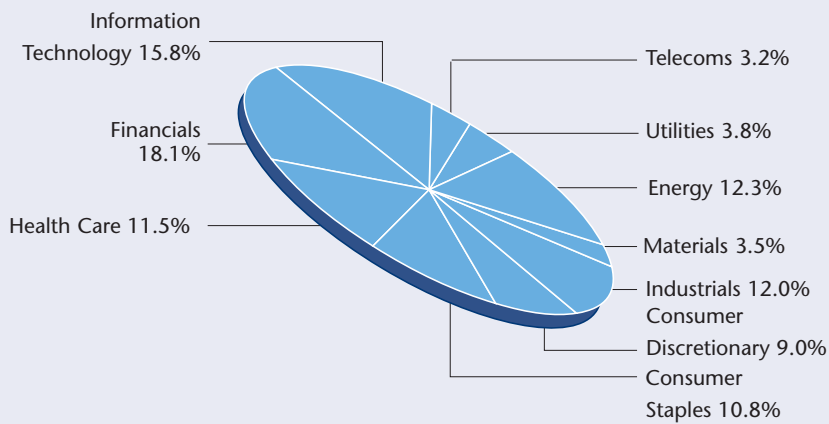


US Equity Tracker Fund – March 2008

Fund Description

The US Equity Tracker Fund aims to closely track the performance of the FTSE World USA Index, allowing for reinvestment of dividends (but gross of charges and withholding tax). The Fund invests in a broad spread of US equities. The tracking method used is full replication, so that every constituent of the FTSE World USA Index is held at the appropriate weight.

Composition of Portfolio as at 31 March 2008



Fund Manager David Kirkpatrick
Launch Date May 2002
Current Fund Size £102m

Source: Standard Life Investments

Top Ten Holdings	(%)
Exxon Mobil	3.6
General Electric	2.9
Microsoft	2.1
AT&T	1.8
Procter & Gamble	1.7
Johnson & Johnson	1.5
Chevron	1.4
Bank of America	1.3
IBM	1.3
Wal-Mart	1.2
Assets in top ten holdings	18.8

Investment Review & Outlook

Environment

US equities continued to face significant headwinds, not least the ongoing distress in the financial sector and questions over whether a US recession was imminent. Credit markets remained largely frozen, with banks cautious on lending. The biggest casualty of the credit crunch was investment bank Bear Stearns. Pressures on the consumer also intensified, with house prices declining further, mortgage rates rising and food and energy prices continuing to soar. The Federal Reserve cut interest rates aggressively during the quarter.

Activity

The US Equity Tracker Fund aims to closely track the performance of the FTSE World USA Index, allowing for reinvestment of dividends (but before deduction of charges). The Fund invests in a broad spread of US equities. The tracking method used is full replication, so that every constituent of the FTSE World USA Index is held at the appropriate weight.

Outlook

The market volatility is a clear function of the persistent doubts that investors have over the health of the US economy, an imminent implosion in the financial markets, and whether monetary stimulus will transmit meaningfully to the economy. With no clear resolution of these doubts, the US market remains sensitive to any negative newsflow.

Performance Commentary

During the first quarter of 2008, the US Equity Tracker Fund returned -9.3% against the FTSE World USA Index return of -9.3%. Over the year to 31 March 2008, the Fund returned -6.2%, against the index return of -6.2%.

Please note this performance is gross of the management fee of 0.15% per annum and also gross of the estimated withholding tax effect of around 0.36% per annum.

Fund Performance

Investment Market Line

If you would like more details on our current market views please call:

0845 60 60 062

Performance figures are calculated on a gross basis over the periods to 31/03/08. They do not allow for the deduction of any charges or withholding tax.

Source: Standard Life Investments

Note: Past performance is not necessarily a guide to future performance and the value of units can go down as well as up.

	Q1 (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	
	-9.3	-6.2	4.5	6.7	
	Year to 31/03/2008 (%)	Year to 31/03/2007 (%)	Year to 31/03/2006 (%)	Year to 31/03/2005 (%)	Year to 31/03/2004 (%)
US Equity Tracker Fund	-6.2	-1.0	23.0	4.1	16.0
FTSE AW USA	-6.2	-1.0	23.1	4.0	16.2

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