

August 2013

		Fund			S&P500 Index	
		<i>Performance</i>	<i>Inception to Date</i>		<i>Performance</i>	<i>Inception to Date</i>
2005		+14.01%	+14.01%		+4.78%	+4.78%
2006		+16.91%	+33.29%		+13.62%	+19.05%
2007		+4.06%	+38.70%		+3.53%	+23.25%
2008		-47.99%	-27.86%		-38.49%	-24.18%
2009		+42.74%	+2.97%		+23.45%	-6.40%
2010		+24.94%	+28.65%		+12.78%	+5.57%
2011		+1.79%	+30.96%		0.00%	+5.56%
2012		+24.17%	+62.61%		+13.41%	+19.71%
	<i>MTD</i>	<i>YTD</i>		<i>MTD</i>	<i>YTD</i>	
Jan 2013	+5.52%	+5.52%	+71.58%	+5.04%	+5.04%	+25.75%
Feb 2013	+3.32%	+9.03%	+77.28%	+1.11%	+6.20%	+27.14%
Mar 2013	+5.55%	+15.08%	+87.12%	+3.60%	+10.03%	+31.72%
Apr 2013	-2.18%	+12.57%	+83.04%	+1.81%	+12.02%	+34.10%
May 2013	+3.13%	+16.09%	+88.76%	+2.08%	+14.34%	+36.88%
Jun 2013	+1.47%	+17.80%	+91.55%	-1.50%	+12.63%	+34.83%
Jul 2013	+7.35%	+26.46%	+105.63%	+4.95%	+18.20%	+41.50%
Aug 2013	-1.22%	+24.91%	+103.12%	-3.13%	+14.50%	+37.07%

In August, the Fund fell by 1.22%, while the S&P500 fell by 3.13%. We did better because our two biggest holdings, MWI Vets and Monarch Financial, both broke out to new highs: the Vets on a follow-through from earnings and a small acquisition, and the Chesapeake

bank with the butterfly logo, because they got a recommendation and no-one has ever previously noticed them. In addition, Hyster-Yale, the fork lift trucks, also broke out to a new high after another good quarter.

Overall the portfolio feels in good shape, with no big falls and earnings season now over. The Fund beat seven of the eight indices we follow, losing only to the NASDAQ 100, an index of large tech stocks which is also a proxy for growth stocks. To confirm that growth was the place to be, the only sub-index that came close to us was the S&P600 Growth section at down 1.48%. To show value was no place to be, the Dow Jones Index was down 4.45%, leaving it the only index below its June close and now well stymied after its flying start to the year. I've gone through this carefully because it is unexpected. This month the news has been a sharp rise in bond yields which is bad for growth stocks, and Syria, which has raised the value sectors of energy and materials. In addition, dull growth stocks such as consumer staples have underperformed this month, which is reasonable.

Nevertheless this has been a bad month overall for value and small stocks which is exactly us. The fundamentals of these sectors are less affected by the news background but they are up well year to date so this is just profit taking in a nasty month. We have thus been shot at without result. Again. Exhilarating.

Risk Warnings and Other Important Information

This document is issued by De Lisle Partners LLP, registered in England No.OC310994, authorised and regulated by the Financial Services Authority. The registered office of Valu-Trac Investment Management Ltd is Suite 150-153, 2nd Floor Temple Chambers, Temple Avenue, London, EC4Y 0DA, Head Office at Mains of Orton, Orton, Fochabers, Moray, Scotland IV32 7QE.

The Fund qualifies as an Undertaking for Collective Investment in Transferable Securities (UCITSIII).

This document should not be construed as investment advice or an offer to invest in the Fund. Nor should its content be interpreted as investment or tax advice for which you should consult your independent financial adviser and/or accountant. The information and opinion it contains have been compiled or arrived at from sources believed to be reliable at the time and are given in good faith, but no representation is made as to their accuracy, completeness or correctness. Any opinion expressed in this document represents the views of De Lisle Partners at the time of preparation, but is subject to change. For professional use only.

The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. Past performance should not be viewed as a guide to future performance. Please read the Prospectus before making an investment.