

SECURITIES AND EXCHANGE COMMISSION

FORM N-Q

Quarterly schedule of portfolio holdings of registered management investment company filed on
Form N-Q

Filing Date: **2008-08-29** | Period of Report: **2008-06-30**
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FILER

FORUM FUNDS

CIK: **315774** | IRS No.: **010516963** | State of Incorporation: **DE** | Fiscal Year End: **0531**
Type: **N-Q** | Act: **40** | File No.: **811-03023** | Film No.: **081048690**

Mailing Address
*FORUM FUNDS
THREE CANAL PLAZA
PORTLAND ME 04101*

Business Address
*THREE CANAL PLAZA
PORTLAND ME 04101
2073472000*

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-03023

**FORUM FUNDS
Three Canal Plaza, Suite 600
Portland, Maine 04101**

**Stacey E. Hong, Principal Executive Officer
Three Canal Plaza, Suite 600
Portland, Maine 04101
207-347-2000**

Date of fiscal year end: March 31

Date of reporting period: April 1, 2008 - June 30, 2008

Item 1. Schedule of Investments.

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

JUNE 30, 2008 (Unaudited)

Shares

| | Security Description | Value |
|--------------------------------------|---|-------------|
| Long Positions - 77.7% | | |
| Equity Securities - 50.7% | | |
| Common Stock - 48.7% | | |
| Consumer Discretionary - 7.5% | | |
| 19,400 | Abercrombie & Fitch Co. (f) | \$1,215,992 |
| 60,400 | Aeropostale, Inc. (a) (f) | 1,892,332 |
| 169,775 | American Eagle Outfitters, Inc. (f) | 2,314,033 |
| 22,600 | AnnTaylor Stores Corp. (a) (f) | 541,496 |
| 5,600 | Autoliv, Inc. (f) | 261,072 |
| 48,625 | Bed Bath & Beyond, Inc. (a) (f) (h) (i) (j) | 1,366,362 |
| 5,800 | Best Buy Co., Inc. (f) | 229,680 |
| 3,500 | Big Lots, Inc. (a) (f) | 109,340 |
| 6,400 | BJ's Wholesale Club, Inc. (a) (f) | 247,680 |
| 107,000 | Building Materials Holding Corp. (f) | 189,390 |
| 41,400 | Burger King Holdings, Inc. (f) | 1,109,106 |
| 220,000 | Cabela's, Inc., Class A (a) | 2,422,200 |
| 172,480 | Carmax, Inc. (a) (f) | 2,447,491 |
| 179,350 | Carter's, Inc. (a) (f) | 2,478,617 |
| 14,200 | Casey's General Stores, Inc. (f) | 329,014 |
| 800 | Centex Corp. (f) (i) (j) | 10,696 |
| 2,700 | Charlotte Russe Holding, Inc. (a) (f) | 47,952 |
| 11,900 | Cherokee, Inc. (f) | 239,785 |
| 1,000 | China Eastern Airlines Corporation, Ltd., ADR (a) | 31,340 |
| 1,000 | China Southern Airlines Company, Ltd., ADR (a) | 19,780 |
| 18,900 | Christopher & Banks Corp. (f) | 128,520 |
| 208,935 | Cintas Corp. (f) | 5,538,867 |
| 2,000 | Circuit City Stores, Inc. (f) (i) (j) | 5,780 |
| 25,900 | CEC Entertainment, Inc. (a) (f) | 725,459 |
| 29,300 | CKE Restaurants, Inc. (f) | 365,371 |
| 27,600 | Coach, Inc. (a) (f) | 797,088 |
| 5,200 | Costco Wholesale Corp. (f) | 364,728 |
| 28,694 | Dana Holding Corp. (a) | 153,513 |
| 11,700 | Dollar Tree, Inc. (a) (f) | 382,473 |
| 51,450 | DreamWorks Animation SKG, Inc., Class A (a) | 1,533,725 |
| 41,400 | Dress Barn, Inc. (a) (f) | 553,932 |
| 60,800 | Ezcorp, Inc., Class A (a) (f) | 775,200 |
| 25,000 | Furniture Brands International, Inc. (i) | 334,000 |
| 20,600 | GameStop Corp., Class A (a) (f) | 832,240 |
| 16,900 | Gap, Inc. (f) | 281,723 |
| 18,700 | General Mills, Inc. (f) | 1,136,399 |

| | | |
|---------|--|-----------|
| 10,700 | Gymboree Corp. (a) (f) | 428,749 |
| 34,600 | Hanesbrands, Inc. (a) (f) | 939,044 |
| 27,600 | Hasbro, Inc. (f) | 985,872 |
| 26,900 | Herman Miller, Inc. (f) | 669,541 |
| 58,275 | Home Depot, Inc. (f) | 1,364,800 |
| 41,000 | Houston Wire & Cable Co. (f) | 815,900 |
| 47,800 | HOT Topic, Inc. (a) (f) | 258,598 |
| 26,000 | Hibbett Sports, Inc. (a) (f) | 548,600 |
| 7,250 | International Game Technology (f) | 181,105 |
| 22,700 | International Speedway Corp. (f) | 885,981 |
| 6,200 | Jack in the Box, Inc. (a) (f) | 138,942 |
| 4,000 | Knoll, Inc. (f) | 48,600 |
| 50,200 | Kohl' s Corp. (a) (f) (i) (j) | 2,010,008 |
| 20,535 | Las Vegas Sands Corp. (a) | 974,180 |
| 41,800 | Lions Gate Entertainment Corp. (a) (f) | 433,048 |
| 25,700 | Liz Claiborne, Inc. (f) | 363,655 |
| 54,200 | Lowe' s Cos., Inc. (f) (i) (j) | 1,124,650 |
| 23,600 | Marvel Entertainment, Inc. (a) (f) | 758,504 |
| 10,633 | McDonald' s Corp. (f) | 597,787 |
| 28,360 | MGM Mirage (a) | 961,120 |
| 110,000 | Mobile Mini, Inc. (a) | 2,200,000 |
| 38,465 | Mohawk Industries, Inc. (a) (f) | 2,465,606 |
| 25,300 | Nike, Inc., Class B (f) (i) (j) | 1,508,133 |
| 1,300 | NVR, Inc. (a) (f) | 650,104 |
| 17,400 | Owens & Minor, Inc. (f) | 795,006 |
| 9,100 | Panera Bread Co. (a) (f) | 420,966 |
| 9,900 | PF Chang' s China Bistro, Inc. (a) (f) | 221,166 |
| 20,600 | Polaris Industries, Inc. (f) | 831,828 |
| 68,200 | Pulte Homes, Inc. (f) (i) (j) | 656,766 |
| 105,655 | Royal Caribbean Cruises, Ltd. (f) | 2,374,068 |
| 1,800 | Ryland Group, Inc. (f) (i) (j) | 39,258 |
| 6,570 | Sears Holdings Corp. (a) | 483,946 |
| 230,000 | Sonic Corp. (a) (f) | 3,404,000 |
| 61,350 | Steak n Shake Co. (a) (f) | 388,345 |
| 13,550 | Target Corp. (f) (i) (j) | 629,940 |
| 1,300 | Tech Data Corp. (a) (f) | 44,057 |
| 30,400 | Tim Hortons, Inc. (f) | 872,176 |
| 20,400 | Toro Co. (f) | 678,708 |
| 36,000 | Tsingtao Brewery Co., Ltd. | 73,318 |
| 21,300 | Tween Brands, Inc. (a) (f) | 350,598 |
| 32,900 | Urban Outfitters, Inc. (a) (f) | 1,026,151 |
| 20,800 | WABCO Holdings, Inc. (f) | 966,368 |
| 25,550 | Wal-Mart Stores, Inc. | 1,435,910 |
| 95,500 | Walgreen Co. (f) | 3,104,705 |
| 197,902 | Warner Music Group Corp. (f) | 1,413,020 |
| 7,700 | WESCO International, Inc. (a) (f) | 308,308 |
| 13,500 | Winnebago Industries (f) | 137,565 |
| 8,400 | WMS Industries, Inc. (a) (f) | 250,068 |
| 1,400 | WW Grainger, Inc. (f) | 114,520 |
| 20,540 | Wynn Resorts, Ltd. (a) | 1,670,929 |
| 34,400 | Yum! Brands, Inc. (f) | 1,207,096 |

Consumer Staples - 6.2%

| | | |
|---------|--|-----------|
| 121,150 | Accenture, Ltd., Class A (f) | 4,933,228 |
| 17,400 | American Greetings Corp., Class A (f) | 214,716 |
| 30,700 | AMN Healthcare Services, Inc. (a) (f) | 519,444 |
| 9,204 | Anheuser-Busch Cos., Inc. (f) | 571,752 |
| 19,600 | Arbitron, Inc. (f) | 931,000 |
| 29,800 | Archer-Daniels-Midland Co. (f) | 1,005,750 |
| 24,100 | Avon Products, Inc. (f) | 868,082 |
| 7,700 | Blyth, Inc. (f) | 92,631 |
| 32,700 | Bowne & Co., Inc. (f) | 416,925 |
| 6,000 | Bunge, Ltd. | 646,140 |
| 8,700 | Campbell Soup Co. (f) | 291,102 |
| 18,000 | Charles River Laboratories International, Inc. (a) (f) | 1,150,560 |
| 32,700 | Clorox Co. (f) | 1,706,940 |
| 156,526 | Coca-Cola Co. (f) | 8,136,221 |
| 4,600 | Comdisco Holding Co., Inc. (a) | 43,930 |
| 16,000 | ConAgra Foods, Inc. (f) | 308,480 |
| 8,000 | Consolidated Graphics, Inc. (a) (f) | 394,160 |
| 21,800 | Corporate Executive Board Co. (f) | 916,690 |
| 20,100 | DeVry, Inc. (f) | 1,077,762 |
| 36,200 | Ennis, Inc. (f) | 566,530 |
| 24,600 | Estee Lauder Cos., Inc. (f) | 1,142,670 |
| 20,600 | Hewitt Associates, Inc. (a) (f) | 789,598 |
| 7,972 | HJ Heinz Co. (f) | 381,460 |
| 26,900 | ImClone Systems, Inc. (a) (f) | 1,088,374 |
| 32,000 | Iron Mountain, Inc. (a) | 849,600 |
| 23,000 | ITT Educational Services, Inc. (a) (f) (j) | 1,900,490 |
| 15,200 | Jackson Hewitt Tax Service, Inc. | 185,744 |
| 15,025 | Jarden Corp. (a) | 274,056 |
| 26,623 | Koninklijke Ahold NV, ADR (f) | 358,218 |
| 10,000 | Kraft Foods, Inc. (f) (i) | 284,500 |
| 11,500 | Kroger Co. (f) | 332,005 |
| 17,000 | MAXIMUS, Inc. (f) | 591,940 |
| 21,900 | Mcgrath Rentcorp. (f) | 538,521 |
| 20,900 | Medicines Co. (a) (f) | 414,238 |
| 21,565 | Moody' s Corp. | 742,699 |
| 112,020 | PepsiCo, Inc. (f) | 7,123,352 |
| 24,200 | Pharmaceutical Product Development, Inc. (f) | 1,038,180 |
| 55,700 | Philip Morris International, Inc. (f) | 2,751,023 |
| 96,965 | Procter & Gamble Co. (f) (i) (j) | 5,896,442 |
| 18,895 | Quanta Services, Inc. (a) | 628,637 |
| 19,600 | Resources Connection, Inc. (a) (f) | 398,860 |
| 187,480 | Robert Half International, Inc. (f) | 4,493,896 |
| 48,200 | Rollins, Inc. (f) | 714,324 |
| 20,000 | Sotheby' s | 527,400 |
| 5,800 | Strayer Education, Inc. (f) | 1,212,606 |
| 11,000 | SYSCO Corp. (f) | 302,610 |
| 28,200 | TNS, Inc. (a) (f) | 675,672 |
| 14,200 | TrueBlue, Inc. (a) (f) | 187,582 |

| | | |
|----------------------|---|-------------------|
| 29,000 | Tupperware Brands Corp. (f) | 992,380 |
| 10,554 | Unilever NV | 299,734 |
| 75,100 | Valassis Communications, Inc. (a) (f) | 940,252 |
| 18,900 | Western Union Co. (f) | 467,208 |
| | | <u>63,316,314</u> |
| Energy - 4.7% | | |
| 2,000 | Anadarko Petroleum Corp. (f) (i) (j) | 149,680 |
| 3,100 | Apache Corp. (f) (i) (j) | 430,900 |
| 16,400 | Arch Coal, Inc. (f) | 1,230,492 |
| 18,015 | Canadian Natural Resources, Ltd. | 1,806,004 |
| 51,925 | Canadian Oil Sands Trust | 2,814,918 |
| 7,000 | Canadian Oil Sands Trust | 377,525 |
| 15,882 | Chevron Corp. (f) | 1,574,383 |
| 13,500 | Cimarex Energy Co. (f) | 940,545 |
| 1,835 | CNOOC, Ltd., ADR | 318,446 |
| 43,300 | ConocoPhillips (f) | 4,087,087 |
| 10,600 | Consol Energy, Inc. (f) | 1,191,122 |
| 67,540 | Covanta Holding Corp. (a) (f) | 1,802,643 |
| 27,900 | Denbury Resources, Inc. (a) (f) | 1,018,350 |
| 7,500 | Diamond Offshore Drilling, Inc. (f) | 1,043,550 |
| 28,800 | Dresser-Rand Group, Inc. (a) (f) | 1,126,080 |
| 44,560 | El Paso Corp. (f) | 968,734 |
| 11,130 | EnCana Corp. (f) | 1,012,051 |
| 32,600 | Energy Partners, Ltd. (a) (f) | 486,392 |
| 13,500 | Equitable Resources, Inc. (f) | 932,310 |
| 1,500 | Exxon Mobil Corp. (f) | 132,195 |
| 4,300 | First Solar, Inc. (a) (f) | 1,173,126 |
| 13,300 | FMC Technologies, Inc. (a) (f) | 1,023,169 |
| 4,800 | Frontier Oil Corp. (f) | 114,768 |
| 30,130 | Gazprom OAO, ADR | 1,747,540 |
| 21,000 | Halliburton Co. (f) (i) (j) | 1,114,470 |
| 54,400 | Headwaters, Inc. (a) (f) | 640,288 |
| 16,730 | Imperial Oil, Ltd. | 921,321 |
| 13,041 | Marathon Oil Corp. (f) | 676,437 |
| 17,600 | Mitcham Industries, Inc. (a) (f) | 300,608 |
| 5,000 | Murphy Oil Corp. (f) | 490,250 |
| 6,770 | National Energy Group | 24,609 |
| 17,900 | Nexen, Inc. (f) | 711,525 |
| 4,000 | Occidental Petroleum Corp. (f) | 359,440 |
| 14,900 | Oceaneering International, Inc. (a) (f) | 1,148,045 |
| 30,500 | Patterson-UTI Energy, Inc. (f) | 1,099,220 |
| 14,400 | Peabody Energy Corp. (f) | 1,267,920 |
| 12,600 | Petro-Canada (f) | 702,450 |
| 31,500 | Rosetta Resources, Inc. (a) (f) | 897,750 |
| 4,606 | Schlumberger, Ltd. (f) (i) (j) | 494,822 |
| 7,200 | SEACOR Holdings, Inc.(a) (f) | 644,472 |
| 43,680 | Suncor Energy, Inc. | 2,538,682 |
| 18,800 | Sunoco, Inc. (f) | 764,972 |
| 2,000 | Swift Energy Co. (a) (f) | 132,120 |

| | | |
|--------|---------------------------|---------|
| 44,600 | Talisman Energy, Inc. (f) | 986,998 |
| 14,520 | Texas Pacific Land Trust | 769,560 |

| | | |
|--------|-----------------------------------|-----------|
| 9,200 | Unit Corp. (a) (f) | 763,324 |
| 39,900 | Valero Energy Corp. (f) | 1,643,082 |
| 10,300 | W&T Offshore, Inc. (f) | 602,653 |
| 155 | WesternZagros Resources, Ltd. (a) | 453 |
| 15,600 | XTO Energy, Inc. (f) | 1,068,756 |

48,266,237

Financials - 11.4%

| | | |
|---------|---|-----------|
| 15,500 | Allstate Corp. (f) | 706,645 |
| 12,000 | American Capital Strategies, Ltd. | 285,240 |
| 830,000 | AmeriCredit Corp. (a) (i) | 7,154,600 |
| 8,800 | Ameriprise Financial, Inc. (f) | 357,896 |
| 110,000 | Arthur J Gallagher & Co. | 2,651,000 |
| 3,000 | Assurant, Inc. (f) | 197,880 |
| 28,680 | ASX, Ltd. | 863,135 |
| 20,100 | Axis Capital Holdings, Ltd. (f) | 599,181 |
| 36,100 | Banco Latinoamericano de Exportaciones SA | 584,459 |
| 1,200 | Bank of America Corp. (f) (i) (j) | 28,644 |
| 104,032 | Bank Of New York Mellon Corp. (f) | 3,935,530 |

| | | |
|--------|---|------------|
| 106 | Berkshire Hathaway, Inc., Class A (a) (f) | 12,799,500 |
| 255 | Berkshire Hathaway, Inc., Class B (a) | 1,023,060 |
| 5,470 | BlackRock, Inc./NY | 968,190 |
| 22,280 | Blackstone Group LP | 405,719 |
| 8,000 | Bolsas y Mercados Espanoles | 297,929 |
| 53,200 | Boston Private Financial Holdings, Inc. (f) | 301,644 |
| 32,030 | Brookfield Asset Management, Inc., Class A | 1,042,256 |
| 6,150 | Cathay General Bancorp | 66,850 |
| 72,000 | China Life Insurance Co., Ltd. | 252,089 |
| 15,800 | Center Financial Corp. | 133,826 |
| 9,000 | Central Pacific Financial Corp.(f) | 95,940 |
| 93,800 | Charles Schwab Corp. (f) | 1,926,652 |
| 9,900 | Chubb Corp. (f) | 485,199 |
| 13,700 | Cigna Corp. (f) | 484,843 |
| 1,800 | City National Corp./CA (f) | 75,726 |
| 16,085 | Climate Exchange PLC (a) | 611,618 |
| 5,345 | CME Group, Inc. (f) (j) | 2,048,151 |

| | | |
|--------|--|-----------|
| 24,520 | Cohen & Steers, Inc. | 636,784 |
| 21,900 | Chemical Financial Corp. (f) | 446,760 |
| 3,400 | Bancorp, Inc./DE (a) | 25,908 |
| 4,000 | Countrywide Financial Corp. (f) (i) | 17,000 |
| 4,000 | Deutsche Boerse AG | 451,618 |
| 600 | Discover Financial Services (f) | 7,902 |
| 8,180 | East West Bancorp, Inc. (f) | 57,751 |
| 50,690 | Eaton Vance Corp. (f) | 2,015,434 |
| 35,000 | Entertainment Properties Trust (f) | 1,730,400 |
| 2,700 | Erie Indemnity Co., Class A (f) | 124,605 |
| 470 | Fairfax Financial Holdings, Ltd. | 119,333 |
| 28,000 | Federal National Mortgage Association | 546,280 |
| 30,000 | Federal Realty Investment Trust | 2,070,000 |
| 19,300 | Federated Investors, Inc., Class B (f) | 664,306 |
| 12,500 | Fifth Third Bancorp (f) | 127,250 |
| 34,725 | First Marblehead Corp. (f) | 89,243 |
| 25,300 | Forest City Enterprises, Inc., Class A | 815,166 |

| | | |
|---------|--|-----------|
| 8,600 | Epic Insurance Group, Inc. (a) (f) | 389,752 |
| 50,610 | Franklin Resources, Inc. (f) | 4,638,406 |
| 12,000 | GFI Group, Inc. | 108,120 |
| 2,370 | Goldman Sachs Group, Inc. (f) | 414,513 |
| 14,100 | Greenhill & Co., Inc. (f) | 759,426 |
| 10,850 | Groupe Bruxelles Lambert SA | 1,291,817 |
| 15,790 | Hanmi Financial Corp. | 82,266 |
| 3,800 | Hanover Insurance Group, Inc. (f) | 161,500 |
| 3,000 | HDFC Bank, Ltd., ADR | 214,980 |
| 22,000 | Health Care Real Estate Investment Trust, Inc. | 979,000 |
| 128,000 | Hong Kong Exchanges and Clearing, Ltd. | 1,871,429 |
| 25,470 | Icahn Enterprises LP | 1,791,560 |
| 12,000 | ICAP PLC | 129,549 |
| 8,250 | ICICI Bank, Ltd., ADR | 237,270 |
| 16,500 | Infinity Property & Casualty Corp. (f) | 685,080 |
| 13,300 | Interactive Brokers Group, Inc. (a) (f) | 427,329 |
| 12,420 | IntercontinentalExchange, Inc. (a) (f) | 1,415,880 |

| | | |
|---------|---|-----------|
| 7,900 | Investment Technology Group, Inc. (a) (f) | 264,334 |
| 200,000 | iStar Financial, Inc. | 2,642,000 |
| 32,400 | Janus Capital Group, Inc. (f) | 857,628 |
| 449 | JPMorgan Chase & Co. (f) | 15,405 |
| 46,800 | JSE, Ltd. | 325,718 |
| 10,800 | Keycorp | 118,584 |
| 29,500 | Knight Capital Group, Inc. (a) (f) | 530,410 |
| 120,125 | LaBranche & Co., Inc. (a) | 850,485 |
| 6,050 | Lazard, Ltd., Class A (f) | 206,608 |
| 14,070 | Legg Mason, Inc. | 613,030 |
| 64,145 | Leucadia National Corp. | 3,010,966 |
| 318,500 | Link Real Estate Investment Trust | 725,456 |
| 40,900 | London Stock Exchange Group PLC | 635,435 |
| 2,425 | M&T Bank Corp. | 171,060 |
| 2,130 | Markel Corp. (a) | 781,710 |
| 85,000 | MBIA, Inc. | 373,150 |
| 1,200 | Merrill Lynch & Co., Inc. (f) (i) | 38,052 |

| | | |
|--------|--|-----------|
| 29,400 | Montpelier Re Holdings, Ltd. (f) | 433,650 |
| 1,200 | Morgan Stanley (f) (i) | 43,284 |
| 15,790 | Nara Bancorp, Inc. | 169,427 |
| 70,130 | Nasdaq OMX Group (a) | 1,861,951 |
| 24,800 | Northern Trust Corp. (f) | 1,700,536 |
| 8,075 | Nymex Holdings, Inc. | 682,176 |
| 43,535 | NYSE Euronext | 2,205,460 |
| 35,600 | optionsXpress Holdings, Inc. (f) | 795,304 |
| 39,700 | Oriental Financial Group (f) | 566,122 |
| 71 | Osaka Securities Exchange Co., Ltd. | 298,884 |
| 1,695 | Pargesa Holding SA | 188,960 |
| 72,000 | Ping An Insurance Group Co. Of China, Ltd. | 535,573 |
| 26,200 | Platinum Underwriters Holdings, Ltd. | 854,382 |

| | | |
|---------|-----------------------------------|-----------|
| 24,580 | Power Corp. of Canada | 756,382 |
| 16,450 | Power Corp. of Canada | 503,598 |
| 107,370 | PrivateBancorp, Inc. (f) | 3,261,901 |
| 11,000 | Progressive Corp. | 205,920 |
| 44,500 | Provident Financial Services Inc | 623,445 |
| 6,000 | Pzena Investment Management, Inc. | 76,560 |
| 100,000 | Realty Income Corp. | 2,276,000 |
| 46,500 | Regions Financial Corp. | 507,315 |
| 58,198 | Resource America, Inc., Class A | 542,405 |
| 7,500 | RLI Corp. (f) | 371,025 |
| 7,800 | Safeco Corp. (f) | 523,848 |
| 216,900 | Singapore Exchange, Ltd. | 1,101,557 |
| 90,300 | SLM Corp. (a) (f) (i) | 1,747,305 |
| 27,300 | St Joe Co. | 936,936 |
| 20,425 | State Street Corp. | 1,306,996 |
| 170 | Student Loan Corp. | 16,674 |
| 8,700 | SVB Financial Group (a) (f) | 418,557 |

| | | |
|---------|---------------------------------------|-----------|
| 34,265 | T Rowe Price Group, Inc. (f) | 1,934,945 |
| 3,347 | TMX Group, Inc. | 138,173 |
| 9,700 | Torchmark Corp. (f) | 568,905 |
| 26,600 | TradeStation Group, Inc. (a) (f) | 269,990 |
| 16,300 | Travelers Cos., Inc. (f) | 707,420 |
| 106,090 | UBS AG (a) (f) | 2,191,819 |
| 15,790 | UCBH Holdings, Inc. | 35,528 |
| 105,000 | UDR, Inc. | 2,349,900 |
| 7,500 | UnionBanCal Corp. (f) | 303,150 |
| 21,590 | US Global Investors, Inc., Class A | 361,633 |
| 36,000 | Value Partners Group, Ltd. | 30,934 |
| 18,800 | Ventas, Inc. (f) | 800,316 |
| 4,855 | Vornado Realty Trust | 427,240 |
| 33,500 | Waddell & Reed Financial, Inc. (f) | 1,172,835 |
| 26,500 | Webster Financial Corp. (f) | 492,900 |
| 50 | Wells Fargo & Co. | 1,188 |
| 1,245 | White Mountains Insurance Group, Ltd. | 534,105 |

| | | |
|--------|---------------------------------|--------------------|
| 20,800 | Willis Group Holdings, Ltd. (f) | 652,496 |
| 15,790 | Wilshire Bancorp, Inc. | 135,320 |
| 15,600 | WR Berkley Corp. (f) | 376,896 |
| | | <u>117,084,876</u> |

