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Mid-Cap Core Growth Fund Commentary
Fourth Quarter 2011

Following a sell-off in the third quarter of 2011, the stock market bottomed out in early October. The Index's double-digit gain for the fourth quarter, however, masks the underlying volatility that was present in the stock market during the second half of 2011. In the quarter ending December 31, the market, as measured by the Russell Midcap® Index, first rallied from its early October lows, corrected shortly after, and then exhibited more up and down action through the end of the year. In fact, as an example of the extent of the volatility that has ruled the market during the second half of 2011, the Russell Midcap® Index rose or fell by more than 1% daily over 60% of the trading days since June 30, compared to only 24% of the trading days in the first half of 2011.

Investors continued to focus on the sovereign debt crisis in Europe and its impact on the banking system and economic growth in the region. Efforts to deal with the important fiscal and monetary issues stemming from this crisis appeared to be gaining some traction near the end of the year, but considerable skepticism remained. In the United States, there appeared to be some slightly better news on the economy, but the important and negative issues of weak housing, unemployment and the budget deficit remain largely unresolved. The fact that recent economic news has been more encouraging has led many analysts to significantly reduce the probability of recession over the next 12 to 18 months. Nonetheless, economic growth is expected to remain sluggish in even the most optimistic forecasts.

The Munder Mid-Cap Core Growth Fund earned a double-digit rate of return for the quarter, but trailed its Russell Midcap® benchmark. The relative performance of the Fund, however, was positive for 2011 as a whole. (Please note: The benchmark for the Munder Mid-Cap Core Growth Fund was changed from the S&P MidCap 400® Index to the Russell Midcap® Index as of April 1, 2011.)

The sectors of the Fund that had the strongest relative performance during the fourth quarter were financials, materials and energy. In the financials sector, three holdings with exposure to the capital markets reacted favorably to the rebound in the stock market: Affiliated Managers Group, Inc. (1.7% of the Fund), Invesco Ltd. (1.2%) and Lincoln National Corp. (1.2%). Commercial bank holdings were strong relative to their peers. Signature Bank of New York (1.5%) has been experiencing strong loan and deposit growth, while Fifth Third Bancorp (1.2%) rebounded sharply from depressed levels in the summer. Among the Fund's real estate investment trust (REIT) holdings, The Macerich Company (2.1%), a shopping center REIT, and Digital Realty Trust, Inc. (1.5%), which focuses on enterprise data centers, have both reported solid operating trends. Each company also offers a dividend yield of over 4%, an attribute that investors find appealing in this low interest rate environment.

In the Fund's materials sector, LyondellBasell Industries NV (1.5%) had a very strong total return. The company declared a large special dividend of about 15% of the share price, which helped propel the stock from depressed levels at the beginning of the quarter. Airgas, Inc. (1.6%) was also up sharply as the company reported a 33% earnings gain for its most recent reported quarter, well above expectations. Management also raised earnings guidance for 2012.

An overweighted position in energy, the strongest of the ten sectors of the Russell Midcap® Index for the quarter, also helped relative performance. Three of the Fund's holdings in the sector had particularly strong gains. Complete Production Services, Inc. (1.1%) was the subject of a takeover bid by Superior Energy Services and that had a positive impact on the company's stock price. Oil States International, Inc. (1.3%) reported excellent quarterly results and raised earnings guidance for 2012. Denbury Resources, Inc. (1.0%) rebounded from sharply depressed levels in the third quarter, while its earnings have also continued to recover over the past several quarters.

The biggest detractors from the Fund's relative performance for the fourth quarter were the information technology and health care sectors, while the consumer discretionary sector was a modest detractor. In the technology sector, Solera Holdings, Inc. (1.3%) was hurt by concerns about weak driving trends in Europe. The company provides software products for the automobile insurance industry. Skyworks Solutions, Inc. (1.1%) has been weak due to the reduced content of its products in smart phones. BMC Software, Inc. was weak due to investors' concerns that the company's growth drivers have stalled near-term, despite beating earnings estimates in its most recent quarterly report. The stock was eliminated from the Fund in November. Teradata Corp. (1.3%), Cognizant Technology Solutions Corp. (1.7%) and Check Point Software Technologies Ltd. (1.1%) lagged the market due to their more defensive business models. Red Hat, Inc. (1.3%) was weak late in the quarter due to slightly disappointing billings trends, despite a very strong earnings report.

