

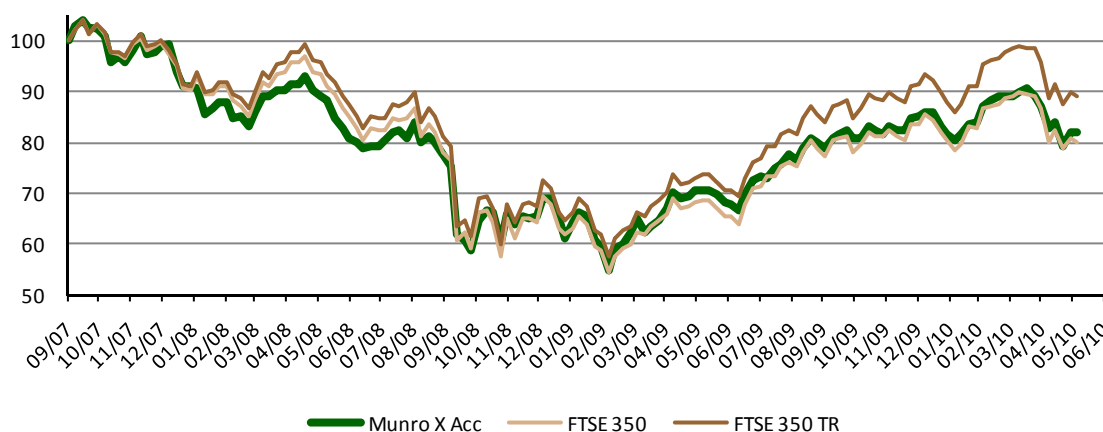
Fund Objective

The Munro Fund seeks to deliver the total return of the FTSE 350 index through its unique process of creating a tracker fund using forecast gross cash dividends to construct the portfolio.

Fund Manager's Comment

Another month of a stronger dollar, up 1.9%, contributed to the 1.3% rise in the forecast gross cash dividend for the FTSE 350 next year to £70.4b. The bulk of the increase, £472m, came from Vodafone as a consequence of increased expectations and the roll over into the financial year ending March 2012. Other increases were from HSBC, Aviva, BT, SAB Miller and Scottish and Southern Energy. Forecasts for BP were cut although at £7.3b it is still the largest single source of cash for the FTSE 350. Other companies experiencing cuts were AstraZeneca, Barclays, Lloyds, BHP Billiton, Man Group, Unilever and Diageo. The fund is not taking up its rights in the National Grid rights. Trading during the month was modest and directed at keeping the fund in line with the model. The largest trade was topping up BP when the shares slumped badly on bad news from its Macondo well in the Gulf of Mexico. Relative to the index BP remains the biggest overweight in the fund while BG is the largest underweight position.

Munro X Acc Prices



Returns

	Since Launch	2 Year	1 Year	6 Month	3 Month
Munro X Acc	-19.5%	-9.0%	14.0%	-3.6%	-7.6%
FTSE 350 Index	-20.4%	-13.1%	15.2%	-3.6%	-8.7%
FTSE 350 TR Index	-11.4%	-5.9%	19.3%	-1.7%	-7.6%

Tracking Error

4.14%

A measure of how closely a portfolio follows the index. It measures the standard deviation of the difference between the portfolio and index returns over one year and can be viewed as a measure of risk.

Excess Return

-4.46

The return on the fund minus the return on the benchmark. The higher the excess return the more the fund has outperformed the index. N.B. This measure takes no account of risk.

Information Ratio

-0.96

The excess return divided by the tracking error. A measure of risk adjusted performance which gives the average performance per unit of volatility against the benchmark. The higher the ratio, the higher the return of the fund for the risk taken.

Beta

0.74

A measure of a fund's volatility relative to that of its benchmark. Beta is the percent change in the price of the fund given a 1% change in the benchmark. This reveals if the fund moves in line with the benchmark with a beta of 1 indicating perfect alignment. It can also be used as a measure of risk: the higher the beta, the higher the risk.

Alpha

0.02

The mathematical estimate of the return on a fund when the return on the benchmark is zero.