Health Care - 2.6%

| | | |
|--------|---|-----------|
| 1,900 | Aetna, Inc. (f) | 77,007 |
| 21,300 | AmerisourceBergen Corp. (f) | 851,787 |
| 10,700 | Amgen, Inc. (a) (f) (i) (j) | 504,612 |
| 5,894 | Baxter International, Inc. (f) | 376,862 |
| 45,000 | Beckman Coulter, Inc. | 3,038,850 |
| 4,000 | Becton Dickinson & Co. (f) | 325,200 |
| 6,300 | Biogen Idec, Inc. (a) (f) | 352,107 |
| 15,800 | Cardinal Health, Inc. (f) | 814,964 |
| 12,200 | Covance, Inc. (a) (f) | 1,049,444 |
| 11,200 | CR Bard, Inc. (f) | 985,040 |
| 23,200 | Dentsply International, Inc. (f) | 853,760 |
| 7,300 | Edwards Lifesciences Corp. (a) (f) | 452,892 |
| 5,100 | Endo Pharmaceuticals Holdings, Inc. (a) (f) | 123,369 |

| | | |
|--------|--------------------------------------|-----------|
| 23,700 | Express Scripts, Inc. (a) (f) | 1,486,464 |
| 15,700 | Forest Laboratories, Inc. (a) (f) | 545,418 |
| 2,500 | Haemonetics Corp. (a) (f) | 138,650 |
| 6,389 | Henry Schein, Inc. (a) (f) | 329,481 |
| 15,600 | Idexx Laboratories, Inc. (a) (f) | 760,344 |
| 3,500 | Intuitive Surgical, Inc. (a) (f) | 942,900 |
| 25,800 | Johnson & Johnson (a) (f) | 1,659,972 |
| 33,900 | King Pharmaceuticals, Inc. (a) (f) | 354,933 |
| 19,000 | Lincare Holdings, Inc. (a) (f) | 539,600 |
| 7,100 | Medco Health Solutions, Inc. (a) (f) | 335,120 |
| 20,900 | Mentor Corp. (f) | 581,438 |
| 5,600 | OSI Pharmaceuticals, Inc. (a) (f) | 231,392 |
| 60,000 | Pfizer, Inc. (f) | 1,048,200 |
| 61,425 | Quest Diagnostics, Inc. (f) | 2,977,270 |
| 26,000 | Quidel Corp. (a) (f) | 429,520 |
| 5,948 | Smith & Nephew PLC, ADR (f) | 325,653 |
| 14,800 | Stryker Corp. (f) | 930,624 |

| | | |
|--------|-------------------------------------|-------------------|
| 6,800 | SurModics, Inc. (a) (f) | 304,912 |
| 29,950 | UnitedHealth Group, Inc. (f) | 786,188 |
| 12,600 | Universal Health Services, Inc. (f) | 796,572 |
| 7,600 | WellPoint, Inc. (a) (f) | 362,216 |
| 16,400 | Zimmer Holdings, Inc. (a) (f) | 1,116,020 |
| | | <u>26,788,781</u> |

Industrials - 5.9%

| | | |
|---------|--|-----------|
| 1,900 | 3M Co. (f) | 132,221 |
| 18,400 | Acuity Brands, Inc. (f) | 884,672 |
| 14,000 | American Ecology Corp. (f) | 413,420 |
| 24,200 | Amphenol Corp., Class A (f) | 1,086,096 |
| 4,700 | Analogic Corp. (f) | 296,429 |
| 22,200 | Argon ST, Inc. (a) (f) | 550,560 |
| 900,000 | Beijing Capital International Airport Co., Ltd., Class H | 749,110 |
| 56,500 | Boeing Co. (f) | 3,713,180 |
| 44,100 | Brink's Co. (f) | 2,885,022 |
| 36,300 | Burlington Northern Santa Fe Corp. (f) (j) | 3,626,007 |
| 1,200 | Caterpillar, Inc. (f) (i) (j) | 88,584 |

| | | |
|---------|---|-----------|
| 138,350 | Cemex SAB de C.V., ADR (a) (f) | 3,417,245 |
| 17,100 | CH Robinson Worldwide, Inc. (f) | 937,764 |
| 8,000 | Commercial Metals Co. | 301,600 |
| 3,800 | Crane Co. (f) | 146,414 |
| 11,600 | CSX Corp. | 728,596 |
| 20,900 | Cummins, Inc. (f) | 1,369,368 |
| 6,700 | Cymer, Inc. (a) (f) | 180,096 |
| 12,700 | Deere & Co. (f) | 916,051 |
| 2,700 | Dionex Corp. (a) (f) | 179,199 |
| 20,800 | Dolby Laboratories, Inc., Class A (a) (f) | 838,240 |
| 4,000 | Eagle Materials, Inc. (f) | 101,320 |

| | | |
|--------|---|-----------|
| 25,000 | Encore Wire Corp. (f) | 529,750 |
| 17,200 | EnPro Industries, Inc. (a) (f) | 642,248 |
| 11,100 | Flowserve Corp. (f) | 1,517,370 |
| 7,400 | Fluor Corp. (f) | 1,376,992 |
| 14,900 | Foster Wheeler, Ltd. (a) (f) | 1,089,935 |
| 19,600 | Frontline, Ltd. (f) | 1,367,688 |
| 11,100 | Gardner Denver, Inc. (a) (f) | 630,480 |
| 10,800 | GATX Corp. (f) | 478,764 |
| 12,800 | General Cable Corp. (a) (f) | 778,880 |
| 21,100 | General Electric Co. | 563,159 |
| 4,800 | General Maritime Corp. (f) | 124,704 |
| 17,900 | Graco, Inc. (f) | 681,453 |
| 6,500 | Greif, Inc., Class A (f) | 416,195 |
| 72,000 | Hainan Meilan International Airport Co., Ltd. | 66,393 |
| 4,200 | Harsco Corp. (f) | 228,522 |
| 8,600 | Herbalife, Ltd. (f) | 333,250 |
| 43,800 | Insteel Industries, Inc. (f) | 801,978 |

| | | |
|---------|--|-----------|
| 12,600 | Jacobs Engineering Group, Inc. (a) (f) | 1,016,820 |
| 34,800 | JB Hunt Transport Services, Inc. (f) | 1,158,144 |
| 13,100 | Joy Global, Inc. (f) (i) (j) | 993,373 |
| 347 | Kansas City Southern (a) (f) | 15,264 |
| 109,800 | Lancaster Colony Corp. (f) | 3,324,744 |
| 17,100 | Lennox International, Inc. (f) | 495,216 |
| 6,055 | Lockheed Martin Corp. (f) | 597,386 |
| 25,900 | Manitowoc Co., Inc. (f) | 842,527 |
| 25,000 | Martin Marietta Materials, Inc. | 2,589,750 |
| 3,525 | McDermott International, Inc. (a) | 218,162 |
| 39,100 | Methode Electronics, Inc. (f) | 408,595 |
| 3,644 | Mettler Toledo International, Inc. (a) (f) | 345,670 |
| 19,300 | Mueller Industries, Inc. (f) | 621,460 |
| 14,900 | NCI Building Systems, Inc. (a) (f) | 547,277 |
| 1,000 | Norfolk Southern Corp. (f) | 62,670 |
| 4,900 | Northrop Grumman Corp. (f) | 327,810 |
| 5,000 | Overseas Shipholding Group, Inc. (f) | 397,600 |

| | | |
|--------|--|-------------------|
| 38,400 | Pacer International, Inc. (f) | 825,984 |
| 1,950 | Parker Hannifin Corp. (f) | 139,074 |
| 7,700 | Rogers Corp. (a) (f) | 289,443 |
| 1,700 | Ryder System, Inc. (f) | 117,096 |
| 85,000 | Sonoco Products Co. | 2,630,750 |
| 60,000 | Stanley Works | 2,689,800 |
| 7,461 | Stericycle, Inc. (a) (f) | 385,734 |
| 1,700 | Teledyne Technologies, Inc. (a) (f) | 82,943 |
| 17,400 | Textron, Inc. (f) | 833,982 |
| 6,885 | Thermo Fisher Scientific, Inc. (a) (f) | 383,701 |
| 3,600 | Tsakos Energy Navigation, Ltd. (f) | 133,488 |
| 2,750 | Tyco International, Ltd. | 110,110 |
| 2,000 | Union Pacific Corp. | 151,000 |
| 44,550 | United Parcel Service, Inc., Class B (f) | 2,738,489 |
| 1,200 | United Technologies Corp. (f) (i) (j) | 74,040 |
| 6,940 | USG Corp. (a) (f) | 205,216 |
| 4,300 | Zebra Technologies Corp. (a) (f) | 140,352 |
| | | <u>61,062,625</u> |

Information Technology - 3.1%

| | | |
|--------|--|-----------|
| 14,000 | Adobe Systems, Inc. (a) (f) | 551,460 |
| 2,000 | Advanced Micro Devices, Inc. (a) (f) (i) (j) | 11,660 |
| 41,600 | Altera Corp. (f) | 861,120 |
| 24,000 | American Reprographics Co. (a) (f) | 399,600 |
| 1,000 | Apple, Inc. (a) (f) (i) (j) | 167,440 |
| 50,000 | Applied Materials, Inc. (f) (i) (j) | 954,500 |
| 12,900 | ATMI, Inc. (a) (f) | 360,168 |
| 14,400 | Autodesk, Inc. (a) (f) | 486,864 |
| 32,900 | Automatic Data Processing, Inc. (f) | 1,378,510 |
| 48,100 | BMC Software, Inc. (a) (f) | 1,731,600 |
| 16,000 | Broadridge Financial Solutions, Inc. (f) | 336,800 |
| 16,125 | CACI International, Inc., Class A (a) | 738,041 |
| 63,500 | Compuware Corp. (a) (f) | 605,790 |
| 75,600 | CSG Systems International, Inc. (a) (f) | 833,112 |
| 35,300 | Cypress Semiconductor Corp. (a) (f) | 873,675 |
| 1,750 | Dun & Bradstreet Corp. (f) | 153,370 |

| | | |
|---------|---|-----------|
| 34,200 | Entegris, Inc. (a) (f) | 224,010 |
| 13,900 | Fair Isaac Corp. (f) | 288,703 |
| 11,300 | Global Payments, Inc. (f) | 526,580 |
| 8,058 | Hewlett-Packard Co. (f) | 356,244 |
| 3,391 | International Business Machines Corp. (f) | 401,935 |
| 152,000 | Jack Henry & Associates, Inc. (f) | 3,289,280 |
| 600 | Mastercard, Inc., Class A (f) | 159,312 |
| 15,000 | MEMC Electronic Materials, Inc. (a) (f) | 923,100 |
| 227,825 | Microsoft Corp. (f) (i) | 6,267,466 |
| 3,400 | MicroStrategy, Inc. (a) (f) | 220,150 |
| 42,900 | NCR Corp. (a) (f) | 1,081,080 |
| 31,400 | Oracle Corp. (a) (f) | 659,400 |
| 42,600 | QLogic Corp. (a) (f) | 621,534 |
| 47,100 | Rackable Systems, Inc. (a) (f) | 631,140 |
| 50,300 | Rambus, Inc. (a) (f) | 959,221 |
| 16,300 | Salesforce.com, Inc. (a) (f) | 1,112,149 |
| 41,460 | Scientific Learning Corp. (a) (f) | 159,621 |

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|--------|-------------------------|---------|
| 11,400 | SEI Investments Co. (f) | 268,128 |
|--------|-------------------------|---------|

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|--------|-----------------------|---------|
| 21,400 | Semtech Corp. (a) (f) | 301,098 |
|--------|-----------------------|---------|

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|--------|----------------|---------|
| 35,400 | STEC, Inc. (a) | 363,558 |
|--------|----------------|---------|

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|--------|----------------------|---------|
| 10,700 | Sybase, Inc. (a) (f) | 314,794 |
|--------|----------------------|---------|

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|--------|-----------------------------|---------|
| 21,800 | Texas Instruments, Inc. (f) | 613,888 |
|--------|-----------------------------|---------|

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|--------|--------------------------------------|---------|
| 27,300 | Volterra Semiconductor Corp. (a) (f) | 471,198 |
|--------|--------------------------------------|---------|

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|--------|------------------|---------|
| 35,400 | Xilinx, Inc. (f) | 893,850 |
|--------|------------------|---------|

31,551,149

Materials - 2.5%

| | | |
|-------|--------------------------|---------|
| 4,850 | Agnico-Eagle Mines, Ltd. | 360,694 |
|-------|--------------------------|---------|

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|-------|------------------------------------|---------|
| 9,400 | Air Products & Chemicals, Inc. (f) | 929,284 |
|-------|------------------------------------|---------|

| | | |
|--------|----------------------------|-----------|
| 15,000 | AK Steel Holding Corp. (f) | 1,035,000 |
|--------|----------------------------|-----------|

| | | |
|--------|--|-----------|
| 52,115 | Anglo American PLC, ADR | 1,847,477 |
| 5,024 | Bayer AG, ADR (f) | 422,215 |
| 600 | BHP Billiton, Ltd., ADR | 51,114 |
| 11,100 | Carpenter Technology Corp. (f) | 484,515 |
| 21,300 | Celanese Corp., Class A (f) | 972,558 |
| 6,500 | CF Industries Holdings, Inc. (f) | 993,200 |
| 51,800 | Chemtura Corp. (f) | 302,512 |
| 12,300 | Cytec Industries, Inc. (f) | 671,088 |
| 7,900 | Dow Chemical Co. (f) | 275,789 |
| 29,700 | Ferro Corp. (f) | 557,172 |
| 48,000 | Franco-Nevada Corp. | 1,162,581 |
| 1,839 | Freeport-McMoRan Copper & Gold, Inc. (f) | 215,512 |
| 21,400 | Innospec, Inc. (f) | 402,748 |
| 65,000 | International Flavors & Fragrances, Inc. | 2,538,900 |
| 8,000 | Louisiana-Pacific Corp. (f) | 67,920 |
| 6,200 | Lubrizol Corp. (f) | 287,246 |
| 11,100 | Minerals Technologies, Inc. (f) | 705,849 |

| | | |
|--------|--------------------------------------|-------------------|
| 4,300 | NewMarket Corp. (f) | 284,789 |
| 17,600 | Nucor Corp. (f) | 1,314,192 |
| 26,000 | Plum Creek Timber Co., Inc. (f) | 1,110,460 |
| 15,976 | Praxair, Inc. (f) | 1,505,578 |
| 1,630 | Rio Tinto PLC, ADR | 806,850 |
| 2,100 | Schnitzer Steel Industries, Inc. (f) | 240,660 |
| 30,000 | Schulman A, Inc. (f) | 690,900 |
| 7,000 | Sherwin-Williams Co. (f) | 321,510 |
| 40,390 | Sigma-Aldrich Corp. | 2,175,405 |
| 5,100 | Southern Copper Corp. (f) | 543,813 |
| 27,600 | Steel Dynamics, Inc. (f) | 1,078,332 |
| 5,593 | United States Steel Corp. (f) | 1,033,475 |
| | | <u>25,389,338</u> |

Telecommunication Services - 2.8%

| | | |
|--------|---------------------------------------|-----------|
| 4,700 | Adtran, Inc. (f) | 112,048 |
| 15,500 | Amazon.com, Inc. (a) (f) (i) (j) | 1,136,615 |
| 7,000 | American Tower Corp., Class A (a) (f) | 295,750 |
| 9,574 | AT&T, Inc. (f) | 322,548 |

| | | |
|---------|--|-----------|
| 10,200 | Central European Media Enterprises, Ltd. (a) (f) | 923,406 |
| 3,900 | CenturyTel, Inc. (f) | 138,801 |
| 20,900 | Check Point Software Technologies (a) (f) | 494,703 |
| 4,000 | Cisco Systems, Inc. (a) (f) (i) (j) | 93,040 |
| 3,000 | Comcast Corp., Class A (f) (i) (j) | 56,910 |
| 153,200 | Comcast Corp., Special Class A (f) | 2,874,032 |
| 20,200 | CommScope, Inc. (a) (f) | 1,065,954 |
| 19,300 | CryptoLogic, Ltd. (f) | 277,148 |
| 39,500 | CTC Media, Inc. (a) (f) | 974,070 |
| 68,400 | DIRECTV Group, Inc. (a) (f) | 1,772,244 |
| 111,600 | Earthlink, Inc. (a) (f) | 965,340 |
| 121,400 | eBay, Inc. (a) (f) (i) (j) | 3,317,862 |
| 340 | Getty Images, Inc. (a) | 11,536 |
| 20,800 | Harris Corp. (f) | 1,050,192 |
| 5,400 | InterDigital, Inc. (a) (f) | 131,328 |
| 16,600 | j2 Global Communications, Inc. (a) (f) | 381,800 |
| 25,400 | John Wiley & Sons, Inc. (f) | 1,143,762 |

| | | |
|---------|--|-----------|
| 10,700 | Juniper Networks, Inc. (a) (f) | 237,326 |
| 2,800 | Lamar Advertising Co., Class A (a) (f) | 100,884 |
| 5,000 | Liberty Global, Inc., Class A (a) (f) | 157,150 |
| 25,000 | Liberty Media Corp. - Interactive, Class A (a) | 369,000 |
| 4,450 | McGraw-Hill Cos., Inc. | 178,534 |
| 11,700 | NetFlix, Inc. (a) (f) | 305,019 |
| 42,350 | Nokia Corp., ADR (f) (i) | 1,037,575 |
| 18,691 | RH Donnelley Corp. (a) | 56,073 |
| 7,800 | Rogers Communications, Inc., Class B (f) | 301,548 |
| 22,900 | S1 Corp. (a) (f) | 173,353 |
| 35,300 | SBA Communications Corp., Class A (a) (f) | 1,271,153 |
| 110,000 | Sprint Nextel Corp. (j) | 1,045,000 |
| 11,000 | Shaw Communications, Inc., Class B (f) | 223,960 |
| 21,000 | Stamps.com, Inc. (a) (f) | 262,080 |
| 6,700 | United Online, Inc. (f) | 67,201 |
| 11,749 | VeriSign, Inc. (a) (f) | 444,112 |
| 68,800 | Viacom, Inc., Class B (a) (f) | 2,101,152 |

| | | |
|--------|---------------------|-----------|
| 97,650 | Walt Disney Co. (f) | 3,046,680 |
|--------|---------------------|-----------|

| | | |
|-----|------------------------------|---------|
| 500 | Washington Post Co., Class B | 293,450 |
|-----|------------------------------|---------|

29,210,339

Utilities - 2.0%

| | | |
|--------|------------------------|-----------|
| 25,188 | Allegheny Energy, Inc. | 1,262,171 |
|--------|------------------------|-----------|

| | | |
|--------|--------------------------|---------|
| 19,100 | Alliant Energy Corp. (f) | 654,366 |
|--------|--------------------------|---------|

| | | |
|-------|------------------|---------|
| 4,100 | Ameren Corp. (f) | 173,143 |
|-------|------------------|---------|

| | | |
|---------|------------------|---------|
| 215,305 | Aquila, Inc. (a) | 811,700 |
|---------|------------------|---------|

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|--------|--------------------|-----------|
| 90,000 | Atmos Energy Corp. | 2,481,300 |
|--------|--------------------|-----------|

| | | |
|-------|---------------------------------------|--------|
| 1,281 | Brookfield Infrastructure Partners LP | 25,108 |
|-------|---------------------------------------|--------|

| | | |
|--------|-------------------|-----------|
| 80,212 | Calpine Corp. (a) | 1,809,583 |
|--------|-------------------|-----------|

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|--------|--------------------------|---------|
| 52,430 | Centerpoint Energy, Inc. | 841,502 |
|--------|--------------------------|---------|

| | | |
|--------|------------------|---------|
| 60,050 | CMS Energy Corp. | 894,745 |
|--------|------------------|---------|

| | | |
|---------|--|---------|
| 304,000 | Datang International Power Generation Co., Ltd., Class H | 180,515 |
|---------|--|---------|

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|--------|--------------------|-----------|
| 26,400 | DTE Energy Co. (f) | 1,120,416 |
|--------|--------------------|-----------|

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|---------|---------------------------|-----------|
| 144,600 | Dynegy, Inc., Class A (a) | 1,236,330 |
|---------|---------------------------|-----------|

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|-------|--------------------------|---------|
| 7,846 | Edison International (f) | 403,127 |
|-------|--------------------------|---------|

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|--------|------------------------------|---------|
| 25,200 | El Paso Electric Co. (a) (f) | 498,960 |
|--------|------------------------------|---------|

| | | |
|---|---|---------------------------|
| 6,700 | Entergy Corp. (f) | 807,216 |
| 2,600 | FirstEnergy Corp. (f) | 214,058 |
| 13,781 | Mirant Corp. (a) (f) | 539,526 |
| 6,770 | NRG Energy, Inc. (a) | 290,433 |
| 8,132 | PPL Corp. (f) | 425,060 |
| 12,800 | Public Service Enterprise Group, Inc. (f) (h) | 587,904 |
| 166,220 | Reliant Energy, Inc. (a) | 3,535,499 |
| 106,800 | Sierra Pacific Resources (f) | 1,357,428 |
| | | <u>20,150,090</u> |
| Total Common Stocks (Cost \$532,859,537) | | <u>499,976,136</u> |

Shares

| | Security Description | Rate | Value |
|---|---|--------|-------------------|
| Convertible Preferred Stock - 2.0% | | | |
| Consumer Discretionary - NM | | | |
| 283 | Blockbuster, Inc. (f) | 18.75% | 186,143 |
| Consumer Staples - 0.2% | | | |
| 12,702 | Archer-Daniels-Midland Co. (f) | 0.00 | 556,856 |
| 5,561 | Bunge, Ltd. (f) | 1.22 | 731,272 |
| 660 | Universal Corp./Richmond, VA (f) | 16.88 | 760,815 |
| | | | <u>2,048,943</u> |
| Energy - 0.1% | | | |
| 5,165 | Goodrich Petroleum Corp. (f) | 0.67 | 696,952 |
| Financials - 1.3% | | | |
| 13,009 | Affiliated Managers Group, Inc. (f) | 0.64 | 569,144 |
| 22,847 | Alexandria Real Estate Equities, Inc. (f) | 0.53 | 643,943 |
| 13,045 | American International Group, Inc. (f) | 0.00 | 773,438 |
| 3,506 | Bank of America Corp. (f) | 18.13 | 3,099,304 |
| 12,776 | CIT Group, Inc. (f) | 0.61 | 522,283 |
| 36,805 | Citigroup, Inc. (f) | 0.81 | 1,601,017 |
| 15,000 | Fifth Third Bancorp (f) | 0.00 | 1,605,000 |
| 524 | Huntington Bancshares, Inc. (f) | 19.60 | 366,800 |
| 15,000 | Keycorp (f) | 0.00 | 1,440,000 |
| 8,648 | Legg Mason, Inc. (f) | 0.00 | 363,562 |
| 756 | Lehman Brothers Holdings, Inc. (f) | 17.52 | 608,149 |
| 782 | SLM Corp. (f) | 18.13 | 767,435 |
| 314 | Wachovia Corp. (f) | 12.08 | 276,753 |
| 1,267 | Washington Mutual, Inc. (f) | 19.81 | 743,096 |
| 314 | Webster Financial Corp. (f) (g) | 0.00 | 288,210 |
| | | | <u>13,668,134</u> |
| Health Care - 0.2% | | | |
| 70 | Healthsouth Corp. (b) (f) | 16.25 | 51,643 |
| 472 | Healthsouth Corp. (f) | 16.25 | 348,218 |
| 2,861 | Inverness Medical Innovations, Inc. (f) | 0.00 | 678,057 |
| 444 | Mylan, Inc. (f) | 16.25 | 390,516 |
| 21,488 | Omnicare, Inc. (f) | 0.50 | 840,718 |
| | | | <u>2,309,152</u> |

Industrials - 0.1%

| | | | |
|-----|--------------------------|-------|---------|
| 574 | Kansas City Southern (f) | 12.81 | 911,369 |
|-----|--------------------------|-------|---------|

Telecommunication Services - 0.1%

| | | | |
|-----|---|-------|---------|
| 323 | Interpublic Group of Cos., Inc. (b) (f) (g) | 13.13 | 263,729 |
|-----|---|-------|---------|

