

Caldwell & Orkin Market Opportunity Fund

Performance in Review:

June 30, 2008

The Caldwell & Orkin Market Opportunity Fund (COAGX) rose 4.69% during the second quarter of 2008. The S&P 500 with Income index fell -2.73% during the same period, and the NASDAQ Composite index inched up 0.61%. For the 12-months ended June 30, 2008, the Fund is up 25.41%, compared to losses of -13.19% and -11.92% for the S&P and NASDAQ, respectively. Since commencement of active management on August 24, 1992 to the present, the Fund has generated an average annual total return of 10.99%, compared to 9.48% for the S&P 500 and 9.35% for the NASDAQ. We realized these long-term results with less risk than the S&P 500. The Fund's price movements have had very little correlation (3.25%) to the price movements of the S&P 500. An S&P 500 index fund has a 100% correlation with the market. (Computations by Ned Davis Research, Inc.) *The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. To obtain performance information current to the most recent month-end, please call (800) 237-7073.*

Coming on the heels of a weak first quarter, the markets showed initial strength early in the second quarter, led by the energy, information technology, financial and consumer discretionary sectors. But that strength later succumbed to the ongoing effects of the worst credit crisis in a generation, and the markets turned downward. In addition to the credit crunch brought on by lax lending standards in the home mortgage, auto and credit card sectors, and the bursting of the housing bubble that resulted from the tightening of credit, the financial markets are also struggling with the ramifications of a spent-up consumer, stratospheric energy prices, rising commodity prices and generally rising inflation. The Market Opportunity Fund opened the quarter positioned 36.9% long, -23.5% short, 1.1% in call options, 1.1% in put options and 37.4% in cash. We were cautiously positioned – only 62.6% invested and 13.4% net long - an exposure that reflected our belief that the markets still had much more downside ahead, a downside that would be punctuated by periodic rallies. The Fund shed -1.56% in April, while the S&P gained 4.94%. During May the markets weakened somewhat, led by the financial sector, which helped our short positions. We added more long names in the oil & gas and defense sectors, among others, and turned in a positive performance for the month, up 1.45%. The S&P gained 1.23%. Our financial shorts and put options contributed to performance, as both the long and short portfolios showed positive returns. Wall Street woke up to the magnitude of the credit crisis in June, and the markets reacted in kind, with the S&P falling -8.44%. Financial stocks were the hardest hit: the financial component of the S&P 500 fell -18.66%. While the long portfolio was down in June (-5.34%, still outperforming the S&P), the shorts performed handsomely, returning 17.68%. Overall the Fund gained 4.84% in June.

Current Outlook:

The credit crisis isn't going away anytime soon, and the deleveraging of the financial sector will take time to play out. We believe the credit excesses and debt bubble built up during the Alan Greenspan-led Federal Reserve era have more ramifications for the financial markets, and we are investing accordingly.

Portfolio Snapshot as of June 30, 2008:

<u>FIVE LARGEST LONG HOLDINGS</u>		<u>FIVE LARGEST LONG INDUSTRIES</u>		<u>ASSET ALLOCATION</u>	
1 Tenet Healthcare Corp (THC)	2.8%	Diversified Operations	3.7%	Long Equities	44.9%
2 StreetTRACKS Gold Trust (GLD)	2.1%	Oil & Gas – US Explor & Prod	3.1%	Short Equities	39.7%
3 Itron Inc (ITRI)	2.0%	Metal Ores – Gold / Silver	2.9%	Call Options	0.2%
4 ITT Corp (ITT)	1.7%	Utility – Electric Power	2.8%	Put Options	3.0%
5 Urban Outfitters (URBN)	1.6%	Medical - Hospitals	2.8%	Cash	<u>12.2%</u>
				Total	100.0%
				Net long	5.2%

This quarterly review is submitted for the general information of the Caldwell & Orkin Market Opportunity Fund's shareholders. It is not authorized for distribution to prospective investors unless preceded or accompanied by a current prospectus. The Fund's objective is to provide long-term capital growth with a short-term focus on capital preservation through investment selection and asset allocation. Assets may be allocated among long and short stocks, options, bonds and cash equivalents. Both the share price and a prospectus are available on the Fund's website, www.CaldwellOrkin.com, or by calling the office number below (after hours there is a recorded message). The share price is also listed in select daily newspapers.

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Portfolio Performance for the period ended June 30, 2008

	Total Return	Average Annual Total Return
1-Year	25.41%	25.41%
3-Year	44.23%	12.98%
5-Year	36.26%	6.38%
10-Year	69.73%	5.43%
15-Year	308.89%	9.84%
Since 8/24/92 (a)	422.69%	10.99%

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There are certain risks inherent in investing in the Fund, including market risk, short sale risk, interest rate risk, business risk, small company risk, market valuation risk, political risk, and portfolio turnover risk. For a complete discussion of these risks, you may request a copy of the Fund's prospectus by calling (800) 237-7073. The Fund uses aggressive investment strategies (including short positions and options) that have the potential for yielding high returns; however, these strategies may also result in losses. Theoretically, stocks sold short have unlimited risk. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost.

Investors should expect that the Market Opportunity Fund's performance may fluctuate independently of stock market indices, such as the S&P 500 with Income and the NASDAQ Composite. The S&P 500 with Income is a widely recognized unmanaged index of common stock prices, adjusted to reflect the reinvestment of dividends and distributions. The NASDAQ Composite Index is an unmanaged index of common stocks of companies traded over-the-counter and offered through the National Association of Securities Dealers Automated Quotations system.

This information must accompany or be preceded by a currently effective prospectus. For more complete information, including charges and expenses, you may obtain a prospectus by calling (800) 237-7073. You should read the prospectus carefully before investing or sending money.

(a) *The Caldwell & Orkin Market Opportunity Fund commenced active management on August 24, 1992. A prior fund passively managed and indexed to the largest 100 OTC stocks began operations on March 11, 1991.*

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