

SVM UK100 Select Fund

Short Report

Period to 30 June 2007



Investment Objective

The objective of this Fund is to achieve above average capital growth over the medium to long-term (although short-term investment opportunities will also be considered) and it aims to outperform the FTSE 100 Index.

Risk Profile

The Fund is exposed to market risk as it invests mainly in large companies listed on the FTSE 100 index. The Fund holds a concentrated portfolio of around 30-40 companies and is exposed to stockmarket fluctuations.

Distribution

XD date: 31 December

Payment date: 30 April (Accumulation shares)

The following distribution was accumulated over the last accounting period.

Income		
	31/12/06 pence per share	31/12/05 pence per share
UK100 Select A class	2.3891	2.3587
UK100 Select B class	2.9463	2.4858

Total Expense Ratio (TER)

The TER shows the annualised operating expenses of the Fund. It does not include transaction expenses.

Fund Total Expense Ratio (p.a.)	Class A Shares	Class B Shares
UK100 Select Fund	1.44 %	0.72 %

Total Expense Ratio = Total Annualised Expenses / Average Net Asset Value over 6 months

The above figures were calculated by SVM Asset Management using data sourced from the 30 June 2007 Interim Report and Accounts. The figures are intended to provide an indication of the Total Expenses Ratio and will vary from year to year.

Fund Performance

Percentage growth for each year to last quarter end	30/06/02 30/06/03	30/06/03 30/06/04	30/06/04 30/06/05	30/06/05 30/06/06	30/06/06 30/06/07
UK100 Select	-9.1	+11.1	+14.7	+21.7	+20.7

Source: Lipper Hindsight, mid to mid, UK net. Past performance should not be seen as an indication of future performance. All performance data refers to the A (retail) share class.

Comparative Tables

Net Asset Values

	Net asset value of shares £'000	Net asset value in pence per share	Shares in issue
As at 30/06/07			
UK100 Select A class	1,349	184.67	730,435
UK100 Select B class	96	188.12	51,277
As at 31/12/06			
UK100 Select A class	1,242	176.68	703,209
UK100 Select B class	86	180.00	47,636

Share Price Performance

	Highest share price in pence	Lowest share price in pence	Price as at period end
During period to 30/06/07			
UK100 Select A class	194.60	169.70	194.60
UK100 Select B class	198.20	173.00	188.00
During period to 31/12/06			
UK100 Select A class	176.1	142.9	174.6
UK100 Select B class	179.4	145.2	177.9













Top 10 Holdings: 30/06/07 %

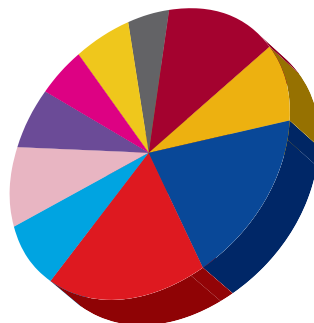
Xstrata	7.3
BG	5.2
Man	5.1
Royal Dutch Shell 'B'	4.0
International Power	3.4
Invensys	3.3
BT	3.3
Compass	3.1
Anglo American	3.0
Hammerson	3.0

Top 10 Holdings: 31/12/06 %

Xstrata	6.8
Man	5.9
BG	4.8
British Airways	4.0
Hammerson	3.7
British Land	3.4
International Power	3.3
BT	3.3
Marks & Spencer	3.2
Compass	2.8

Sector Analysis

	30/06/07	31/12/06
 Basic Materials	14.3%	10.5%
 Consumer Goods	9.4%	3.7%
 Consumer Services	17.7%	27.0%
 Financials	18.7%	28.2%
 Healthcare	0.0%	0.0%
 Industrials	8.6%	6.5%
 Oil & Gas	9.2%	9.7%
 Technology	0.0%	0.0%
 Telecommunications	6.3%	3.3%
 Utilities	5.2%	6.6%
 Overseas	5.9%	2.1%
 Net Current Assets	4.7%	2.4%



Fund Manager



Margaret Lawson

The markets were volatile throughout the first half of the year. February saw the first correction as concerns over global growth emerged. Confidence returned in March as corporate activity drove share prices higher. In June, appetite for risk fell away as concerns over the US mortgage market and its potential contagion on the broader economy led investors to take profits.

During the early months of the year, the Fund was concentrated in basic materials, industrials, consumer services and utilities whilst being underweight in oil & gas, consumer goods, healthcare and financials. In June, we moved the portfolio away from consumer services, which were showing signs of strain in a rising interest rate environment. The Fund still has a bias towards basic materials and industrials and has increased its exposure to oil & gas.

Xstrata, Sainsbury, Man Group and BG were major contributors to performance; Tate & Lyle, Hammerson, Lonmin and British Airways were disappointing.

Over the next few months we expect the markets to remain volatile as they adjust to a re-pricing of risk. Fear has replaced fundamentals in the short term, but this is not a financial crisis. Leading indicators are still positive and equity valuations are attractive in terms of growth outlook, stability of earnings and cash flow. Although there will be fewer leveraged deals until calm has returned, cash deals will remain a key support for the equity markets.

Further Information

Further information about the share price, activities and performance of the Fund for this and previous periods, together with related product literature and further information on the Manager can be found on our website at www.svmonline.co.uk

Report and Accounts

This document is a short report for a sub-fund of the SVM Funds ICVC taken from the Interim Report and Accounts for the period ending 30 June 2007. The Long Form version of the Report and Accounts is available on written request to the Marketing Department, SVM Asset Management Limited, 7 Castle Street, Edinburgh EH2 3AH or by email to info@svmonline.co.uk

Investment Warning

Past performance should not be seen as an indication of future performance. The value of an investment may fall as well as rise and investors may not get back the amount originally invested.

Contacts

Authorised Corporate Director and Investment Manager

SVM Asset Management Limited
7 Castle Street
Edinburgh
EH2 3AH
Email: info@svmonline.co.uk
Web: www.svmonline.co.uk
Authorised and regulated by the Financial Services Authority

Administrator

BNP Paribas Fund Services UK Limited
Block C, Western House
Peterborough Business Park
Lynchwood
Peterborough
PE2 6BP
Shareholder Services: 0845 358 1108
Dealing: 0845 066 1110
Fax: 01733 285 681

Depository

Royal Bank of Scotland plc
Trustee & Depository Services
The Broadstone
50 South Gyle Crescent
Edinburgh
EH12 9UZ

Custodian

The Northern Trust Company
50 Bank Street
Canary Wharf
London
E14 5NT

Auditors

Ernst & Young
Ten George Street
Edinburgh
EH2 2DZ