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|-----|-------------------------------------|-------|---------|
| 692 | Interpublic Group of Cos., Inc. (f) | 13.13 | 588,059 |
|-----|-------------------------------------|-------|---------|

851,788

Total Convertible Preferred Stock (Cost \$22,835,166)

20,672,481

Total Equity Securities (Cost \$555,694,703)

520,648,617

| <u>Principal</u> | | | <u>Maturity</u> | <u>Date</u> |
|------------------|--|--|-----------------|-------------|
|------------------|--|--|-----------------|-------------|

Asset Backed Obligations - 5.7%

| | | | | |
|---------|--|--|--------|--|
| 900,000 | | | 08/25/ | |
|---------|--|--|--------|--|

| | | | | |
|--|--|------|----|---------|
| | American Home Mortgage Assets Series 2007-4 A2 (c) | 2.67 | 37 | 624,406 |
|--|--|------|----|---------|

| | | | | |
|---------|--|--|--------|--|
| 294,526 | | | 08/25/ | |
|---------|--|--|--------|--|

| | | | | |
|--|-------------------------|------|----|---------|
| | ALBT Series 2007-OA1 A1 | 2.67 | 37 | 208,613 |
|--|-------------------------|------|----|---------|

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|-----------|--|--|--------|--|
| 1,130,000 | | | 01/25/ | |
|-----------|--|--|--------|--|

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|--|---|------|----|---------|
| | Asset Backed Funding Certificates Series 2006-HE1 A2D (c) | 2.61 | 37 | 586,428 |
|--|---|------|----|---------|

| | | | | |
|---------|--|--|--------|--|
| 390,000 | | | 01/25/ | |
|---------|--|--|--------|--|

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|--|--|------|----|--------|
| | Asset Backed Funding Certificates Series 2006-HE1 M2 (c) | 2.76 | 37 | 41,828 |
|--|--|------|----|--------|

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|-----------|--|--|--------|--|
| 1,350,000 | | | 10/25/ | |
|-----------|--|--|--------|--|

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|--|--|------|----|---------|
| | Asset Backed Funding Certificates Series 2006-OPT2 A3D (c) | 2.70 | 36 | 748,199 |
|--|--|------|----|---------|

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|-----------|--|--|--------|--|
| 1,875,000 | | | 05/25/ | |
|-----------|--|--|--------|--|

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|--|--|------|----|---------|
| | Asset Backed Funding Certificates Series 2006-NC1 M2 (c) | 3.73 | 37 | 431,250 |
|--|--|------|----|---------|

| | | | | |
|-----------|--|--|--------|--|
| 1,500,000 | | | 06/25/ | |
|-----------|--|--|--------|--|

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|--|--|------|----|---------|
| | Asset Backed Funding Certificates Series 2007-WMC1 A2B (c) | 3.48 | 37 | 869,063 |
|--|--|------|----|---------|

| | | | | |
|---------|--|--|--------|--|
| 250,425 | | | 11/25/ | |
|---------|--|--|--------|--|

| | | | | |
|--|--|------|----|---------|
| | Adjustable Rate Mortgage Trust, Series 2005-8 4A11 (c) | 5.44 | 35 | 235,662 |
|--|--|------|----|---------|

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|---------|--|--|--------|--|
| 110,000 | | | 12/28/ | |
|---------|--|--|--------|--|

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|--|--|------|----|--------|
| | Bayview Financial Acquisition Trust, Series 2005-D AF3 | 5.50 | 35 | 83,050 |
|--|--|------|----|--------|

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|---------|--|--|--------|--|
| 824,100 | | | 06/25/ | |
|---------|--|--|--------|--|

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|--|---------------------------------------|------|----|---------|
| | Centex Home Equity, Series 2005-C AF6 | 4.64 | 35 | 716,846 |
|--|---------------------------------------|------|----|---------|

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|---------|--|--|--------|--|
| 180,402 | | | 12/25/ | |
|---------|--|--|--------|--|

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|--|--|------|----|---------|
| | Chase Mortgage Finance Corp., Series 2005-A1 1A1 (c) | 5.41 | 35 | 166,399 |
|--|--|------|----|---------|

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|---------|--|--|--------|--|
| 125,000 | | | 12/25/ | |
|---------|--|--|--------|--|

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|--|--|------|----|---------|
| | Chase Mortgage Finance Corp., Series 2005-A1 2A3 (c) | 5.24 | 35 | 120,537 |
|--|--|------|----|---------|

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|-----------|--|--|--------|--|
| 1,500,000 | | | 05/25/ | |
|-----------|--|--|--------|--|

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|--|---|------|----|---------|
| | Citigroup Mortgage Loan Trust, Inc., Series 2007-AHL2 A3C (c) | 2.75 | 37 | 842,837 |
|--|---|------|----|---------|

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|-----------|--|--|--------|--|
| 1,300,000 | | | 05/25/ | |
|-----------|--|--|--------|--|

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|--|---|------|----|---------|
| | Citigroup Mortgage Loan Trust, Inc., Series 2007-AHL3 A3B (c) | 2.65 | 37 | 917,176 |
|--|---|------|----|---------|

| | | | | |
|-----------|--|------|--------|-----------|
| 2,230,000 | | | 05/25/ | |
| | Citigroup Mortgage Loan Trust, Inc., Series 2007-AMC4 A2C (c) | 2.65 | 37 | 1,287,709 |
| 20,897 | | | 02/25/ | |
| | Citigroup Mortgage Loan Trust, Inc., Series 2005-WFI A2 | 4.49 | 35 | 20,472 |
| 415,000 | | | 01/25/ | |
| | Citigroup Mortgage Loan Trust, Inc., Series 2007-AMC2 M1 (c) | 2.75 | 37 | 90,357 |
| 195,000 | | | 01/25/ | |
| | Citigroup Mortgage Loan Trust, Inc., Series 2007-AMC2 M2 (c) | 2.77 | 37 | 30,330 |
| 800,000 | | | 03/25/ | |
| | Citigroup Mortgage Loan Trust, Inc., Series 2007-WFH2 A3 (c) | 2.66 | 37 | 608,050 |
| 1,250,000 | | | 03/25/ | |
| | Citigroup Mortgage Loan Trust, Inc., Series 2007-WFH2 M1 (c) | 2.88 | 37 | 352,995 |
| 925,000 | | | 06/25/ | |
| | Citigroup Mortgage Loan Trust, Inc., Series 2007-WFH3 A2 (c) | 2.64 | 37 | 759,437 |
| 1,000,000 | | | 06/25/ | |
| | Citigroup Mortgage Loan Trust, Inc., Series 2007-WFH3 M2 (c) | 2.75 | 37 | 174,479 |
| 1,000,000 | | | 07/25/ | |
| | Citigroup Mortgage Loan Trust, Inc., Series 2007-WFH4 A2B (c) | 3.53 | 37 | 724,375 |
| 280,000 | | | 06/10/ | |
| | Commercial Mortgage Pass Through Certificates, Series 2005-C6 A3 | 5.14 | 44 | 276,292 |
| 1,250,000 | | | 06/15/ | |
| | Conseco Finance, Series 2002-C BF1 | 8.00 | 32 | 1,081,505 |
| 1,027,000 | | | 10/25/ | |
| | Countrywide Alternative Loan Trust, Series 2007-7 2A2 | 2.64 | 37 | 849,649 |
| 94,487 | | | 10/25/ | |
| | Countrywide Alternative Loan Trust, Series 2004-J10 4CB1 | 6.50 | 34 | 87,986 |
| 337,351 | | | 10/25/ | |
| | Countrywide Alternative Loan Trust, Series 2005-43 3A | 5.71 | 35 | 230,905 |
| 1,722,039 | | | 05/20/ | |
| | Countrywide Alternative Loan Trust, Series 2006-OA2 X1P | 0.00 | 46 | 66,214 |
| 934,073 | | | 02/25/ | |
| | Countrywide Alternative Loan Trust, Series 2006-OA22 A1 (c) | 2.64 | 47 | 656,894 |
| 990,000 | | | 06/25/ | |
| | Countrywide Asset Backed Certificates, Series 007-10 2A2 (c) | 2.60 | 30 | 835,624 |
| 375,000 | | | 11/15/ | |
| | Credit Suisse First Boston Mortgage Securities Corp., Series 2002-CKS4 A2 | 5.18 | 36 | 370,899 |
| 53,427 | | | 10/25/ | |
| | Credit Suisse First Boston Mortgage Securities Corp., Series 2003-AR24 2A4 | 4.01 | 33 | 50,938 |
| 200,000 | | | 08/15/ | |
| | Credit Suisse First Boston Mortgage Securities Corp., Series 2005-C5 A3 | 5.10 | 38 | 195,094 |
| 1,500,000 | | | 04/25/ | |
| | Credit-Based Asset Servicing and Securitization, LLC, Series 2007-CB5 A3 (c) | 2.73 | 37 | 861,091 |
| 845,000 | | | 11/25/ | |
| | Credit-Based Asset Servicing and Securitization, LLC, Series 2006-CB9 A4 (c) | 2.71 | 36 | 517,212 |
| 1,600,000 | | | 10/25/ | |
| | Credit-Based Asset Servicing and Securitization, LLC, Series 2006-CB8 M2 (c) | 2.78 | 36 | 264,594 |
| 564,000 | | | 11/25/ | |
| | Credit-Based Asset Servicing and Securitization, LLC, Series 2006-CB9 A2 (c) | 2.59 | 36 | 478,855 |
| 1,563,000 | | | 04/25/ | |
| | Credit-Based Asset Servicing and Securitization, LLC, Series 2007-CB4 M1 (c) | 2.80 | 37 | 369,400 |

| | | | | |
|-----------|--|------|--------|---------|
| 500,000 | | | 05/15/ | |
| | CW Capital Cobalt, Ltd., Series 2007-C3 AJ | 6.02 | 46 | 400,806 |
| 77,884 | | | 02/25/ | |
| | Equity One ABS, Inc., Series 2002-4 M1 | 5.22 | 33 | 66,749 |
| 1,583,980 | | | 11/15/ | |
| | FINOVA Group, Inc. (d) | 7.50 | 09 | 194,038 |

| | | | | |
|-----------|---|--------|----|-----------|
| 930,000 | | 01/25/ | | |
| | First Franklin Mortgage Loan Asset Backed Certificates, Series 2007-FF1 A2C (c) | 2.62 | 38 | 491,596 |
| 2,500,000 | | 12/25/ | | |
| | First Franklin Mortgage Loan Asset Backed Certificates, Series 2006-FF18 M1 (c) | 2.71 | 37 | 429,148 |
| 179,772 | | 01/25/ | | |
| | First Horizon Asset Securities, Inc., Series 2003-10 2A1 | 4.75 | 19 | 170,785 |
| 368,906 | | 06/25/ | | |
| | Fannie Mae REMICS Series 2007-54 FA (c) | 2.88 | 37 | 364,241 |
| 200,000 | | 03/10/ | | |
| | General Electric Capital Commercial Mortgage Corp., Series 2006-C1 | 5.52 | 44 | 190,545 |
| 300,000 | | 10/15/ | | |
| | GMAC Commercial Mortgage Securities, Inc., Series 2002-C2 A3 | 5.71 | 38 | 301,452 |
| 5,418,282 | | 12/20/ | | |
| | Government National Mortgage Association, Series 2007-78 SG (c) | 4.06 | 37 | 359,850 |
| 1,650,000 | | 05/25/ | | |
| | GSAA Home Equity Trust Series 2007-5 2A3A (c) | 2.80 | 37 | 925,065 |
| 1,500,000 | | 06/25/ | | |
| | GSAA Home Equity Trust Series 2006-9 A4A (c) | 2.72 | 36 | 751,578 |
| 1,839,680 | | 11/25/ | | |
| | GSAMP Trust Series 2006-FM3 A2D (c) | 2.71 | 36 | 1,024,781 |
| 720,205 | | 09/15/ | | |
| | Green Tree Home Improvement Loan Trust, Series 1997-D HEB1 | 7.41 | 28 | 704,877 |
| 26,234 | | 11/19/ | | |
| | Harborview Mortgage Loan Trust, Series 2004-8 2A4A (c) | 2.88 | 34 | 22,500 |
| 670,549 | | 03/19/ | | |
| | Harborview Mortgage Loan Trust, Series 2006-1 X1 | 3.95 | 37 | 20,012 |
| 900,000 | | 03/20/ | | |
| | HFC Home Equity Loan Asset Backed Certificates, Series 2006-3 A4 | 2.72 | 36 | 734,603 |
| 600,000 | | 03/20/ | | |
| | HFC Home Equity Loan Asset Backed Certificates, Series 2007-1 M1 | 2.86 | 36 | 448,860 |
| 700,000 | | 03/20/ | | |
| | HFC Home Equity Loan Asset Backed Certificates, Series 2007-1 M2 | 2.96 | 36 | 501,515 |
| 1,300,000 | | 07/20/ | | |
| | HFC Home Equity Loan Asset Backed Certificates, Series 2007-2 M1 | 2.79 | 36 | 966,272 |
| 773,846 | | 11/20/ | | |
| | HFC Home Equity Loan Asset Backed Certificates, Series 2007-3 APT | 3.68 | 36 | 670,103 |
| 1,350,000 | | 04/25/ | | |
| | Indymac Residential Asset Backed Trust (c) | 2.80 | 37 | 817,441 |
| 847,138 | | 06/25/ | | |
| | JP Morgan Alternative Loan Trust, Series 2007-A2 12A2 | 2.58 | 37 | 760,960 |
| 225,000 | | 01/15/ | | |
| | JP Morgan Chase Commercial Mortgage Securities Corp., Series 2004-C3 A4 | 4.66 | 42 | 217,312 |
| 400,000 | | 02/12/ | | |
| | JP Morgan Chase Commercial Mortgage Securities Corp., Series 2007-CB19 AJ | 5.94 | 49 | 319,996 |
| 200,000 | | 06/15/ | | |
| | JP Morgan Chase Commercial Mortgage Securities Corp., Series 2007-LD11 AJ | 6.01 | 49 | 160,429 |
| 454,000 | | 02/15/ | | |
| | JP Morgan Chase Commercial Mortgage Securities Corp., Series 2007-LD12 AJ | 6.26 | 51 | 369,682 |
| 1,000,000 | | 03/25/ | | |
| | JP Morgan Mortgage Acquisition Corp., Series 2007-CH3 A4 (c) | 2.69 | 37 | 650,253 |

| | | | |
|------------|---|---------|-----------|
| 1,500,000 | | 12/25/ | |
| | JP Morgan Mortgage Acquisition Corp., Series 2006-WMC4 A4 (c) | 2.63 36 | 816,272 |
| 900,000 | | 03/25/ | |
| | JP Morgan Mortgage Acquisition Corp., Series 2007-HE1 AV4 (c) | 2.76 37 | 509,076 |
| 120,000 | | 06/25/ | |
| | JP Morgan Mortgage Trust, Series 2005-A3 11A2 | 4.49 35 | 99,654 |
| 200,000 | | 04/25/ | |
| | JP Morgan Mortgage Trust, Series 2006-A2 2A2 | 5.76 36 | 180,564 |
| 330,000 | | 11/15/ | |
| | LB-UBS Commercial Mortgage Trust, Series 2003-C8 A4 | 5.12 32 | 322,278 |
| 48,084,655 | | 05/15/ | |
| | Lehman ABS Manufactured Housing Contract, Series 2001-B AIOC | 0.55 41 | 841,481 |
| 2,250,000 | | 07/25/ | |
| | Lehman XS Trust, Series 2007-12N 1A3A (c) | 2.68 47 | 1,326,225 |
| 1,750,000 | | 12/25/ | |
| | Long Beach Mortgage Loan Trust, Series 2006-11 2A4 | 2.71 36 | 720,141 |
| 1,500,000 | | 08/25/ | |
| | Mastr Asset Backed Securities Trust, Series 2006-WMC3 A4 | 2.64 36 | 719,526 |
| 750,000 | | 10/25/ | |
| | Mastr Asset Backed Securities Trust, Series 2006-AM3 A4 | 2.72 36 | 403,608 |
| 49,279 | | 10/25/ | |
| | Mastr Seasoned Securities Trust, Series 2004-1 4A1 | 6.79 32 | 47,318 |
| 143,000 | | 06/12/ | |
| | Merrill Lynch Mortgage Trust, Series 2007-C1 AJ | 6.02 50 | 114,957 |
| 1,300,000 | | 04/25/ | |
| | Merrill Lynch First Franklin Mortgage Loan Trust, Series 2007-1 A2C | 2.73 37 | 607,583 |
| 154,900 | | 06/25/ | |
| | Merrill Lynch First Franklin Mortgage Loan Trust, Series 2007-3 A2C | 2.66 37 | 82,174 |
| 2,000,000 | | 06/25/ | |
| | Merrill Lynch First Franklin Mortgage Loan Trust, Series 2007-3 A2D | 2.73 37 | 995,486 |
| 1,500,000 | | 07/25/ | |
| | Merrill Lynch First Franklin Mortgage Loan Trust, Series 2007-4 2A4 | 2.73 37 | 697,811 |
| 1,500,000 | | 02/25/ | |
| | Merrill Lynch Mortgage Investors, Inc., Series 2007-HE1 A2D | 2.81 37 | 785,116 |
| 835,000 | | 04/25/ | |
| | Morgan Stanley Home Equity Loans, Series 2007-2 A4 | 2.83 37 | 486,854 |
| 105,207 | | 11/15/ | |
| | Morgan Stanley Dean Witter Capital I, Series 2000-LIFE A2 | 7.57 36 | 108,327 |
| 980,000 | | 06/25/ | |
| | Nationstar Home Equity Loan Trust, Series 2007-C 2AV2 (c) | 2.61 37 | 793,494 |
| 1,100,000 | | 03/25/ | |
| | Nationstar Home Equity Loan Trust, Series 2007-A AV3 (c) | 2.63 37 | 842,723 |
| 1,100,000 | | 04/25/ | |
| | Newcastle Mortgage Securities Trust, Series 2007-1 2A4 | 2.82 37 | 635,673 |
| 100,000 | | 04/01/ | |
| | Northwest Airlines, Inc. | 6.84 11 | 92,250 |
| 1,300,000 | | 07/25/ | |
| | Opteum Mortgage Acceptance Corp., Series 2006-2 A1C | 2.75 36 | 680,138 |
| 750,000 | | 04/25/ | |
| | Option One Mortgage Loan Trust, Series 2007-3 2A4 | 2.81 37 | 386,833 |

| | | | |
|-----------|--|--------|--------------|
| 800,000 | | 04/25/ | |
| | Option One Mortgage Loan Trust, Series 2007-4 2A4 | 2.79 | 37 442,616 |
| 750,000 | | 05/25/ | |
| | Option One Mortgage Loan Trust, Series 2007-5 2A4 | 2.78 | 37 414,047 |
| 750,000 | | 07/25/ | |
| | Option One Mortgage Loan Trust, Series 2007-6 2A4 | 2.73 | 37 392,685 |
| 715,392 | | 12/25/ | |
| | Residential Asset Mortgage Products, Inc., Series 2004-SL3 A4 | 8.50 | 31 716,518 |
| 350,000 | | 03/18/ | |
| | Salomon Brothers Mortgage Securities VII, Inc., Series 2002-KEY2 A3 | 4.87 | 36 341,482 |
| 1,365,000 | | 02/25/ | |
| | Saxon Asset Securities Trust, Series 2007-1 A2C (c) | 2.63 | 37 1,025,192 |
| 1,000,000 | | 01/25/ | |
| | Securitized Asset Backed Receivables LLC Trust, Series 2007-NC2 A2B | 2.62 | 37 578,304 |
| 810,000 | | 10/25/ | |
| | Soundview Home Equity Loan Trust, Series 2006-EQ1 A2 (c) | 2.59 | 36 778,730 |
| 1,130,000 | | 10/25/ | |
| | Soundview Home Equity Loan Trust, Series 2006-EQ1 A3 (c) | 2.64 | 36 923,623 |
| 1,300,000 | | 10/25/ | |
| | Soundview Home Equity Loan Trust, Series 2006-EQ1 A4 (c) | 2.73 | 36 788,106 |
| 1,200,000 | | 03/25/ | |
| | Soundview Home Equity Loan Trust, Series 2006-OPT1 2A4 (c) | 2.75 | 36 809,646 |
| 1,550,000 | | 07/25/ | |
| | Soundview Home Equity Loan Trust, Series 2007-OPT2 2A4 (c) | 2.73 | 37 843,885 |
| 120,000 | | 07/25/ | |
| | Soundview Home Equity Loan Trust, Series 2007-OPT2 M2 (c) | 2.75 | 37 21,256 |
| 500,000 | | 10/25/ | |
| | Soundview Home Equity Loan Trust, Series 2007-OPT5 M2 (c) (b) | 4.63 | 37 310,625 |
| 1,200,000 | | 01/25/ | |
| | Soundview Home Equity Loan Trust, Series 2006-EQ2 A4 (c) (b) | 2.72 | 37 679,555 |
| 2,000,000 | | 02/25/ | |
| | Soundview Home Equity Loan Trust, Series 2007-WMC1 3A3 (c) (b) | 2.74 | 37 1,089,137 |
| 1,200,000 | | 01/25/ | |
| | Soundview Home Equity Loan Trust, Series 2007-NS1 A4 (c) (b) | 2.78 | 37 737,876 |
| 726,233 | | 06/25/ | |
| | Structured Asset Mortgage Investments Inc, Series 2007-AR3 2A1 (c) | 2.67 | 37 521,361 |
| 675,000 | | 09/01/ | |
| | United Air Lines, Inc. | 0.00 | 11 783,000 |
| 330,000 | | 08/15/ | |
| | Wachovia Bank Commercial Mortgage Trust, Series 2003-C6 A4 | 5.13 | 35 321,279 |
| 220,000 | | 05/15/ | |
| | Wachovia Bank Commercial Mortgage Trust, Series 2006-C25 AM | 5.93 | 43 206,520 |
| 24,147 | | 01/25/ | |
| | Washington Mutual Mortgage Pass Through Certificates, Series 2002-AR18 A (c) | 6.57 | 33 23,348 |
| 1,500,000 | | 01/25/ | |
| | Washington Mutual Mortgage Pass Through Certificates, Series 2007-OC1 A4 | 2.80 | 47 774,683 |
| 115,000 | | 12/25/ | |
| | Washington Mutual Mortgage Pass Through Certificates, Series 2005-AR16 1-A4A | 5.10 | 35 110,293 |
| 3,748,340 | | 06/25/ | |
| | Washington Mutual Mortgage Pass Through Certificates, Series 2006-AR5 X (e) | 0.00 | 46 25,770 |

| | | | | |
|---|---|------|--------|--------------------------|
| 1,295,000 | | | 01/25/ | |
| | Wells Fargo Home Equity Trust, Series 2006-3 A3 | 2.69 | 37 | 842,641 |
| Total Asset Backed Obligations (Cost \$60,919,858) | | | | <u>58,666,839</u> |

Corporate Convertible Bonds - 13.4%

| | | | | |
|--------------------------------------|---|------|--------|-------------------------|
| Consumer Discretionary - 0.6% | | | | |
| 600,000 | | | 04/15/ | |
| | Ambassadors International, Inc. (b) (f) | 3.75 | 27 | 299,250 |
| 400,000 | | | 04/15/ | |
| | Ambassadors International, Inc. (f) | 3.75 | 27 | 199,500 |
| 250,000 | | | 07/31/ | |
| | Empire Resorts, Inc. (f) | 8.00 | 14 | 151,563 |
| 350,000 | | | 06/16/ | |
| | Mesa Air Group, Inc. (f) (h) | 2.48 | 23 | 87,063 |
| 513,000 | | | 10/15/ | |
| | Morgan Hotel Group Co. (b) (f) | 2.38 | 14 | 342,428 |
| 2,000,000 | | | 04/01/ | |
| | Penske Auto Group, Inc. (f) | 3.50 | 26 | 1,865,000 |
| 808,000 | | | 11/30/ | |
| | School Specialty, Inc. (f) | 3.75 | 26 | 697,910 |
| 1,500,000 | | | 08/01/ | |
| | School Specialty, Inc. (f) (h) | 3.75 | 23 | 1,410,000 |
| 511,000 | | | 12/01/ | |
| | Scientific Games Corp. (f) (h) | 0.75 | 24 | 601,702 |
| | | | | <u>5,654,416</u> |