Yield

2.9%

Based on dividends paid and income received to date for future pay-out.

Source: Bloomberg and FTIM as at 07/06/10.

Disclaimer:

- The value of your shares and the income from them can go down as well as up and you may get back less than you invested.
- Past performance is not a guide to the future.

Top 30 Holdings

Company	Holding	Company	Holding
BP Plc	9.34%	Unilever Plc	1.50%
HSBC Holdings Plc	7.66%	National Grid Plc	1.44%
Vodafone Group Plc	7.14%	Anglo American Plc	1.40%
Royal Dutch Shell Plc-A Shs	5.14%	SABMiller Plc	1.39%
GlaxoSmithKline Plc	4.64%	Centrica Plc	1.30%
BHP Billiton Plc	4.59%	Reckitt Benckiser Group Plc	1.26%
Royal Dutch Shell Plc-B Shs	4.34%	Scottish & Southern Energy	1.25%
British American Tobacco Plc	3.61%	Aviva Plc	1.18%
AstraZeneca Plc	3.58%	BT Group Plc	1.16%
Rio Tinto Plc	2.58%	Prudential Plc	1.01%
Tesco Plc	2.08%	BAE Systems Plc	0.95%
Standard Chartered Plc	1.80%	BG Group Plc	0.74%
Barclays Plc	1.73%	Lloyds Banking Group Plc	0.74%
Imperial Tobacco Group Plc	1.70%	Xstrata Plc	0.70%
Diageo Plc	1.60%	British Sky Broadcasting Gro	0.69%

Fund Size: £1,482,992

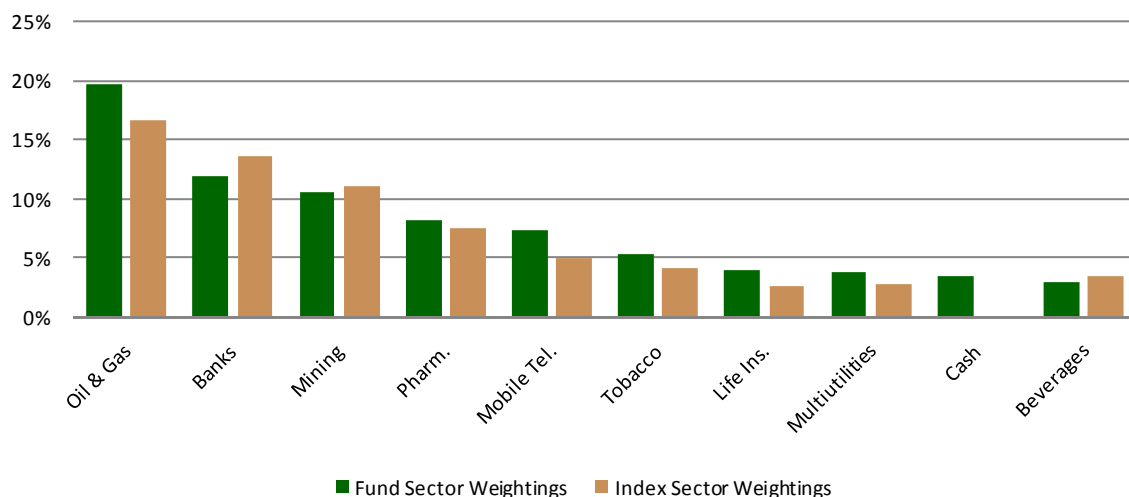
Number of Holdings: 108

Dividends

	A Class Income	X Class Income
2009 Interim Dividend	1.303p	1.343p
2010 Final Dividend (paid May 31st)	0.807p	0.833p
2010 Interim Dividend	Ex-dividend date July 31st. To be paid September 30th.	

Sector Weightings

Top 10 Sector Weightings



Sector

IMA Sector	UK All Companies
Benchmark	FTSE 350 Total Return Index

Website

Fund Website	www.themunrofund.com
Prices	www.themunrofund.com/0603_prices.html

Dealing

Please call: 020 7131 4223

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