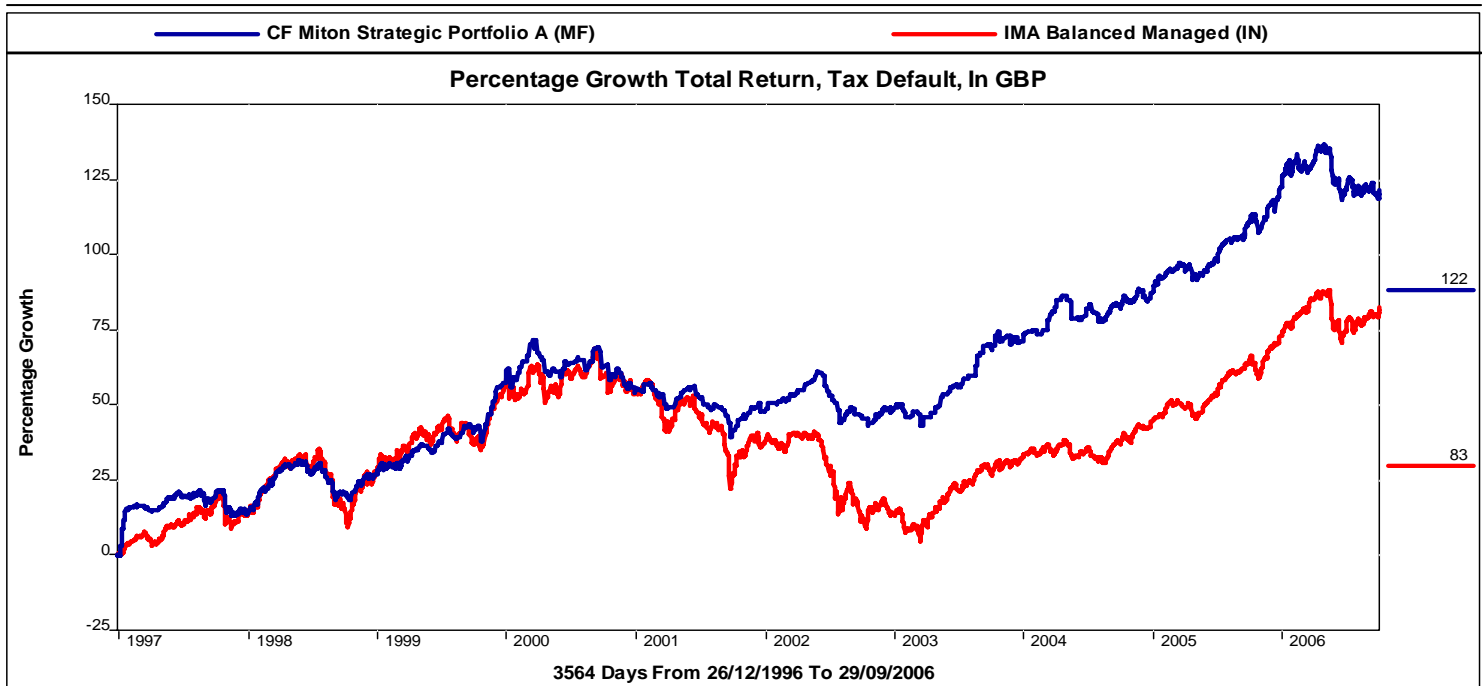


Portfolio Activity

- It was another positive month for the fund which rose 0.3%, although disappointingly it lagged many of the major equity markets. The underperformance was largely driven by falls in the Merrill Lynch Gold and General fund and also poor numbers from our Japanese holdings.
- There are some signs of slowing in the global economy and as such there is the hope that interest rates have peaked in the majority of countries where rate rises have been an issue. Whilst markets have been reasonable in 2006 (Japan being the unfortunate exception) there is insufficient evidence that there will be scope for large rate reductions during 2007.
- The majority of commentators are now suggesting a soft landing and whilst there are still some bears in the woods it doesn't look like there is too much doom and gloom in the future if one is selective and proceeds in cautious manner.
- Japan continues to be a long term play in our portfolios, whilst the year started well and Japan started to rise from its deflationary problems recent data suggests a mixed picture. The Tankan survey of large manufactures is actually showing an increase in confidence and business