Consumer Staples - 1.1%

| | | | | |
|-----------|-----------------------------|------|--------|-----------|
| 3,000,000 | | | 06/01/ | |
| | CBIZ, Inc. (f) | 3.13 | 26 | 2,992,500 |
| 612,000 | | | 05/15/ | |
| | Chemed Corp. (f) | 1.88 | 14 | 463,590 |
| 954,000 | | | 10/15/ | |
| | Euronet Worldwide, Inc. (f) | 3.50 | 25 | 791,820 |
| 1,806,000 | | | 07/15/ | |
| | Live Nation, Inc. (b) (f) | 2.88 | 27 | 1,325,153 |
| 500,000 | | | 07/15/ | |
| | Live Nation, Inc. (b) (f) | 2.88 | 27 | 366,875 |
| 2,000,000 | | | 06/01/ | |
| | Millipore Corp. (f) | 3.75 | 26 | 2,022,500 |
| 583,000 | | | 04/15/ | |
| | PHH Corp. (b) (f) (g) | 4.00 | 12 | 587,135 |

| | | | |
|-----------|------------------------------|---------|-------------------|
| 665,000 | | 05/15/ | |
| | Spartan Stores, Inc. (b) (f) | 3.38 27 | 590,188 |
| 2,335,000 | | 05/15/ | |
| | Spartan Stores, Inc. (f) | 3.38 27 | 2,072,313 |
| | | | <u>11,212,074</u> |

Energy - 1.8%

| | | | |
|-----------|---------------------------------------|---------|-------------------|
| 395,000 | | 04/15/ | |
| | Alpha Natural Resources, Inc. | 2.38 15 | 821,600 |
| 728,000 | | 03/15/ | |
| | Bill Barrett Corp (f) (g) | 5.00 28 | 882,700 |
| 507,000 | | 06/15/ | |
| | Cameron International Corp. (f) | 2.50 26 | 857,464 |
| 572,000 | | 06/01/ | |
| | Carrizo Oil & Gas, Inc. (f) | 4.38 28 | 589,875 |
| 699,000 | | 12/15/ | |
| | Chesapeake Energy Corp. (f) | 2.25 38 | 806,471 |
| 500,000 | | 05/01/ | |
| | Delta Petroleum Corp. (f) | 3.75 37 | 568,125 |
| 1,000,000 | | 07/01/ | |
| | Evergreen Solar, Inc. (f) | 4.38 12 | 1,410,000 |
| 1,250,000 | | 06/15/ | |
| | Energy Conversion Devices, Inc. (f) | 3.00 13 | 1,307,813 |
| 844,000 | | 08/01/ | |
| | Global Industries, Ltd. (b) (f) | 2.75 27 | 665,705 |
| 176,000 | | 08/01/ | |
| | Global Industries, Ltd. (f) | 2.75 27 | 138,820 |
| 801,000 | | 05/15/ | |
| | Nabors Industries, Inc. (f) | 0.94 11 | 989,235 |
| 577,000 | | 12/15/ | |
| | Peabody Energy Corp. (f) | 4.75 41 | 955,656 |
| 2,681,000 | | 11/15/ | |
| | Penn Virginia Corp. (f) | 4.50 12 | 4,091,876 |
| 597,000 | | 01/15/ | |
| | Pioneer Natural Resources Co (f) | 2.88 38 | 932,066 |
| 1,825,000 | | 03/15/ | |
| | Suntech Power Holdings Co Ltd (b) (f) | 3.00 13 | 2,094,188 |
| 841,000 | | 12/15/ | |
| | Transocean, Inc. (f) | 1.63 37 | 948,228 |
| | | | <u>18,059,822</u> |

Financials - 1.0%

| | | | |
|-----------|---|---------|---------|
| 789,000 | | 12/06/ | |
| | American Equity Investment Life Holding Co. (f) | 5.25 24 | 721,935 |
| 1,000,000 | | 07/15/ | |
| | CapitalSource, Inc. (f) | 7.25 37 | 810,000 |
| 829,000 | | 10/15/ | |
| | Forest City Enterprises, Inc. (f) | 3.63 11 | 688,153 |

| | | | |
|-----------|-------------------------------------|---------|------------------|
| 2,250,000 | | 04/15/ | |
| | Host Hotels & Resorts LP (b) (f) | 3.25 24 | 2,300,625 |
| 1,000,000 | | 07/15/ | |
| | KKR Financial Holdings, LLC (b) (f) | 7.00 12 | 817,500 |
| 300,000 | | 04/15/ | |
| | Leucadia National Corp. | 3.75 14 | 645,750 |
| 450,000 | | 06/15/ | |
| | MF Global, Ltd. (b) (f) (g) | 9.00 38 | 432,397 |
| 1,500,000 | | 08/15/ | |
| | The Nasdaq OMX Group (b) (f) | 2.50 13 | 1,310,625 |
| 761,000 | | 02/01/ | |
| | National City Corp. (f) | 4.00 11 | 619,264 |
| 485,000 | | 04/15/ | |
| | SVB Financial Group (b) (f) | 3.88 11 | 538,350 |
| 1,146,000 | | 10/01/ | |
| | World Acceptance Corp. (f) | 3.00 11 | 918,233 |
| | | | <u>9,802,832</u> |

Health Care - 3.3%

| | | | |
|-----------|--|---------|-----------|
| 708,000 | | 08/01/ | |
| | Advanced Medical Optics, Inc. (f) | 3.25 26 | 519,495 |
| 198,000 | | 01/15/ | |
| | Affymetrix, Inc. (f) | 3.50 38 | 162,113 |
| 1,054,000 | | 07/01/ | |
| | American Medical Systems Holdings, Inc. (f) | 3.25 36 | 1,032,920 |
| 508,000 | | 05/15/ | |
| | AMERIGROUP Corp. (f) | 2.00 12 | 426,085 |
| 2,091,000 | | 06/15/ | |
| | Amylin Pharmaceuticals, Inc. (b) (f) | 3.00 14 | 1,719,848 |
| 863,000 | | 06/15/ | |
| | Amylin Pharmaceuticals, Inc. (b) (f) | 3.00 14 | 709,818 |
| 400,000 | | 10/15/ | |
| | ATS Medical, Inc. (b) (f) | 6.00 25 | 358,000 |
| 200,000 | | 10/15/ | |
| | ATS Medical, Inc. (f) | 6.00 25 | 179,000 |
| 1,000,000 | | 06/15/ | |
| | Charles River Laboratories International, Inc. (f) | 2.25 13 | 1,425,000 |
| 2,158,000 | | 06/15/ | |
| | Cubist Pharmaceuticals, Inc. (f) | 2.25 13 | 1,915,225 |
| 400,000 | | 04/15/ | |
| | deCODE genetics, Inc. (f) | 3.50 11 | 130,000 |
| 1,200,000 | | 06/15/ | |
| | EPIX Pharmaceuticals, Inc. (f) | 3.00 24 | 732,000 |
| 559,000 | | 05/01/ | |
| | Health Management Associates, Inc. (b) (f) (g) | 3.75 28 | 548,002 |
| 1,300,000 | | 02/15/ | |
| | Incyte Corp. (f) | 3.50 11 | 1,215,500 |
| 700,000 | | 06/15/ | |
| | Insulet Corp. (b) (f) (g) | 5.38 13 | 718,060 |

| | | | | |
|-----------|--|--------|----|-------------------|
| 2,750,000 | | 02/15/ | | |
| | Isis Pharmaceuticals, Inc. (f) | 2.63 | 27 | 3,165,937 |
| 1,191,000 | | 04/01/ | | |
| | King Pharmaceuticals, Inc. (f) | 1.25 | 26 | 963,221 |
| 1,896,000 | | 04/15/ | | |
| | Kinetic Concepts, Inc. (b) (f) | 3.25 | 15 | 1,931,550 |
| 867,000 | | 05/15/ | | |
| | LifePoint Hospitals, Inc. (f) | 3.50 | 14 | 742,369 |
| 3,360,000 | | 10/01/ | | |
| | Molina Healthcare, Inc. (f) | 3.75 | 14 | 2,910,600 |
| 500,000 | | 06/15/ | | |
| | NovaMed, Inc. (f) | 1.00 | 12 | 380,625 |
| 1,000,000 | | 04/15/ | | |
| | Oscient Pharmaceuticals Corp. (f) | 3.50 | 11 | 407,500 |
| 392,000 | | 01/15/ | | |
| | OSI Pharmaceuticals, Inc. (b) (f) | 3.00 | 38 | 396,410 |
| 46,000 | | 01/15/ | | |
| | OSI Pharmaceuticals, Inc. (f) | 3.00 | 38 | 46,517 |
| 2,017,000 | | 05/15/ | | |
| | Sciele Pharma, Inc. (f) | 2.63 | 27 | 1,848,076 |
| 3,000,000 | | 07/15/ | | |
| | SonoSite, Inc. (f) | 3.75 | 14 | 3,030,000 |
| 1,755,000 | | 02/15/ | | |
| | Vertex Pharmaceuticals, Inc. (f) | 4.75 | 13 | 2,772,900 |
| 895,000 | | 03/15/ | | |
| | West Pharmaceutical Services, Inc. (f) | 4.00 | 47 | 843,538 |
| 3,000,000 | | 12/01/ | | |
| | Wright Medical Group, Inc. (f) | 2.63 | 14 | 3,172,500 |
| | | | | <u>34,402,809</u> |

Industrials - 1.5%

| | | | | |
|-----------|----------------------------|--------|----|-----------|
| 326,000 | | 03/01/ | | |
| | AAR Corp. (b) (f) (g) | 1.63 | 14 | 225,755 |
| 1,000,000 | | 02/01/ | | |
| | AAR Corp. (f) | 1.75 | 26 | 780,000 |
| 348,000 | | 03/15/ | | |
| | Barnes Group, Inc. (b) (f) | 3.38 | 27 | 368,010 |
| 1,497,000 | | 03/15/ | | |
| | Barnes Group, Inc. (b) (f) | 3.38 | 27 | 1,583,078 |
| 201,000 | | 06/01/ | | |
| | EnerSys (f) | 3.38 | 38 | 222,859 |
| 3,500,000 | | 08/01/ | | |
| | Itron, Inc. (f) | 2.50 | 26 | 5,691,875 |
| 1,800,000 | | 10/15/ | | |
| | LeCroy Corp. (f) | 4.00 | 26 | 1,585,620 |
| 500,000 | | 10/15/ | | |
| | LeCroy Corp. (b) (f) (g) | 4.00 | 26 | 440,450 |
| 350,000 | | 02/15/ | | |
| | Newport Corp. (b) (f) | 2.50 | 12 | 290,500 |

| | | | |
|-----------|----------------------------------|---------|-------------------|
| 2,800,000 | | 02/15/ | |
| | Newport Corp. (f) | 2.50 12 | 2,324,000 |
| 500,000 | | 01/15/ | |
| | Orbital Sciences Corp (f) | 2.44 27 | 580,000 |
| 1,879,000 | | 06/01/ | |
| | Trinity Industries, Inc. (f) (h) | 3.88 36 | 1,803,840 |
| | | | <u>15,895,987</u> |

Information Technology - 2.0%

| | | | |
|-----------|---------------------------------------|---------|-----------|
| 875,000 | | 05/01/ | |
| | CACI International, Inc. (f) | 2.13 14 | 926,406 |
| 625,000 | | 05/01/ | |
| | CACI International, Inc. (b) (f) | 2.13 14 | 661,719 |
| 409,000 | | 12/01/ | |
| | EMC Corp./Massachusetts (f) | 1.75 13 | 468,816 |
| 4,181,000 | | 05/15/ | |
| | Epicor Software Corp. (f) | 2.38 27 | 2,890,116 |
| 250,000 | | 05/15/ | |
| | Magma Design Automation, Inc. (f) | 2.00 10 | 211,250 |
| 500,000 | | 05/15/ | |
| | Magma Design Automation, Inc. (b) (f) | 2.00 10 | 422,500 |
| 2,000,000 | | 08/15/ | |
| | Maxtor Corp. (f) | 2.38 12 | 2,525,000 |
| 579,000 | | 03/01/ | |
| | Mentor Graphics Corp. (f) | 6.25 26 | 641,966 |
| 465,000 | | 08/15/ | |
| | Nuance Communications, Inc. (b) (f) | 2.75 27 | 496,969 |
| 93,000 | | 08/15/ | |
| | Nuance Communications, Inc. (f) | 2.75 27 | 99,394 |
| 165,000 | | 12/15/ | |
| | ON Semiconductor Corp. (b) (f) | 2.63 26 | 181,294 |
| 4,487,000 | | 12/15/ | |
| | ON Semiconductor Corp. (f) | 2.63 26 | 4,930,091 |
| 176,000 | | 10/15/ | |
| | PMC - Sierra, Inc. (f) | 2.25 25 | 201,740 |
| 302,000 | | 03/01/ | |
| | Skyworks Solutions, Inc. (f) | 1.25 10 | 362,778 |
| 2,500,000 | | 05/15/ | |
| | SYNNEX Corp. (b) (f) | 4.00 18 | 2,603,125 |

| | | | | |
|---|---|------|----------|---------------------------|
| 2,000,000 | SPSS, Inc. (f) (g) | 2.50 | 03/15/12 | 2,085,000 |
| 1,000,000 | Veeco Instruments, Inc. (f) (g) | 4.13 | 04/15/12 | 936,600 |
| 330,000 | Virgin Media, Inc. (b) (f) | 6.50 | 11/15/16 | 342,375 |
| | | | | <u>20,987,139</u> |
| Materials - 0.1% | | | | |
| 70,000 | Newmont Mining Corp. (b) (f) | 1.25 | 07/15/14 | 90,912 |
| 533,000 | Newmont Mining Corp. (f) | 1.25 | 07/15/14 | 692,233 |
| | | | | <u>783,145</u> |
| Telecommunication Services - 2.0% | | | | |
| 208,000 | ADC Telecommunications, Inc. (f) | 3.50 | 07/15/15 | 211,640 |
| 2,400,000 | Alaska Communications Systems Group, Inc. (b) (f) (g) | 5.75 | 03/01/13 | 2,446,800 |
| 2,607,000 | Central European Media Enterprises, Ltd. (b) (f) | 3.50 | 03/15/13 | 2,851,406 |
| 372,000 | Ciena Corp. (f) | 0.25 | 05/01/13 | 309,225 |
| 99,000 | Citadel Broadcasting Corp. (f) (g) | 4.00 | 02/15/11 | 79,129 |
| 3,496,000 | Earthlink, Inc. (f) (h) | 3.25 | 11/15/26 | 4,090,320 |
| 3,334,000 | Equinix, Inc. (f) | 3.00 | 10/15/14 | 3,592,385 |
| 509,000 | Global Crossing, Ltd. (f) | 5.00 | 05/15/11 | 509,000 |
| 1,025,000 | Level 3 Communications, Inc. (f) | 6.00 | 09/15/09 | 981,437 |
| 3,000,000 | Level 3 Communications, Inc. (f) | 5.25 | 12/15/11 | 2,733,750 |
| 2,000,000 | Network Equipment Technologies, Inc. (b) (f) | 3.75 | 12/15/14 | 1,275,000 |
| 241,000 | NII Holdings, Inc. (b) (f) | 3.13 | 06/15/12 | 204,247 |
| 47,000 | NII Holdings, Inc. (f) | 3.13 | 06/15/12 | 39,832 |
| 110,000 | SBA Communications Corp. (b) (f) (g) | 1.88 | 05/01/13 | 113,699 |
| 750,000 | Symmetricom, Inc. (f) | 3.25 | 06/15/25 | 659,063 |
| 579,000 | Verisign, Inc. (b) (f) | 3.25 | 08/15/37 | 751,253 |
| | | | | <u>20,848,186</u> |
| Total Corporate Convertible Bonds (Cost \$139,552,438) | | | | <u>137,646,410</u> |
| Corporate Non-Covertable Bonds - 1.7% | | | | |
| Consumer Discretionary - 0.4% | | | | |
| 96,000 | Continental Airlines, Inc. | 7.06 | 09/15/09 | 93,360 |
| 124,267 | Continental Airlines, Inc. | 7.46 | 04/01/15 | 109,976 |
| 500,000 | Continental Airlines, Inc. | 6.90 | 04/19/22 | 401,250 |
| 300,000 | Delphi Corp. (d) (g) | 0.00 | 08/15/13 | 64,125 |
| 720,000 | Delta Air Lines, Inc. | 7.11 | 09/18/11 | 666,000 |
| 1,200,000 | Lear Corp. | 8.50 | 12/01/13 | 997,500 |
| 2,028,000 | WMG Holdings Corp. (f) (h) | 0.00 | 12/15/14 | 1,287,780 |
| | | | | <u>3,619,991</u> |
| Financials - 1.0% | | | | |
| 155,000 | Allied World Assurance Holdings, Ltd./Bermuda | 7.50 | 08/01/16 | 145,284 |
| 630,000 | Bank of America Corp. | 8.00 | 12/29/49 | 591,186 |
| 40,000 | Bank of America Corp. | 5.65 | 05/01/18 | 37,412 |
| 65,000 | BankAmerica Capital III (c) | 3.28 | 01/15/27 | 51,525 |

| | | | | |
|-----------|---|-------|----------|-------------------|
| 66,000 | BNP Paribas (c) | 9.23 | 06/08/17 | 62,805 |
| 225,000 | Camden Property Trust | 4.38 | 01/15/10 | 219,376 |
| 350,000 | Capital One Financial Corp. | 2.98 | 09/10/09 | 326,621 |
| 195,000 | Capital One Financial Corp. | 5.70 | 09/15/11 | 185,606 |
| 400,000 | Chase Capital II (c) | 3.37 | 02/01/27 | 309,162 |
| 300,000 | Citigroup Capital XXI | 8.30 | 12/21/57 | 284,045 |
| 184,000 | Citigroup, Inc. | 6.88 | 03/05/38 | 178,107 |
| 375,000 | Citigroup, Inc. | 8.40 | 04/30/49 | 356,948 |
| 135,000 | Citigroup, Inc. | 6.13 | 05/15/18 | 129,425 |
| 70,000 | Countrywide Home Loans, Inc. | 4.00 | 03/22/11 | 63,767 |
| 265,000 | Countrywide Home Loans, Inc. | 4.13 | 09/15/09 | 253,169 |
| 340,000 | Countrywide Financial Corp. (c) | 5.80 | 06/07/12 | 321,850 |
| 310,000 | Countrywide Financial Corp. (c) | 2.80 | 09/02/08 | 307,641 |
| 50,000 | Countrywide Financial Corp. (c) | 3.08 | 12/19/08 | 48,758 |
| 205,000 | Countrywide Financial Corp. (c) | 2.87 | 01/05/09 | 201,014 |
| 477,000 | Countrywide Financial Corp. (c) | 3.02 | 03/24/09 | 458,155 |
| 100,000 | Credit Suisse Guernsey, Ltd. | 3.37 | 05/15/49 | 74,448 |
| 105,000 | Credit Suisse/ New York | 6.00 | 02/15/18 | 101,288 |
| 75,000 | Developers Diversified Realty Corp. | 4.63 | 08/01/10 | 72,512 |
| 100,000 | Fairfax Financial Holdings, Ltd. | 7.75 | 04/26/12 | 97,250 |
| 100,000 | Ford Motor Credit Co., LLC (c) | 7.16 | 04/15/12 | 93,742 |
| 120,000 | Ford Motor Credit Co., LLC | 7.38 | 10/28/09 | 109,326 |
| 500,000 | Ford Motor Credit Co., LLC | 5.80 | 01/12/09 | 477,487 |
| 1,464,000 | GMAC, LLC (c) | 4.88 | 12/01/14 | 946,016 |
| 480,000 | HBOS PLC (b) | 5.92 | 10/01/49 | 342,318 |
| 232,000 | HCP, Inc. | 5.63 | 05/01/17 | 193,819 |
| 450,000 | JPMorgan Chase & Co | 7.90 | 10/30/49 | 423,194 |
| 68,000 | JPMorgan Chase & Co | 6.40 | 05/15/38 | 63,273 |
| 425,000 | JP Morgan Chase Capital XIII (c) | 3.65 | 09/30/34 | 332,092 |
| 50,000 | JPMorgan Chase Bank NA (c) | 7.59 | 03/28/22 | 47,907 |
| 31,000 | Lehman Brothers Holdings, Inc. (c) | 0.00 | 11/30/10 | 30,923 |
| 56,000 | Lehman Brothers Holdings, Inc. (c) | 8.92 | 02/16/17 | 42,829 |
| 151,000 | Lehman Brothers Holdings, Inc. (c) | 14.50 | 06/20/16 | 139,071 |
| 171,000 | Lehman Brothers Holdings, Inc. (c) | 11.00 | 11/07/16 | 141,058 |
| 325,000 | Mack-Cali Realty LP | 7.25 | 03/15/09 | 328,661 |
| 80,000 | Merrill Lynch & Co., Inc. (c) | 8.68 | 05/02/17 | 72,452 |
| 80,000 | Merrill Lynch & Co., Inc. (c) | 8.95 | 05/18/17 | 72,500 |
| 80,000 | Merrill Lynch & Co., Inc. (c) | 9.57 | 06/06/17 | 78,500 |
| 201,000 | MetLife, Inc. | 6.50 | 12/15/32 | 198,356 |
| 65,000 | Nationsbank Cap Trust III (c) | 3.26 | 01/15/27 | 51,103 |
| 60,000 | New Plan Excel Realty Trust | 5.13 | 09/15/12 | 47,400 |
| 160,000 | Reckson Operating Partnership LP | 6.00 | 03/31/16 | 136,048 |
| 49,000 | Shurgard Storage Centers, LLC | 5.88 | 03/15/13 | 47,831 |
| 100,000 | Shurgard Storage Centers, LLC | 7.75 | 02/22/11 | 106,311 |
| 180,000 | Simon Property Group LP | 5.75 | 05/01/12 | 180,149 |
| 477,000 | Thornburg Mortgage, Inc. | 8.00 | 05/15/13 | 302,895 |
| 130,000 | Wachovia Bank NA | 6.00 | 11/15/17 | 121,598 |
| 175,000 | Washington Real Estate Investment Trust | 5.95 | 06/15/11 | 168,118 |
| 170,000 | Weingarten Realty Investors | 4.99 | 09/03/13 | 157,552 |
| | | | | <u>10,329,883</u> |

Materials - NM

| | | | | |
|---------|--------------------------|------|--------|--------|
| 110,000 | | | 11/15/ | |
| | Barrick Gold Finance Co. | 5.80 | 34 | 94,689 |

Telecommunication Services - 0.1%

| | | | | |
|---------|--|------|--------|------------------|
| 450,000 | | | 11/15/ | |
| | CCO Holdings LLC / CCO Holdings Capital Corp | 8.75 | 13 | 416,250 |
| 250,000 | | | 11/01/ | |
| | Level 3 Financing, Inc. | 9.25 | 14 | 228,750 |
| 500,000 | | | 01/15/ | |
| | Mediacom LLC/Mediacom Capital Corp. | 9.50 | 13 | 473,750 |
| | | | | <u>1,118,750</u> |

Utilities - 0.2%

| | | | | |
|---------|----------------------------------|-------|--------|------------------|
| 350,000 | | | 07/01/ | |
| | Aquila, Inc. | 14.88 | 12 | 408,625 |
| 500,000 | | | 11/15/ | |
| | Aquila, Inc. | 7.63 | 09 | 517,352 |
| 350,000 | | | 05/15/ | |
| | PNM Resources, Inc. | 9.25 | 15 | 363,125 |
| 80,000 | | | 05/15/ | |
| | Public Service Co. of New Mexico | 7.95 | 18 | 82,450 |
| 675,000 | | | 11/30/ | |
| | Sabine Pass LNG LP | 7.25 | 13 | 617,625 |
| 140,000 | | | 11/01/ | |
| | Southern Union Co. | 7.20 | 66 | 113,670 |
| 55,000 | | | 10/01/ | |
| | SWEPCO Capital Trust I | 5.25 | 43 | 54,067 |
| 122,000 | | | 02/01/ | |
| | Union Electric Co | 6.70 | 19 | 123,809 |
| | | | | <u>2,280,723</u> |

Total Corporate Non-Covertible Bonds (Cost \$18,727,912)**17,444,036****Municipal Bonds - NM**

| | | | | |
|--------|-----------------------------------|------|--------|--------|
| 40,000 | | | 02/01/ | |
| | County of Galveston TX | 5.00 | 28 | 42,638 |
| 25,000 | | | 12/01/ | |
| | Greenville County School District | 5.50 | 28 | 27,349 |
| 54,000 | | | 10/01/ | |
| | County of Harris TX | 5.25 | 20 | 58,677 |
| 5,000 | | | 10/01/ | |
| | County of Harris TX | 5.25 | 20 | 5,433 |
| 20,000 | | | 08/01/ | |
| | Commonwealth of Massachusetts | 5.00 | 22 | 21,235 |

| | | | | |
|--------|-------------------------------|------|--------|---------------|
| 35,000 | | | 01/01/ | |
| | Commonwealth of Massachusetts | 5.25 | 18 | 37,407 |
| 40,000 | | | 06/01/ | |
| | Commonwealth of Massachusetts | 5.38 | 19 | 42,718 |
| 50,000 | | | 03/01/ | |
| | Commonwealth of Massachusetts | 5.50 | 18 | <u>53,406</u> |

Total Municipal Bonds (Cost \$292,892)

