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As filed with the Securities and Exchange Commission on March 5, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-09079

Morgan Keegan Select Fund, Inc.

(Exact name of registrant as specified in charter)

Morgan Keegan Tower **Fifty North Front Street** **Memphis, Tennessee**	**38103**
(Address of principal executive offices)	**(Zip code)**

Allen B. Morgan, Jr.
Morgan Keegan Tower
Fifty North Front Street
Memphis, Tennessee 38103
(Name and address of agent for service)

Registrant's telephone number, including area code: (901) 524-4100

with copies to:

Arthur J. Brown, Esq.
Kirkpatrick & Lockhart Preston Gates Ellis LLP
1601 K Street, N.W.
Washington, D.C. 20006

Date of fiscal year end: June 30, 2007
Date of reporting period: December 31, 2006

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Item 1. Reports to Stockholders.

The following is a copy of the report transmitted to shareholders of Morgan Keegan Select Fund, Inc. (the "Fund") pursuant to Rule 30e-1 under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30e-1):

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An investor should consider each Fund's investment objectives, risks, and charges and expenses carefully before investing or sending money. This and other important information about each Fund can be found in the Funds' prospectus. To obtain a prospectus, call toll-free 800-564-2188. Please read the prospectus carefully before investing.

NOT FDIC INSURED	MAY LOSE VALUE	NO BANK GUARANTEE

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LETTER TO SHAREHOLDERS

Dear Fellow Shareholders,

We are pleased to present the enclosed semi-annual report for Regions Morgan Keegan Select Short Term Bond Fund, Regions Morgan Keegan Select Intermediate Bond Fund and Regions Morgan Keegan Select High Income Fund (each, a "Fund" and collectively, the "Funds"). In this report, you will find information on each Fund's investment objective and strategy and learn how your investment performed during the six months ended December 31, 2006. The portfolio managers will also provide an overview of the market conditions and discuss some of the factors that affected investment performance during the reporting period. In addition, this report includes each Fund's unaudited financial statements and each Fund's portfolio of investments as of December 31, 2006.

As always, we appreciate your continued support of the Regions Morgan Keegan Select family of funds. It is important to stay focused on your long-term investment strategy. Your financial adviser can help you evaluate your portfolio's performance to ensure that your diversified mix of investments is designed to help generate the long-term performance your goals demand. We remain committed to helping you pursue your financial goals through investments in our fund family. You have our commitment to bring you the highest level of disciplined decision making and personal service to meet your financial needs. If you have any questions about the Funds, please call us toll-free at 800-564-2188.

Sincerely,

Brian B. Sullivan, CFA
President
Morgan Keegan Select Fund, Inc.

February 23, 2007

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ABOUT SHAREHOLDER AND FUND EXPENSES

All mutual funds have operating expenses and it is important for our shareholders to understand the impact of expenses on their investments. As a shareholder of a Fund, you may incur two types of costs: (1) transaction costs, including sales charges (loads) on purchases and on redemptions; and (2) operating costs, including management fees; to the extent applicable, distribution (12b-1) fees and/or shareholder services fees; and other Fund expenses. Operating costs, which are deducted from a Fund's gross income, reduce the investment return of the Fund.

A Fund's operating expenses are expressed as a percentage of its average net assets, which is known as the expense ratio. The following example is intended to help you to understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds. The examples are based on an investment of $1,000 made at the beginning of the period and held for the entire six-month period beginning July 1, 2006 and ending December 31, 2006.

The following table illustrates your Fund's costs in two ways:

Based on actual fund return. This section helps you estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the Fund's actual return, and the fourth column shows the dollar amount that would have been paid by an investor who started with $1,000 in the Fund. You may use the information here, together with the amount you invested, to estimate the expenses that you incurred over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number given for your Fund under the heading entitled "Expenses Paid During Period."

Based on hypothetical 5% return. This section is intended to help you compare your Fund's cost with those of other mutual funds. The table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid during the period. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on the 5% return. You can assess your Fund's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

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About Shareholder and Fund Expenses

Please note that the expenses shown in the table are meant to highlight and help you compare your ongoing costs only and do not reflect any sales charges (loads) on purchases or on redemptions which may be incurred by some of the Fund's share classes. Therefore, the hypothetical account values and expenses in the table are useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these sales charges (loads) were included, your costs would have been higher.

You can find more information about the Fund's expenses, including annual expense ratios for the past five years, in the Financial Highlights section of this report. For additional information on operating expenses and other shareholder costs, please refer to the Funds' prospectus.

	Annualized Expense Ratio	Beginning Account Value July 1, 2006	Ending Account Value December 31, 2006	Expenses Paid During Period[1]
Short Term Bond Fund				
Actual				
Class A Shares	0.71%	$ 1,000	$ 1036.20	$ 3.64
Class C Shares	0.91%	1,000	1035.30	4.67
Class I Shares	0.46%	1,000	1037.50	2.36
Hypothetical				
(assuming a 5% return before expenses)				
Class A Shares	0.71%	$ 1,000	$ 1021.63	$ 3.62
Class C Shares	0.91%	1,000	1020.62	4.63
Class I Shares	0.46%	1,000	1022.89	2.35
Intermediate Bond Fund				
Actual				
Class A Shares	0.77%	$ 1,000	$ 1044.30	$ 3.97
Class C Shares	1.12%	1,000	1041.50	5.76
Class I Shares	0.52%	1,000	1044.60	2.68
Hypothetical				
(assuming a 5% return before expenses)				
Class A Shares	0.77%	$ 1,000	$ 1021.32	$ 3.92
Class C Shares	1.12%	1,000	1019.56	5.70
Class I Shares	0.52%	1,000	1022.58	2.65
High Income Fund				
Actual				
Class A Shares	1.10%	$ 1,000	$ 1051.60	$ 5.69
Class C Shares	1.60%	1,000	1049.00	8.26
Class I Shares	0.85%	1,000	1052.90	4.40
Hypothetical				
(assuming a 5% return before expenses)				
Class A Shares	1.10%	$ 1,000	$ 1019.66	$ 5.60
Class C Shares	1.60%	1,000	1017.14	8.13
Class I Shares	0.85%	1,000	1020.92	4.33

(1) *Expenses are equal to each Fund's annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).*

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REGIONS MORGAN KEEGAN SELECT SHORT TERM BOND FUND

OBJECTIVE & STRATEGY

Regions Morgan Keegan Select Short Term Bond Fund seeks a high level of current income consistent with preservation of capital. The Fund invests primarily in investment grade bonds rated, at the time of purchase, BBB- or higher (or a comparable rating) by at least one nationally recognized statistical rating organization or, if unrated, determined by the Fund's investment adviser to be of comparable quality. The types of securities that the Fund may purchase include bonds of U.S. corporate and governmental issuers, U.S. dollar-denominated bonds of foreign issuers, mortgage-backed and other asset-backed securities, and preferred stock. The Fund may also invest in collateralized mortgage obligations, repurchase agreements, adjustable rate securities and payable in-kind bonds. The average effective maturity of the Fund's portfolio will generally be three years or less.

