



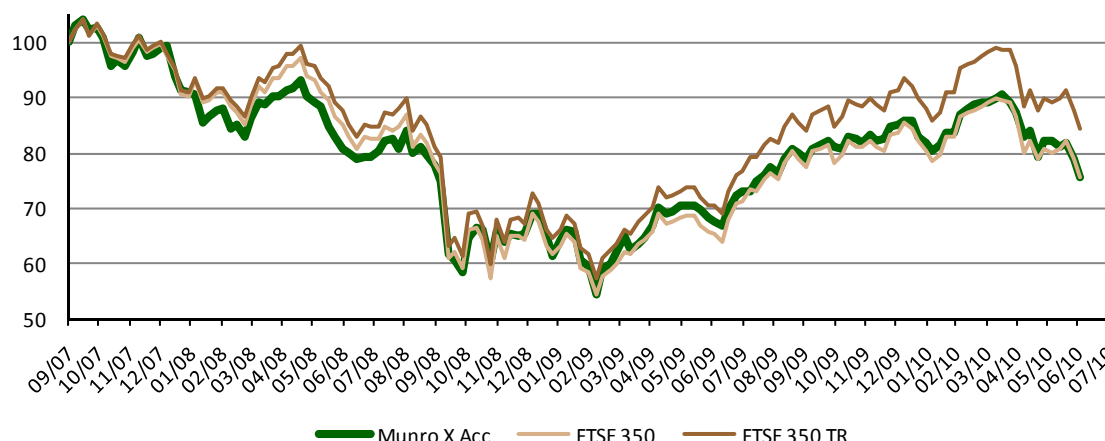
Fund Objective

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

Last month was dominated by the crisis at BP. The fund consistently bought BP as it fell resulting in a 57% increase in the number of shares held to maintain the fund weight at 9.5% in June. Analysts continued to forecast unchanged dividends for 2010 from the company until it announced it would not pay the first three dividends for this year. Since then, dividend forecasts for 2011, on which the model is based, have been reduced from 40p to 30p a share. Using this new data for the rebalancing in early July has cut its weight in the model from 9.5% to 8.3%. The impact was compounded by the 4.7% rise in sterling over the month. Overall this has reduced the gross forecast dividend payment for all companies in the FTSE 350 by 3.3% to £68 billion. Other trading during the month was higher than normal due to increased market volatility especially from miners and banks. Miners were bought and sold as a result of the uncertainty created by the proposed Australian resource tax. Bank stocks moved on speculation over the imposition of new levies. National Grid nil paid was sold.

Munro X Acc Prices



Returns

	Since Launch	2 Year	1 Year	6 Month	3 Month
Munro X Acc	-24.2%	-6.3%	10.5%	-10.8%	-14.9%
FTSE 350 Index	-23.7%	-8.9%	15.7%	-9.4%	-15.1%
FTSE 350 TR Index	-15.1%	-1.5%	19.6%	-7.7%	-14.3%

Tracking Error

4.10%

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

-7.28

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

-1.02

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

0.76

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

-0.05

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

Yield

3.1%

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

Source: Bloomberg and FTIM as at 05/07/10.

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	8.39%	Unilever Plc	1.45%
HSBC Holdings Plc	7.41%	Diageo Plc	1.41%
Vodafone Group Plc	7.23%	Anglo American Plc	1.35%
Royal Dutch Shell Plc-A Shs	5.32%	Centrica Plc	1.24%
GlaxoSmithkline Plc	4.52%	SABMiller Plc	1.23%
BHP Billiton Plc	4.51%	Scottish & Southern Energy	1.19%
Royal Dutch Shell Plc-B Shs	4.23%	Reckitt Benckiser Group Plc	1.11%
British American Tobacco Plc	3.67%	Aviva Plc	1.08%
AstraZeneca Plc	3.49%	BT Group Plc	1.08%
Rio Tinto Plc	2.31%	Prudential Plc	0.86%
National Grid Plc	1.99%	BAE Systems Plc	0.84%
Tesco Plc	1.83%	British Sky Broadcasting Gro	0.76%
Standard Chartered Plc	1.67%	Lloyds Banking Group Plc	0.70%
Imperial Tobacco Group Plc	1.51%	Carnival Plc	0.70%
Barclays Plc	1.48%	BG Group Plc	0.68%

Fund Size: £1,607,938

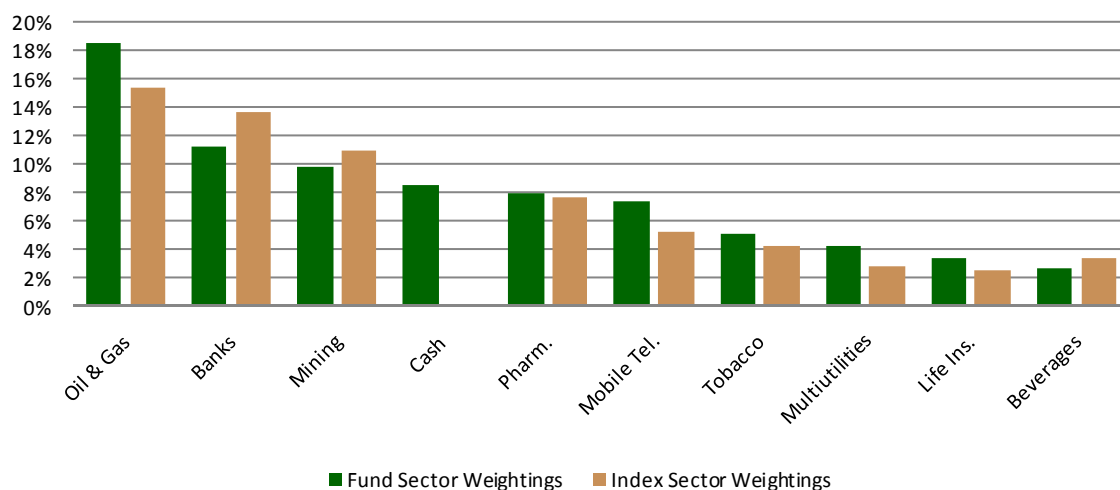
Number of Holdings: 108

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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