288,863

Syndicated Loans - 0.2%

| | | | | |
|---------|---------------------|------|--------|----------------|
| 500,000 | | | 11/18/ | |
| | HCA, Inc. | 4.20 | 12 | 469,188 |
| 728,842 | | | 11/18/ | |
| | HCA, Inc. | 4.20 | 12 | 683,927 |
| 500,000 | | | 05/21/ | |
| | Northwest Air, Inc. | 4.52 | 12 | 382,000 |
| 744,982 | | | 05/24/ | |
| | Tribune Co. | 5.48 | 14 | <u>568,980</u> |

Total Syndicated Loans (Cost \$2,186,707)

2,104,095

U.S. Government and Agency Obligations - 4.1%

Agency - 0.2%

| | | | | |
|---------|-----------------------------------|------|--------|------------------|
| 735,000 | | | 09/28/ | |
| | Freddie Mac (c) | 2.31 | 09 | 735,067 |
| 635,000 | | | 02/18/ | |
| | Federal Home Loan Bank System (c) | 2.60 | 09 | 635,156 |
| 720,000 | | | 03/26/ | |
| | Federal Home Loan Bank System (c) | 2.70 | 10 | <u>720,788</u> |
| | | | | <u>2,091,011</u> |

Discount Note - 2.1%

| | | | | |
|-----------|------------------------|------|--------|-----------|
| 265,000 | | | 09/17/ | |
| | FHLB Discount Note (e) | 0.00 | 08 | 263,671 |
| 150,000 | | | 07/16/ | |
| | FHLB Discount Note (e) | 0.00 | 08 | 149,851 |
| 1,500,000 | | | 07/28/ | |
| | FHLB Discount Note (e) | 2.20 | 08 | 1,497,600 |
| 505,000 | | | 07/25/ | |
| | FHLB Discount Note (e) | 0.00 | 08 | 504,218 |
| 3,595,000 | | | 09/15/ | |
| | FHLB Discount Note (e) | 0.00 | 08 | 3,577,390 |
| 210,000 | | | 08/04/ | |
| | FNMA Discount Note (e) | 0.00 | 08 | 209,557 |

| | | | | |
|------------|-------------------------|------|--------|-------------------|
| 1,378,000 | | | 09/17/ | |
| | FNMA Discount Note (e) | 0.00 | 08 | 1,371,109 |
| 13,360,000 | | | 07/25/ | |
| | FNMA Discount Note (e) | 0.00 | 08 | 13,339,304 |
| 675,000 | | | 04/07/ | |
| | FHLMC Discount Note (e) | 2.36 | 09 | 674,955 |
| | | | | <u>21,587,655</u> |

Mortgage Backed Securities - 1.1%

| | | | | |
|---------|-----------------------------|------|--------|---------|
| 215,000 | | | 07/15/ | |
| | FNMA Pool # TBA, SD 7/17 | 5.00 | 23 | 212,615 |
| 140,000 | | | 07/15/ | |
| | FNMA Pool # TBA, SD 7/17 | 5.00 | 23 | 138,447 |
| 385,000 | | | 07/15/ | |
| | FNMA Pool # TBA, SD 7/17 | 5.50 | 23 | 387,587 |
| 320,000 | | | 07/15/ | |
| | FNMA Pool # TBA, SD 7/17 | 5.50 | 23 | 322,150 |
| 870,000 | | | 07/15/ | |
| | FNMA Pool # TBA, SD 7/14 | 5.50 | 38 | 857,629 |
| 10,000 | | | 07/15/ | |
| | FNMA Pool # TBA, SD 7/14 | 6.00 | 38 | 10,089 |
| 910,000 | | | 07/15/ | |
| | FNMA Pool # TBA, SD 7/14 | 6.50 | 38 | 936,873 |
| 335,000 | | | 07/15/ | |
| | GNMA II Pool # TBA, SD 7/14 | 5.50 | 38 | 333,377 |
| 345,218 | | | 03/01/ | |
| | FGLMC Pool # G04048 (g) | 6.00 | 38 | 349,149 |
| 205,000 | | | 05/15/ | |
| | FHLMC FHR 2929 PE | 5.00 | 33 | 199,669 |
| 280,078 | | | 10/01/ | |
| | FHLMC PC Gold Comb | 6.50 | 36 | 292,877 |
| 333,674 | | | 02/01/ | |
| | FHLMC Pool # G03995 | 6.50 | 38 | 344,355 |
| 348,149 | | | 03/01/ | |
| | FHLMC Pool # G04079 | 5.50 | 38 | 343,362 |
| 363,822 | | | 02/01/ | |
| | FHLMC Pool # A72860 | 6.00 | 38 | 367,965 |
| 322,516 | | | 01/01/ | |
| | FHLMC Pool # G01864 | 5.00 | 34 | 311,083 |
| 486,419 | | | 11/01/ | |
| | FHLMC Pool # G03436 | 6.00 | 37 | 491,957 |
| 315,728 | | | 12/01/ | |
| | FHLMC Pool # G03640 | 5.50 | 37 | 311,387 |
| 305,919 | | | 05/01/ | |
| | FHLMC Pool #1B3413 (c) | 5.94 | 37 | 310,387 |
| 329,855 | | | 08/01/ | |
| | FHLMC Pool # H03161 | 6.50 | 37 | 337,991 |
| 25,445 | | | 05/01/ | |
| | FHLMC Pool #1L0113 (c) | 7.17 | 35 | 26,277 |

| | | | | |
|---------|---------------------------------|--------|----|---------|
| 51,270 | | 02/15/ | | |
| | FHLMC Series 2433 SA (c) | 14.50 | 32 | 57,174 |
| 197,983 | | 05/25/ | | |
| | FNMA Benchmark REMIC 2006-B2 AB | 5.50 | 14 | 201,757 |
| 144,569 | | 10/25/ | | |
| | FNMA FNR 2001-52 YZ | 6.50 | 31 | 150,189 |
| 78,591 | | 01/25/ | | |
| | FNMA FNR 2001-81 QG | 6.50 | 32 | 81,735 |
| 225,000 | | 02/25/ | | |
| | FNMA FNR 2006-4 WE | 4.50 | 36 | 198,187 |
| 324,170 | | 11/01/ | | |
| | FNMA Pool # 888430 | 5.00 | 33 | 312,780 |
| 258,086 | | 05/01/ | | |
| | FNMA Pool # 776708 | 5.00 | 34 | 248,695 |
| 355,956 | | 09/01/ | | |
| | FNMA Pool # 254868 | 5.00 | 33 | 343,449 |
| 207,959 | | 04/01/ | | |
| | FNMA Pool #545639 | 6.50 | 32 | 216,193 |
| 345,524 | | 07/01/ | | |
| | FNMA Pool # 735646 | 4.50 | 20 | 337,145 |
| 49,398 | | 01/01/ | | |
| | FNMA Pool #555177 (c) | 4.87 | 33 | 50,464 |
| 3,280 | | 11/01/ | | |
| | FNMA Pool #673743 (c) | 5.38 | 32 | 3,378 |
| 25,511 | | 06/01/ | | |
| | FNMA Pool #708856 (c) | 5.51 | 33 | 25,865 |
| 345,604 | | 04/01/ | | |
| | FNMA Pool # 725425 | 5.50 | 34 | 342,895 |
| 344,100 | | 11/01/ | | |
| | FNMA Pool # 725027 | 5.00 | 33 | 332,009 |
| 133,664 | | 09/01/ | | |
| | FNMA Pool #735861 | 6.50 | 33 | 138,946 |
| 401,216 | | 09/01/ | | |
| | FNMA Pool #734922 | 4.50 | 33 | 373,962 |
| 98,182 | | 11/01/ | | |
| | FNMA Pool #735881 | 6.00 | 34 | 99,638 |
| 201,895 | | 03/01/ | | |
| | FNMA Pool #764388 (c) | 4.96 | 34 | 203,010 |
| 68,998 | | 09/01/ | | |
| | FNMA Pool #841741 (c) | 5.05 | 35 | 68,681 |

| | | | | |
|---------|-------------------------|------|----------|-------------------|
| 333,254 | FNMA Pool # 889184 | 5.50 | 09/01/36 | 330,488 |
| 208,286 | FNMA Pool #895606 (c) | 5.74 | 06/01/36 | 211,694 |
| 18,161 | GNMA II Pool #80610 (c) | 6.37 | 06/20/32 | 18,474 |
| 40,650 | GNMA II Pool #81136 (c) | 5.25 | 11/20/34 | 40,758 |
| 70,927 | GNMA II Pool #81432 (c) | 5.63 | 08/20/35 | 71,759 |
| 74,019 | GNMA II Pool #81435 (c) | 5.63 | 08/20/35 | 74,917 |
| | | | | <u>11,419,468</u> |

US Treasury Securities - 0.7%

| | | | | |
|-----------|--------------------------------------|------|----------|------------------|
| 255,000 | U.S. Treasury Bond | 8.13 | 08/15/19 | 340,664 |
| 654,000 | U.S. Treasury Bond | 6.13 | 11/15/27 | 782,296 |
| 187,000 | U.S. Treasury Inflation Indexed Bond | 2.38 | 01/15/27 | 208,897 |
| 1,768,000 | U.S. Treasury Note | 2.50 | 03/31/13 | 1,706,260 |
| 1,000,000 | U.S. Treasury Note | 3.63 | 12/31/12 | 1,015,547 |
| 2,163,000 | U.S. Treasury Note | 5.13 | 05/15/16 | 2,359,024 |
| 107,000 | U.S. Treasury Note | 4.25 | 11/15/14 | 111,748 |
| | | | | <u>6,524,436</u> |

Total US Government and Agency Obligations (Cost \$41,457,627)

41,622,570

Total Fixed-Income Securities (Cost \$263,137,434)

257,772,813

Rights - NM

| | | | | |
|---------|--------------------------------|--|--|---------------|
| 1,929 | Barclays PLC | | | - |
| 150,000 | Comdisco Holding Co., Inc. (i) | | | 12,383 |
| 3,541 | Delphi Corp. (g) | | | - |
| | | | | <u>12,383</u> |

Shares

Mutual Fund - 0.2%

| | | | | |
|--------|---|--|--|------------------|
| 51,300 | SPDR Lehman 1-3 Month T-Bill ETF (f) (Cost \$2,353,375) | | | <u>2,355,183</u> |
|--------|---|--|--|------------------|

Principal

Short-Term Investments - 0.2%

Commercial Paper - 0.2%

| | | | |
|--|----------------------------|----------|------------------|
| 785,000 | BNP Paribas Finance, Inc. | 07/02/08 | 784,947 |
| 350,000 | Merrill Lynch & Co. | 07/16/08 | 349,618 |
| 250,000 | Rabobank USA Finance Corp. | 07/21/08 | 249,672 |
| 805,000 | Rabobank USA Finance Corp. | 07/24/08 | 803,786 |
| Total Commercial Paper (Cost \$2,188,024) | | | 2,188,023 |

Total Short-Term Investments (Cost \$2,188,024)

2,188,023

| <u>Contracts</u> | | <u>Strike</u> | <u>Expiration</u> | |
|-------------------------------------|--------------------------------|---------------|-------------------|---------|
| | | <u>Price</u> | <u>Date</u> | |
| Put Options Purchased - 0.2% | | | | |
| 30 | Advanced Micro Devices, Inc. | 20.00 | 01/21/09 | 42,525 |
| 30 | Amazon.com, Inc. | 30.00 | 01/21/09 | 1,035 |
| 18 | Amgen, Inc. | 60.00 | 01/21/09 | 23,445 |
| 18 | Amgen, Inc. | 70.00 | 01/21/09 | 41,040 |
| 30 | Anadarko Petroleum Corp. | 40.00 | 01/21/09 | 525 |
| 18 | Apache Corp. | 60.00 | 01/21/09 | 225 |
| 15 | Apple, Inc. | 50.00 | 01/21/09 | 195 |
| 60 | Applied Materials, Inc. | 15.00 | 01/21/09 | 3,360 |
| 18 | Bank of America Corp. | 40.00 | 01/21/09 | 28,980 |
| 22 | Bank of America Corp. | 30.00 | 01/20/10 | 19,888 |
| 15 | Bear Stearns Cos., Inc. | 130.00 | 01/21/09 | 183,750 |
| 45 | Bed Bath & Beyond, Inc. | 30.00 | 01/21/09 | 18,900 |
| 18 | Caterpillar, Inc. | 60.00 | 01/21/09 | 4,266 |
| 18 | Centex Corp. | 40.00 | 01/21/09 | 47,520 |
| 30 | Circuit City Stores, Inc. | 30.00 | 01/21/09 | 81,300 |
| 60 | Cisco Systems, Inc. | 15.00 | 01/21/09 | 1,260 |
| 140 | Citigroup, Inc. | 15.00 | 01/20/10 | 40,600 |
| 30 | Comcast Corp. | 30.00 | 01/21/09 | 11,475 |
| 30 | Countrywide Financial Corp. | 25.00 | 01/21/09 | 61,800 |
| 30 | Countrywide Financial Corp. | 30.00 | 01/21/09 | 76,875 |
| 30 | Halliburton Co. | 30.00 | 01/21/09 | 540 |
| 149 | ITT Educational Services, Inc. | 35.00 | 10/22/08 | 4,097 |
| 18 | Kohl's Corp. | 50.00 | 01/21/09 | 20,880 |
| 36 | Lowe's Cos., Inc. | 30.00 | 01/21/09 | 34,020 |
| 45 | Lowe's Cos., Inc. | 25.00 | 01/21/09 | 23,400 |
| 18 | Merrill Lynch & Co., Inc. | 55.00 | 01/21/09 | 41,310 |
| 30 | Microsoft Corp. | 20.00 | 01/21/09 | 1,200 |
| 18 | Morgan Stanley (g) | 50.00 | 01/21/09 | 18,990 |
| 30 | Nike, Inc. | 40.00 | 01/21/09 | 1,650 |
| 18 | Procter & Gamble Co. | 50.00 | 01/21/09 | 1,422 |
| 47 | Pulte Homes, Inc. | 25.00 | 01/21/09 | 71,910 |
| 900 | Retail Holders Trust | 90.00 | 01/21/09 | 724,500 |
| 14 | Ryland Group, Inc. | 30.00 | 01/21/09 | 13,300 |
| 18 | Ryland Group, Inc. | 40.00 | 01/21/09 | 33,120 |

| | | | | |
|--|---------------------------|-------|----------|-------------------------|
| 15 | Schlumberger, Ltd. | 60.00 | 01/21/09 | 750 |
| 18 | Target Corp. | 40.00 | 01/21/09 | 6,480 |
| 18 | United Technologies Corp. | 50.00 | 01/21/09 | 2,520 |
| Total Put Options Purchased (Premiums Paid \$1,251,715) | | | | <u>1,689,053</u> |

Call Options Purchased - 1.3%

| | | | | |
|-------|---------------------------------|-------|----------|---------|
| 221 | Accenture, Ltd. | 20.00 | 01/21/09 | 460,785 |
| 530 | American Eagle Outfitters, Inc. | 10.00 | 01/17/09 | 225,250 |
| 707 | Automatic Data Processing, Inc. | 30.00 | 01/21/09 | 869,610 |
| 202 | Bed Bath & Beyond, Inc. | 20.00 | 01/21/09 | 184,830 |
| 300 | Bed Bath & Beyond, Inc. | 20.00 | 01/16/10 | 334,500 |
| 421 | Bed Bath & Beyond, Inc. | 30.00 | 01/21/09 | 113,670 |
| 248 | Boeing Co. | 55.00 | 01/20/10 | 403,000 |
| 295 | Quest Diagno | 30.00 | 01/16/10 | 592,950 |
| 1,120 | UnitedHealth | 30.00 | 01/16/10 | 424,480 |

| | | | | |
|-------|-------------------------------|--------|--------|-----------|
| 500 | | | 07/23/ | |
| | Carmax, Inc. | 10.00 | 08 | 222,500 |
| 240 | | | 01/16/ | |
| | Cemex SAB de C.V., ADR | 15.00 | 10 | 285,600 |
| 318 | | | 01/21/ | |
| | Cintas Corp. | 20.00 | 09 | 232,140 |
| 460 | | | 01/16/ | |
| | Comcast Corp. | 10.00 | 10 | 430,100 |
| 185 | | | 01/21/ | |
| | ConocoPhillips | 60.00 | 09 | 641,488 |
| 15 | | | 01/21/ | |
| | FedEx Corp. | 90.00 | 09 | 5,100 |
| 326 | | | 01/17/ | |
| | Home Depot, Inc. | 30.00 | 09 | 21,842 |
| 233 | | | 01/21/ | |
| | Johnson & Johnson | 50.00 | 09 | 342,510 |
| 140 | | | 01/20/ | |
| | Johnson & Johnson | 50.00 | 10 | 219,100 |
| 219 | | | 01/16/ | |
| | LVC US | 30.00 | 10 | 1,051,200 |
| 130 | | | 01/16/ | |
| | Kohl' s Corp. | 20.00 | 10 | 293,150 |
| 345 | | | 01/16/ | |
| | Kraft Foods, Inc. | 25.00 | 10 | 189,750 |
| 610 | | | 01/21/ | |
| | Kraft Foods, Inc. | 25.00 | 09 | 256,200 |
| 1,018 | | | 01/16/ | |
| | Lowe' s Cos., Inc. | 10.00 | 10 | 1,119,800 |
| 350 | | | 01/16/ | |
| | Microsoft Corp. | 20.00 | 10 | 328,300 |
| 247 | | | 01/21/ | |
| | Microsoft Corp. | 20.00 | 09 | 197,600 |
| 70 | | | 01/21/ | |
| | Procter & Gamble Co. | 40.00 | 09 | 146,300 |
| 72 | | | 01/21/ | |
| | Procter & Gamble Co. | 60.00 | 09 | 29,880 |
| 100 | | | 01/21/ | |
| | Procter & Gamble Co. | 50.00 | 09 | 117,300 |
| 65 | | | 07/23/ | |
| | Procter & Gamble Co. | 50.00 | 08 | 70,850 |
| 190 | | | 01/16/ | |
| | Royal Caribbean Cruises, Ltd. | 20.00 | 10 | 123,500 |
| 1,300 | | | 07/23/ | |
| | SPDR Trust Series 1 | 141.00 | 08 | 1,300 |
| 2,750 | | | 07/23/ | |
| | SPDR Trust Series 1 | 144.00 | 08 | 8,250 |
| 250 | | | 07/23/ | |
| | SPDR Trust Series 1 | 147.00 | 08 | 750 |
| 270 | | | 01/17/ | |
| | Target Corp. | 30.00 | 09 | 472,500 |

| | | | | | |
|--|------------------------------|-------|----|--------|--------------------------------------|
| 217 | | | | 01/16/ | |
| | United Parcel Service, Inc. | 50.00 | 10 | | 328,755 |
| 110 | | | | 01/20/ | |
| | UnitedHealth Group | 25.00 | 10 | | 64,900 |
| 187 | | | | 01/21/ | |
| | Wal-Mart Stores, Inc. | 30.00 | 09 | | 491,810 |
| 350 | | | | 01/16/ | |
| | Wal-Mart Stores, Inc. | 30.00 | 10 | | 931,000 |
| 442 | | | | 01/21/ | |
| | Wal-Mart Stores, Inc. | 35.00 | 09 | | 985,660 |
| 177 | | | | 01/16/ | |
| | Walt Disney Co. | 20.00 | 10 | | 221,250 |
| 150 | | | | 01/21/ | |
| | Walt Disney Co. | 20.00 | 09 | | 175,500 |
| 201 | | | | 01/21/ | |
| | Walt Disney Co. | 30.00 | 09 | | 71,355 |
| 228 | | | | 01/21/ | |
| | Warner Music Group Corp. (g) | 25.00 | 09 | | 3,420 |
| Total Call Options Purchased (Premiums Paid \$17,022,676) | | | | | <u>13,689,735</u> |
| Total Long Positions - 77.7% (Cost \$841,699,187)* | | | | | 798,355,807 |
| Total Short Positions - (33.5)% (Cost \$(390,654,032)) | | | | | (344,463,992) |
| Total Options Written - (0.3)% (Cost \$(3,371,639)) | | | | | (2,984,543) |
| Other Assets & Liabilities, Net 56.1% | | | | | <u>576,658,642</u> |
| Net Assets - 100.00% | | | | | <u><u>\$1,027,565,914</u></u> |

ABSOLUTE STRATEGIES FUND

SCHEDULE OF SECURITIES SOLD SHORT

JUNE 30, 2008 (Unaudited)

| <u>Shares</u> | <u>Security Description</u> | <u>Value</u> |
|--|--|--------------|
| Securities Sold Short - (33.5)% | | |
| Common Stock - (28.3)% | | |
| Consumer Discretionary - (4.0)% | | |
| (63,400) | Airtran Holdings, Inc. | \$(129,336) |
| (34,900) | Alaska Air Group, Inc. | (535,366) |
| (6,860) | Ambassadors International, Inc. | (30,047) |
| (21,000) | American Axle & Manufacturing Holdings, Inc. | (167,790) |
| (51,300) | American Eagle Outfitters, Inc. | (699,219) |
| (13,200) | AutoNation, Inc. | (132,264) |
| (32,100) | Bed Bath & Beyond, Inc. | (902,010) |
| (49,446) | Blockbuster, Inc., Class A | (123,615) |
| (1,600) | BorgWarner, Inc. | (71,008) |
| (19,671) | Carmax, Inc. | (279,131) |
| (2,000) | Carnival Corp. | (65,920) |
| (35,900) | Casual Male Retail Group, Inc. | (109,495) |

| | | |
|----------|------------------------------|------------|
| (34,600) | CBRL Group, Inc. | (848,046) |
| (28,000) | Centex Corp. | (374,360) |
| (51,500) | Cheesecake Factory | (819,365) |
| (18,900) | Churchill Downs, Inc. | (659,043) |
| (712) | Citadel Broadcasting Corp. | (869) |
| (4,900) | Comcast Corp., Class A | (92,953) |
| (28,600) | Copa Holdings SA | (805,376) |
| (44,300) | Dick' s Sporting Goods, Inc. | (785,882) |
| (21,500) | DR Horton, Inc. | (233,275) |
| (11,000) | DSW, Inc., Class A | (129,580) |
| (11,803) | Empire Resorts, Inc. | (34,583) |
| (14,000) | Fiat SpA | (229,620) |
| (100) | Finish Line | (870) |
| (23,296) | Ford Motor Co. | (112,054) |
| (5,600) | Gaylord Entertainment Co. | (134,176) |
| (18,700) | Gildan Activewear, Inc. | (483,956) |
| (15,300) | Genesco, Inc. | (472,311) |

| | | |
|-----------|--|------------|
| (13,485) | Goodyear Tire & Rubber Co. | (240,437) |
| (9,900) | Group 1 Automotive, Inc. | (196,713) |
| (16,100) | Harman International Industries, Inc. | (666,379) |
| (29,200) | HNI Corp. | (515,672) |
| (11,800) | JC Penney Co., Inc. | (428,222) |
| (27,700) | Jetblue Airways Corp. | (103,321) |
| (7,100) | Kohl' s Corp. | (284,284) |
| (12,600) | Las Vegas Sands Corp. | (597,744) |
| (29,400) | Lennar Corp., Class A | (362,796) |
| (42,600) | Limited Brands, Inc. | (717,810) |
| (103,400) | Lithia Motors, Inc., Class A | (508,728) |
| (49,800) | Mattel, Inc. | (852,576) |
| (31,900) | McCormick & Schmick' s Seafood Restaurants, Inc. | (307,516) |
| (2,700) | MDC Holdings, Inc. | (105,462) |
| (2,876) | Mesa Air Group, Inc. | (1,466) |
| (19,300) | MGM Mirage | (654,077) |
| (76,096) | Morgans Hotel Group Co. | (783,789) |

| | | |
|-----------|-------------------------------|-------------|
| (68,400) | Newell Rubbermaid, Inc. | (1,148,436) |
| (32,900) | Office Depot, Inc. | (359,926) |
| (5,900) | OfficeMax, Inc. | (82,010) |
| (8,500) | O' Reilly Automotive, Inc. | (189,975) |
| (14,400) | Orient-Express Hotels, Ltd. | (625,536) |
| (27,500) | Oshkosh Corp. | (568,975) |
| (103,627) | Penske Auto Group, Inc. | (1,527,462) |
| (16,300) | PepsiAmericas, Inc. | (322,414) |
| (49,300) | PetSmart, Inc. | (983,535) |
| (103,700) | Pier 1 Imports, Inc. | (356,728) |
| (40,000) | Pinnacle Entertainment, Inc. | (419,600) |
| (16,800) | Polo Ralph Lauren Corp. | (1,054,704) |
| (66,400) | Pulte Homes, Inc. | (639,432) |
| (13,700) | Royal Caribbean Cruises, Ltd. | (307,839) |

| | | |
|----------|---|---------------------|
| (47,800) | Ruby Tuesday, Inc. | (258,120) |
| (600) | Ryland Group, Inc. | (13,086) |
| (79,500) | Sara Lee Corp. | (973,875) |
| (22,244) | School Specialty, Inc. | (661,314) |
| (27,528) | Scientific Games Corp. | (815,379) |
| (55,500) | Southwest Airlines Co. | (723,720) |
| (200) | Standard-Pacific Corp. | (676) |
| (67,000) | Starbucks Corp. | (1,054,580) |
| (19,000) | Starwood Hotels & Resorts Worldwide, Inc. | (761,330) |
| (89,600) | Steak 'n' Shake Co. | (567,168) |
| (12,800) | Target Corp. | (595,072) |
| (28,900) | Team, Inc. | (991,848) |
| (22,600) | Thor Industries, Inc. | (480,476) |
| (6,900) | Titan International, Inc. | (245,778) |
| (26,000) | Toro Co. | (865,020) |
| (26,500) | Tractor Supply Co. | (769,560) |
| (33,100) | Under Armour, Inc. | (848,684) |
| (9,700) | Vail Resorts, Inc. | (415,451) |
| (7,300) | Wal-Mart Stores, Inc. | (410,260) |
| (1,600) | Washington Post Co., Class B | (939,040) |
| (37,400) | Wendy' s International, Inc. | (1,018,028) |
| (21,600) | WESCO International, Inc. | (864,864) |
| (38,600) | Wyndham Worldwide Corp. | (691,326) |
| (3,900) | Wynn Resorts, Ltd. | (317,265) |
| | | <u>(40,657,004)</u> |

