



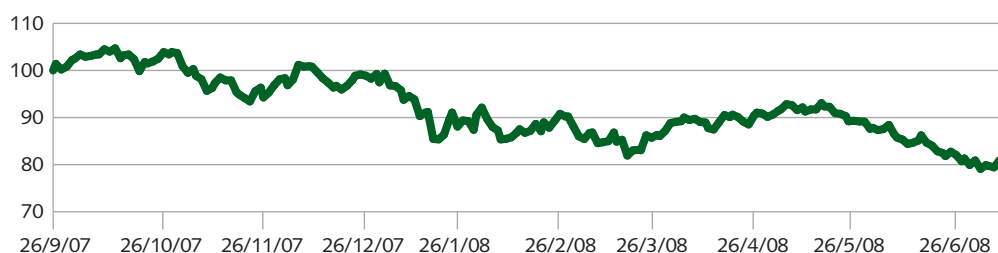
The Munro Fund

Fact Sheet 12: July 2008

Fund Manager's Comment

A one percent fall in the dollar over the month was the main reason the gross forecast dividend for the FTSE 350 in 2009 fell by 0.2% to £71.3 billion. The other contributory factors were reductions in dividend forecasts for the house builders and some of the smaller banks. A weaker dollar impacted big internationals like Shell B, HSBC and AstraZeneca. BP was less affected as its dividend forecasts in dollars have been increased. Barratt Developments, Taylor Wimpey, Bradford & Bingley and Alliance & Leicester all experienced sharp reductions in forecast dividends. Only two companies, Barclays and Imperial Tobacco, benefited from increases in gross dividend forecasts. Both are predicted to pay out more in total dividends in 2009 as a consequence of having more shares in issue after raising capital this year. The only trading done by the fund over the last month was to top up underweight positions in Barclays, Lloyds and Carnival Cruise Lines.

Munro X Acc Prices



Investment Objective

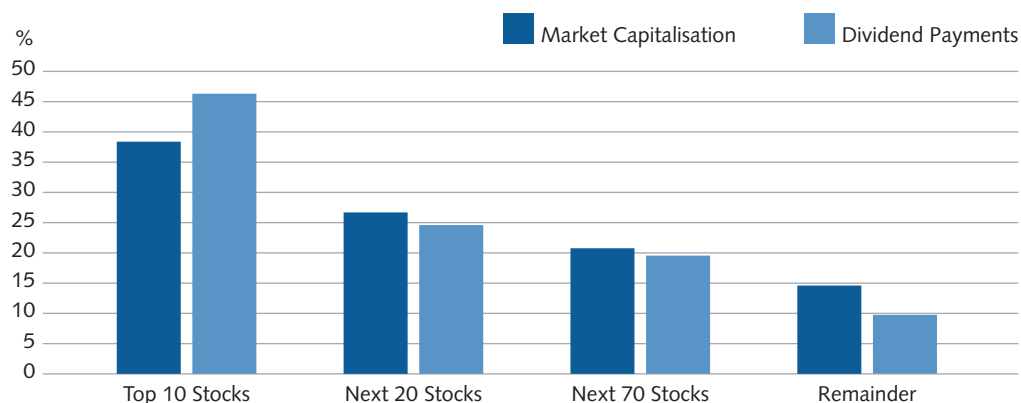
To provide a core, long term, UK equity market investment vehicle at low cost and low maintenance that will outperform a relevant tracker fund.

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.

Income Relative to Size

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



Top 50 Holdings

Company	Holding	Company	Holding
HSBC Holdings Plc	8.60%	Carnival Plc	0.99%
BP Plc	8.03%	BAE Systems Plc	0.85%
Vodafone Group Plc	6.94%	BG Group Plc	0.80%
GlaxoSmithKline Plc	4.83%	Centrica Plc	0.80%
Royal Dutch Shell Plc-A Shs	4.58%	Reckitt Benckiser Group Plc	0.79%
Royal Bank Of Scotland Group	3.87%	United Utilities Plc	0.76%
Royal Dutch Shell Plc-B Shs	3.76%	SABMiller Plc	0.76%
BHP Billiton Plc	3.24%	Prudential Plc	0.67%
Barclays Plc	3.22%	Xstrata Plc	0.63%
British American Tobacco Plc	3.04%	Man Group Plc	0.58%
Lloyds TSB Group Plc	2.87%	Legal & General Group Plc	0.54%
AstraZeneca Plc	2.69%	Drax Group Plc	0.51%
Rio Tinto Plc	2.28%	British Sky Broadcasting Gro	0.45%
HBOS Plc	1.66%	Old Mutual Plc	0.45%
Tesco Plc	1.60%	Land Securities Group Plc	0.44%
BT Group Plc	1.60%	Pearson Plc	0.43%
Unilever Plc	1.51%	Compass Group Plc	0.42%
Anglo American Plc	1.47%	Eurasian Natural Resources	0.41%
Diageo Plc	1.46%	Reed Elsevier Plc	0.39%
National Grid Plc	1.45%	Cadbury Plc	0.39%
Aviva Plc	1.31%	Standard Life Plc	0.38%
Imperial Tobacco Group Plc	1.22%	RSA Insurance Group Plc	0.36%
British Energy Group Plc	1.20%	International Power Plc	0.34%
Standard Chartered Plc	1.11%	Cable & Wireless Plc	0.33%
Scottish & Southern Energy	1.05%	Marks & Spencer Group Plc	0.32%

Fund Size: £859,437 Number of holdings: 80

Prices per Unit at 11th July

	Unit	Price	Yield	Sedol
Retail	Accumulation	76.12p	n/a	B1Z8MD2
	Income	76.11p	2.60%	B1Z8LY6
Institutional	Accumulation	91.31p	n/a	B1Z8LD5
	Income	100.00p	n/a	B1Z8MB0
Direct	Accumulation	78.82p	n/a	B1Z8LM4
	Income	78.82p	2.60%	B1Z8L91

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

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.

Website

www.themunrofund.com

IMA Category

UK All Companies

Rebalancing Date

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

Telephone Dealing Number

020 7131 4223