

MW TOPS Limited

Monthly Newsletter: August 2007

MW TOPS Limited Assets Under Management (AUM): € 1,578,699,324

MW TOPS Limited Performance	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	% Performance Since Inception (Net) ²	31 Aug 07 Share price	Total number of shares in Issue ¹
Confirmed Euro NAV	10.01	10.10	10.09	10.29	10.47	10.67	10.61	10.56	10.50	4.99%	10.33	85,975,814
Confirmed USD NAV	10.02	10.12	10.11	10.32	10.52	10.73	10.67	10.63	10.58	5.77%	10.40	25,708,998
Confirmed GBP NAV	10.02	10.12	10.11	10.32	10.51	10.72	10.67	10.63	10.58	5.84%	10.82	30,434,095

¹ To the exclusion of those held in treasury

² Based on opening NAV of 10.00 and includes issuance cost of approximately 1% of NAV

Holdings	Unit price ¹	Units held by MW TOPS Limited	Value of units Held
TOPS Sub-Trust C (Opportunistic-Hedged)	172.15	4,647,404.05	€ 800,050,144
TOPS Sub-Trust D (Fundamental Hedged)	162.34	4,912,939.66	€ 797,582,694

¹ Unit price to 2 decimal places

Note: The above data is confirmed as at 31 August 2007

Data Source: Anson Fund Managers Limited/Bisys Hedge Fund Services

Strategy Performance

The increase in market volatility continued throughout the month of August fuelled by escalating concerns that US sub-prime mortgage defaults would spill into the wider financial system and the economy as a whole. Investor sentiment improved when the US Federal Reserve reduced the discount rate by 50bps on 17th August and market indices recovered much of their losses by the end of the month.

The TOPS strategies were not immune to this challenging market environment, with Opportunistic TOPS (Sub-trust C Opportunistic Hedged) generating a gross return of -1.25% and Fundamental TOPS (Sub-trust D Fundamental Hedged) returning +0.10% (gross), corresponding to alpha generation of -0.87% and +0.48% respectively. After the decline in July, the MSCI Europe* fell a further -0.68% during August, leaving its YTD return at +5.73%, compared to the YTD returns of the two strategies at +7.56% and +7.45% (gross) respectively.

Sector rotation into defensives generated significant returns on investments in Aerospace & Defence, Food & Beverages, and Telecoms offset by losses in Financials and Industrials despite exposure levels being cut down further in both sectors.

Notable positive contributions came from Volkswagen and Nestle as the strategy's optimisation algorithms were well positioned to capture the impact of sizeable earnings upgrades following strong sets of results from both companies. In terms of negative contribution, Xstrata and Continental AG were the largest losing positions though of lesser impact than the winners detailed above.

The investment manager's Risk management process proved highly successful in both Opportunistic and Fundamental TOPS, adding approximately 1% to NAV (gross). This comprised a substantial gain in short mid-cap indices and in sector futures. This hedging was undertaken on a systematic basis to maintain the company's investments within their stated volatility targets and risk parameters. The bulk of the position was initiated in Q2 of this year. As outlined previously to investors, mid-cap exposure is capped at approximately 20% NAV (as defined by companies with a market cap of <€5bn).

The European Emerging Markets sub-strategy delivered positive returns particularly due to exposure to Turkey and Russia and strong returns within the Transportation and Oil & Gas sectors. This was particularly pleasing as the MXEE (MSCI Emerging Markets (Europe, Middle East and Africa) Index) fell 3.1%. This strategy currently occupies c.a. 6% NAV.

Further detail on the performance of MW TOPS Limited and its investments can be found on the dedicated website at www.mwtops.eu. This site contains a range of performance and risk metrics. These comprise sector and country exposures, liquidity data, and a disclosure of any single stock position greater than 3% of NAV.

The Company's first Annual General Meeting will be held on Friday 28th September 2007. Details will be published on the website.

