



MM FINANCIAL MANAGEMENT

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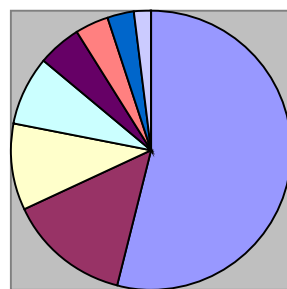
Investment Fund (Unit Trust/OEIC) Balanced Portfolio – January 2008

This portfolio is based on the most recently available Lipper Balanced Asset Allocation model.

Lipper, a Reuters company, is a global leader in supplying mutual fund information, analytical tools, and commentary. Lipper's benchmarking provides the trusted guidepost to asset managers, fund companies, financial intermediaries, traditional media, websites, and individual investors.

With three decades of fund analysis experience, bolstered by the resources and knowledge of Reuters, the world's largest financial information and news provider, Lipper provides unparalleled expertise and insight to the funds industry. Lipper's products and services provide accurate, insightful, and timely mutual fund data and analysis.

Lipper Balanced Asset Allocation Model:



54% UK Equity
14% Europe
10% UK Fixed Int
8% N America
5% Far E ex Japan
4% Japan
3% Global Spec
2% Intl Fixed Int
0% Cash
0% Property

Asset Allocation Portfolio Contents:

<i>Sector</i>	<i>Investment Fund</i>	<i>Fund %</i>	<i>Sector %</i>
UK Equity			54
IMA UK All Companies	Merrill Lynch UK	18	
	New Star UK Alpha	18	
IMA UK Equity Income	Invesco Perpetual High Income	18	
European			14
IMA Europe ex UK	Fidelity European	14	
UK Fixed Interest			10
IMA UK Corporate Bond	Old Mutual Corporate Bond	10	
North American			8
IMA N American Sm Cos	Schroder US Smaller Cos	8	
Far East Ex Japan			5
IMA Asia Pacific ex Japan	First State Asia Pacific Leaders	5	
Japanese			4
IMA Japan	Legg Mason Japan Equity	4	
Global Specialist			3
IMA Specialist	Merrill Lynch Gold & General	3	
International Fixed Interest			2
IMA Global Bonds	Invesco Perpetual Global Bond	2	



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Fund Research Information

<i>Investment Fund</i>	<i>Citywire Rating</i>	<i>Forsyth OBSR Rating</i>	<i>Discrete 1 Year Performance Over 60 Months: Quartile Ranking</i>
Merrill Lynch UK	AA	AAA	1
New Star UK Alpha	AA	AA	1
Invesco Perpetual High Income	AAA	AAA	1
Fidelity European	AA	AAA	1
Old Mutual Corporate Bond	AAA	AA	1
Schroder US Smaller Cos	-	AA	1
First State Asia Pacific Leaders	-	AAA	-
Legg Mason Japan Equity	AA	AA	1
Merrill Lynch Gold & General	AAA	AAA	1
Invesco Perpetual Global Bond	AAA	AA	1

Notes

We select funds based on their Citywire and Forsyth OBSR ratings and their discrete 1 year performance over the last 60 months.

Citywire Fund Manager Ratings are based on the risk-adjusted track records of individual fund managers over three years. The Citywire Fund Manager Ratings are based on the performance of the fund manager across all the funds he or she has managed at any point during the last three years – not just the funds they are currently managing. More details at www.citywire.co.uk.

Forsyth OBSR provides independent fund ratings which aim to be predictive in nature. The ratings are determined following in-depth qualitative and quantitative analysis. Funds are reviewed regularly and ratings adjusted to reflect any changes in investment style or approach.

Both ratings range from unclassified to AAA.

Funds that match or exceed a Citywire and/or a Forsyth OBSR rating of AA will be included in our recommended portfolio subject to those funds being in the first quartile of discrete 1 year performance. Where there are no funds meeting the selected criteria we will include the best available.

Past performance is no guarantee of future performance and the value of investments can fall as well as rise.



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Our Recommended Portfolio

The notes and data above relate to the theoretical asset allocation portfolio, However in view of the large weighting of the first few categories, our actual recommended portfolio is taken from the larger categories, ignoring the smaller ones, and adjusting the individual fund weightings accordingly. This ensures that the overall weighting of any one fund is not excessive, and we attempt to keep this weighting below 20% of the overall portfolio. In addition, because we recommend a suitable cash reserve as part of any investment portfolio, the cash sector has also not been included. Finally, we will usually restrict the number of funds to a maximum of ten.

Some investment companies impose a minimum investment into each individual fund – this may be £1,000 for example. Where this minimum applies, and for relatively small investments such as ISAs, we will simply recommend that the portfolio consists of the maximum number of funds commensurate with the relevant minimum, starting with the fund at the top of our list and working downwards.

As an example, for an ISA investment of £7,000 with a minimum investment of £1,000 per fund we would simply recommend an investment of £1,000 into the first fund in each of the first seven sectors in our portfolio below.

The following table contains our recommended portfolio.

<i>Sector</i>	<i>Investment Fund</i>	<i>Fund %</i>	<i>Sector %</i>
UK Equity			54
IMA UK All Companies	Merrill Lynch UK	18	
	New Star UK Alpha	18	
IMA UK Equity Income	Invesco Perpetual High Income	18	
European			14
IMA Europe ex UK	Fidelity European	14	
UK Fixed Interest			10
IMA UK Corporate Bond	Old Mutual Corporate Bond	10	
North American			8
IMA N American Sm Cos	Schroder US Smaller Cos	8	
Far East Ex Japan			5
IMA Asia Pacific ex Japan	First State Asia Pacific Leaders	5	
Japanese			4
IMA Japan	Legg Mason Japan Equity	4	
Global Specialist			3
IMA Specialist	Merrill Lynch Gold & General	3	
International Fixed Interest			2
IMA Global Bonds	Invesco Perpetual Global Bond	2	