

Performance Tracker for September 30, 2008

Marketocracy Masters 100_{SM} Fund (MOFQX)

The Masters 100 Fund is a diversified, “go-anywhere,” core fund that looks for pockets of opportunity across the entire market - in any sector or any style - to find performance. Over the years, the Fund has been characterized at different times as a small-cap, mid-cap, and all-cap fund and as a growth, blend, and value fund. That’s because the Fund doesn’t fit traditional categories. Why? Because Marketocracy strives to be in the right sectors, styles and stocks at the right time, so that when the market changes, you don’t have to decide when to change funds. That’s because the Fund is a “go-anywhere” fund.

To manage a “go-anywhere” fund, Marketocracy has pioneered a new approach to team investing which leverages an extensive farm system of investing talent. When the market changes, we change the team, so you don’t have to.

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Returns¹ as of quarter-end (9-30-08)

	Cumulative				Annualized			
	Sep-08	Q3	YTD 2008	Since Inception (11-5-01)	Average 1-Year	Average 3-Year	Average 5-Year	Avg. Annual Since Inception
MOFQX ²	-12.37%	-20.58%	-20.10%	45.94%	-21.73%	0.70%	3.30%	5.63%
S&P 500 ³	-8.91%	-8.37%	-19.29%	19.99%	-21.98%	0.22%	5.17%	2.68%

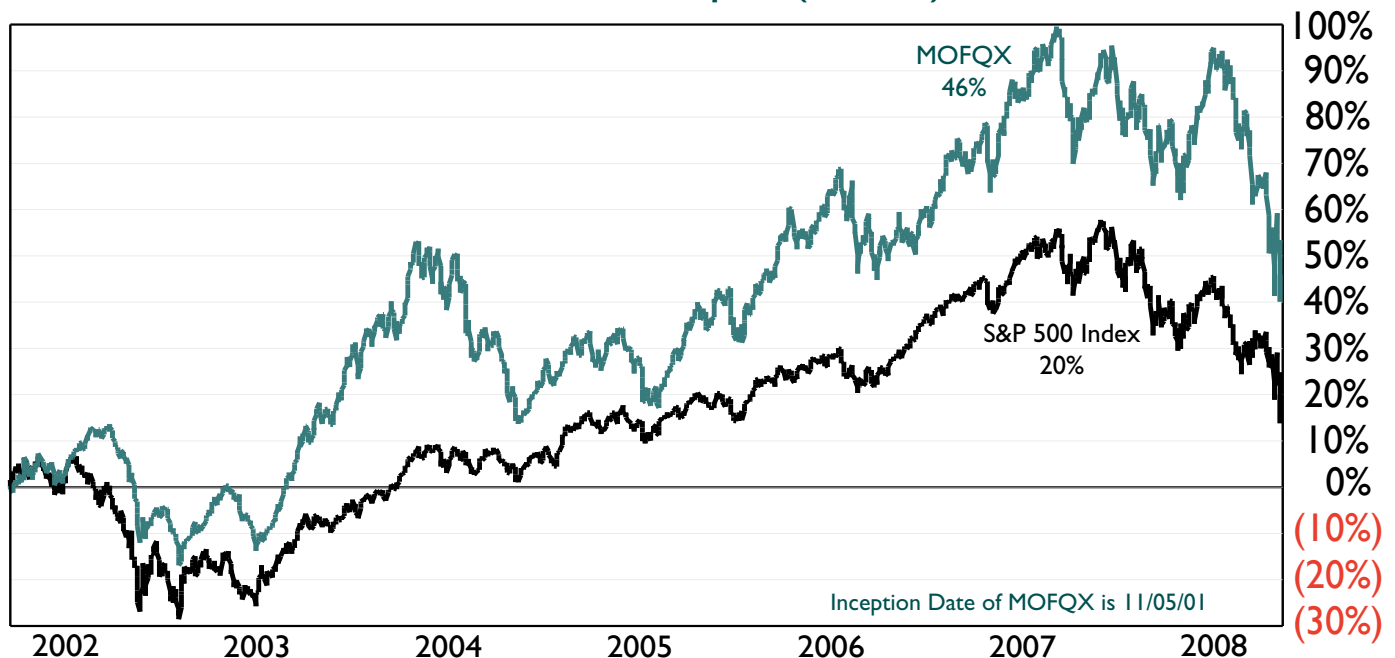
Returns assume reinvestment of dividends and distributions and includes the total annual fund operating expense ratio of 1.95%. Performance data quoted represents past performance. Past performance is not a guarantee of future results. Investment returns and principal value will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain performance data current to the most recent month-end, please call 888-884-8482 or visit: <http://funds.marketocracy.com/mof/index.html>.