Investment Manager's General Commentary

The active component of turnover is one of the hardest for investors to comprehend, and yet it is one of the most powerful in generating the annuity stream of alpha we seek to deliver. In trending markets, turnover (and the associated commissions) are often derided as being a cost to the performance of funds. In layman's terms, active strategies (such as the Opportunistic TOPS program) tend to take profits too quickly in bull markets. At times of market oscillation and uncertainty however, the strategy's ability to respond to the market's evolving character (and the opportunities thrown up by dislocations within certain stocks and sectors) is a notable strength, and one which serves not only to enhance return (frequently by minimizing losses), but also to smooth volatility. In short, the tensions and fears of the market are captured in the idea flow received and interpreted as part of our optimization engine. In this regard, it is notable that idea volume in the system rose approximately 25% year-on-year throughout the TOPS system during August as contributors both reduced book sizes (within their virtual worlds) and added new positions. This activity added significant value for the strategies and helped them avoid the negative momentum that has affected many equity funds in crowded names and themes.

In light of the uncertainty surrounding global markets and the global economy, and the likelihood of market volatility remaining above the 2005-7 trend level, in terms of traditional risk metrics, the portfolios remain conservatively positioned. At the end of August the combined European TOPS strategies had net market exposure of around 54%, gross market exposure is running at approximately 140-150%, and the largest single sector exposure is 6.4%. These strategies contain approximately 1000 names, and turnover is running at around 2.6x per month in the Opportunistic TOPS strategy and 1.1x per month in the Fundamental TOPS strategy. Liquidity remains excellent, with 75% of the portfolio able to be liquidated in one day (based on trading a third of the average 20-day daily liquidity) and ca. 20% in securities with a market cap of less than €5bn.

It is important to highlight that the TOPS strategies continue to invest primarily in equities and equity-related instruments, and the portfolio remains highly diversified. Furthermore, the strategies do not utilise or invest in any of the following instruments: Credit Default Swaps, Collateralised Debt Obligations or Structured Investment Vehicles.

On a forward looking basis, and in light of the environment in which we operate, these sub-Trusts are likely to have their net market exposure capped around the 50% level. This is aimed at maintaining the volatility targets in the proscribed ranges of 6-8% (per annum).

Both strategies continue to make allocations to our Balanced program. This allocation performed strongly during August, returning +0.45% (gross), and also saw the successful introduction of a new high frequency technique.

*MSCI Europe All Country Total Return Index

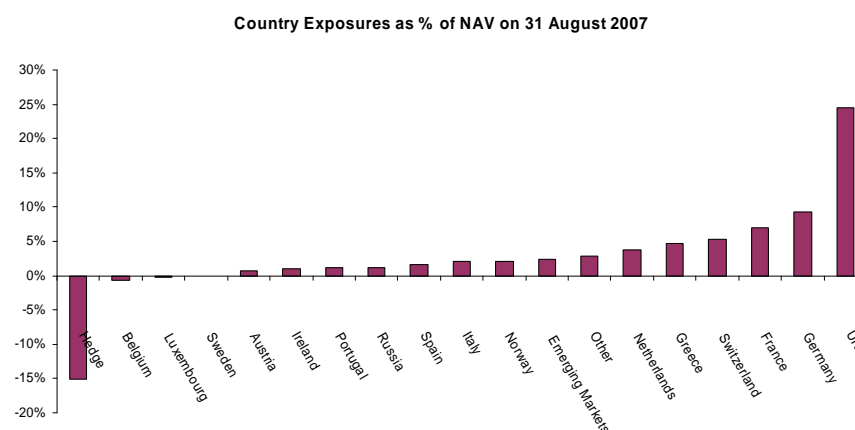
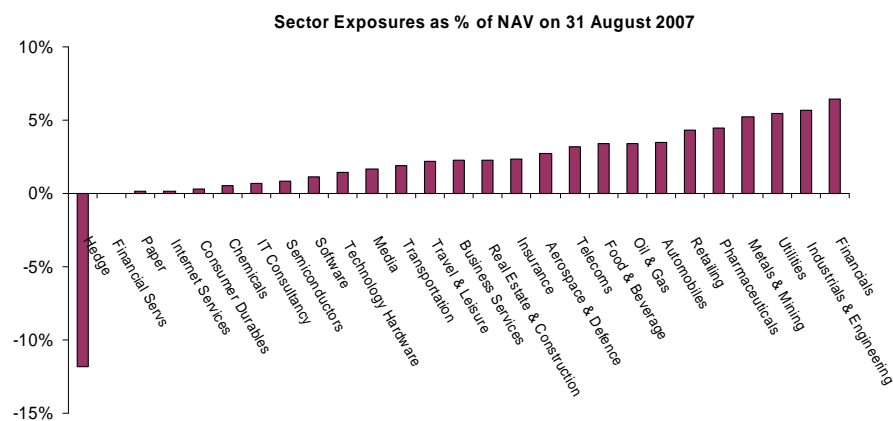
Monthly Portfolio Exposures and Characteristics