INVESTMENT RISKS: Bond funds tend to experience smaller fluctuations in value than stock funds. However, investors in any bond fund should anticipate fluctuations in price. Bond prices and the value of bond funds decline as interest rates rise. Funds with longer-term maturities generally are more vulnerable to interest rate risk than funds with shorter-term maturities.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

For the six months ended December 31, 2006, Regions Morgan Keegan Select Short Term Bond Fund's Class A Shares had a total return of 3.62%, based on net asset value. The Fund's six month total return surpassed the Lehman Brothers 1-3 Year U.S. Government/Credit Index[(1)] total return of 3.11% during the same period. The Fund's Class A Shares paid $0.26 per share in distributions during the six months ended December 31, 2006.

The Fund's allocation to asset-backed securities continues to enhance the income distributions that contributed to the Fund's relative outperformance for the period. After two and a half years of rising short-term rates, we are preparing for the eventual reversal of that trend. While we will continue our focus on the 1-3 year part of the yield curve, we plan to begin utilizing less floating rate and amortizing assets in favor of a higher allocation to fixed rate assets with principal payments due only at maturity.

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REGIONS MORGAN KEEGAN SELECT SHORT TERM BOND FUND

By making subtle shifts in the asset mix of the Fund's portfolio, our objective is to provide a relatively stable net asset value while producing as much income as possible given the short-term investment grade parameters of the Fund.

James C. Kelsoe, Jr., CFA
Senior Portfolio Manager
Morgan Asset Management, Inc.

David H. Tannehill, CFA
Portfolio Manager
Morgan Asset Management, Inc.

Market forecasts provided in this report may not necessarily come to pass. There is no assurance that the Fund will achieve its investment objectives. These views are subject to change at any time based upon market or other conditions, and Morgan Asset Management, Inc. disclaims any responsibility to update such views. The Fund is subject to market risk, which is the possibility that the market values of securities owned by the Fund will decline and, therefore, the value of the Fund's shares may be less than what you paid for them. Accordingly, you can lose money investing in the Fund.

INDEX DESCRIPTION

(1) *The Lehman Brothers 1-3 Year U.S. Government/Credit Index is an index composed of all bonds of investment grade quality with a maturity between one and three years. The index is unmanaged and, unlike the Fund, is not affected by cashflows or trading and other expenses. It is not possible to invest directly in an index.*

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REGIONS MORGAN KEEGAN SELECT SHORT TERM BOND FUND

PORTFOLIO STATISTICS†

AS OF DECEMBER 31, 2006

Average Credit Quality	AA
Current Yield	4.87%
Yield to Maturity	6.83%
Duration	1.76 Years
Average Effective Maturity	2.35 Years
Total Number of Holdings	67

† *The Fund's composition is subject to change.*

CREDIT QUALITY†

AS OF DECEMBER 31, 2006

	% OF TOTAL INVESTMENTS		% OF TOTAL INVESTMENTS
Government Guaranteed	21.0%	BBB+	4.7%
AAA	19.7%	BBB	14.0%
AA	6.4%	BBB-	8.5%
A+	5.1%	BB+ or Lower	4.5%
A	6.7%	Not Rated	4.3%
A-	5.1%	Total	100.0%

† *The Fund's composition is subject to change.*

ASSET ALLOCATION†

AS OF DECEMBER 31, 2006

	% OF TOTAL INVESTMENTS
Corporate Bonds	31.0%
U.S. Treasury Obligations	18.9%
Collateralized Debt Obligations	13.9%
Collateralized Mortgage Obligations	11.2%
Commercial Loans	5.6%
Home Equity Loans	4.3%
Equipment Leases	4.2%
Short-Term Investments	3.7%
Government & Agency Securities	3.5%
Franchise Loans	1.5%
Credit Cards	1.2%
Preferred Stocks	1.0%

† *The Fund's composition is subject to change.*

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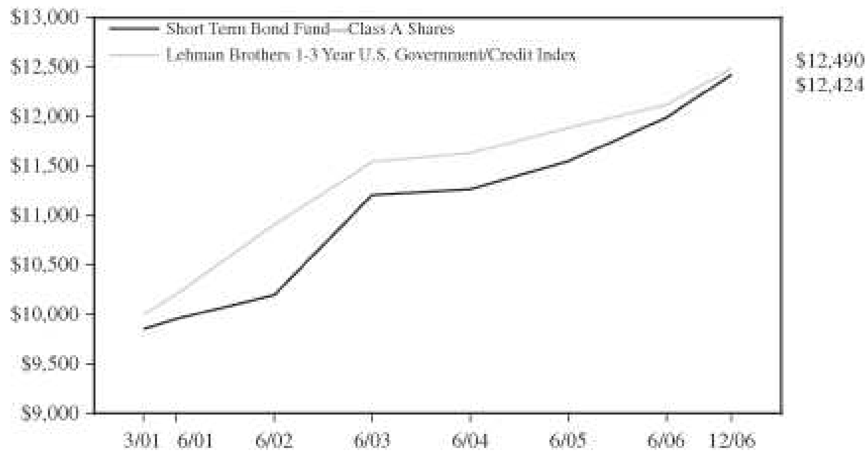
REGIONS MORGAN KEEGAN SELECT SHORT TERM BOND FUND

GROWTH OF A $10,000 INVESTMENT

CLASS A SHARES

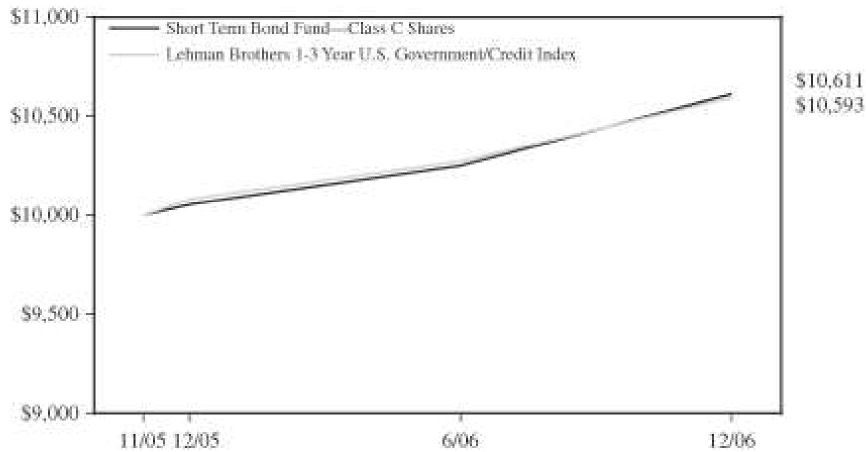
The graph below illustrates a hypothetical investment of $10,000 in Regions Morgan Keegan Select Short Term Bond Fund—Class A Shares from the commencement of investment operations on March 8, 2001 to December 31, 2006(1) compared to the Lehman Brothers 1-3 Year U.S. Government/Credit Index(2).



