



WEBB ASSET MANAGEMENT

Canadian Performance Fund

July, 2008

SYSTEMATIC, PROVEN & RELIABLE

Process

We screen a database of over 3,000 securities. Those with adequate liquidity are tested and ranked according to their earnings characteristics. Specifically, we look for the rate of change in reported earnings and reported earnings in relation to expected earnings. The securities are further screened for strong fundamentals and attractive technical indicators. The securities that best pass these tests are selected as long positions for the Fund. Those companies that screen the worst are selected as short positions for the Fund. Each position in the portfolio, long or short, is monitored on a continuous basis. Should any security no longer meet our investment criteria, the position is sold or covered accordingly.

Commentary

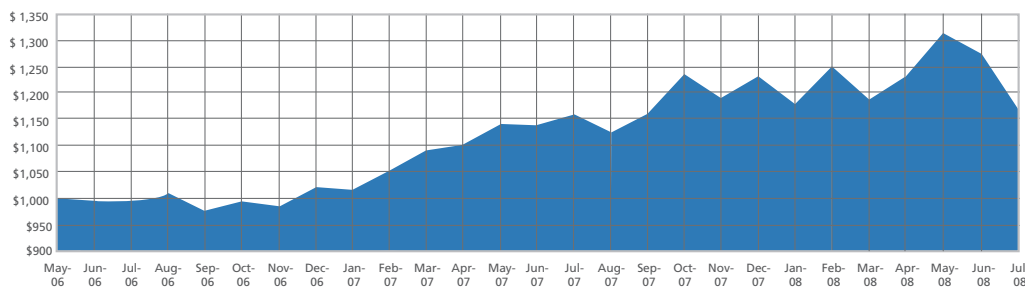
July was a very tough month with the S&P/TSX falling 6%. The decline was driven by a 32% decline in natural gas prices and a 13% decline in oil prices. Of the 19 commodities in the CRB Index, 16 had negative returns for the month. This caused massive declines in all commodity stocks.

Our model was down 11.9% for the month, but the Fund was down 8.6%. Though we follow a systematic screening model to pick stocks, we follow technicals to manage risk. Similar to flying from Toronto to Vancouver, GPS and computers fly the plane most of the time; however, they still have two pilots ready to take the wheel in extreme circumstances. We started to lighten up on our energy positions when oil broke its technical up-trend at approximately \$132 per barrel. Given the technical break down in oil, we searched for other names that would benefit from a decline in energy prices. We sold approximately 20% of our energy exposure and rotated those funds into technology and industrial names in the US. This accounts for the better results versus the model.

As to be expected, the Fund made great returns on the short side in names like: Quebecor (30%), HudBay Minerals (30%), Uranium One (30%), Cascades (20%) and Couche Tard (20%). With the model 70% net long and overweight commodity stocks, the shorts could add only so much value.

Currently, we are still 20% long energy stocks and 33% long agricultural, steel and coal stocks. Earnings momentum is still best in these areas and stocks are very over-sold. Any rebound in commodity prices will send these stocks rapidly higher. Though financials have had a nice bounce, their earnings are still decelerating and the write-downs continue to increase. We are neither long nor short financials.

Growth of \$1000



Monthly Performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008	-4.75	6.31	-5.70	4.18	6.49	-2.75	-8.59						-5.84
2007	-0.53	4.71	2.91	1.36	3.33	-0.72	2.36	-2.71	2.69	7.71	-4.43	3.80	21.77
2006						-0.77	0.13	1.02	-3.44	2.68	-1.67	3.75	1.52

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Performance Statistics

Total Returns (%)

1 month	-8.59
3 months	-5.34
6 months	-1.15
YTD	-5.84
12 months	0.51
2 Years Annualized	8.24

Top 5 Fund Positions (July 31, 2008)

Long

- 1 Potash
- 2 Mosaic
- 3 Vero Energy
- 4 Agrium
- 5 Flir Systems

Short

- 1 Dundee Corp
- 2 Dundee Wealth
- 3 Maple Lead Foods
- 4 Canadian Pacific Railway
- 5 Great Canadian Gaming

Sectors	Long (%)	Short (%)	Net (%)
Energy	24.3	2.4	21.9
Materials	43.0	9.9	33.1
Industrials	22.5	3.5	19.0
Consumer	14.7	10.3	4.4
Health Care	2.3	1.7	0.6
Financials	5.9	4.5	1.4
Technology	16.0	0.0	16.0
Telecom	4.1	0.0	4.1
Utilities	0.0	0.0	0.0
Total	132.8	32.3	100.5

Disclaimer: Commissions, trailing commissions, management fees and expenses all may be associated with the Fund. The investment may not be suitable for all investors. Some conditions apply. Investors should carefully review the Fund's Offering Memorandum, including the risk factors detailed therein under the heading "Risk Factors", prior to investing in the Fund. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. There can be no assurance that the Fund objectives will be met. The Fund is not guaranteed, its value changes frequently and past performance may not be repeated. The opinions expressed in the commentary are those of the author and do not necessarily reflect the views and opinions of the Manager or any distributor of the Manager Funds. The views expressed are of a general nature should not be interpreted as investment advice to you in any way. Please consult a qualified financial advisor before making an investment decision. The portfolio manager/advisor/sub-advisor has a direct interest in the management and performance fees of the Fund, and may, at any given time, have a direct interest in the Fund itself.