Notes to Tables & Charts:

1. Returns assume reinvestment of dividends and distributions
2. Inception date of MOFQX is 11/5/01
3. Standard & Poors 500 Index is comprised of 500 selected common stocks most of which are listed on the NYSE and is unmanaged and cannot be invested in directly.

Source: Marketocracy Funds and Standard & Poors

Cumulative Returns¹ since Inception (11-05-01) to 9-30-08



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The "Sector Weights" table below shows that MOFQX has made significant shifts IN and OUT of the Consumer Discretionary, Financials, Health Care, and Info Technology sectors and IN to the Energy sector. More recently the Fund has been moving out of Financials and Telecom and more into Info Technology, and Materials. The table shows in **Bold** that these are the sectors more heavily weighted in the Fund than the S&P 500 on 9-30-08. Foreign companies now make up 35.86% of the fund.

Sectors	Sector Weights ^{5&7} MOFQX						S&P 500		
	4-30-03	4-30-04	4-30-05	4-30-06	4-30-07	4-30-08	9-30-08	9-30-08	
Consumer Disc.	22%	7%	17%	14%	5%	3%	3%	8%	
Consumer Staples	2%	2%	4%	3%	4%	3%	4%	12%	
Energy	3%	7%	23%	22%	19%	18%	17%	13%	
Financials	32%	7%	19%	11%	23%	19%	16%	16%	
Health Care	11%	26%	7%	14%	16%	18%	19%	13%	
Industrials	13%	5%	9%	11%	12%	8%	10%	11%	Significant increase
Info. Technology	8%	26%	6%	10%	9%	18%	16%	16%	
Materials⁶	9%	12%	8%	9%	9%	12%	13%	3%	Significant decrease
Telecommunications	1%	6%	1%	3%	4%	0%	1%	3%	
Utilities	1%	2%	5%	1%	1%	1%	0%	4%	

Notes:

- Sector Weights are percentages of MOFQX Total Asset Allocation for Stocks without Cash, Spy, Investment Company or Unclassified positions
- Bold** sectors indicate MOFQX overweighted compared to S&P 500 Index on 9-30-08
- Allocations and Weights are unaudited and subject to change

Source: Marketocracy Funds and Standard and Poors

MOFQX Total Asset Allocation⁷
(as of 9-30-08)

Cash & Other	3.31%
SPY	0.00%
Invest. Comp.	4.25%
Stocks	92.44%
Foreign Comp.	35.86%

Selected Top Holdings⁷

% of Total Net Assets as of 9-30-08

Indevus Pharmaceuticals (IDEV)	4.4%
Elan Corp. (ELN)	3.9%
Mastercard, Inc. (MA)	3.2%
Apple, Inc. (AAPL)	3.0%
Occidental Petroleum (OXY)	2.0%
Novo-Nordisk (NVO)	1.6%
Guangshen Railway (GSH)	1.6%
UltraShort Russell2000 (TWM)	1.4%
Managed High Yield Plus (HYF)	1.3%
US Global Investors (GROW)	0.8%

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The Masters 100 Fund is available through most major brokers, such as Charles Schwab, Fidelity, Vanguard, TD Ameritrade, Scottrade, VWR Hambrecht + Co, etc. For more information on how to invest, including an application to open a direct account, please call 888 884 8482. or go to: <http://funds.marketocracy.com/mof/hti.html>

Marketocracy Funds advises investors to carefully consider the investment objectives, risks, and charges and expenses associated with the Fund prior to investing. The Fund's prospectus contains this and other information about the Fund. To obtain a prospectus containing more complete information about the Fund, including fees and expenses, please visit: <http://funds.marketocracy.com/mof/prospectus.html> or call 888-884-8482. Please read the prospectus carefully before investing.

Principal risks associated with an investment in the Fund include Stock Selection risk, Small and Medium Companies risk, Foreign Investment risk, and Internet Reliance risk. The Fund can invest in small and medium sized companies, which are often more volatile and less liquid than larger, more established companies and therefore increase the volatility of the Fund's portfolio. The strategies used by the Fund's investment adviser in selecting Fund's portfolio may not always be successful. The investments may decline in value or not increase in value when the stock market in general is rising. Investments in foreign securities entail risks not present in domestic investments including, among others, risks related to political or economic instability, currency exchange, and taxation. Operation of Marketocracy.com's website depends on the continued availability of the Internet, both short- and long-term. Significant failures of the Internet could lead to interruptions or delays in the Fund's investment adviser's ability to manage the Fund's portfolio.

The m100 group, upon which the Masters 100 Fund's portfolio manager relies in managing the Fund, is comprised of individuals who may be amateur investors, not investment professionals, and are not employees of the Fund or its advisor. Their track records are based on the performance of a simulated stock portfolio on the website www.marketocracy.com.

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Date of first use: 7/7/08