GROWTH OF A $10,000 INVESTMENT

CLASS C SHARES

The graph below illustrates a hypothetical investment of $10,000 in Regions Morgan Keegan Select Short Term Bond Fund—Class C Shares from the commencement of investment operations on November 4, 2005 to December 31, 2006(1) compared to the Lehman Brothers 1-3 Year U.S. Government/Credit Index(2).



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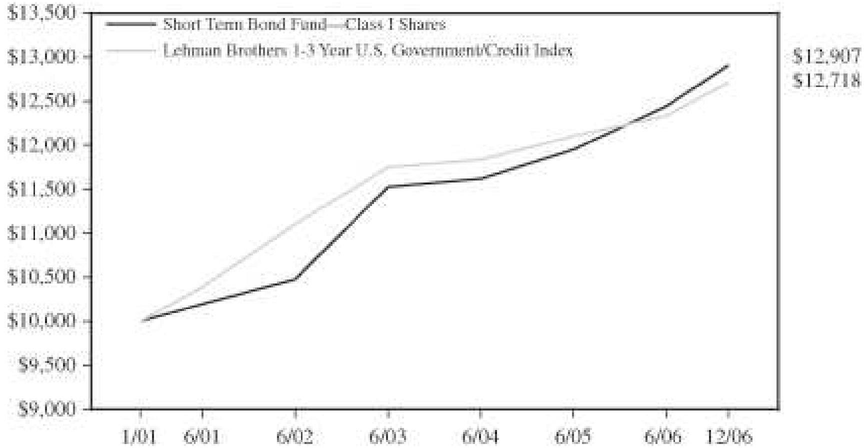
REGIONS MORGAN KEEGAN SELECT SHORT TERM BOND FUND

GROWTH OF A $10,000 INVESTMENT

CLASS I SHARES

The graph below illustrates a hypothetical investment of $10,000 in Regions Morgan Keegan Select Short Term Bond Fund—Class I Shares from the commencement of investment operations on January 5, 2001 to December 31, 2006[1] compared to the Lehman Brothers 1-3 Year U.S. Government/Credit Index[2].



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Regions Morgan Keegan Select Short Term Bond Fund

Performance Information

AS OF DECEMBER 31, 2006[1]	SIX MONTHS*	1 YEAR	5 YEAR	COMMENCEMENT OF INVESTMENT OPERATIONS[3]
	Average Annual Total Returns			
Class A Shares**	2.07%	4.36%	3.65%	3.80%
(excluding sales load)	3.62%	5.95%	3.96%	4.07%
Class C Shares***	2.49%	4.49%	N/A	5.25%
(excluding CDSC)	3.53%	5.54%	N/A	5.25%
Class I Shares	3.75%	6.11%	4.25%	4.35%
Lehman Brothers 1-3 Year U.S. Government/Credit Index[2]	3.11%	4.25%	3.27%	N/A

* *Not annualized for periods less than one year.*

** *Reflects the maximum sales load of 1.50%.*

*** *Reflects the maximum contingent deferred sales charge (CDSC) of 1.00% for shares redeemed within one year of purchase.*

(1) *Effective July 1, 2006, Morgan Asset Management, Inc. agreed to voluntarily waive a portion of its contractual investment advisory fee. Absent this waiver, which is subject to change at any time, performance would have been lower. Please see Note 3 to the Financial Statements for more information on the waiver.*

(2) *The Lehman Brothers 1-3 Year U.S. Government/Credit Index is an index composed of all bonds of investment grade quality with a maturity between one and three years. Total returns for the index shown are not adjusted to reflect sales charges, expenses or other fees that the Securities and Exchange Commission requires to be reflected in the Fund's performance. The index is unmanaged and, unlike the Fund, is not affected by cashflows or trading and other expenses. It is not possible to invest directly in an index.*

(3) *The Fund's Class A Shares, Class C Shares and Class I Shares commenced investment operations on March 8, 2001, November 4, 2005 and January 5, 2001, respectively.*

Performance data quoted represents past performance which is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Fund performance changes over time and current performance may be lower or higher than what is stated. For the most recent performance, call toll-free 800-564-2188. The Fund's performance results are shown on a total return basis and include the reinvestment of all dividends and capital gain distributions in the Fund. Returns shown in the chart and table above do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Mutual funds are not bank deposits or obligations, are not guaranteed by any bank and are not insured or guaranteed by the U.S. government, the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency. Investment in mutual funds involves investment risk, including the possible loss of principal.

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Regions Morgan Keegan Select Short Term Bond Fund

Portfolio of Investments

December 31, 2006 (Unaudited)

Principal Amount	Description	Value (b)
	Asset-Backed Securities–Investment Grade–31.0% of Net Assets	
	Collateralized Debt Obligations ("CDO")–14.0%	
$ 1,500,000	Acacia CDO 1 Ltd. 10A D, 8.488% 9/7/46 (a)	$ 1,500,000
1,528,891	CDO Repackaging Trust Series 2006-A 1, 7.307% 1/17/36 (a)	1,528,891
1,407,506	Diversified Asset Securitization Holdings II LP 1A A1, 7.873% 9/15/35	1,472,659
2,000,000	Fulton Street CDO Ltd. 1A A2, 5.930% 4/20/37 (a)	1,910,000
638,529	Harbourview CDO III Ltd. 3A A, 5.819% 9/15/31 (a)	609,796
1,500,000	Kodiak CDO 2006-1A G, 8.919% 8/7/37 (a)	1,462,500
500,000	Prado CDO Ltd. 2003-1A C, 7.480% 11/15/14 (a)	507,930
500,000	Stack Ltd. 2005-1A D, 6.590% 3/27/40 (a)	490,000
1,500,000	Taberna Preferred Funding Ltd. 2006-5A B1, 7.685% 8/5/36 (a)	1,484,580
		10,966,356
	Commercial Loans–5.7%	
894,048	Bear Stearns Commercial Mortgage Securities 2001-TOP2 A1, 6.080% 2/15/35	905,060
419,374	Bank of America-First Union NB Commercial Mortgage 2001-3 A1, 4.890% 4/11/37	416,104
500,000	Chase Commercial Mortgage Securities Corp. 1997-1 E, 7.370% 6/19/29	500,968
865,926	Morgan Stanley Capital I 2003-IQ6 A1, 2.800% 12/15/41	849,937
517,232	Morgan Stanley Dean Witter Capital I 2001-280 A1, 6.148% 2/3/16 (a)	527,102
1,256,533	Mortgage Capital Funding Inc. 1998-MC2 A2, 6.423% 6/18/30	1,266,119
		4,465,290
	Credit Cards–1.2%	
1,000,000	North Street Referenced Linked Notes 2000-2A B Ltd., 6.426% 10/30/11 (a)	935,000
	Equipment Leases–4.2%	
1,499,701	Aviation Capital Group Trust 2000-1A A1, 5.810% 11/15/25 (a)	1,336,609
1,920,076	Aviation Capital Group Trust 2005-3A C1, 8.600% 12/25/35 (a)	1,958,477
		3,295,086
	Franchise Loans–1.5%	
996,828	Atherton Franchisee Loan Funding 1999-A A2, 7.230% 4/15/12 (a)	1,021,462
150,254	FMAC Loan Receivables Trust 1999-C A, 6.750% 12/15/19 (a)	150,212
		1,171,674
	Home Equity Loans (Non-High Loan-To-Value)–4.4%	
97,242	Empire Funding Home Loan Owner Trust 1999-1 M2, 9.000% 5/25/30	97,664
629,808	Equifirst Mortgage Loan Trust 2003-1 M3, 9.100% 12/25/32	629,816
113,005	Home Equity Asset Trust 2003-4 B2, 9.350% 10/25/33	114,418
1,000,000	Master Asset Backed Securities Trust 2004-HE1 M11, 6.350% 9/25/34	952,500