Consumer Staples - (3.2)%

| | | |
|-----------|--|--------------|
| (14,000) | Aegean Marine Petroleum Network, Inc. | (569,660) |
| (17,900) | Avery Dennison Corp. | (786,347) |
| (39,400) | Bare Escentuals, Inc. | (737,962) |
| (9,907) | Archer-Daniels-Midland Co. | (334,361) |
| (11,407) | Bunge, Ltd. | (1,228,420) |
| (41,000) | Cardiome Pharma Corp. | (360,800) |
| (166,417) | CBIZ, Inc. | (1,323,015) |
| (8,100) | Central European Distribution Corp. | (600,615) |
| (17,710) | Charles River Laboratories International, Inc. | (1,132,023) |
| (4,929) | Chemed Corp. | (180,451) |
| (17,800) | Corporate Executive Board Co. | (748,490) |
| (49,400) | Corrections Corp. of America | (1,357,018) |
| (53,100) | Deluxe Corp. | (946,242) |
| (24,800) | DynCorp International, Inc. | (375,720) |
| (44,797) | Euronet Worldwide, Inc. | (757,069) |
| (8,900) | Fortune Brands, Inc. | (555,449) |
| (8,700) | FTI Consulting, Inc. | (595,602) |
| (27,300) | H&R Block, Inc. | (584,220) |
| (57,100) | Healthcare Services Group | (868,491) |
| (5,900) | Henry Schein, Inc. | (304,263) |
| (26,500) | Hershey Co. | (868,670) |
| (14,100) | Huron Consulting Group, Inc. | (639,294) |
| (28,900) | Iron Mountain, Inc. | (767,295) |

| | | |
|----------|--|--------------|
| (98,994) | Live Nation, Inc. | (1,047,356) |
| (31,100) | Monster Worldwide, Inc. | (640,971) |
| (24,300) | Moody' s Corp. | (836,892) |
| (25,872) | Omnicare, Inc. | (678,364) |
| (4,457) | Oscient Pharmaceuticals Corp. | (6,329) |
| (4,756) | OSI Pharmaceuticals, Inc. | (196,518) |
| (12,300) | Pharmaceutical Product Development, Inc. | (527,670) |
| (22,238) | PHH Corp. | (341,353) |
| (8,300) | Procter & Gamble Co. | (504,723) |
| (18,200) | Ritchie Bros Auctioneers, Inc. | (493,766) |
| (35,700) | Robert Half International, Inc. | (855,729) |
| (16,600) | Ruddick Corp. | (569,546) |
| (29,800) | Scotts Miracle-Gro Co., Class A | (523,586) |
| (53,700) | Sotheby' s | (1,416,069) |
| (56,125) | Spartan Stores, Inc. | (1,290,875) |
| (34,300) | SYSCO Corp. | (943,593) |
| (16,500) | Tootsie Roll Industries, Inc. | (414,645) |

| | | |
|----------|------------------------------|---------------------|
| (34,100) | United Natural Foods, Inc. | (664,268) |
| (11,788) | Universal Corp. | (533,053) |
| (49,000) | VCA Antech, Inc. | (1,361,220) |
| (66,382) | Vertex Pharmaceuticals, Inc. | (2,221,806) |
| (18,400) | Viad Corp. | (474,536) |
| | | <u>(33,164,345)</u> |

Energy - (3.3)%

| | | |
|-----------|-------------------------------------|--------------|
| (6,481) | Alpha Natural Resource,s Inc. | (675,903) |
| (12,700) | Anadarko Petroleum Corp. | (950,468) |
| (2,800) | Arch Coal, Inc. | (210,084) |
| (7,676) | Bill Barrett Corp. | (456,031) |
| (40,200) | BPZ Energy, Inc. | (1,181,880) |
| (12,180) | Cameron International Corp. | (674,163) |
| (3,967) | Carrizo Oil & Gas, Inc. | (270,113) |
| (28,700) | Cheniere Energy, Inc. | (125,419) |
| (8,948) | Chesapeake Energy Corp. | (590,210) |
| (5,600) | Covanta Holding Corp. | (149,464) |
| (30,371) | Delta Petroleum Corp. | (775,068) |
| (20,900) | Enbridge, Inc. | (902,462) |
| (1,600) | EOG Resources, Inc. | (209,920) |
| (6,400) | Equitable Resources, Inc. | (441,984) |
| (179,960) | Evergreen Solar, Inc. | (1,743,812) |
| (44,400) | Flotek Industries, Inc. | (915,528) |
| (5,300) | FMC Technologies, Inc. | (407,729) |
| (40,500) | Frontier Oil Corp. | (968,355) |
| (6,500) | Gasco Energy, Inc. | (26,975) |
| (81,973) | Global Industries, Ltd. | (1,469,776) |
| (2,400) | GMX Resources, Inc. | (177,840) |
| (18,012) | Goodrich Petroleum Corp. | (1,493,555) |
| (16,400) | Gulfport Energy Corp. | (270,108) |
| (27,600) | Holly Corp. | (1,018,992) |
| (12,227) | Nabors Industries, Ltd. | (601,935) |
| (4,000) | Parallel Petroleum Corp. | (80,520) |
| (18,581) | Peabody Energy Corp. | (1,636,057) |
| (48,544) | Penn Virginia Corp. | (3,661,189) |
| (9,703) | Pioneer Natural Resources Co. | (759,551) |
| (8,000) | Quicksilver Resources, Inc. | (309,120) |
| (12,200) | Range Resources Corp. | (799,588) |
| (5,400) | Rowan Cos., Inc. | (252,450) |
| (7,300) | Schlumberger, Ltd. | (784,239) |
| (7,600) | Southwestern Energy Co. | (361,836) |
| (4,200) | Suncor Energy, Inc. | (244,104) |
| (19,200) | Sunoco, Inc. | (781,248) |
| (36,725) | Suntech Power Holdings Co. Ltd, ADR | (1,375,719) |
| (7,800) | T-3 Energy Services, Inc. | (619,866) |
| (56,700) | Tetra Technologies, Inc. | (1,344,357) |
| (20,000) | Toreador Resources Corp. | (170,600) |
| (28,000) | TransCanada Corp. | (1,085,560) |
| (3,000) | Transocean, Inc. | (457,170) |

| | | |
|----------|---------------------------------|---------------------|
| (25,100) | Weatherford International, Ltd. | (1,244,709) |
| (6,500) | Whiting Petroleum Corp. | (689,520) |
| (6,250) | XTO Energy, Inc. | (428,188) |
| | | <u>(33,793,365)</u> |

Financials - (3.6)%

| | | |
|----------|---|------------|
| (3,036) | Affiliated Managers Group, Inc. | (273,422) |
| (5,551) | Alexandria Real Estate Equities, Inc. | (540,334) |
| (30,027) | American Equity Investment Life Holding Co. | (244,720) |
| (28,787) | American International Group, Inc. | (761,704) |
| (6,600) | American Express Co. | (248,622) |
| (37,800) | Assured Guaranty, Ltd. | (680,022) |
| (38,267) | Bank of America Corp. | (913,433) |
| (16,100) | BankAtlantic Bancorp, Inc., Class A | (28,336) |
| (24,400) | BankUnited Financial Corp. | (23,424) |
| (9,000) | Barclays PLC | (208,350) |
| (39,400) | Brookline Bancorp, Inc. | (376,270) |

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| (43,700) | Brown & Brown, Inc. | (759,943) |
| (16,608) | CapitalSource, Inc. | (184,017) |
| (8,700) | Capitol Bancorp, Ltd. | (78,039) |
| (19,500) | Capitol Federal Financial | (733,395) |
| (121,659) | CIT Group, Inc. | (828,498) |
| (83,631) | Citigroup, Inc. | (1,401,655) |
| (34,000) | CNA Financial Corp. | (855,100) |
| (40,300) | Cincinnati Financial Corp. | (1,023,620) |
| (13,300) | Conseco, Inc. | (131,936) |
| (29,000) | Delphi Financial Group, Inc. | (671,060) |
| (76,000) | E*Trade Financial Corp. | (238,640) |
| (54,800) | Fannie Mae | (1,069,148) |
| (23,500) | FBL Financial Group, Inc. | (467,180) |
| (49,500) | Federal National Mortgage Association | (811,800) |
| (95,060) | Fifth Third Bancorp | (967,711) |
| (6,215) | FirstFed Financial Corp. | (49,969) |
| (7,996) | Forest City Enterprises, Inc., Class A | (257,631) |
| (13,100) | Franklin Resources, Inc. | (1,200,615) |
| (25,700) | General Growth Properties, Inc. | (900,271) |
| (2,300) | Hartford Financial Services Group, Inc. | (148,511) |
| (83,749) | Host Hotels & Resorts, Inc. | (1,143,174) |
| (32,875) | Huntington Bancshares, Inc. | (189,689) |
| (20,700) | KBW, Inc. | (426,006) |
| (45,100) | Jeffries Group, Inc. | (758,582) |
| (88,936) | Keycorp | (976,517) |
| (20,600) | Kilroy Realty Corp. | (968,818) |
| (7,909) | KKR Financial Holdings, LLC | (83,045) |
| (15,300) | LandAmerica Financial Group, Inc. | (339,507) |
| (31,100) | Lazard, Ltd. | (1,062,065) |
| (5,717) | Legg Mason, Inc. | (249,090) |
| (41,834) | Lehman Brothers Holdings, Inc. | (828,731) |
| (47,700) | MBIA, Inc. | (209,403) |
| (44,100) | Merrill Lynch & Co., Inc. | (1,398,411) |
| (28,497) | MF Global, Ltd. | (179,816) |
| (15,510) | Nasdaq OMX Group | (411,791) |
| (16,092) | National City Corp. | (76,759) |
| (63,700) | People's United Financial, Inc. | (993,720) |
| (65,500) | Phoenix Cos., Inc. | (498,455) |
| (122,600) | PMI Group, Inc. | (239,070) |
| (22,900) | Popular, Inc. | (150,911) |
| (34,700) | Raymond James Financial, Inc. | (915,733) |
| (14,600) | Reinsurance Group of America, Inc. | (635,392) |
| (80,806) | SLM Corp. | (1,563,596) |
| (128,000) | South Financial Group, Inc. | (501,760) |
| (18,800) | State Street Corp. | (1,203,012) |
| (6,389) | SVB Financial Group | (307,375) |
| (54,500) | TCF Financial Corp. | (655,635) |
| (55,600) | Valley National Bancorp | (876,812) |
| (6,544) | Wachovia Corp. | (101,628) |
| (173,980) | Washington Mutual, Inc. | (857,721) |
| (9,244) | Webster Financial Corp. | (171,938) |

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|----------|---------------------------------|---------------------|
| (11,117) | World Acceptance Corp. | (374,309) |
| (23,300) | XL Capital, Ltd., Class A | (479,048) |
| (13,900) | Zenith National Insurance Corp. | (488,724) |
| | | <u>(37,393,619)</u> |

Health Care - (3.1)%

| | | |
|----------|---|--------------|
| (3,500) | Abbott Laboratories | (185,395) |
| (5,947) | Advanced Medical Optics, Inc. | (111,447) |
| (3,287) | Affymetrix, Inc. | (33,823) |
| (3,700) | Alcon, Inc. | (602,323) |
| (18,400) | AMAG Pharmaceuticals, Inc. | (627,440) |
| (35,000) | American Dental Partners, Inc. | (415,450) |
| (38,020) | American Medical Systems Holdings, Inc. | (568,399) |
| (6,570) | AMERIGROUP Corp. | (136,656) |
| (54,879) | Amylin Pharmaceuticals, Inc. | (1,393,378) |
| (12,613) | ATS Medical, Inc. | (26,866) |

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|-----------|---|---------------------|
| (2,500) | Baxter International, Inc. | (159,850) |
| (8,900) | BioMarin Pharmaceuticals, Inc. | (257,922) |
| (24,300) | Brookdale Senior Living, Inc. | (494,748) |
| (26,200) | Cigna Corp. | (927,218) |
| (41,247) | Cubist Pharmaceuticals, Inc. | (736,671) |
| (1,400) | Cyberonics, Inc. | (30,380) |
| (22,800) | DaVita, Inc. | (1,211,364) |
| (12,218) | deCODE Genetics, Inc. | (11,241) |
| (10,000) | Dentsply International, Inc. | (368,000) |
| (38,500) | Endo Pharmaceuticals Holdings, Inc. | (931,315) |
| (20,100) | Gen-Probe, Inc. | (954,348) |
| (47,031) | Health Management Associates, Inc., Class A | (306,172) |
| (13,345) | Healthsouth Corp. | (221,927) |
| (25,296) | Insulet Corp. | (397,907) |
| (46,341) | Incyte Corp. | (352,655) |
| (14,030) | Inverness Medical Innovations, Inc. | (465,375) |
| (136,675) | Isis Pharmaceuticals, Inc. | (1,862,880) |
| (58,541) | Kinetic Concepts, Inc. | (2,336,371) |
| (28,033) | King Pharmaceuticals, Inc. | (293,506) |
| (10,040) | LifePoint Hospitals, Inc. | (284,132) |
| (45,700) | Lincare Holdings, Inc. | (1,297,880) |
| (37,000) | Medicis Pharmaceutical Corp., Class A | (768,860) |
| (19,530) | Millipore Corp. | (1,325,306) |
| (46,377) | Molina Healthcare, Inc. | (1,128,816) |
| (22,850) | Mylan, Inc. | (275,799) |
| (49,206) | NovaMed, Inc. | (185,507) |
| (18,700) | NuVasive, Inc. | (835,142) |
| (6,700) | Psychiatric Solutions, Inc. | (253,528) |
| (3,400) | Quest Diagnostics, Inc. | (164,798) |
| (41,746) | Sciele Pharma, Inc. | (807,785) |
| (76,425) | SonoSite, Inc. | (2,140,664) |
| (9,300) | Stereotaxis, Inc. | (49,848) |
| (3,800) | Stryker Corp. | (238,944) |
| (12,000) | Tenet Healthcare Corp. | (66,720) |
| (10,200) | Vital Images, Inc. | (126,888) |
| (28,800) | Well Care Health Plans, Inc. | (1,041,120) |
| (21,686) | West Pharmaceutical Services, Inc. | (938,570) |
| (102,472) | Wright Medical Group, Inc. | (2,911,230) |
| | | <u>(31,262,564)</u> |

Industrials - (3.6)%

| | | |
|----------|----------------------------|--------------|
| (27,978) | AAR Corp. | (378,543) |
| (1,950) | Ametek, Inc. | (92,079) |
| (49,036) | Barnes Group, Inc. | (1,132,241) |
| (14,200) | Black & Decker Corp. | (816,642) |
| (3,800) | Boeing Co. | (249,736) |
| (4,300) | Bristow Group, Inc. | (212,807) |
| (13,500) | CIRCOR International, Inc. | (661,365) |
| (24,000) | Cooper Industries, Ltd. | (948,000) |
| (19,200) | Cubic Corp. | (427,776) |

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|----------|-----------------------------------|--------------|
| (7,200) | Curtiss-Wright Corp. | (322,128) |
| (5,900) | Danaher Corp. | (456,070) |
| (5,800) | Deere & Co. | (418,354) |
| (8,800) | Dolby Laboratories, Inc., Class A | (354,640) |
| (20,200) | Eagle Bulk Shipping, Inc. | (597,314) |
| (27,200) | Eagle Materials, Inc. | (688,976) |
| (16,200) | Energizer Holdings, Inc. | (1,184,058) |
| (10,775) | Energy Conversion Devices, Inc. | (793,471) |
| (20,118) | EnerSys | (688,639) |
| (9,700) | FARO Technologies, Inc. | (244,149) |
| (6,200) | FEI Co. | (141,236) |
| (11,600) | Flir Systems, Inc. | (470,612) |
| (8,100) | Flowserve Corp. | (1,107,270) |
| (1,800) | General Cable Corp. | (109,530) |
| (19,800) | General Electric Co. | (528,462) |
| (34,500) | Golar LNG, Ltd. | (534,405) |
| (13,800) | Haynes International, Inc. | (794,190) |
| (10,500) | IDEX Corp. | (386,820) |

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| (4,600) | Insituform Technologies, Inc. | (70,058) |
| (46,585) | Itron, Inc. | (4,581,635) |
| (5,400) | Jacobs Engineering Group, Inc. | (435,780) |
| (50) | Joy Global, Inc. | (3,792) |
| (17,200) | Kaman Corp. | (391,472) |
| (22,063) | Kansas City Southern | (970,551) |
| (7,500) | Kaydon Corp. | (385,575) |
| (9,200) | Layne Christensen Co. | (402,868) |
| (21,500) | LB Foster Co. | (713,800) |
| (75,419) | LeCroy Corp. | (672,737) |
| (27,700) | LSB Industries, Inc. | (548,460) |
| (8,600) | Mine Safety Appliances Co. | (343,914) |
| (4,000) | Moog, Inc., Class A | (148,960) |
| (42,100) | Nalco Holding Co. | (890,415) |
| (57,197) | Newport Corp. | (651,474) |
| (15,971) | Orbital Sciences Corp. | (376,277) |
| (81,100) | Packaging Corp. Of America | (1,744,461) |
| (38,900) | Pactiv Corp. | (825,847) |
| (16,600) | Rockwell Automation, Inc. | (725,918) |
| (30,000) | Pall Corp. | (1,190,400) |
| (16,600) | Rockwell Collins, Inc. | (796,136) |
| (6,500) | Roper Industries, Inc. | (428,220) |
| (32,800) | Sonoco Products Co. | (1,015,160) |
| (3,800) | Stericycle, Inc. | (196,460) |
| (31,400) | Sturm Ruger & Co., Inc. | (221,684) |
| (34,300) | Tetra Tech, Inc. | (775,866) |
| (28,586) | Trinity Industries, Inc. | (991,648) |
| (17,500) | Universal Display Corp. | (215,600) |
| (57,100) | UTi Worldwide, Inc. | (1,139,145) |
| | | <u>(36,593,826)</u> |

Information Technology - (2.7)%

| | | |
|-----------|---|--------------|
| (53,900) | ACI Worldwide, Inc. | (948,101) |
| (11,600) | Anadigics, Inc. | (114,260) |
| (3,400) | Apple, Inc. | (569,296) |
| (29,100) | Autodesk, Inc. | (983,871) |
| (24,600) | Blackboard, Inc. | (940,458) |
| (51,000) | Broadridge Financial Solutions, Inc. | (1,073,550) |
| (21,142) | CACI International, Inc., Class A | (967,669) |
| (1,200) | Cerner Corp. | (54,216) |
| (38,200) | Cognizant Technology Solutions Corp., Class A | (1,241,882) |
| (23,000) | Concur Technologies, Inc. | (764,290) |
| (35,100) | Cypress Semiconductor Corp. | (868,725) |
| (7,350) | Diodes, Inc. | (203,154) |
| (13,400) | DST Systems, Inc. | (737,670) |
| (11,600) | Electronic Arts, Inc. | (515,388) |
| (32,900) | Electronics for Imaging | (480,340) |
| (19,076) | EMC Corp. | (280,226) |
| (133,350) | Epicor Software Corp. | (921,448) |
| (28,400) | FalconStor Software, Inc. | (201,072) |

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| (4,600) | IHS, Inc. | (320,160) |
| (46,700) | Immersion Corp. | (318,027) |
| (44,000) | IMS Health, Inc. | (1,025,200) |
| (2,300) | International Business Machines Corp. | (272,619) |
| (28,800) | Lexmark International, Inc., Class A | (962,784) |
| (14,043) | Magma Design Automation, Inc. | (85,241) |
| (13,529) | Mentor Graphics Corp. | (213,758) |
| (6,800) | Microsemi Corp. | (171,224) |
| (21,400) | MSC Software Corp. | (234,972) |
| (47,300) | National Semiconductor Corp. | (971,542) |
| (36,100) | NetApp, Inc. | (781,926) |
| (24,065) | Nuance Communications, Inc. | (377,099) |
| (49,900) | Nvidia Corp. | (934,128) |
| (11,700) | Omnicell, Inc. | (154,206) |
| (13,000) | Phase Forward, Inc. | (233,610) |
| (29,100) | Pitney Bowes, Inc. | (992,310) |
| (13,005) | PMC - Sierra, Inc. | (99,488) |
| (70,500) | Riverbed Technology, Inc. | (967,260) |

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| (8,800) | Salesforce.com, Inc. | (600,424) |
| (94,899) | Seagate Technology | (1,815,418) |
| (48,800) | SEI Investments Co. | (1,147,776) |
| (20,300) | Sigma Designs, Inc. | (281,967) |
| (21,563) | Skyworks Solutions, Inc. | (212,827) |
| (29,080) | SPSS, Inc. | (1,057,640) |
| (65,878) | SYNNEX Corp. | (1,652,879) |
| (16,533) | Veeco Instruments, Inc. | (265,851) |
| (3,100) | Ultimate Software Group, Inc. | (110,453) |
| | | <u>(28,126,405)</u> |

Materials - (1.0)%

| | | |
|----------|--|---------------------|
| (11,200) | Allegheny Technologies, Inc. | (663,936) |
| (6,900) | Cameco Corp. | (295,803) |
| (4,500) | Century Aluminum Co. | (299,205) |
| (23,200) | Ecolab, Inc. | (997,368) |
| (74,300) | General Moly, Inc. | (584,741) |
| (33,200) | International Flavors & Fragrances, Inc. | (1,296,792) |
| (40,300) | Ivanhoe Mines, Ltd. | (439,673) |
| (5,700) | MeadWestvaco Corp. | (135,888) |
| (3,500) | Mosaic Co. | (506,450) |
| (10,407) | Newmont Mining Corp. | (542,829) |
| (4,400) | Potash Corp. of Saskatchewan | (1,005,708) |
| (15,000) | PPG Industries, Inc. | (860,550) |
| (19,400) | Sherwin-Williams Co. | (891,042) |
| (14,900) | Sigma-Aldrich Corp. | (802,514) |
| (99,400) | Taseko Mines, Ltd. | (508,928) |
| (38,900) | Titanium Metals Corp. | (544,211) |
| | | <u>(10,375,638)</u> |

Telecommunication Services - (3.1)%

| | | |
|-----------|---|--------------|
| (8,861) | ADC Telecommunications, Inc. | (130,877) |
| (26,600) | Akamai Technologies, Inc. | (925,414) |
| (121,084) | Alaska Communications Systems Group, Inc. | (1,445,743) |
| (33,400) | Amdocs, Ltd. | (982,628) |
| (19,475) | Central European Media Enterprises, Ltd. | (1,763,072) |
| (5,544) | Ciena Corp. | (128,454) |
| (34,100) | DISH Network Corp. | (998,448) |
| (296,295) | Earthlink, Inc. | (2,562,952) |
| (21,800) | Embarq Corp. | (1,030,486) |
| (36,530) | Equinix, Inc. | (3,259,207) |
| (20,600) | Gannett Co., Inc. | (446,402) |
| (51,700) | GeoEye, Inc. | (915,607) |
| (15,505) | Global Crossing, Ltd. | (278,160) |
| (51,900) | Harte-Hanks, Inc. | (594,255) |
| (41,500) | Hearst-Argyle Television, Inc. | (796,800) |
| (106,957) | Interpublic Group of Cos., Inc. | (919,830) |
| (11,200) | inVentiv Health, Inc. | (311,248) |

| | | |
|-----------|--------------------------------------|---------------------|
| (22,400) | Lamar Advertising Co. | (807,072) |
| (425,675) | Level 3 Communications, Inc. | (1,255,742) |
| (66,000) | Meredith Corp. | (1,867,140) |
| (93,705) | Network Equipment Technologies, Inc. | (332,653) |
| (43,183) | NII Holdings, Inc. | (2,050,761) |
| (338,865) | ON Semiconductor Corp. | (3,107,392) |
| (3,000) | priceline.com, Inc. | (346,380) |
| (41,100) | SAVVIS, Inc. | (530,601) |
| (1,991) | SBA Communications Corp. | (71,696) |
| (26,600) | Switch & Data Facilities Co., Inc. | (451,934) |
| (11,908) | Symmetricon, Inc. | (45,727) |
| (49,500) | Valueclick, Inc. | (749,925) |
| (13,738) | Virgin Media, Inc. | (186,974) |
| (15,726) | VeriSign, Inc. | (594,443) |
| (40,100) | WebMD Health Corp. | (1,118,790) |
| (22,800) | Vocus, Inc. | (733,476) |
| | | <u>(31,740,289)</u> |