In the Fund's health care sector, Catalyst Health Solutions, Inc. (1.1%), a pharmacy benefit manager, was down during the quarter, due to slightly reduced earnings guidance by management. Business trends, however, remained very strong for the company. The Cooper Companies, Inc. (0.9%) reacted negatively early in the quarter to increased FDA involvement in a product recall that had been announced in August, although the stock rallied later in the quarter due to an unexpectedly strong earnings report. ResMed, Inc. (1.0%) has been experiencing some competitive pricing pressures that resulted in disappointing earnings, which hurt its stock price. Cerner Corp. (0.9%), a supplier of health care information technology solutions, was down due to profit taking after very strong relative performance in the third quarter. The company is expected to be a beneficiary of government mandates related to health care reform.

Among the Fund's consumer discretionary holdings, detractors from relative performance slightly outweighed the contributors. Cinemark Holdings, Inc. (1.3%) was flat because of slightly lower expectations for domestic box office receipts in the fourth quarter. Similarly, Fossil, Inc. (1.2%) was flat for the quarter due to margin pressures related to foreign currency translations, higher product sourcing costs in China, and store expansion costs, despite very strong revenue trends. On the plus side, two automotive-related holdings were strong due to favorable business trends: LKQ Corp. (1.9%) and Gentex Corp. (1.3%). LKQ supplies replacement parts to the auto repair industry, while Gentex is a supplier of auto-dimming rear view mirrors for new cars.

The focus of the Mid-Cap Core Growth Fund continues to be on earnings momentum and reasonable valuation relative to its Russell Midcap® benchmark. Over the past twelve months, earnings per share for the typical company held in the Fund grew at 20%, compared to 10% for the benchmark. Over the next twelve months, earnings growth of 30% is expected for the Fund, higher than the 21% growth expected for the Russell Midcap® Index.* Revenue growth over the past twelve months was 15% for the Fund and 10% for the benchmark. Return on equity, a basic measure of profitability, was 15% over the past twelve months for the Fund, compared to 14% for the Russell Midcap® Index. Despite these favorable fundamental characteristics, the valuation of the Fund was quite reasonable, with a price-to-earnings ratio on projected earnings over the next twelve months of 16 times earnings, only slightly higher than the Russell Midcap® Index multiple of 14 times earnings.* We believe this combination of fundamental strength and reasonable valuation positions the Munder Mid-Cap Core Growth Fund for strong competitive performance. These are the characteristics that have contributed to the Fund's long-term record, and we firmly believe that they will continue to serve the Fund's shareholders well.

Past performance does not guarantee future results. There can be no guarantee that any strategy (risk management or otherwise) will be successful. All investing involves risk, including potential loss of principal. The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus and summary prospectus contain this and other important information about the Fund. To obtain a prospectus and summary prospectus, call 800.468.6337, or visit the website www.munder.com. Read the prospectus and summary prospectuses carefully before investing.

*Estimated earnings growth and price-to-earnings ratios are based on information obtained from a third-party that is believed to be reliable. Estimates are only projections and not guarantees.

RISKS: *The Fund invests in smaller and medium-sized company stocks, which are more volatile and less liquid than larger, more established company securities. The Fund may invest up to 25% of its assets in foreign securities, which involve additional risks due to currency fluctuations, economic and political conditions, and differences in financial reporting standards.*

Fund holdings mentioned in the Quarterly Commentary are as of 12.31.11 and the percentages shown are based on net assets as of that date. Fund holdings are subject to change and should not be considered purchase recommendations. There is no assurance that the securities mentioned remain in the Fund's portfolio or that securities sold have not been repurchased. The Fund's top ten holdings as of 12.31.11 were: Affiliated Managers Group, Inc., Airgas, Inc., Cognizant Technology Solutions Corporation, Digital Realty Trust, Inc., Herbalife, Ltd., Kansas City Southern, Liberty Media Corp - Liberty Capital Ser A, LKQ Corp., Macerich Co. and NiSource Inc. Top holdings do not reflect cash, money market instruments or options/futures contracts holdings. The most currently available data regarding portfolio holdings can be found on our website, www.munder.com.

Effective April 1, 2011, the Fund's primary benchmark was changed from the S&P MidCap 400® Index to the Russell Midcap® Index. Munder believes that the Russell Midcap® Index covers a much broader spectrum of the mid-cap market and therefore is an improved representation of the investable opportunity set of the mid-cap equity market.

The Russell Midcap® Index measures the performance of the mid-cap segment of the U.S. Equity universe and includes approximately 800 of the smallest Russell 1000® Index companies (the largest 1,000 U.S. publicly traded companies). The S&P MidCap 400® Index is a capitalization-weighted index that measures the performance of the mid-capitalization sector of the U.S. stock market. You cannot invest directly in an index, securities in the Fund will not match those in the index, and performance of the Fund will differ. Although reinvestment of dividend and interest payments is assumed, no expenses are netted against an index's returns.

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