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REGIONS MORGAN KEEGAN SELECT SHORT TERM BOND FUND

PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Principal Amount	Description	Value (b)
	Asset-Backed Securities–Investment Grade (continued)	
	Home Equity Loans (Non-High Loan-To-Value) (continued)	
$ 463,793	Morgan Stanley Home Equity Loan Notes 2006-2NA N1, 6.250% 2/25/36 (a)	$ 463,793
1,000,000	Park Place Securities Inc. 2004-WCW1 M8, 8.885% 9/25/34	1,021,207
161,016	SB Finance Trust 2005-KS6N A1A, 4.750% 7/25/35 (a)	159,808
		3,439,206
	Total Asset-Backed Securities–Investment Grade (cost $24,360,768)	**24,272,612**
	Corporate Bonds–Investment Grade–24.0% of Net Assets	
	Agriculture–1.3%	
1,000,000	Cargill Inc., 6.150% 2/25/08 (a)	1,004,083
	Communications–0.9%	
700,000	Walt Disney Co., 5.500% 12/29/06	700,000
	Cruise Lines–0.6%	
500,000	Carnival Corp., 3.750% 11/15/07	493,226
	Electronics–1.7%	
1,350,000	Ametek Inc., 7.200% 7/15/08	1,378,411
	Finance–8.1%	
3,000,000	Countrywide Home Loans Inc., 4.250% 12/19/07	2,968,041
1,000,000	General Electric Capital Corp., 4.500% 6/27/08	989,709
1,000,000	General Electric Capital Corp., 5.720% 8/22/11	1,005,838
1,000,000	JP Morgan & Co. Inc., 6.700% 11/1/07	1,011,380
400,000	SLM Corp., 6.290% 1/31/14	374,464
		6,349,432
	Hotels–1.3%	
1,000,000	Hospitality Properties Trust, 7.000% 3/1/08	1,015,868
	Industrial–1.9%	
560,000	Grupo Minero Mexico SA de CV, 8.250% 4/1/08	576,800
814,000	Ispat Inland ULC, 9.750% 4/1/14	909,645
		1,486,445
	Insurance–1.3%	
1,000,000	Unitrin Inc., 5.750% 7/1/07	1,000,748
	Medical–2.0%	
1,576,000	Millipore Corp., 7.500% 4/1/07	1,581,464
	Special Purpose Entities–1.9%	
500,000	Preferred Term Securities XXII Ltd., 6.450% 9/22/36 (a)	500,000
1,000,000	Two-Rock Pass Through Trust, 5.680% 12/31/49 (a)	983,970
		1,483,970

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REGIONS MORGAN KEEGAN SELECT SHORT TERM BOND FUND

PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Principal Amount	Description	Value (b)
	Corporate Bonds–Investment Grade (continued)	
	Technology–1.3%	
$ 1,000,000	NCR Corp., 7.125% 6/15/09	$ 1,025,574
	Telecommunications–1.7%	
1,200,000	US Unwired Inc., 10.000% 6/15/12	1,320,000
	Total Corporate Bonds–Investment Grade (cost $19,024,900)	**18,839,221**
	Corporate Bonds–Below Investment Grade or Unrated–7.2% of Net Assets	
	Communications–1.3%	
1,000,000	COX Enterprises Inc., 4.375% 5/1/08 (a)	982,683
	Finance–5.9%	
1,000,000	GMAC LLC, 6.125% 2/1/07	999,567
100,000	First National Bank of Omaha, 7.320% 12/1/10	100,556
1,000,000	Ford Motor Credit Co., 6.500% 1/25/07	999,340
1,000,000	Ford Motor Credit Co., 7.200% 6/15/07	1,000,793
500,000	Ford Motor Credit Co., 6.625% 6/16/08	499,659
1,000,000	Mainstreet Capital Trust I, 8.900% 12/1/27	1,063,117
		4,663,032
	Total Corporate Bonds–Below Investment Grade or Unrated (cost $5,687,313)	**5,645,715**
	Mortgage-backed Securities–Investment Grade–11.3% of Net Assets	
	Collateralized Mortgage Obligations–11.3%	
1,577,919	Banc of America Mortgage Securities Inc. 2004-B 2A2, 4.133% 3/25/34	1,553,081
368,213	Countrywide Alternative Loan Trust 2004-15 1A2, 4.987% 9/25/34	374,128
419,814	Countrywide Alternative Loan Trust 2004-15 2A2, 5.268% 9/25/34	415,515
1,320,275	Countrywide Alternative Loan Trust 2005-82 B2, 7.330% 2/25/36	1,341,848
673,963	GSR Mortgage Loan Trust 2004-1 0F 1A1, 4.500% 8/25/19	662,511
1,626,316	Harborview Mortgage Loan Trust 2004-6 5A, 4.761% 8/19/34	1,584,937
743,713	Harborview Mortgage Loan Trust 2004-4 3A, 2.975% 6/19/34	740,524
1,500,000	Structured Adjustable Rate Mortgage Loan Trust 2006-8 4A2, 6.000% 9/25/36	1,501,665
682,642	Washington Mutual Inc. 2003-AR10 A4, 4.074% 10/25/33	676,197
	Total Mortgage-Backed Securities–Investment Grade (cost $8,930,764)	**8,850,406**
	Government & Agency Securities–3.5% of Net Assets	
1,500,000	Fannie Mae REMICS 2003-129 MB, 4.000% 12/25/16 (c)	1,478,323
152,083	Small Business Administration 2001-P10B, 6.344% 8/1/11	156,825
1,144,971	Small Business Administration Participation Certificates 2003-20E 1, 4.640% 5/1/23	1,113,566
	Total Government & Agency Securities (cost $2,814,015)	**2,748,714**

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REGIONS MORGAN KEEGAN SELECT SHORT TERM BOND FUND

PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Principal Amount/ Shares	Description	Value (b)
	U.S. Treasury Obligations–19.1% of Net Assets	
$ 6,500,000	United States Treasury Bill, 4.760% 1/4/07	$ 6,497,644
8,500,000	United States Treasury Bill, 4.760% 1/11/07	8,489,611
	Total U.S. Treasury Obligations (cost $14,987,255)	**14,987,255**
	Preferred Stocks–1.0% of Net Assets	
30,000	Preferred Pass-Through Trust 2006-B BAC B (a)	807,000
	Total Preferred Stocks (cost $807,000)	**807,000**
	Eurodollar Time Deposits–3.7% of Net Assets	
2,938,225	State Street Bank & Trust Company Eurodollar time deposits dated December 29, 2006, 2.800%, maturing at $2,938,911 on January 2, 2007.	2,938,225
	Total Investments–100.8% of Net Assets (cost $79,550,240)	**79,089,148**
	Other Assets and Liabilities, net–0.8% of Net Assets	**(604,185)**
	Net Assets	**$ 78,484,963**

(a) These securities are sold within the terms of a private placement memorandum, are exempt from registration under Rule 144A under the Securities Act of 1933, as amended, and may be resold in transactions exempt from registration, normally to qualified institutional buyers. Pursuant to valuation policies and procedures adopted by the Board of Directors, these issues have been determined to be liquid by Morgan Asset Management, Inc., the Fund's investment adviser.