Utilities - (0.7)%

| | | |
|----------|------------------------------------|---------------------|
| (58,600) | AES Corp. | (1,125,706) |
| (18,800) | Allegheny Energy, Inc. | (942,068) |
| (3,900) | Aqua America, Inc. | (62,283) |
| (8,700) | California Water Service Group | (285,099) |
| (41,300) | DPL, Inc. | (1,089,494) |
| (13,600) | Consolidated Edison, Inc. | (531,624) |
| (5,600) | Great Plains Energy, Inc. | (141,568) |
| (7,300) | Hawaiian Electric Industries, Inc. | (180,529) |
| (24,500) | Otter Tail Corp. | (951,335) |
| (2,900) | Pico Holdings, Inc. | (126,005) |
| (25,100) | Southern Co. | (876,492) |
| (22,700) | Vectren Corp. | (708,467) |
| (23,700) | Xcel Energy, Inc. | (475,659) |
| | | <u>(7,496,329)</u> |

Total Common Stock (Cost \$(331,566,653))**(290,603,384)****Mutual Funds - (5.1)%**

| | | |
|-----------|---|---------------|
| (2,100) | iShares FTSE/Xinhua China 25 Index Fund | (276,129) |
| (46,300) | iShares MSCI Emerging Markets Index | (6,277,354) |
| (146,800) | iShares Russell 2000 Index Fund | (10,133,604) |
| (115,050) | KBW Regional Banking ETF | (3,048,825) |
| (47,000) | Materials Select Sector SPDR Fund | (1,964,600) |
| (41,800) | Midcap SPDR Trust Series 1 | (6,232,380) |
| (108,325) | Powershares QQQ | (4,893,040) |
| (111,075) | SPDR S&P Retail ETF | (3,255,608) |
| (117,835) | SPDR Trust Series 1 | (15,082,880) |
| (39,275) | Utilities Select Sector SPDR Fund | (1,605,562) |

Total Mutual Funds (Cost \$(58,013,005))**(52,769,982)****US Treasury Securities - (0.1)%**

| | | |
|-------------|---|--------------|
| (1,000,000) | U.S. Treasury Note (Cost \$(1,074,374)) | (1,090,626) |
|-------------|---|--------------|

Total Securities Sold Short - (33.5)% (Cost \$(390,654,032))**\$(344,463,992)**

ABSOLUTE STRATEGIES FUND

SCHEDULE OF CALL AND PUT OPTIONS WRITTEN

JUNE 30, 2008 (Unaudited)

| <u>Number of Contacts</u> | <u>Security Description</u> | <u>Strike Price</u> | <u>Expiration Date</u> | <u>Value</u> |
|--------------------------------------|------------------------------|---------------------|------------------------|--------------|
| Options Written - (0.3)% | | | | |
| Call Options Written - (0.3)% | | | | |
| (20) | Advanced Micro Devices | 20.00 | 01/21/09 | \$(50) |
| (20) | Amazon.com, Inc. | 30.00 | 01/21/09 | (87,950) |
| (12) | Amgen, Inc. | 60.00 | 01/21/09 | (786) |
| (12) | Amgen, Inc. | 70.00 | 01/21/09 | (150) |
| (20) | Anadarko Petroleum Corp. | 40.00 | 01/21/09 | (71,300) |
| (12) | Apache Corp. | 60.00 | 01/21/09 | (95,640) |
| (10) | Apple, Inc. | 50.00 | 01/21/09 | (118,450) |
| (40) | Applied Materials, Inc. | 15.00 | 01/21/09 | (19,200) |
| (12) | Bank of America Corp. | 40.00 | 01/21/09 | (204) |
| (10) | Bear Stearns Co., Inc. (g) | 130.00 | 01/21/09 | (25) |
| (30) | Bed Bath & Beyond, Inc. | 30.00 | 01/21/09 | (8,100) |
| (280) | Burlington Northern Santa Fe | 115.00 | 10/22/08 | (74,200) |
| (12) | Caterpillar, Inc. | 60.00 | 01/21/09 | (19,170) |

| | | | | |
|-------|---------------------------------|--------|----------|------------|
| (12) | Centex Corp. | 40.00 | 01/21/09 | (60) |
| (20) | Circuit City Stores, Inc. (g) | 30.00 | 01/21/09 | (150) |
| (40) | Cisco Systems, Inc. | 15.00 | 01/21/09 | (35,100) |
| (9) | CME Group, Inc. | 500.00 | 01/20/10 | (47,700) |
| (20) | Comcast Corp. | 20.00 | 01/21/09 | (4,800) |
| (20) | Countrywide Financial Corp. (g) | 25.00 | 01/21/09 | (60) |
| (20) | Countrywide Financial Corp. | 30.00 | 01/21/09 | (40) |
| (250) | eBay, Inc. | 32.50 | 07/23/08 | (2,000) |
| (15) | Fedex Corp. | 110.00 | 01/21/09 | (975) |
| (20) | Halliburton Co. | 30.00 | 01/21/09 | (47,300) |
| (147) | ITT Educational Services, Inc. | 80.00 | 01/20/10 | (432,915) |
| (41) | ITT Educational Services, Inc. | 90.00 | 01/21/09 | (44,895) |
| (42) | ITT Educational Services, Inc. | 70.00 | 01/21/09 | (65,100) |
| (72) | Joy Global, Inc. | 70.00 | 07/23/08 | (54,000) |
| (12) | Kohls Corp. | 50.00 | 01/21/09 | (2,520) |
| (24) | Lowe' s Cos., Inc. | 30.00 | 01/21/09 | (960) |
| (30) | Lowe' s Cos., Inc. | 25.00 | 01/21/09 | (3,240) |

| | | | | |
|-------|-----------------------|----------|----------|------------|
| (146) | LVC US | 30.00 | 01/16/10 | (700,800) |
| (12) | Merrill Lynch | 55.00 | 01/21/09 | (198) |
| (20) | Microsoft Corp. | 20.00 | 01/21/09 | (16,000) |
| (12) | Morgan Stanley | 50.00 | 01/21/09 | (3,600) |
| (20) | Nike, Inc. | 40.00 | 01/21/09 | (41,300) |
| (12) | Procter & Gamble Co. | 50.00 | 01/21/09 | (14,076) |
| (32) | Pulte Homes, Inc. | 25.00 | 01/21/09 | (320) |
| (55) | Pulte Homes, Inc. | 20.00 | 01/20/10 | (5,225) |
| (82) | Pulte Homes, Inc. | 17.50 | 10/22/08 | (2,460) |
| (225) | Pulte Homes, Inc. | 10.00 | 07/23/08 | (12,375) |
| (288) | Pulte Homes, Inc. | 15.00 | 01/21/09 | (18,720) |
| (300) | Retail Holders Trust | 110.00 | 01/21/09 | (35,250) |
| (602) | Retail Holders Trust | 105.00 | 01/21/09 | (117,390) |
| (10) | Ryland Group, Inc. | 30.00 | 01/21/09 | (1,675) |
| (12) | Ryland Group, Inc. | 40.00 | 01/21/09 | (540) |
| (56) | S&P 500 Index | 1,475.00 | 07/23/08 | (560) |
| (250) | SPDR S&P Homebuilders | 23.00 | 07/23/08 | (1,000) |

| | | | | |
|--|---------------------------|--------|----------|---------------------------|
| (275) | SPDR Trust Series 1 | 143.00 | 07/23/08 | (550) |
| (3) | Schlumberger, Ltd. | 60.00 | 01/21/09 | (14,505) |
| (450) | SLM Corp. | 17.50 | 07/23/08 | (125,100) |
| (1,100) | Sprint Nextel Corp. | 7.50 | 01/21/09 | (302,500) |
| (12) | Target Corp. | 40.00 | 01/21/09 | (12,210) |
| (12) | United Technologies Corp. | 50.00 | 01/21/09 | <u>(15,900)</u> |
| Total Call Options Written - (0.3)% | | | | |
| (Premiums Received \$(2,888,926)) | | | | <u>(2,679,294)</u> |

| <u>Number of Contacts</u> | <u>Security Description</u> | <u>Strike Price</u> | <u>Expiration Date</u> | <u>Value</u> |
|--|-----------------------------|---------------------|------------------------|----------------------|
| Put Options Written - NM | | | | |
| (90) | iShares MSCI Index | 80.00 | 01/21/09 | (5,490) |
| (900) | Retail Holders Trust | 75.00 | 01/21/09 | (234,000) |
| (250) | SPDR Trust Series 1 | 112.00 | 07/23/08 | (2,375) |
| (638) | SPDR Trust Series 1 | 118.00 | 07/23/08 | (19,140) |
| (125) | SPDR S&P Homebuilders | 17.00 | 07/23/08 | (12,750) |
| (125) | SPDR S&P Homebuilders ETF | 16.00 | 07/23/08 | (6,250) |
| (15) | S&P 500 Index | 1,190.00 | 07/23/08 | (5,985) |
| (53) | S&P 500 Index | 1,170.00 | 07/23/08 | (13,409) |
| (370) | S&P 500 Index | 1,200.00 | 06/30/08 | (5,550) |
| (2) | S&P 500 Index | 1,145.00 | 07/23/08 | (300) |
| Total Put Options Written - NM | | | | |
| (Premiums Received \$(482,713)) | | | | (305,249) |
| Total Options Written - (0.3)% | | | | |
| (Premiums Received \$(3,371,639)) | | | | \$(2,984,543) |

| | |
|-------|---|
| ADR | American Depositary Receipt |
| ETF | Exchange Traded Fund |
| FHLMC | Federal Home Loan Mortgage Corporation |
| FNMA | Federal National Mortgage Association |
| NM | Not material, less than 0.1%. |
| PLC | Public Limited Company |
| (a) | Non-income producing security. |
| (b) | Security exempt from registration under Rule 144A under the Securities Act of 1933. At the period end, the value of these securities amounted to \$36,876,082 or 3.6% of net assets. |
| (c) | Variable rate security. |
| (d) | Security is currently in default and are on scheduled interest or principal payment. |
| (e) | Zero coupon bond. Interest rate presented is yield to maturity. |
| (f) | All or a portion of this security is held as collateral for securities sold short. |
| (g) | Security fair valued in accordance with procedures adopted by the Board of Trustees. |
| (h) | Debt obligation initially issued at one coupon rate which converts to a higher coupon rate at a specific date. The rate shown is the rate at year end. |
| (i) | Holders of Comdisco Holding Co., Inc. were issued contingent equity distribution rights pursuant to the Comdisco, Inc. First Amended Joint Plan of Reorganization. Accordingly, there is no associated strike price or expiration date. |
| (j) | Security subject to call option written by the Fund. |

At June 30, 2008, the Fund held the following futures contract:

| Contract | Type | Expiration Date | Notional Contract Value | Net |
|----------|--------------------------------|-----------------|-------------------------|-----------------------------|
| | | | | Appreciation (Depreciation) |
| (1,250) | S&P 500 E-Mini Future | 09/19/08 | \$(84,993,750) | \$4,925,000 |
| (50) | U.S. 5-year Note (CBT) Future | 09/30/08 | (5,500,390) | (27,344) |
| (10) | U.S. 2-year Note (CBT) Future | 09/30/08 | (2,106,718) | (5,313) |
| (30) | U.S. 10-year Note (CBT) Future | 09/30/08 | (3,378,750) | (38,906) |
| (20) | U.S. Long Bond (CBT) Future | 09/30/08 | (2,266,562) | (45,313) |
| | | | <u>\$(98,246,170)</u> | <u>\$4,808,123</u> |

* Cost for Federal income tax purposes is substantially the same as for financial statement purposes and net unrealized appreciation (depreciation) consists of:

| | |
|--|--------------------|
| Gross Unrealized Appreciation | \$108,291,448 |
| Gross Unrealized Depreciation | (105,444,788) |
| Net Unrealized Appreciation (Depreciation) | <u>\$2,846,660</u> |

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("SFAS 157"). This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair value measurements. SFAS 157 applies to fair value measurements already required or permitted by existing standards. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The changes to current GAAP from the application of this Statement relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements.

One key component of the implementation of SFAS 157 includes the development of a three-tier fair value hierarchy. The basis of the tiers is dependant upon the various "inputs" used to determine the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1 - quoted prices in active markets for identical assets

Level 2 - other significant observable inputs (including quoted prices for similar securities, interest rates, prepayments speeds, credit risk, etc.)

Level 3 - significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Fund's net assets as of June 30, 2008:

| <u>Valuation Inputs</u> | <u>Investments in Securities</u> | <u>Other Financial Instruments*</u> |
|---|--------------------------------------|---|
| Level 1 - Quoted Prices | \$193,982,763 | \$1,823,345 |
| Level 2 - Other Significant Observable Inputs | 244,524,183 | - |
| Level 3 - Significant Unobservable Inputs | <u>15,384,869</u> | <u>(235)</u> |
| Total Investments | <u>\$453,891,815</u> | <u>\$1,823,110</u> |

* Other financial instruments include futures and written options.

The following is a reconciliation of Level 3 assets (at either the beginning or the ending of the period) for which significant unobservable inputs were used to determine fair value.

| | <u>Investments in Securities</u> | <u>Other Financial Instruments</u> |
|--|--|--|
| Balance as of 03/31/2008 | \$10,687,686 | \$ (4,457) |
| Accrued Accretion / (Amortization) | 20,216 | |
| Change in Unrealized Appreciation / (Depreciation) | (241,756) | (47,339) |
| Net Purchase / (Sales) | (1,342,070) | |
| Transfers In / (Out) | <u>6,260,793</u> | <u>51,561</u> |
| Balance as of 06/30/08 | <u>\$15,384,869</u> | <u>\$ (235)</u> |

THE PORTFOLIO OF INVESTMENTS SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL STATEMENTS AND NOTES TO FINANCIAL STATEMENTS WHICH ARE INCLUDED IN THE FUND'S AUDITED ANNUAL REPORT OR SEMI-ANNUAL REPORT. THESE REPORTS INCLUDE ADDITIONAL INFORMATION ABOUT THE FUND'S SECURITY VALUATION POLICIES AND ABOUT CERTAIN SECURITY TYPES INVESTED IN BY THE FUND.

AUSTIN GLOBAL EQUITY FUND
SCHEDULE OF INVESTMENTS
JUNE 30, 2008 (UNAUDITED)

| <u>Shares</u> | <u>Security Description</u> | <u>Value</u> |
|-----------------------------|--|------------------|
| Common Stock - 97.8% | | |
| Argentina - 0.6% | | |
| 25,000 | Cresud SA, ADR | <u>\$371,500</u> |
| Belgium - 3.0% | | |
| 16,000 | Nationale A Portefeuille | 1,201,795 |
| 38,309 | RHJ International (a) | <u>482,595</u> |
| | | <u>1,684,390</u> |
| Brazil- 0.3% | | |
| 13,000 | Bovespa Holding SA | <u>160,674</u> |
| Canada - 15.4% | | |
| 22,000 | BCE, Inc. | 765,820 |
| 32,000 | Brookfield Asset Management, Inc., Class A | 1,041,280 |
| 65,000 | Canfor Corp. (a) | 486,321 |
| 28,000 | EnCana Corp. | 2,546,040 |
| 4,300 | Fairfax Financial Holdings, Ltd. | 1,091,770 |
| 19,000 | Fording Canadian Coal Trust | 1,816,590 |
| 18,000 | Suncor Energy, Inc. | <u>1,046,160</u> |
| | | <u>8,793,981</u> |
| France - 1.5% | | |
| 5,250 | Eurazeo | 560,342 |
| 2,000 | L' Oreal SA | 217,621 |
| 1,000 | Schneider Electric SA | <u>108,039</u> |
| | | <u>886,002</u> |
| Germany - 0.5% | | |
| 2,500 | Deutsche Boerse AG | <u>282,261</u> |
| Greece - 0.5% | | |
| 7,500 | Coca-Cola Hellenic Bottling Co. SA | 204,314 |
| 76,000 | Sciens International Investments and Holdings SA | <u>108,905</u> |

Hong Kong - 14.9%

| | | |
|---------|--------------------------------------|------------------|
| 155,000 | Cheung Kong Holdings, Ltd. | 2,089,262 |
| 55,000 | Guoco Group, Ltd. | 557,600 |
| 165,000 | Hang Lung Properties, Ltd. | 529,033 |
| 200,000 | Henderson Land Development Co., Ltd. | 1,246,593 |
| 80,000 | Hutchison Whampoa, Ltd. | 806,438 |
| 56,172 | Jardine Matheson Holdings, Ltd. | 1,741,332 |
| 200,000 | Liu Chong Hing Investment | 234,698 |
| 30,000 | Orient Overseas International, Ltd. | 150,053 |
| 250,000 | Swire Pacific, Ltd., Class B | 513,001 |
| 226,000 | Wheelock & Co., Ltd. | 605,778 |
| | | <u>8,473,788</u> |

Italy - 0.2%

| | | |
|--------|---------------------------|---------------|
| 10,958 | Davide Campari-Milano SpA | <u>91,626</u> |
|--------|---------------------------|---------------|

Japan - 8.1%

| | | |
|---------|------------------------------|------------------|
| 10,000 | Chudenko Corp. | 157,367 |
| 190 | Japan Tobacco, Inc. | 810,566 |
| 200,000 | Nippon Sheet Glass Co., Ltd. | 988,840 |
| 40,000 | Tokio Marine Holdings, Inc. | 1,559,542 |
| 35,000 | Toyota Industries Corp. | <u>1,120,686</u> |

4,637,001

Jordan - 1.1%

| | | |
|--------|-----------|---------|
| 19,995 | Arab Bank | 611,131 |
|--------|-----------|---------|

Malaysia - 1.1%

| | | |
|---------|-------------|---------|
| 350,000 | Genting Bhd | 602,428 |
|---------|-------------|---------|

Mexico - 2.5%

| | | |
|---------|---|------------------|
| 15,544 | Cemex SAB de CV, ADR (a) | 383,937 |
| 150,000 | Embotelladoras Arca SAB de CV | 552,383 |
| 11,000 | Fomento Economico Mexicano SAB de CV, ADR | 500,610 |
| | | <u>1,436,930</u> |

Netherlands - 4.8%

| | | |
|--------|------------------------------|------------------|
| 3,000 | Akzo Nobel NV | 206,252 |
| 24,000 | Chicago Bridge & Iron Co. NV | 955,680 |
| 35,000 | Heineken Holding NV | 1,606,015 |
| | | <u>2,767,947</u> |

Norway - 1.6%

| | | |
|--------|----------------------|----------------|
| 20,800 | Farstad Shipping ASA | 541,092 |
| 25,000 | Golar LNG, Ltd. | 387,250 |
| | | <u>928,342</u> |

Russia- 1.3%

| | | |
|--------|------------------|---------|
| 13,000 | Gazprom OAO, ADR | 732,900 |
|--------|------------------|---------|

South Korea - 0.8%

| | | |
|-------|----------------------|---------|
| 2,500 | SK Telecom Co., Ltd. | 454,993 |
|-------|----------------------|---------|

Sweden - 2.2%

| | | |
|--------|----------------------|-----------|
| 61,000 | Investor AB, Class A | 1,253,404 |
|--------|----------------------|-----------|

Switzerland - 10.4%

| | | |
|--------|--|------------------|
| 19,000 | Compagnie Financiere Richemont SA, Class A | 1,058,138 |
| 3,000 | Coltene Holding AG | 240,482 |
| 47,000 | Nestle SA | 2,123,441 |
| 30,000 | Novartis AG | 1,651,659 |
| 7,507 | Pargesa Holding SA | 836,887 |
| | | <u>5,910,607</u> |

Taiwan - 0.5%

| | | |
|-----------|----------------------------------|---------|
| 2,280,000 | Hotung Investment Holdings, Ltd. | 319,200 |
|-----------|----------------------------------|---------|

United Kingdom - 5.2%

| | | |
|--------|-----------------------------|------------------|
| 27,000 | Anglo American PLC, ADR | 957,150 |
| 26,200 | Brit Insurance Holdings PLC | 91,456 |
| 9,069 | British Land Co. PLC | 127,983 |
| 14,000 | Diageo PLC, ADR | 1,034,180 |
| 1,500 | Rio Tinto PLC, ADR | 742,500 |
| | | <u>2,953,269</u> |

United States - 21.3%

| | | |
|--------|---------------------------------------|-----------|
| 40,000 | Applied Materials, Inc. | 763,600 |
| 8,000 | Bank of New York Mellon Corp. | 302,640 |
| 5,340 | Brookfield Infrastructure Partners LP | 104,664 |
| 6,500 | Burlington Northern Santa Fe Corp. | 649,285 |
| 15,000 | Charles Schwab Corp. | 308,100 |
| 8,000 | Covidien, Ltd. | 383,120 |
| 18,000 | Johnson & Johnson | 1,158,120 |
| 2,000 | Leucadia National Corp. | 93,880 |
| 20,000 | Mueller Water Products, Inc., Class A | 161,400 |
| 32,000 | Nasdaq OMX Group (a) | 849,600 |
| 26,000 | Newmont Mining Corp. | 1,356,160 |
| 30,000 | News Corp., Class A | 451,200 |
| 3,000 | NYSE Euronext | 151,980 |
| 34,000 | Philip Morris International, Inc. | 1,679,260 |
| 40,000 | Schering-Plough Corp. | 787,600 |
| 30,000 | Spectra Energy Corp. | 862,200 |

| | | |
|---|--------------------------------------|-------------------|
| 5,000 | St. Joe Co. | 171,600 |
| 9,000 | Tejon Ranch Co. (a) | 324,540 |
| 3,000 | United Parcel Service, Inc., Class B | 184,410 |
| 15,000 | Wal-Mart Stores, Inc. | 843,000 |
| 7,000 | Wynn Resorts, Ltd. (a) | 569,450 |
| | | <u>12,155,809</u> |
| Total Common Stock (Cost \$48,087,210) | | <u>55,821,402</u> |

| | | <u>Rate</u> | <u>Maturity</u> | |
|--|--|-------------|-----------------|----------------|
| Corporate Bond - 0.3% | | | | |
| 250,000 | | | 03/02/ | |
| | GMAC, LLC (Cost \$189,063) | 7.25% | 11 | <u>183,854</u> |
| Exchange Traded Fund - 0.9% | | | | |
| 1,500 | UltraShort Financials ProShares | | | 235,020 |
| 3,400 | UltraShort MSCI Emerging Markets ProShares | | | <u>257,006</u> |
| Total Exchange Traded Funds (Cost \$439,794) | | | | <u>492,026</u> |

Preferred Stock - 0.3%

United States - 0.3%

| | | |
|-------|---|----------------|
| 3,650 | Tri-Continental Corp., 0.63% (Cost \$162,258) | <u>151,274</u> |
|-------|---|----------------|

Short-Term Investments - 0.5%

Money Market Fund - 0.5%

| | | |
|---------|---|----------------|
| 285,438 | Citi SM Institutional Trust Liquid Reserves, Class A, 2.71% (Cost \$285,438) | <u>285,438</u> |
|---------|---|----------------|

| | | |
|--|--|---------------------|
| Total Investments - 99.8% (Cost \$49,163,763)* | | <u>\$56,933,994</u> |
|--|--|---------------------|

| | | |
|---|--|----------------|
| Other Asset and Liabilities, Net - 0.2% | | <u>115,334</u> |
|---|--|----------------|

| | | |
|----------------------------|--|----------------------------|
| NET ASSETS - 100.0% | | <u><u>\$57,049,328</u></u> |
|----------------------------|--|----------------------------|

ADR

American Depositary Receipt

PLC

Public Limited Company

(a)

Non-income producing security.

* Cost for Federal income tax purposes is substantially the same as for financial statement purposes and net unrealized appreciation (depreciation) consists of:

| | |
|--|--------------------|
| Gross Unrealized Appreciation | \$10,232,183 |
| Gross Unrealized Depreciation | <u>(2,461,952)</u> |
| Net Unrealized Appreciation (Depreciation) | <u>\$7,770,231</u> |

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("SFAS 157"). This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair value measurements. SFAS 157 applies to fair value measurements already required or permitted by existing standards. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The changes to current GAAP from the application of this Statement relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements.

