



Fund Objective

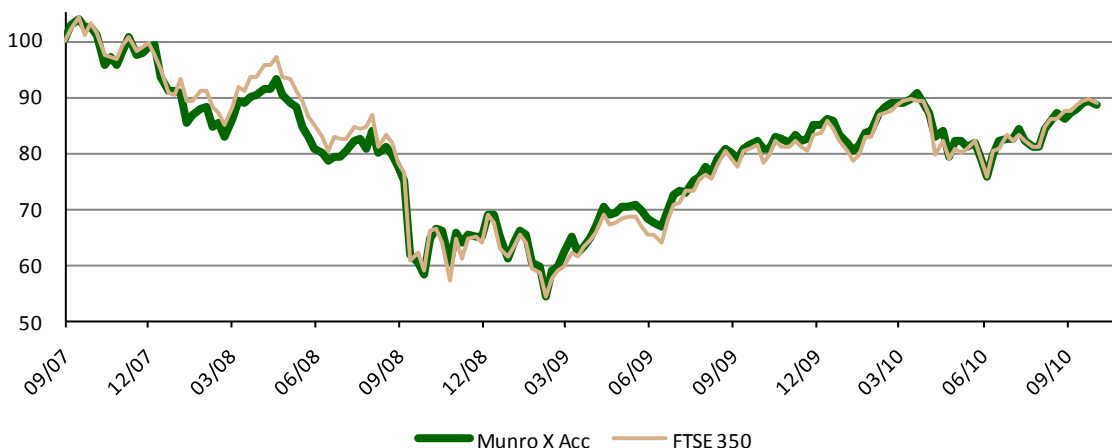
The Munro Fund seeks to deliver the total return of the FTSE 350 index through its unique process of creating a tracker fund using forecast gross cash dividends to construct the portfolio.

Fund Manager's Comment

Continued dollar weakness has again reduced the projected dividend income from the FTSE 350. During October the sterling exchange rate fell from 1.58 to 1.60 and that was the dominant reason for the 0.6% decline in the forecast dividend to £68.0 billion.

October saw further modest gain in the market as some large capitalisation value shares gained at expense of smaller growth stocks that had been responsible for much of the gains over the last year. A noteworthy feature of the market has been the extremely low volatility which minimised the amount of dealing required to keep the fund in line with the model. The only new stock added to the portfolio was Cairn Energy. The holding in Old Mutual had risen to more than its model weight and was trimmed back before the collapse of its proposed disposal of Nedbank. The fund will be subscribing to the Standard Chartered rights issue. The biggest overweight position in the fund is BP and the biggest underweight is BG.

Munro X Acc Prices



Returns

	Since Launch	3 Year	2 Year	1 Year	6 Month	3 Month
Munro X Acc	-9.8%	-10.6%	39.6%	12.7%	3.4%	8.1%
FTSE 350 Index	-9.4%	-11.2%	35.8%	14.0%	3.9%	6.8%
FTSE 350 TR Index	1.8%	-0.4%	46.6%	17.9%	5.6%	7.6%

Tracking Error

4.00%

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

-5.17

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

-1.05

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

0.80

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

-0.08

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

Yield

2.5%

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

Source: Bloomberg and FTIM as at 01/11/10.

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	7.84%	Unilever Plc	1.50%
Vodafone Group Plc	7.66%	Anglo American Plc	1.38%
HSBC Holdings Plc	7.38%	Reckitt Benckiser Group Plc	1.32%
Royal Dutch Shell Plc-A Shs	5.68%	Lloyds Banking Group Plc	1.27%
BHP Billiton Plc	4.69%	SABMiller Plc	1.25%
GlaxoSmithKline Plc	4.49%	Aviva Plc	1.23%
Royal Dutch Shell Plc-B Shs	4.25%	Barclays Plc	1.22%
British American Tobacco Plc	3.71%	Centrica Plc	1.13%
AstraZeneca Plc	3.33%	Scottish & Southern Energy	1.12%
Rio Tinto Plc	2.31%	BT Group Plc	1.06%
National Grid Plc	2.14%	BAE Systems Plc	0.91%
Tesco Plc	1.82%	Prudential Plc	0.89%
Diageo Plc	1.58%	BG Group Plc	0.79%
Standard Chartered Plc	1.53%	Carnival Plc	0.73%
Imperial Tobacco Group Plc	1.52%	Xstrata Plc	0.71%

Fund Size: £1,918,727

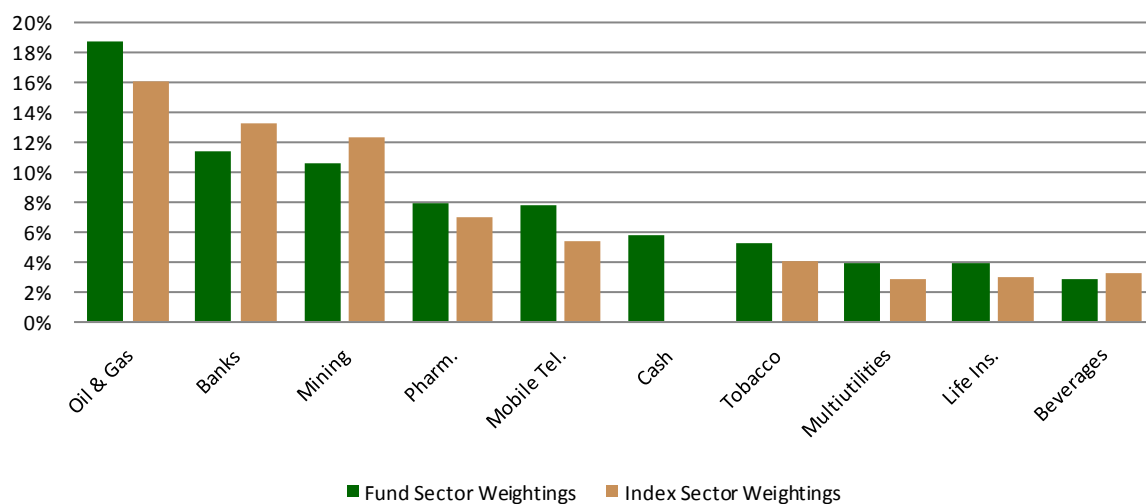
Number of Holdings: 119

Dividends

	A Class Income	X Class Income
2009 Interim Dividend	1.303p	1.343p
2010 Final Dividend	0.807p	0.833p
2010 Interim Dividend	1.223p	1.250p

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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