(b) See Note 2 of accompanying Notes to Financial Statements regarding investment valuations.

(c) The issuer is a publicly-traded company that operates under a congressional charter; its securities are neither issued nor guaranteed by the U.S. government.

The Notes to the Financial Statements are an integral part of, and should be read in conjunction with, the Financial Statements.

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REGIONS MORGAN KEEGAN SELECT INTERMEDIATE BOND FUND

OBJECTIVE & STRATEGY

Regions Morgan Keegan Select Intermediate Bond Fund seeks a high level of income by investing in intermediate maturity, investment grade bonds. The Fund seeks capital growth as a secondary objective when consistent with the Fund's primary objective. The Fund invests primarily in investment-grade bonds rated, at the time of purchase, BBB- or higher (or a comparable rating) by at least one nationally recognized statistical rating organization or, if unrated, determined by the Fund's investment adviser to be of comparable quality. The type of securities that the Fund may purchase include U.S. government securities, corporate bonds, debentures, notes, preferred stock, mortgage-backed and other asset-backed securities. The Fund may also invest up to 35% of its assets in below investment grade bonds (rated BB+ or lower or comparable rating, commonly referred to as "junk bonds"), convertible securities and common stocks. The average effective maturity of the Fund's portfolio will generally be between three and ten years.

INVESTMENT RISKS: Bond funds tend to experience smaller fluctuations in value than stock funds. However, investors in any bond fund should anticipate fluctuations in price. Bond prices and the value of bond funds decline as interest rates rise. Funds with longer-term maturities generally are more vulnerable to interest rate risk than funds with shorter-term maturities. Below investment grade debt securities are considered speculative with respect to an issuer's capacity to pay interest and repay principal and are susceptible to default or decline in market value due to adverse economic and business developments. An economic downturn or period of rising interest rates could adversely affect the ability of issuers, especially issuers of below investment grade debt, to service primary obligations and an unanticipated default could cause the Fund to experience a reduction in value of its shares.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

For the six months ended December 31, 2006, Regions Morgan Keegan Select Intermediate Bond Fund's Class A Shares had a total return of 4.43%, based on net asset value. The Fund's six month total return underperformed the Lehman Brothers Intermediate U.S. Aggregate Index(1) total return of 4.72% during the same period. The Fund's Class A Shares paid $0.33 per share in distributions during the six months ended December 31, 2006, producing an income return of 6.65%.

During the period, we focused on moving out of some floating rate assets and into more fixed rate assets as we expect the Federal Reserve Board to begin lowering short-term interest rates at some point in 2007. The relative underperformance against the Fund's benchmark is primarily due to credit spreads (the yield premium required for risky assets over riskless assets such as U.S. Treasuries) shrinking, causing an outperformance for corporate securities.

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REGIONS MORGAN KEEGAN SELECT INTERMEDIATE BOND FUND

The relative underperformance was most evident during the first month of this six-month period. During the month of July, the Lehman Brothers Intermediate U.S. Aggregate Index had a total return of 1.19%, while the Fund had a total return of 0.31%. Often, a sudden drop in interest rates will be followed by a corresponding quick upward move in the price of U.S. Treasuries which results in the outperformance of the Fund’s benchmark. Since the index is heavily weighted to U.S. Government obligations (33+% total U.S. Treasury and Agency securities), it tends to move very quickly with interest rate changes. The Fund, on the other hand, makes very limited use of U.S. Government obligations and will often underperform when interest rates drop quickly. However, our higher yielding portfolio usually catches up in subsequent months and has proven often to outperform over longer time frames, as was the case during this past six-month period where the Fund then outperformed its benchmark index for the next five months.

Income production is our primary objective and, with that in mind, we are more concerned about lower, rather than higher interest rates in 2007. Our concern is that lower rates will present more difficult challenges for income production than higher rates and will continue to require a further shift to fixed rate and longer duration assets at some point during 2007.

James C. Kelsoe, Jr., CFA
Senior Portfolio Manager
Morgan Asset Management, Inc.

Market forecasts provided in this report may not necessarily come to pass. There is no assurance that the Fund will achieve its investment objectives. These views are subject to change at any time based upon market or other conditions, and Morgan Asset Management, Inc. disclaims any responsibility to update such views. The Fund is subject to market risk, which is the possibility that the market values of securities owned by the Fund will decline and, therefore, the value of the Fund’s shares may be less than what you paid for them. Accordingly, you can lose money investing in the Fund.

INDEX DESCRIPTION

(1) *The Lehman Brothers Intermediate U.S. Aggregate Index is a broad-based unmanaged index of intermediate U.S. investment grade fixed rate bonds, including government and corporate securities, agency mortgage pass-through securities, asset-backed securities and commercial mortgage-backed securities. The index is unmanaged and, unlike the Fund, is not affected by cashflows or trading and other expenses. It is not possible to invest directly in an index.*

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Regions Morgan Keegan Select Intermediate Bond Fund

Portfolio Statistics†

AS OF DECEMBER 31, 2006

Average Credit Quality	A-
Current Yield	6.61%
Yield to Maturity	7.92%
Duration	5.59 Years
Average Effective Maturity	7.45 Years
Total Number of Holdings	165

† *The Fund's composition is subject to change.*

Credit Quality†

AS OF DECEMBER 31, 2006

	% OF TOTAL INVESTMENTS		% OF TOTAL INVESTMENTS
Government Guaranteed	3.6%	A-	9.1%
AAA	11.6%	BBB+	8.1%
AA	4.8%	BBB	27.9%
AA-	2.3%	BBB-	15.3%
A+	3.6%	BB+ or Lower	1.7%
A	9.1%	Not Rated	2.9%
		Total	100.0%

† *The Fund's composition is subject to change.*

Asset Allocation†

AS OF DECEMBER 31, 2006

	% OF TOTAL INVESTMENTS
Corporate Bonds	28.7%
Collateralized Debt Obligations	24.1%
Collateralized Mortgage Obligations	13.9%
Home Equity Loans	10.4%
Short-Term Investments	4.4%
Equipment Leases	4.3%
Credit Cards	3.3%
U.S. Treasury Obligations	2.1%
Government & Agency Securities	1.7%
Commercial Loans	1.4%
Certificate-Backed Obligations	1.4%
Franchise Loans	1.4%
Manufactured Housing Loans	1.2%
Preferred Stocks	1.2%
Small Business Loans	0.5%

