



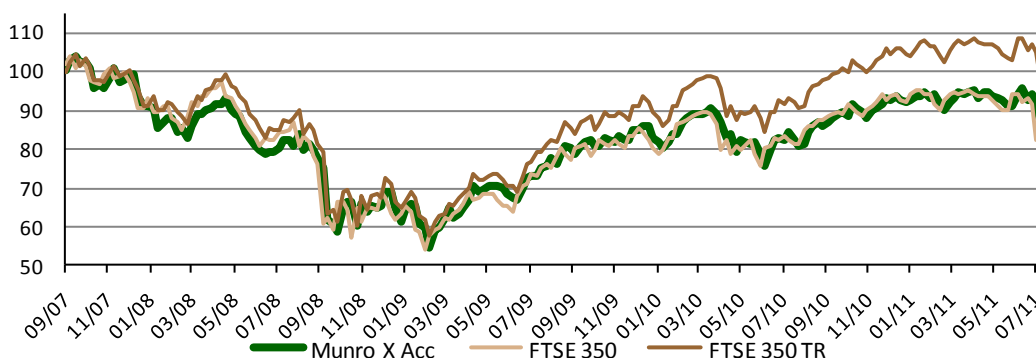
Fund Objective

The Munro Fund seeks to deliver the total return of the FTSE 350 index at lower risk through its unique asset allocation process that uses forecast gross cash dividends to construct the portfolio.

Fund Manager's Comment

An appreciation of 1.7% in the value of the pound against the dollar was the main reason for a decline of 2.1% in the total value of dividends forecast to be paid out next year by companies in the FTSE 350 index to £73.7 billion. Increases from British American Tobacco and BSkyB were more than offset by decreases from HSBC, Lloyds and Thomas Cook Group. Over the month the market became increasingly volatile as sentiment turned bearish. This provided excellent opportunities to add to a wide variety of companies paying large dividends whose share prices had been hit more savagely than the rest of the market. Among the shares that were topped up to maintain the model weight were AstraZeneca, BHP Billiton, Tesco, Aviva and Scottish & Southern. Travel companies were also badly hit and this allowed the fund to buy more Carnival Cruise and Thomas Cook Group. The fund went ex-dividend at the end of July and this payment is 22% ahead of the one declared last year and gives the income shares a running yield of 3.0%.

Munro X Acc Prices



Returns

	Since Launch	3 Year	2 Year	1 Year	6 Month	3 Month
Munro X Acc	-16.9%	1.2%	12.3%	-1.54%	3.7%	-1.4%
FTSE 350 Index	-19.5%	-6.1%	8.5%	-5.3%	0.8%	-5.3%
FTSE 350 TR Index	7.2%	4.9%	16.0%	-2.2%	6.1%	-1.6%

Tracking Error

3.8%

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

-0.64

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

-0.97

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

0.79

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

0.00

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

Yield

3.0%

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

Source: Bloomberg and FTIM as at 09/08/11

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
VODAFONE GROUP PLC	8.23%	DIAGEO PLC	1.44%
HSBC HOLDINGS PLC	7.29%	BARCLAYS PLC	1.30%
GLAXOSMITHKLINE PLC	5.52%	SABMILLER PLC	1.26%
ROYAL DUTCH SHELL PLC-A SHS	5.14%	RECKITT BENCKISER GROUP PLC	1.26%
BP PLC	4.84%	CENTRICA PLC	1.20%
BHP BILLITON PLC	4.67%	SCOTTISH & SOUTHERN ENERGY	1.03%
ROYAL DUTCH SHELL PLC-B SHS	3.93%	AVIVA PLC	1.02%
BRITISH AMERICAN TOBACCO PLC	3.84%	ANGLO AMERICAN PLC	1.01%
ASTRAZENECA PLC	3.11%	BT GROUP PLC	0.96%
RIO TINTO PLC	2.18%	XSTRATA PLC	0.95%
TESCO PLC	1.92%	LLOYDS BANKING GROUP PLC	0.93%
NATIONAL GRID PLC	1.91%	BAE SYSTEMS PLC	0.89%
UNILEVER PLC	1.64%	PRUDENTIAL PLC	0.87%
STANDARD CHARTERED PLC	1.62%	GLENCORE INTERNATIONAL PLC	0.82%
IMPERIAL TOBACCO GROUP PLC	1.58%	ANTOFAGASTA PLC	0.81%

Fund Size: £2,164,864

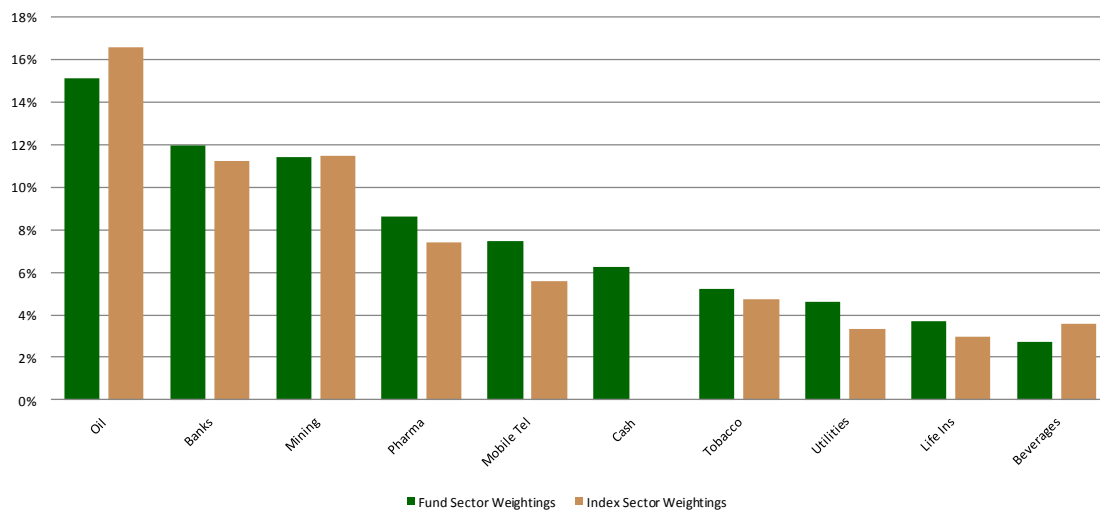
Number of Holdings: 139

Dividends

	A Class Income	X Class Income
2010 Interim Dividend	1.223p	1.250p
2010 Final Dividend	0.822p	0.848p
2011 Interim Dividend	1.4836p	1.522p
2011 Final Dividend	0.760p	0.779p

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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