



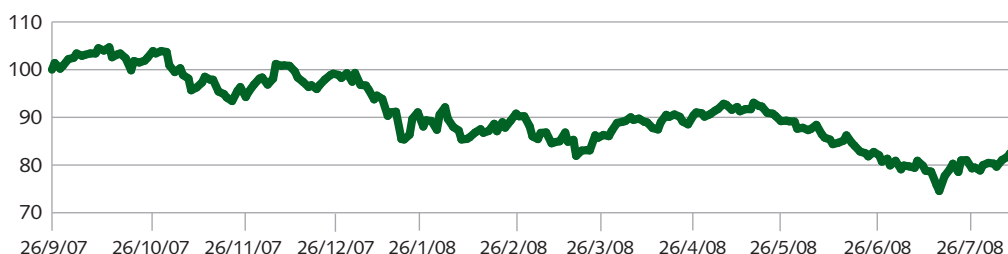
The Munro Fund

Fact Sheet 13: August 2008

Fund Manager's Comment

A three percent rise in the dollar over the month was the underlying factor in the 1.8% increase in the forecast gross dividend for the FTSE 350 rising by 1.8% to £72.7 billion. The main beneficiaries were BP, Shell and BHP Billiton who also gained from increased dividends and forecasts of higher dividends as a result of high oil prices. Contributions from these three companies make up £900 million of the £1,300 million forecasted increase. The only other major positive influence was Royal Bank of Scotland where an increase in the number of forecasts for 2009 now factoring in the rights issue has raised the mean estimate. On the negative side there were a number of fairly modest features. The share buy-back announced by Vodafone reduced its weight in the model portfolio by 0.26% to 6.15% and the return of capital by United Utilities cut its weight by 0.1%. Barclays, Lloyds, AstraZeneca, GlaxoSmithKline and British Telecom all had their forecast dividends trimmed. There was no trading during the month.

Munro X Acc Prices



Investment Objective

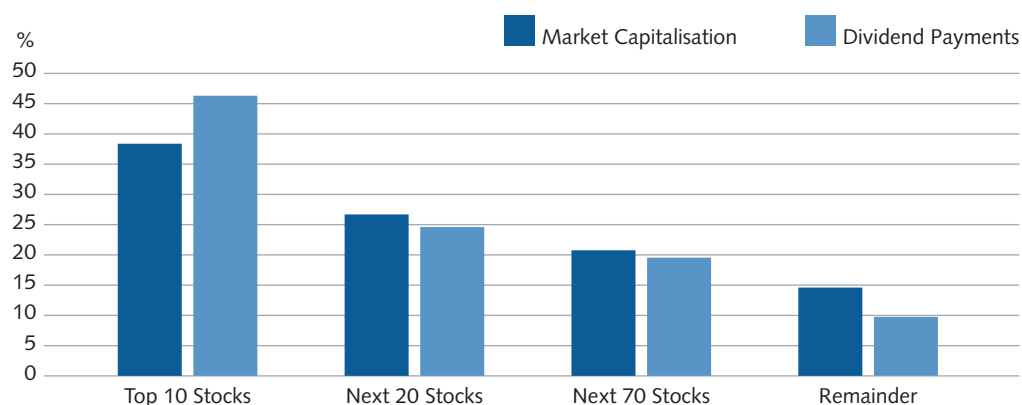
To provide a core, long term, UK equity market investment vehicle at low cost and low maintenance that will outperform a relevant tracker fund.

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	9.15%	Scottish & Southern Energy	0.98%
BP Plc	7.59%	BAE Systems Plc	0.88%
Vodafone Group Plc	6.03%	Reckitt Benckiser Group Plc	0.80%
Glaxosmithkline Plc	4.71%	Centrica Plc	0.79%
Royal Bank Of Scotland Group	4.33%	SABMiller Plc	0.76%
Barclays Plc	4.07%	BG Group Plc	0.75%
Royal Dutch Shell Plc-A Shs	4.06%	Prudential Plc	0.71%
Royal Dutch Shell Plc-B Shs	3.30%	Legal & General Group Plc	0.58%
British American Tobacco Plc	3.10%	United Utilities Group Plc	0.56%
Lloyds TSB Group Plc	3.00%	Man Group Plc	0.51%
BHP Billiton Plc	2.79%	Xstrata Plc	0.49%
AstraZeneca Plc	2.78%	Land Securities Group Plc	0.46%
HBOs Plc	1.97%	Drax Group Plc	0.46%
Rio Tinto Plc	1.92%	Old Mutual Plc	0.45%
Tesco Plc	1.56%	British Sky Broadcasting Gro	0.45%
Diageo Plc	1.49%	Pearson Plc	0.44%
Unilever Plc	1.46%	Compass Group Plc	0.42%
National Grid Plc	1.43%	Eurasian Natural Resources	0.42%
Anglo American Plc	1.32%	Standard Life Plc	0.41%
Aviva Plc	1.30%	RSA Insurance Group Plc	0.39%
BT Group Plc	1.29%	Reed Elsevier Plc	0.38%
Imperial Tobacco Group Plc	1.24%	Cadbury Plc	0.38%
British Energy Group Plc	1.16%	Marks & Spencer Group Plc	0.36%
Carnival Plc	1.15%	Kingfisher Plc	0.35%
Standard Chartered Plc	1.15%	Cable & Wireless Plc	0.34%

Fund Size: £890,091 Number of holdings: 80

Prices per Unit at 11th August

	Unit	Price	Yield	Sedol
Retail	Accumulation	80.10p	n/a	B1Z8MD2
	Income	78.06p	2.80%	B1Z8LY6
Institutional	Accumulation	96.12p	n/a	B1Z8LD5
	Income	100.00p	n/a	B1Z8MB0
Direct	Accumulation	82.97p	n/a	B1Z8LM4
	Income	80.84p	2.80%	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