† *The Fund's composition is subject to change.*

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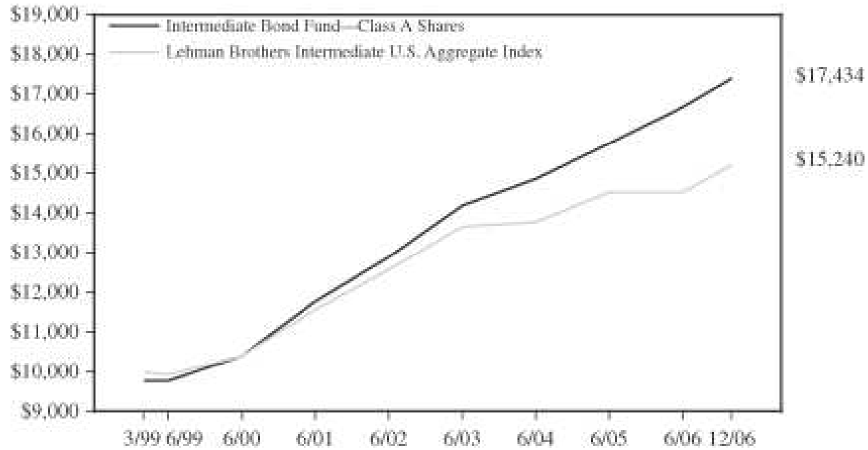
REGIONS MORGAN KEEGAN SELECT INTERMEDIATE BOND FUND

GROWTH OF A $10,000 INVESTMENT

CLASS A SHARES

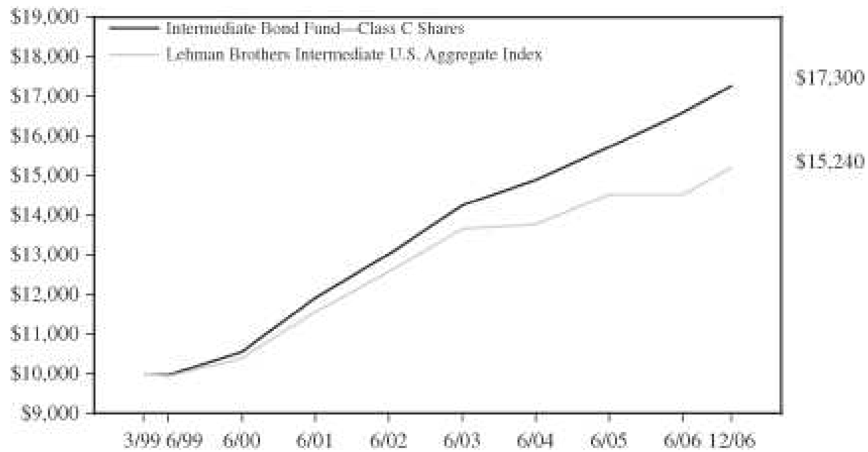
The graph below illustrates a hypothetical investment of $10,000 in Regions Morgan Keegan Select Intermediate Bond Fund—Class A Shares from the commencement of investment operations on March 22, 1999 to December 31, 2006 compared to the Lehman Brothers Intermediate U. S. Aggregate Index[1].



GROWTH OF A $10,000 INVESTMENT

CLASS C SHARES

The graph below illustrates a hypothetical investment of $10,000 in Regions Morgan Keegan Select Intermediate Bond Fund—Class C Shares from the commencement of investment operations on March 22, 1999 to December 31, 2006 compared to the Lehman Brothers Intermediate U. S. Aggregate Index[1].



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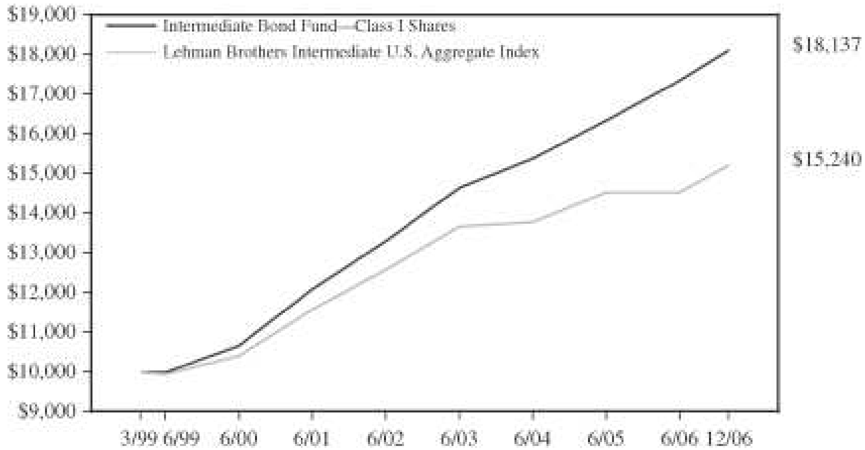
REGIONS MORGAN KEEGAN SELECT INTERMEDIATE BOND FUND

GROWTH OF A $10,000 INVESTMENT

CLASS I SHARES

The graph below illustrates a hypothetical investment of $10,000 in Regions Morgan Keegan Select Intermediate Bond Fund—Class I Shares from the commencement of investment operations on March 22, 1999 to December 31, 2006 compared to the Lehman Brothers Intermediate U. S. Aggregate Index[(1)].



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REGIONS MORGAN KEEGAN SELECT INTERMEDIATE BOND FUND

PERFORMANCE INFORMATION

AVERAGE ANNUAL TOTAL RETURNS

AS OF DECEMBER 31, 2006	SIX MONTHS*	1 YEAR	5 YEAR	COMMENCEMENT OF INVESTMENT OPERATIONS(2)
CLASS A SHARES**	2.34%	5.02%	6.36%	7.40%
(EXCLUDING SALES LOAD)	4.43%	7.16%	6.79%	7.68%
CLASS C SHARES***	3.11%	5.73%	6.41%	7.29%
(EXCLUDING CDSC)	4.15%	6.79%	6.41%	7.29%
CLASS I SHARES	4.46%	7.43%	7.06%	7.95%
LEHMAN BROTHERS INTERMEDIATE U.S. AGGREGATE INDEX(1)	4.72%	4.58%	4.70%	N/A

* *Not annualized for periods less than one year.*
** *Reflects the maximum sales load of 2.00%.*
*** *Reflects the maximum contingent deferred sales charge (CDSC) of 1.00% for shares redeemed within one year of purchase.*

(1) *The Lehman Brothers Intermediate U.S. Aggregate Index is a broad-based unmanaged index of intermediate U.S. investment grade fixed rate bonds, including government and corporate securities, agency mortgage pass-through securities, asset-backed securities and commercial mortgage-backed securities. The index is unmanaged and, unlike the Fund, is not affected by cashflows or trading and other expenses. It is not possible to invest directly in an index.*

(2) *The Fund's Class A Shares, Class C Shares and Class I Shares commenced investment operations on March 22, 1999.*

Performance data quoted represents past performance which is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Fund performance changes over time and current performance may be lower or higher than what is stated. For the most recent performance, call toll-free 800-564-2188. The Fund's performance results are shown on a total return basis and include the reinvestment of all dividends and capital gain distributions in the Fund. Returns shown in the chart and table above do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Mutual funds are not bank deposits or obligations, are not guaranteed by any bank and are not insured or guaranteed by the U.S. government, the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency. Investment in mutual funds involves investment risk, including the possible loss of principal.