		Average Gross Market Exposure as % NAV (Aug)	Average Net Market Exposure as % NAV (Aug)
Sub-Trust C - Opportunistic (Hedged)		142.96%	54.95%
Sub-Trust D - Fundamental (Hedged)		149.93%	55.98%
Portfolio Characteristics		Sub-Trust C Opportunistic (Hedged)	Sub-Trust D Fundamental (Hedged)
Characteristics	Turnover (monthly)	2.6	1.1
	Number of Contributors	476	1383
	Average No. Ideas/Contributor	4	3
	Average Holding Period (Days)	86	197
	No. Longs*	709	695
	No. Shorts*	227	182
	Total No. Positions*	936	877

*The numbers of positions shown include those held indirectly through investments in other Marshall Wace managed TOPS sub-strategies

Data Source: Marshall Wace LLP

Sector and Country Net Exposures



Data Source: Marshall Wace LLP

Liquidity Profile

Month End Liquidity Bands	% of Invested Portfolio
Sub-Trust C - Opportunistic (Hedged)	
0-1 day	74%
1-3 days	8%
> 3 Days	7%
Index Futures	11%
Total	100%

Month End Liquidity Bands	% of Invested Portfolio
Sub Trust D - Fundamental (Hedged)	
0-1 day	81%
1-3 days	7%
> 3 Days	4%
Index Futures	8%
Total	100%

These tables shows the portfolio's estimated liquidity profile based on trading a third of the average 20-day daily liquidity

Data Source: Marshall Wace LLP

Single Stocks

No single stock position exceeded 3% of NAV during the month.

Company Overview

MW TOPS Limited (the "Company") is a closed-ended investment company registered and incorporated in Guernsey on 25 October 2006 under number 45728.

The Company's investment objective is to provide consistent absolute returns primarily derived through trading in equities of companies incorporated in or whose principal operations are in Europe (including Eastern Europe).

The Company seeks to achieve this by investing in funds managed by Marshall Wace LLP ("MW") which themselves utilise MW's Trade Optimised Portfolio System ("TOPS").

The TOPS investment process comprises a framework of proprietary applications and models which seeks to capture, appraise, optimise and act upon the investment ideas of contributors from the brokerage community and to aggregate them in a dynamic portfolio construction process.

	Bloomberg Ticker	Reuters Ticker
Euro Share Class	TOPSE NA	TOPSE.AS
Sterling Share Class	TOPS NA	TOPS.AS
US\$ Share Class	TOPSU NA	TOPSU.AS

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MW TOPS Limited (the "**Company**") is registered with the Dutch Authority for the Financial Markets as a collective investment scheme which may offer participations in The Netherlands pursuant to article 2:66 of the Financial Markets Supervision Act (*Wet op het financieel toezicht*)."

All investments are subject to risk. The value of securities may go down as well as up. Past performance is no guarantee of future returns. An investment in the Company is speculative and involves a substantial degree of risk, including the risk of total loss. Potential investors are advised to seek expert financial advice before making any investment decision. The value of investments may fluctuate. Results achieved in the past are no guarantee of future results.

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