is managing it. Monthly rebalancing ensures the model portfolio always incorporates the latest forecasts.

Fund relative to Index

Structure of FTSE 350 by Market Capitalisation and by Total Dividend Payout



Key Information

The fund is a UK authorised Open Ended Investment Company (OEIC) with single pricing on a forward basis at 12:00. The authorised corporate director is Smith & Williamson Fund Administration, 25 Moorgate, London, EC2R 6AY, 020 7131 4223, www.smith.williamson.co.uk. The custodian is Bank of New York.

The investment manager is Fundamental Tracker Investment Management Limited, Suite J, Exchange House, 50 Drymen Road, Bearsden, Glasgow G61 2RH. Tel: 0141 931 7645
Email: robert.davies@fundamentaltracker.com
www.fundamentaltracker.com

Distribution Allocation Dates

Finals May 31st, Interims September 30th.

Prospectus

A simplified and a full Prospectus are available. They can be downloaded from the website at www.themunrofund.com.

Rebalancing Date

Tenth day of the month or the next business day after.

Telephone Dealing Number

020 7131 4223

Top 50 Holdings

Company	Holding	Company	Holding
HSBC Holdings PLC	8.50%	BAE Systems PLC	0.90%
Vodafone Group Plc	7.70%	SABMiller PLC	0.89%
BP Plc	6.48%	Carnival Plc	0.88%
Royal Bank of Scotland Group PLC	5.51%	Centrica Plc	0.84%
GlaxoSmithKline PLC	4.93%	Prudential Plc	0.83%
Royal Dutch Shell Plc	4.61%	United Utilities Plc	0.74%
Barclays PLC	3.81%	Reckitt Benckiser PLC	0.74%
Royal Dutch Shell Plc	3.41%	Old Mutual PLC	0.72%
British American Tobacco PLC	3.13%	BG Group plc	0.68%
Lloyds TSB Group PLC	3.04%	Legal and General Group PLC	0.66%
HBOS Plc	2.91%	Cadbury Schweppes PLC	0.55%
BHP Billiton PLC	2.67%	Xstrata Plc	0.53%
AstraZeneca PLC	2.43%	Land Securities Group PLC	0.52%
Rio Tinto PLC	1.98%	British Sky Broadcasting Group PLC	0.51%
BT Group PLC	1.95%	Marks and Spencer Group PLC	0.50%
National Grid Plc	1.72%	Alliance & Leicester PLC	0.48%
Unilever PLC	1.71%	Man Group Plc	0.48%
Tesco PLC	1.66%	Pearson PLC	0.44%
Diageo PLC	1.57%	Scottish and Newcastle PLC	0.43%
Aviva PLC	1.56%	Rolls-Royce Group PLC	0.42%
Anglo American PLC	1.36%	Reed Elsevier PLC	0.40%
Standard Chartered PLC	1.24%	Standard Life Plc	0.39%
Imperial Tobacco Group PLC	1.11%	Royal & Sun Alliance Ins. Group PLC	0.38%
Scottish & Southern Energy PLC	1.09%	Drax Group Plc	0.37%
British Energy Group PLC	0.90%	Resolution Plc	0.37%

Share Classes

Each class has Accumulation and Income shares.

		Retail	Institutional	Direct
Sedol Codes:	Accumulation	B1Z8MD2	B1Z8LD5	B1Z8LM4
	Income	B1Z8LY6	B1Z8MB0	B1Z8L91
Bloomberg Ticker:	Accumulation	SWMNURA LN	SWMNUBA LN	SWMNUXA LN
	Income	SWMNURI LN	SWMNUBI LN	SWMNUXI LN
ISIN:	Accumulation	GB00B1Z8MD27	GB00B1Z8LD51	GB00B1Z8LM43
	Income	GB00B1Z8LY64	GB00B1Z8MB03	GB00B1Z8L916
Annual Management Charge		1.5%	1.25%	0.75%
Initial Charge		5.0%	<5.0%	0.0%
Minimum Initial Investment		£1,000	£100,000	£250
Minimum Subsequent Investment		£1,000	£1,000	£100
Charges		Taken from capital		
Accounting Period		January 31st		

Prices per Unit at 14th January

	Unit	Price	Yield
Retail:	Accumulation	91.32p	n/a%
	Income	91.30p	2.28%
Institutional:	Accumulation	100.0p	n/a
	Income	100.0p	n/a
Direct:	Accumulation	94.50p	n/a%
	Income	94.50p	2.28%

Further information is available on our website www.themunrofund.com