

Caldwell & Orkin Market Opportunity Fund

Performance in Review:

December 31, 2006

The Caldwell & Orkin Market Opportunity Fund (COAGX) rose 5.36% in the fourth quarter of 2006. The S&P 500 with Income index gained 6.66% during the same period, and the NASDAQ Composite index climbed 6.95%. Since commencement of active management on August 24, 1992 to the present, the Fund generated an average annual total return of 10.01%, compared to 11.09% for the S&P 500 and 10.77% for the NASDAQ. We realized these long-term results with less risk than the S&P 500. In addition, the Fund's price movements have had very little correlation (2.81%) 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.*

The Market Opportunity Fund entered the fourth quarter 94.1% invested and 31.2% net long. We also had a 9.5% position in U.S. Treasury Bills. Electric utilities represented the largest industry concentration on the long side (5.9%), and mortgage and related financial service companies topped the short exposure (-3.7%). Beginning in late August, we began increasing the portfolio's net long positioning given falling energy prices and a generally upbeat market climate. That's not to say we turned bullish. Rather, we believed that, all things being equal, the positive forces affecting the market outweighed the negative forces exerted by the deflating housing bubble and high debt levels. During the month of October we added several companies, with many focusing on technology. We closed the month 97.5% invested and 36.1% net long. The Fund rose 0.87% in October, trailing the S&P's 3.33% gain.

For the balance of the quarter we stayed relatively fully invested and in the neighborhood of 40% to 50% net long. We sold the Treasury Bills in November to make room for additional equity exposure, locking in a profit. On November 17, 2006, we added put options to the Market Opportunity Fund's asset allocation mix, thanks to passage of a Shareholder vote deleting an investment restriction against using options. The Fund performed well in November, rising 2.47% (compared to a 1.79% gain for the S&P), and turned in another positive performance in December (up 1.93% vs. 1.41% for the S&P).

The Market Opportunity Fund was firing on all cylinders during Q4. The long side of the portfolio gained 8.63%, compared to 6.66% for the S&P. Our largest position, TurboChef Technologies (OVEN), rose over 22% during the quarter. The shorts were slightly negative for the quarter, returning -1.11%, though in December when subprime lenders made headlines (and not in a good way), the short portfolio gained 4.04%. Towards year-end we lowered both the Fund's net long exposure and total invested position, closing December 28.7% net long and 87.1% invested, in preparation for the new year.

Current Outlook:

As seen in the direction of our year-end asset allocation shift, we believe the market will consolidate some gains before moving ahead. Partly propelled by bonus checks and gift card sales (which impact corporate earnings once redeemed), we expect to see an economic acceleration within this longer-term economic slowdown. That could result in rising interest rates, putting temporary downward pressure on the equity markets. Thereafter, stock prices may be poised to rise again. We're keeping a watchful eye on factors that give us cause for concern: the deflating housing bubble bleeding into the economy, continuing problems in the subprime mortgage sector, elevated levels of consumer debt, the trade deficit, the federal budget deficit and the falling U.S. Dollar.

Portfolio Snapshot as of December 31, 2006:

<u>FIVE LARGEST LONG HOLDINGS</u>		<u>FIVE LARGEST LONG INDUSTRIES</u>		<u>ASSET ALLOCATION</u>	
1 TurboChef Technologies (OVEN)	3.5%	Food - Misc Preparation	4.7%	Long Equities	57.0%
2 Campbell Soup Co (CPB)	2.4%	Diversified Operations	4.0%	Short Equities	28.3%
3 PepsiCo Inc (PEP)	2.3%	Household - Appliances	3.5%	Put Options	1.8%
4 Altria Group Inc (MO)	2.2%	Metal Ores - Gold / Silver	3.3%	Cash	<u>12.9%</u>
5 Republic Services Inc (RSG)	2.0%	Computer Software - Enterprise	2.9%	Total	100.0%
				Net	28.7%

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 December 31, 2006

	<u>Total Return</u>	<u>Average Annual Total Return</u>
1-Year	7.41%	7.41%
3-Year	6.15%	2.01%
5-Year	2.07%	0.41%
10-Year	89.34%	6.59%
Since 8/24/92 (a)	293.80%	10.01%

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 or visit the Fund's website, www.CaldwellOrkin.com. The commentary reflects the views of the Caldwell & Orkin Market Opportunity Fund's portfolio manager through the date of this report. Of course, these views are subject to change as market and other conditions warrant. Fund holdings, industry and asset allocations are subject to change without notice. The Fund's performance assumes the reinvestment of income, dividend and capital gain distributions, if any.

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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