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REGIONS MORGAN KEEGAN SELECT INTERMEDIATE BOND FUND
PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Principal Amount	Description	Value (b)
	Asset-Backed Securities–Investment Grade–46.9% of Net Assets	
	Certificate-Backed Obligations ("CBO")–1.4%	
$ 4,140,000	Galleria Ltd. 5A B, 6.290% 9/19/37 (a)	$ 3,177,450
5,524,231	Legacy Benefits Insurance Settlements LLC 2004-1 A, 5.350% 2/10/39 (a)	5,208,687
5,151,622	MKP CBO Ltd. 4A CS, 2.000% 7/12/40 (a)	4,963,073
		13,349,210
	Collateralized Debt Obligations ("CDO")–24.6%	
9,000,000	Acacia CDO 1 Ltd. 10A D, 8.488% 9/7/46 (a)	9,000,000
11,000,000	Attentus CDO Ltd. 2006-1A C2A, 6.896% 5/10/36 (a)	10,752,500
5,000,000	Attentus CDO Ltd. 2006-1A D, 8.196% 5/10/36 (a)	4,750,000
4,000,000	Attentus CDO Ltd. 2006-2A E1, 8.468% 10/9/41 (a)	3,940,000
11,466,685	CDO Repackaging Trust Series 2006-A 1, 7.307% 1/17/36 (a)	11,466,685
5,000,000	Charles River CDO 1X BV, 6.220% 12/9/37	4,900,000
4,926,270	Diversified Asset Securitization Holdings II LP 1A A1, 7.873% 9/15/35	5,154,307
6,315,743	E*Trade CDO I 2004-1A, 2.000% 1/10/40	6,378,902
6,000,000	Fiorente Funding Ltd. 2006-1A M1, Zero Coupon Bond 11/4/56 (a)	5,310,000
14,000,000	G Square Finance Ltd. 2006-1A C1, 6.537% 4/5/51 (a)	13,755,000
3,000,000	Grand Avenue CDO Ltd. 2005-1A, 1.913% 4/5/46	2,835,000
4,920,261	Grand Avenue CDO Ltd. 2005-1A D, 7.800% 4/5/46 (a)	4,871,058
9,500,000	GSC Partners CDO Fund Ltd. 2006-7A, 5.075% 5/25/20 (a)	9,215,000
3,990,809	Harbourview CDO III Ltd. 3A A, 5.819% 9/15/31 (a)	3,811,223
4,000,000	Highland Park CDO Ltd. 2006-1A E, 7.670% 11/25/51 (a)	3,740,000
4,812,500	Inman Square Funding 2005-2X IV, 9.436% 10/6/40	4,752,344
9,500,000	Kleros Preferred Funding Ltd. 2006-5A E, Zero Coupon Bond 1/10/50 (a)	9,452,500
3,000,000	Lincoln Avenue ABS CDO Ltd. 1-A D, 8.700% 7/5/46 (a)	2,985,000
6,000,000	Linker Finance PLC 16A E, 8.850% 5/19/45 (a)	5,850,000
15,000,000	LNR CDO Ltd. 2005-1A H, 6.000% 2/28/43 (a)	13,309,650
6,000,000	Kodiak CDO 2006-1A G, 8.919% 8/7/37 (a)	5,850,000
2,992,100	Orchid Structured Finance CDO Ltd. 2006-3A E, 9.120% 1/6/46 (a)	2,932,258
8,000,000	Palmer Square PLC 2A CN, 5.966% 11/2/45 (a)	7,920,000
4,000,000	Prado CDO Ltd. 2003-1A C, 7.480% 11/15/14 (a)	4,063,440
2,400,000	Restructured Asset Securities 2003-3A A3, 6.143% 1/29/22 (a)	2,002,056
7,000,000	Rutland Rated Investments MB06-4A E, Zero Coupon Bond 5/28/46 (a)	6,903,400
7,000,000	Stack Ltd. 2005-1A D, 6.590% 3/27/40 (a)	6,860,000
5,000,000	Taberna Preferred Funding Ltd. 2005-3A D, 6.520% 2/5/36 (a)	4,825,500
8,500,000	Taberna Preferred Funding Ltd. 2006-5A B1, 7.685% 8/5/36 (a)	8,412,620
7,000,000	Taberna Preferred Funding Ltd. 2006-6A, 6.100% 12/5/36 (a)	6,960,800
5,000,000	Tahoma CDO Ltd. 2006-1A D, 9.006% 6/18/47 (a)	5,000,000
8,000,000	Trapeza CDO I LLC 2006-10A D2, 8.700% 6/6/41 (a)	8,200,000
9,000,000	Trapeza CDO I LLC 2006-11A D2, 7.104% 10/10/41 (a)	9,000,000

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REGIONS MORGAN KEEGAN SELECT INTERMEDIATE BOND FUND
PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Principal Amount	Description	Value (b)
	Asset-Backed Securities–Investment Grade (continued)	
	Collateralized Debt Obligations ("CDO") (continued)	
5,000,000	Vertical CDO Ltd. 2006-CR1A F, 7.580% 4/22/46 (a)	5,000,000
5,000,000	Webster CDO Ltd. 2006-1A B2L, 9.184% 4/13/47 (a)	4,927,344
		225,086,587
	Commercial Loans–0.2%	
	Bear Stearns Commercial Mortgage Securities 2000-WF1 X, 0.452% 2/15/32 interest-only strips	975,465
	Commercial Capital Access One Inc. 3A X, 2779.106% 2/15/09 interest-only strips (a)	1,202,629
	Legg Mason Mortgage Capital Corp. 2003-20, 4.856% 7/25/21 interest-only strips (a)	80,095
		2,258,189
	Credit Cards–3.4%	
5,000,000	Curzon Funding HZ05-1 D, 8.289%, 2/1/95	4,937,500
17,299,000	North Street Referenced Linked Notes 2000-1 Ltd. 2000-2A B, 6.426% 10/30/11 (a)	16,174,565
12,000,000	North Street Referenced Linked Notes 2000-1 Ltd. 2000-2A C, 6.876% 10/30/11 (a)	10,170,000
		31,282,065
	Equipment Leases–4.0%	
3,743,859	Aircraft Lease Securitisation Ltd. 2005-1A C1, 9.070% 9/9/30 (a)	3,774,221
20,495,917	Aviation Capital Group Trust 2000-1A A1, 5.810% 11/15/25 (a)	18,266,986
14,400,567	Aviation Capital Group Trust 2005-3A C1, 8.600% 12/25/35 (a)	14,688,580
		36,729,787
	Franchise Loans–1.5%	
6,830,252	Atherton Franchisee Loan Funding 1999-A A2, 7.230% 4/15/12 (a)	6,999,041
1,000,000	Atherton Franchisee Loan Funding 1998-A B, 6.850% 5/15/20 (a)	986,793
	FFCA Secured Lending Corp. 1998-1, 1.196% 10/18/25 interest-only strips (a)	402,302
5,273,000	FMAC Loan Receivables Trust 1997-A C, 7.900% 4/15/19 (a)	4,990,578
		13,378,714
	Home Equity Loans (Non-High Loan-To-Value)–10.0%	
2,434,000	ACE Securities Corp. 2004-IN1 M6, 6.590% 5/25/34	2,466,555
5,000,000	ACE Securities Corp. 2005-HE2 M10, 6.060% 4/25/35	4,350,000
2,000,000	Aegis Asset Backed Securities Trust 2004-2 B3, 9.100% 6/25/34	1,990,000
3,127,209	Equifirst Mortgage Loan Trust 2003-1 M3, 9.100% 12/25/32	3,127,247
13,131,000	GSAMP Trust 2006-S2 M7, 7.250% 1/25/36	12,742,322
904,041	Home Equity Asset Trust 2003-4 B2, 9.350% 10/25/33	915,342
9,395,372	Home Equity Asset Trust 2003-4 B1, 9.350% 10/25/33	9,284,225