conditions for the last quarter whilst non manufacturers remain stable. The key with Japan will be to balance it against other regions and to adopt a long term strategic approach as there is data to suggest an improving picture and it may only be a question of time before the Bank of Japan is able to raise interest rates again.
- Short term bond yields should rise as a result of a monetary tightening policy in many regions, how long these levels remain will depend upon the slow down as the expectation of weaker growth will likely cause yields to fall again. Corporate bond yields will most likely widen slightly with the deterioration in economic growth.



Performance Chart – Since Launch



Absolute Performance

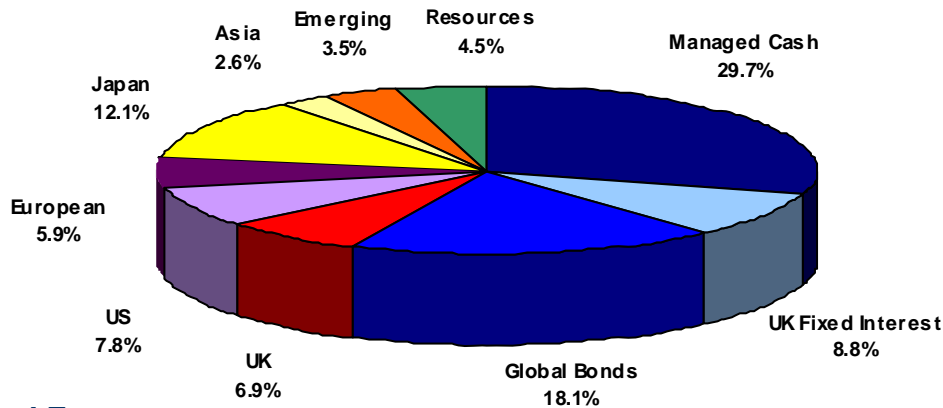
Total Return on Investment expressed as a percentage, excluding initial charges and showing the ranking within the IMA Balanced Sector Peer Groups listed over the time periods shown up to 29.9.06. Launch date 26.12.1996*

	6 Months	1 Year	3 Years	5 Years	Since Launch
CF Miton Strategic	-4.80	4.07	31.90	57.50	122.30
Balanced Managed Sector	-1.81	9.96	46.82	49.25	82.86
Risk Return	-0.39	0.15	0.40	0.36	0.26
Risk Return Ranking	129/129	123/125	92/102	3/72	1/41