One key component of the implementation of SFAS 157 includes the development of a three-tier fair value hierarchy. The basis of the tiers is dependant upon the various "inputs" used to determine the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

- Level 1 - quoted prices in active markets for identical assets
- Level 2 - other significant observable inputs (including quoted prices of similar securities, interest rates, prepayments speeds, credit risk, etc.)
- Level 3 - significant unobservable inputs (including the Fund' s own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Fund' s net assets as of June 30, 2008:

| <u>Valuation Inputs</u> | <u>Investments in Securities</u> | <u>Other Financial Instruments</u> |
|---|--|--|
| Level 1 - Quoted Prices | \$56,750,140 | - |
| Level 2 - Other Significant Observable Inputs | 183,854 | - |
| Level 3 - Significant Unobservable Inputs | <u>-</u> | <u>-</u> |
| Total Investments | <u>\$56,933,994</u> | <u>-</u> |

The following is a reconciliation of Level 3 assets (at either the beginning or the ending of the period) for which significant unobservable inputs were used to determine fair value.

| | <u>Investments in Securities</u> |
|--|--------------------------------------|
| Balance as of 03/31/2008 | \$ 606,140 |
| Accrued Accretion / (Amortization) | - |
| Change in Unrealized Appreciation / (Depreciation) | (191,277) |
| Net Purchase / (Sales) | (414,863) |
| Transfers In / (Out) | <u>-</u> |

Balance as of 06/30/08

\$-

THE PORTFOLIO OF INVESTMENTS SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL STATEMENTS AND NOTES TO FINANCIAL STATEMENTS WHICH ARE INCLUDED IN THE FUND' S AUDITED ANNUAL REPORT OR SEMI-ANNUAL REPORT. THESE REPORTS INCLUDE ADDITIONAL INFORMATION ABOUT THE FUND' S SECURITY VALUATION POLICIES AND ABOUT CERTAIN SECURITY TYPES INVESTED IN BY THE FUND.

MERK ASIAN CURRENCY FUND
SCHEDULE OF INVESTMENTS
JUNE 30, 2008 (Unaudited)

| <u>Principal</u> | <u>Security Description</u> | <u>Rate</u> | <u>Maturity</u> | <u>Value in USD</u> |
|---|-----------------------------|-------------|-----------------|----------------------------|
| US Treasury Bills (a) - 94.5% | | | | |
| 5,000,000 | | | 08/14/ | |
| | U.S. Treasury Bill | 1.81% | 08 | \$4,988,694 |
| 10,000,000 | | | 08/21/ | |
| | U.S. Treasury Bill | 1.36 | 08 | 9,977,018 |
| 10,000,000 | | | 08/28/ | |
| | U.S. Treasury Bill | 1.88 | 08 | 9,976,855 |
| 7,000,000 | | | 10/16/ | |
| | U.S. Treasury Bill | 1.61 | 08 | 6,962,095 |
| 7,000,000 | | | 12/26/ | |
| | U.S. Treasury Bill | 2.28 | 08 | 6,926,969 |
| Total US Treasury Bills (Cost \$38,828,338) | | | | 38,831,631 |
| Total Investments - 94.5% Cost (\$38,828,338)* | | | | \$38,831,631 |
| Other Assets and Liabilities, Net - 5.5% | | | | 2,253,879 |
| NET ASSETS - 100.0% | | | | <u>\$41,085,510</u> |

(a) Rates shown are annualized yields at time of purchase.

* Cost for Federal income tax purposes is substantially the same as for financial statement purposes and net unrealized appreciation (depreciation) consists of:

| | |
|--|----------------|
| Gross Unrealized Appreciation | \$11,999 |
| Gross Unrealized Depreciation | (8,706) |
| Net Unrealized Appreciation (Depreciation) | <u>\$3,293</u> |

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("SFAS 157"). This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair value measurements. SFAS 157 applies to fair value measurements already required or permitted by existing standards. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The changes to current GAAP from the application of this Statement relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements.

One key component of the implementation of SFAS 157 includes the development of a three-tier fair value hierarchy. The basis of the tiers is dependant upon the various "inputs" used to determine the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1

- quoted prices in active markets for identical assets

Level 2 - other significant observable inputs (including quoted prices of similar securities, interest rates, prepayments speeds, credit risk, etc.)

Level 3 - significant unobservable inputs (including the Fund' s own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Fund' s net assets as of June 30, 2008:

| <u>Valuation Inputs</u> | <u>Investments in Securities</u> | <u>Other Financial Instruments*</u> |
|---|--|---|
| Level 1 - Quoted Prices | \$38,831,631 | \$ (2,597) |
| Level 2 - Other Significant Observable Inputs | - | - |
| Level 3 - Significant Unobservable Inputs | - | - |
| Total Investments | <u>\$38,831,631</u> | <u>\$ (2,597)</u> |

* Other financial instruments include forward foreign currency contracts.

THE PORTFOLIO OF INVESTMENTS SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL STATEMENTS AND NOTES TO FINANCIAL STATEMENTS WHICH ARE INCLUDED IN THE FUND' S AUDITED ANNUAL REPORT OR SEMI-ANNUAL REPORT. THESE REPORTS INCLUDE ADDITIONAL INFORMATION ABOUT THE FUND' S SECURITY VALUATION POLICIES AND ABOUT CERTAIN SECURITY TYPES INVESTED IN BY THE FUND.

MERK HARD CURRENCY FUND

SCHEDULE OF INVESTMENTS

JUNE 30, 2008 (Unaudited)

| <u>Principal</u> | <u>Security Description</u> | <u>Currency</u> | <u>Rate</u> | <u>Maturity</u> | <u>Value in USD</u> |
|---|--|-----------------|-------------|-----------------|---------------------|
| Foreign Bonds - 25.3% | | | | | |
| Municipal County Germany - 3.8% | | | | | |
| 9,000,000 | Land Rheinland-Pfalz | EUR | 3.63% | 07/15/ 08 | <u>\$14,165,502</u> |
| Non-US Government - Australia - 3.8% | | | | | |
| 14,500,000 | Australia Government Bond Series 808 | AUD | 8.75 | 08/15/ 08 | <u>13,924,947</u> |
| Non-US Government - Belgium - 2.5% | | | | | |
| 6,000,000 | Belgium Government Bond Series 16 | EUR | 7.50 | 07/29/ 08 | <u>9,469,114</u> |
| Non-US Government - Finland - 4.9% | | | | | |
| 11,500,000 | Finland Government Bond | EUR | 3.00 | 07/04/ 08 | <u>18,106,647</u> |
| Non-US Government - Germany - 6.4% | | | | | |
| 15,000,000 | Bundesobligation | EUR | 3.50 | 10/10/ 08 | <u>23,557,452</u> |
| Non-US Government - New Zealand - 1.2% | | | | | |
| 6,000,000 | New Zealand Government Bond Series 708 | NZD | 6.00 | 07/15/ 08 | <u>4,570,140</u> |
| Sovereign - 1.1% | | | | | |
| 4,100,000 | Kommunekredit Series EMTN | CHF | 3.00 | 11/19/ 08 | <u>4,015,833</u> |
| Transport - Rail - 1.6% | | | | | |
| 6,000,000 | Reseau Ferre de France | CHF | 3.25 | 09/12/ 08 | <u>5,878,990</u> |

Total Foreign Bonds (Cost \$90,709,795)

93,688,625

Foreign Treasury Securities - 54.4%

Non-US Government - Belgium - 2.1.%

| | | | | | |
|-----------|---------------------------|-----|------|--------|------------------|
| 2,000,000 | | | | 07/17/ | |
| | Belgium Treasury Bill (a) | EUR | 3.80 | 08 | 3,143,832 |
| 3,000,000 | | | | 08/14/ | |
| | Belgium Treasury Bill (a) | EUR | 3.87 | 08 | 4,700,786 |
| | | | | | <u>7,844,618</u> |

Non-US Government - Canada - 16.6%

| | | | | | |
|------------|----------------------------|-----|------|--------|-------------------|
| 40,000,000 | | | | 08/07/ | |
| | Canadian Treasury Bill (a) | CAD | 1.89 | 08 | 39,121,486 |
| 23,000,000 | | | | 12/11/ | |
| | Canadian Treasury Bill (a) | CAD | 2.90 | 08 | 22,253,932 |
| | | | | | <u>61,375,418</u> |

Non-US Government - France - 4.7%

| | | | | | |
|-----------|--------------------------|-----|------|--------|-------------------|
| 6,000,000 | | | | 07/12/ | |
| | French Treasury Note | EUR | 3.00 | 08 | 9,443,629 |
| 2,600,000 | | | | 07/31/ | |
| | France Treasury Bill (a) | EUR | 3.74 | 08 | 4,080,787 |
| 2,500,000 | | | | 08/14/ | |
| | France Treasury Bill (a) | EUR | 3.80 | 08 | 3,917,066 |
| | | | | | <u>17,441,482</u> |

Non-US Government - Germany - 6.8%

| | | | | | |
|------------|--------------------------|-----|------|--------|------------|
| 16,000,000 | | | | 07/16/ | |
| | German Treasury Bill (a) | EUR | 3.77 | 08 | 25,154,355 |

Non-US Government - Netherlands - 3.3%

| | | | | | |
|-----------|--------------------------------|-----|------|--------|-------------------|
| 2,000,000 | | | | 10/31/ | |
| | Dutch Treasury Certificate (a) | EUR | 4.00 | 08 | 3,104,543 |
| 6,000,000 | | | | 11/28/ | |
| | Dutch Treasury Certificate (a) | EUR | 4.28 | 08 | 9,281,127 |
| | | | | | <u>12,385,670</u> |

Non-US Government - Norway - 4.5%

| | | | | | |
|------------|--------------------------|-----|------|--------|------------|
| 88,000,000 | | | | 12/17/ | |
| | Norway Treasury Bill (a) | NOK | 5.75 | 08 | 16,816,131 |

Non-US Government - Sweden - 3.6%

83,000,000

Sweden Treasury Bill (a)

SEK

4.20

12/17/

08

13,513,375

Non-US Government - Switzerland - 9.0%

| | | | | | |
|------------|---|-----|------|-------|-------------------|
| 17,000,000 | | | | 08/ | |
| | Switzerland Treasury Bill Series 3959 (a) | CHF | 1.48 | 07/08 | 16,610,591 |
| 17,000,000 | | | | 09/ | |
| | Switzerland Treasury Bill Series 3964 (a) (b) | CHF | 1.34 | 11/08 | 16,591,949 |
| | | | | | <u>33,202,540</u> |

Non-US Government - United Kingdom - 3.8%

| | | | | | |
|-----------|----------------------------------|-----|------|-------|------------|
| 7,000,000 | | | | 07/ | |
| | United Kingdom Treasury Bill (a) | GBP | 4.74 | 07/08 | 13,929,938 |

| | | | | | |
|--|--|--|--|--|--------------------|
| Total Foreign Treasury Securities (Cost \$198,512,154) | | | | | <u>201,663,527</u> |
|--|--|--|--|--|--------------------|

Shares**Exchange Traded Fund - 8.4%**

| | | | | | |
|---------|---|--|--|--|-------------------|
| 342,400 | streetTRACKS Gold Trust (Cost \$28,992,083) | | | | <u>31,295,360</u> |
|---------|---|--|--|--|-------------------|

Time Deposits - 1.8%

| | | | | | |
|-----------|--------------------------------------|-----|------|-------|-----------|
| 4,263,336 | | | | 08/ | |
| | Euro Time Deposit (Cost \$5,828,392) | EUR | 4.22 | 07/08 | 6,713,387 |

| | | | | | |
|---|--|--|--|--|----------------------|
| Total Investments - 89.9% Cost (\$324,042,424)* | | | | | <u>\$333,360,899</u> |
|---|--|--|--|--|----------------------|

Foreign Currencies - 16.2%:

| | | | | | |
|--------------------------|--|--|--|--|-----------|
| Australian Dollar - 1.2% | | | | | 4,448,002 |
|--------------------------|--|--|--|--|-----------|

| | | | | | |
|-------------------------------|--|--|--|--|--------|
| British Sterling Pound - 0.0% | | | | | 60,499 |
|-------------------------------|--|--|--|--|--------|

| | | | | | |
|------------------------|--|--|--|--|------------|
| Canadian Dollar - 6.1% | | | | | 22,659,505 |
|------------------------|--|--|--|--|------------|

| | | | | | |
|-------------|--|--|--|--|------------|
| Euro - 3.8% | | | | | 14,085,291 |
|-------------|--|--|--|--|------------|

| | | | | | |
|---------------------------|--|--|--|--|---------|
| New Zealand Dollar - 0.1% | | | | | 217,898 |
|---------------------------|--|--|--|--|---------|

| | | | | | |
|------------------------|--|--|--|--|-----------|
| Norwegian Krone - 0.6% | | | | | 2,402,505 |
|------------------------|--|--|--|--|-----------|

| | | | | | |
|----------------------|--|--|--|--|---------|
| Swedish Krona - 0.1% | | | | | 291,550 |
|----------------------|--|--|--|--|---------|

| | |
|---|-----------------------------|
| Swiss Franc - 4.3% | 15,865,888 |
| Total Foreign Currencies (Cost \$59,614,980) | 60,031,138 |
| Other Assets and Liabilities, Net - (6.1)% | (22,772,238) |
| NET ASSETS - 100.0% | <u>\$370,619,799</u> |

| | |
|------|---------------------------|
| AUD | Australian Dollar |
| CAD | Canadian Dollar |
| CHF | Swiss Franc |
| EUR | Euro |
| GBP | British Sterling Pound |
| NOK | Norwegian Krona |
| NZD | New Zealand Dollar |
| SEK | Swedish Krona |
| EMTN | European Medium Term Note |

(a) Rates shown are annualized yields at time of purchase.

(b) Security fair valued in accordance with procedures adopted by the Board of Trustees. At the end of the period, the value of these securities amounted to \$16,591,949 or 4.48% of net assets.

* Cost for Federal income tax purposes is substantially the same as for financial statement purposes and net unrealized appreciation (depreciation) consists of:

| | |
|-------------------------------|--------------|
| Gross Unrealized Appreciation | \$10,103,417 |
|-------------------------------|--------------|

| | |
|-------------------------------|-------------------|
| Gross Unrealized Depreciation | <u>(784,942)</u> |
|-------------------------------|-------------------|

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("SFAS 157"). This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair value measurements. SFAS 157 applies to fair value measurements already required or permitted by existing standards. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The changes to current GAAP from the application of this Statement relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements.

One key component of the implementation of SFAS 157 includes the development of a three-tier fair value hierarchy. The basis of the tiers is dependant upon the various "inputs" used to determine the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1

- quoted prices in active markets for identical assets

Level 2

- other significant observable inputs (including quoted prices of similar securities, interest rates, prepayments speeds, credit risk, etc.)

Level 3

- significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Fund's net assets as of June 30, 2008:

| <u>Valuation Inputs</u> | <u>Investments in Securities</u> | <u>Other Financial Instruments</u> |
|---|--------------------------------------|--|
| Level 1 - Quoted Prices | \$38,008,747 | \$ - |
| Level 2 - Other Significant Observable Inputs | 278,760,203 | - |
| Level 3 - Significant Unobservable Inputs | 16,591,949 | |
| Total Investments | <u>\$333,360,899</u> | <u>\$ -</u> |

The following is a reconciliation of Level 3 assets (at either the beginning or the ending of the period) for which significant unobservable inputs were used to determine fair value.

| | Investments in Securities |
|--|--|
| Balance as of 03/31/2008 | \$15,040,486 |
| Accrued Accretion / (Amortization) | 11,582 |
| Change in Unrealized Appreciation / (Depreciation) | 203,747 |
| Net Purchase / (Sales) | 1,336,134 |
| Transfers In / (Out) | — |
| Balance as of 06/30/08 | <u>\$16,591,949</u> |

THE PORTFOLIO OF INVESTMENTS SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL STATEMENTS AND NOTES TO FINANCIAL STATEMENTS WHICH ARE INCLUDED IN THE FUND' S AUDITED ANNUAL REPORT OR SEMI-ANNUAL REPORT. THESE REPORTS INCLUDE ADDITIONAL INFORMATION ABOUT THE FUND' S SECURITY VALUATION POLICIES AND ABOUT CERTAIN SECURITY TYPES INVESTED IN BY THE FUND.

PAYSON TOTAL RETURN FUND
 SCHEDULE OF INVESTMENTS
 JUNE 30, 2008 (Unaudited)

| <u>Shares</u> | <u>Security Description</u> | <u>Value</u> |
|----------------------------------|------------------------------------|------------------|
| Common Stock - 97.9% | | |
| Communications - 2.6% | | |
| 25,000 | eBay, Inc.(a) | 683,250 |
| | | <u>683,250</u> |
| Consumer Cyclical - 13.4% | | |
| 25,000 | Home Depot, Inc. | 585,500 |
| 25,000 | Johnson Controls, Inc. | 717,000 |
| 15,000 | Sherwin-Williams Co. | 688,950 |
| 22,500 | TJX Cos., Inc. | 708,075 |
| 11,000 | VF Corp. | 782,980 |
| | | <u>3,482,505</u> |
| Consumer Staples - 9.7% | | |
| 10,880 | Cadbury PLC, ADR | 547,482 |
| 9,000 | Diageo PLC, ADR | 664,830 |
| 25,000 | Dr. Pepper Snapple Group, Inc. (a) | \$524,500 |
| 14,000 | Wal-Mart Stores, Inc. | 786,800 |
| | | <u>2,523,612</u> |

Energy - 15.1%

| | | |
|--------|-------------------------|------------------|
| 14,000 | Chesapeake Energy Corp. | 923,440 |
| 7,500 | Chevron Corp. | 743,475 |
| 10,000 | ConocoPhillips | 943,900 |
| 6,000 | Exxon Mobil Corp. | 528,780 |
| 15,000 | Marathon Oil Corp. | 778,050 |
| | | <u>3,917,645</u> |

Financial - 7.2%

| | | |
|--------|-----------------------------------|------------------|
| 16,000 | Duke Realty Corp. REIT | 359,200 |
| 10,000 | Hospitality Properties Trust REIT | 244,600 |
| 20,000 | JPMorgan Chase & Co. | 686,200 |
| 25,000 | Wells Fargo & Co. | 593,750 |
| | | <u>1,883,750</u> |

Health Care - 16.5%

| | | |
|--------|---------------------------|-----------|
| 20,000 | Covidien, Ltd. | 957,800 |
| 20,000 | Johnson & Johnson | 1,286,800 |
| 17,000 | Medtronic, Inc. | 879,750 |
| 40,000 | Mylan, Inc. | 482,800 |
| 10,000 | Zimmer Holdings, Inc. (a) | 680,500 |

Industrials - 14.9%

| | | |
|--------|-----------------------------------|------------------|
| 25,000 | General Electric Co. | 667,250 |
| 9,000 | General Dynamics Corp. | 757,800 |
| 30,000 | Graco, Inc. | 1,142,100 |
| 18,000 | Ingersoll-Rand Co., Ltd., Class A | 673,740 |
| 10,000 | United Technologies Corp. | 617,000 |
| | | <u>3,857,890</u> |

PAYSON TOTAL RETURN FUND
SCHEDULE OF INVESTMENTS
JUNE 30, 2008 (Unaudited)

Technology - 18.4%

| | | |
|--------|-------------------------|------------------|
| 30,000 | Cisco Systems, Inc.(a) | 697,800 |
| 8,000 | IBM | 948,240 |
| 25,000 | Intel Corp. | 537,000 |
| 20,000 | Microsoft Corp. | 550,200 |
| 26,000 | Nokia OYJ, ADR | 637,000 |
| 33,000 | Oracle Corp.(a) | 693,000 |
| 25,000 | Texas Instruments, Inc. | 704,000 |
| | | <u>4,767,240</u> |

Total Common Stock (cost \$21,646,451) 25,403,542

Mutual Fund - 1.2%

| | | |
|--------|--|----------------|
| 21,000 | iShares Dow Jones US Home Construction Index Fund (cost \$430,481) | <u>299,880</u> |
|--------|--|----------------|

Principal

| | | <u>Rate</u> | <u>Maturity</u> | |
|--|---------------------------------|-------------|-----------------|--------------|
| Mortgage-Backed Securities - NM (b) | | | | |
| \$2,956 | GNMA Pool 394795 (cost \$2,969) | 7.50% | 10/15/ 10 | <u>3,064</u> |

Short-Term Investments - 1.1%

Shares

Money Market Fund - 1.1%

| | | |
|--|---|----------------------------|
| 288,868 | Citi SM Institutional Trust Liquid Reserves, Class A, 2.71% (cost \$288,868) | 288,868 |
| Total Short-Term Investments (cost \$288,868) | | 288,868 |
| Total Investments - 100.2% (cost \$22,368,769)* | | \$25,995,354 |
| Other Assets and Liabilities, Net - (0.2)% | | (54,472) |
| NET ASSETS - 100.0% | | <u>\$25,940,882</u> |

| | |
|------|--|
| ADR | American Depositary Receipt |
| GNMA | Government National Mortgage Association |
| NM | Not Material |
| PLC | Public Limited Company |
| REIT | Real Estate Investment Trust |

(a) Non-income producing security.

(b) Less than 0.1%.

* Cost for Federal income tax purposes is substantially the same as for financial statement purposes and net unrealized appreciation (depreciation) consists of:

| | |
|---|---------------------------|
| Gross Unrealized Appreciation | \$5,006,017 |
| Gross Unrealized Depreciation | (1,379,432) |
| Net Unrealized Appreciation (Depreciation) | <u>\$3,626,585</u> |

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("SFAS 157"). This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair value measurements. SFAS 157 applies to fair value measurements already required or permitted by existing standards. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The changes to current GAAP from the application of this Statement relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements.

One key component of the implementation of SFAS 157 includes the development of a three-tier fair value hierarchy. The basis of the tiers is dependant upon the various "inputs" used to determine the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1 - quoted prices in active markets for identical assets

Level 2 - other significant observable inputs (including quoted prices of similar securities, interest rates, prepayments speeds, credit risk, etc.)

PAYSON TOTAL RETURN FUND
 SCHEDULE OF INVESTMENTS
 JUNE 30, 2008 (Unaudited)

Level 3 - significant unobservable inputs (including the Fund' s own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Fund' s net assets as of June 30, 2008:

| <u>Valuation Inputs</u> | <u>Investments in Securities</u> | <u>Other Financial Instruments</u> |
|---|--|--|
| Level 1 - Quoted Prices | \$25,992,290 | \$ - |
| Level 2 - Other Significant Observable Inputs | 3,064 | - |
| Level 3 - Significant Unobservable Inputs | - | - |
| Total Investments | <u>\$25,995,354</u> | <u>\$ -</u> |

THE PORTFOLIO OF INVESTMENTS SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL STATEMENTS AND NOTES TO FINANCIAL STATEMENTS WHICH ARE INCLUDED IN THE FUND' S AUDITED ANNUAL REPORT OR SEMI-ANNUAL REPORT. THESE REPORTS INCLUDE ADDITIONAL INFORMATION ABOUT THE FUND' S SECURITY VALUATION POLICIES AND ABOUT CERTAIN SECURITY TYPES INVESTED IN BY THE FUND.

Item 2. Controls and Procedures.

(a) The registrant's Principal Executive and Principal Financial Officers have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "Act")) are effective, based on their evaluation of these disclosure controls and procedures required by Rule 30a-3(b) under the Act as of a date within 90 days of the filing date of this report.

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits

Certifications as required by Rule 30a-2(a) under the Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FORUM FUNDS

By: /s/ Stacey E. Hong
Stacey E. Hong, Principal Executive Officer

Date: 8/28/08

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Stacey E. Hong
Stacey E. Hong, Principal Executive Officer

Date: 8/28/08

By: /s/ Karen Shaw
Karen Shaw, Principal Financial Officer

Date: 8/28/08

Forum Funds

I, Stacey E. Hong, certify that:

1. I have reviewed this report on Form N-Q of Forum Funds (Absolute Strategies Fund, Austin Global Equity Fund, Merk Asian Currency Fund, Merk Hard Currency Fund and Payson Total Return Fund);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the schedules of investments included in this report fairly present in all material respects the investments of the registrant as of the end of the fiscal quarter for which the report is filed;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report, based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: 8/28/08

/s/ Stacey E. Hong

Stacey E. Hong

Principal Executive Officer

Forum Funds

I, Karen Shaw, certify that:

1. I have reviewed this report on Form N-Q of Forum Funds (Absolute Strategies Fund, Austin Global Equity Fund, Merk Asian Currency Fund, Merk Hard Currency Fund and Payson Total Return Fund);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the schedules of investments included in this report fairly present in all material respects the investments of the registrant as of the end of the fiscal quarter for which the report is filed;
4. The registrant' s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report, based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant' s internal control over financial reporting that occurred during the registrant' s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant' s internal control over financial reporting; and
5. The registrant' s other certifying officer and I have disclosed to the registrant' s auditors and the audit committee of the registrant' s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant' s ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant' s internal control over financial reporting.

Date: 8/28/08

/s/ Karen Shaw

Karen Shaw
Principal Financial Officer