AUXIER FOCUS FUND UPDATE
BY JEFF AUXIER

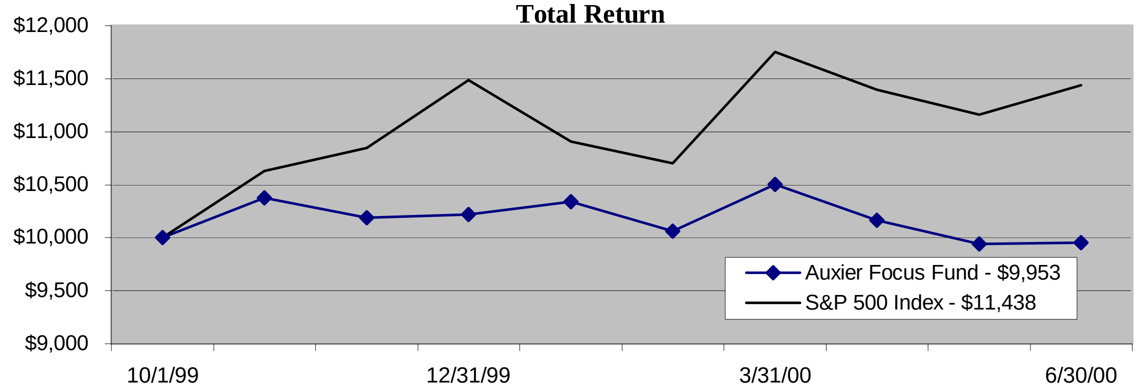
Dear Fellow Shareholders:

INVESTMENT RESULTS – FISCAL YEAR ENDED JUNE 2000

The Auxier Focus Fund (the "Fund"), ticker symbol AUX1Z, ended its June fiscal year with a (0.47)% return since commencement of investment activities. It should be noted that the Fund did not start investing in accordance with its investment objective until October 1, 1999. Therefore, the true time frame is not twelve months, but closer to six or seven months. The Fund is not fully invested in common stocks. Your Fund manager is currently the largest shareholder. I treat your money like my own.

Total Return Periods Ending 6/30/00	AUX1Z	S&P 500
Year to date	(2.63)%	(0.43)%
Since commencement of investment in accordance with investment objective (10/01/99)	(0.47)%	14.38%

Auxier Focus Fund
Total Return



- Past performance is not indicative of future performance
- The Auxier Focus Fund's historical results are net of all expenses, versus the gross market benchmark (the S&P 500 Index). Investors are reminded that when trying to achieve benchmark returns, investment management fees, transaction costs and execution costs will be incurred.
- The S&P 500 Index is an unmanaged index of 500 selected common stocks, most of which are listed on the New York Stock Exchange. The Index is adjusted for dividends and weighted toward stocks with large market capitalizations.
- Commencement of investment in accordance with investment objective: October 1, 1999

APPROACH

My goal is to first identify fundamentally strong, well-managed companies, and then determine a price that provides for a compelling risk/reward ratio. I always start with an assessment of the downside risk. In order to keep the compounding process going, it is imperative to first avoid permanent capital loss.

COMMENTARY AND OUTLOOK

Over the past 12 months the Federal Reserve Board raised interest rates by 1.75%. This has put pressure on equity valuations and helped to wring out excesses in the speculative areas of the market. Recently, evidence is appearing that points to a slower, more moderate economic pace. Housing starts and unemployment numbers are slowing, while productivity figures look good. If interest rates have peaked, where is one to invest?

Salomon Smith Barney went back through 30 years of data to identify significant peaks in interest rates using the 10-year treasury yield. The table below shows the returns following the peak in rates.

S&P 500 TOTAL RETURN FOLLOWING A REVERSAL IN YIELDS

Date	Total Return – 6 months	Total Return – 12 Months
05-02-80	+23.9%	+32.1%
11-06-81	+0.02%	+22.7%
08-03-84	+12.6%	+23.3%
01-15-88	+10.0%	+16.8%
02-10-95	+16.8%	+39.8%
Average Returns:	12.7%	26.9%

The best performing sector after interest rates peaked was the financial sector-- up an average of 33.4% versus 17.56% for any 12-month period. Given this historical track record, together with the fact that the financial sector currently trades for roughly half the valuation of the S&P 500 and less then 1/5 of the NASDAQ 100, it makes sense to be currently overweighted in this sector.

An additional study was conducted that spanned the past 45 years. An analysis was made on the effects of both falling interest rates and slowing earnings growth on the performance of the equity market. Falling interest rates resulted in above average equity returns while rising interest rates resulted in below average returns. Surprisingly, liquidity in the form of lower interest rates was shown to be more important than earnings growth in driving equity market performance.

We hope these investments as well as other first tier companies purchased at attractive prices will contribute to future rewards for our shareholders. Thank you for your continuing support.

J. Jeffrey Auxier
Portfolio Manager