*Source: Lipper Hindsight

Asset Allocation

Top 5 Holdings



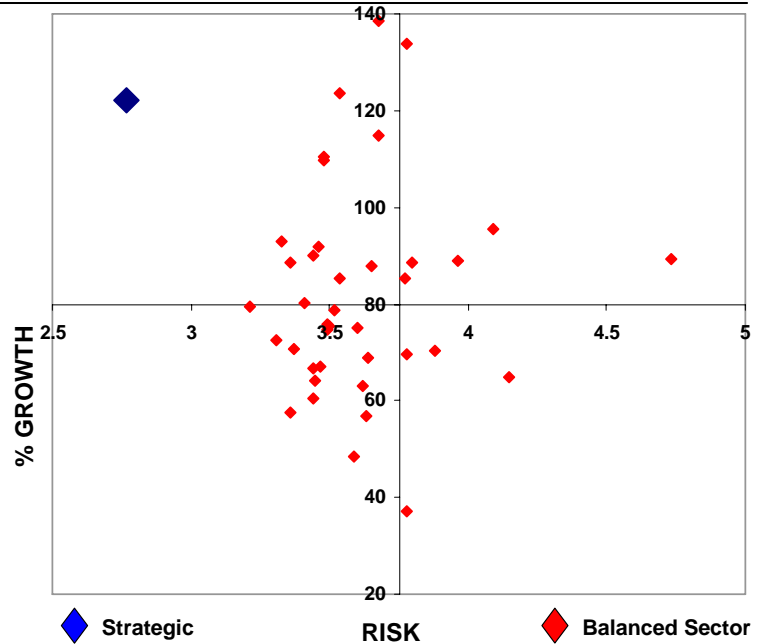
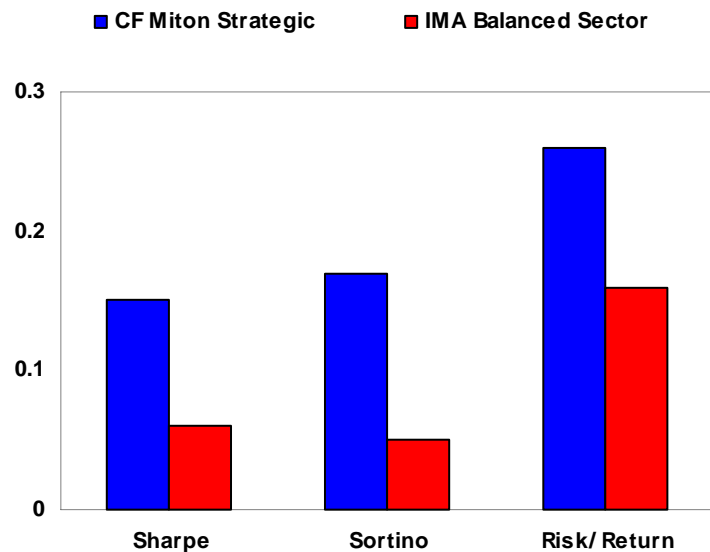
JPMF Euro Liquidity Fund	6.8%
Thames River Traditional EUR	5.6%
Gartmore Govett US Bear	3.9%
Nucleus Fixed Interest	3.8%
Baring Europe Plus Bond	3.8%

Fund Facts

Fund Size:	£37.6 Million	Initial Charge:	5%
A SEDOL:	B010Y51	Annual Management Charge:	1.5%
Share Type:	Accumulation	Dealing Service:	0845 6002821
Minimum Investment:	£5000	Price as at 29th September 2006:	A Shares: 212.69p
Daily Dealing:	8.30GMT		B Shares: 215.77p

Technical Analysis – Since Launch

Risk Return Scatter- Since Launch



Investment Objective & Fund Strategy

The investment objective of the Fund is to provide long-term growth through investment in authorised unit trusts and regulated collective investment schemes. MitonOptimal’s fund strategy is to manage using an adaptive and pragmatic approach to portfolio construction, seeking to use their skills in asset allocation and fund selection to achieve out performance. Low volatility and absolute growth are given a priority over out performance of peers or an index.

The Fund Management Team

Martin Gray, the lead fund manager has over 20 years experience in fund management and is rated one of the top fund managers in the Balanced Managed Sector. The co-fund manager Tom McGrath has over 13 years experience and along with Martin is ranked in the top Hot 100 List of all UK Fund Managers (Professional Adviser, 22 April, 2006). MitonOptimal won the Asset Allocator of the Year Award along with the Lipper Global Mixed Asset Aggressive & Balanced Awards for 3 Year Risk Adjusted Performance in 2006.

Investment Manager: MitonOptimal UK Ltd, 10-14 Duke Street, Reading, Berkshire, RG1 4RU
Fund & Administration Manager: Capita Financial Managers Ltd, Beaufort House, 15 St. Botolph Street, London EC3A 7H
Trustee: Bank of New York Trust & Depository Company Ltd, One Canada Square, London E14 5AL

*This document is issued by MitonOptimal UK Ltd, which is regulated by the Financial Services Authority in its conduct of investment business. Investors are reminded that the value of investments and the income from them can go down as well as up and they may not get back the full amount invested. Past performance is not necessarily a guide to future returns. Source: *Lipper Hindsight as at 29.9.06*