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REGIONS MORGAN KEEGAN SELECT INTERMEDIATE BOND FUND

PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Principal Amount	Description	Value (b)
	Asset-Backed Securities–Investment Grade (continued)	
	Home Equity Loans (Non-High Loan-To-Value) (continued)	
$ 3,375,000	Lake Country Mortgage Loan Trust 2005-HE1 M8, 6.280% 12/25/32 (a)	$ 3,307,500
15,380,874	Lehman XS Notes 2006-10N1 A1, 7.250% 7/28/46 (a)	15,380,874
3,009,000	Master Asset Backed Securities Trust 2004-HE1 M11, 6.350% 9/25/34	2,866,073
2,982,000	Meritage Mortgage Loan Trust 2005-3 B2, 8.350% 1/25/36 (a)	2,415,420
1,338,243	Morgan Stanley Dean Witter Capital I 2002-NC3 B1, 5.190% 8/25/32	1,347,022
4,174,133	Morgan Stanley Home Equity Loan Notes 2006-2NA N1, 6.250% 2/25/36 (a)	4,174,133
9,000,000	Park Place Securities Inc. 2004-WCW1 M8, 8.885% 9/25/34	9,190,863
5,000,000	Park Place Securities Inc. 2005-WCW2 M9, 7.385% 7/25/35	4,650,000
1,525,805	Renaissance Home Equity Loan Trust 2003-3 M6, 6.250% 12/25/33	1,508,670
1,449,140	SB Finance Trust 2005-KS6N A1A, 4.750% 7/25/35 (a)	1,438,271
3,500,000	Soundview Home Equity Loan Trust 2005-A M11, 6.280% 4/25/35 (a)	2,800,000
8,050,000	Terwin Mortgage Trust 2005-5SL B3, 5.500% 5/25/35 (a)	7,667,625
		91,622,142
	Small Business Loans–0.6%	
4,999,691	ACLC Business Loan Receivables Trust 1999-2 B, 8.745% 1/15/21 (a)	5,029,489
	Manufactured Housing Loans–1.2%	
11,140,557	Mid-State Trust 2005-1 B, 7.758% 1/15/40	11,303,655
	Total Asset-Backed Securities–Investment Grade (cost $431,204,808)	**430,039,838**
	Asset-Backed Securities–Below Investment Grade or Unrated–2.2% of Net Assets	
	Commercial Loans–1.2%	
12,830,000	GMAC Commercial Mortgage Securities Inc. 2004-C3 H, 5.415% 12/10/41 (a)	10,919,228
	Equipment Leases–0.4%	
5,000,000	Lease Investment Flight Trust 1 A1, 5.740% 7/15/31	3,556,250
	Home Equity Loans (Non-High Loan-To-Value)–0.6%	
590,480	Aames Mortgage Trust 2001-3 B, 7.130% 11/25/31	572,766
2,589,429	Asset Backed Securities Corp. Home Equity 2003-HE1 M4, 7.720% 1/15/33	621,463
4,000,000	Merrill Lynch Mortgage Investors Inc. 2005-SL1 B5, 8.850% 6/25/35 (a)	3,340,000
1,042,074	Sharp SP I LLC Trust 2005-HE1N NB, 10.000% 2/25/35 (a)	969,128
		5,503,357

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REGIONS MORGAN KEEGAN SELECT INTERMEDIATE BOND FUND

PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Principal Amount	Description	Value (b)
	Asset-Backed Securities–Below Investment Grade or Unrated (continued)	
	Manufactured Housing Loans–0.0%	
$ 300,000	UCFC Manufactured Housing Contract 1996-1 M, Zero Coupon Bond 1/15/28	$ 118,169
	Total Asset-Backed Securities–Below Investment Grade or Unrated (cost $23,152,224)	**20,097,004**
	Corporate Bonds–Investment Grade–27.3% of Net Assets	
	Cruise Lines–0.3%	
2,654,000	Royal Caribbean Cruises Ltd., 7.250% 3/15/18	2,682,361
	Electronics–0.6%	
5,000,000	Ametek Inc., 7.200% 7/15/08	5,105,225
	Finance–4.6%	
7,000,000	ABN Amro Bank NV/London, 9.375% 11/17/09 (a)	6,930,000
8,000,000	BOI Capital Funding No. 3, 6.107% 8/29/49 (a)	7,857,896
5,000,000	Capital One Capital III, 7.686% 8/15/36	5,662,795
5,150,000	General Electric Capital Corp., 4.500% 6/27/08	5,097,001
4,000,000	SLM Corp., 6.270% 1/31/14	3,744,640
12,000,000	SunTrust Capital VIII, 6.100% 12/1/66	11,672,736
1,000,000	Wells Fargo Capital X, 5.950% 12/15/36	980,088
		41,945,156
	Hotels–0.2%	
1,500,000	Hospitality Properties Trust, 7.000% 3/1/08	1,523,802
	Insurance–4.0%	
11,475,000	AXA SA, 6.463% 12/31/49 (a)	11,329,772
17,800,000	Liberty Mutual Insurance Co, 7.697% 10/15/97 (a)	18,215,345
8,300,000	Principal Life Income Funding Trust, 3.460% 3/1/12	7,454,396
		36,999,513
	Materials–2.7%	
5,000,000	Ispat Inland ULC, 9.750% 4/1/14	5,587,500
17,000,000	Stanley Works Capital Trust I, 5.902% 12/1/45	15,982,023
3,500,000	The Home Depot Inc., 5.400% 3/1/16	3,423,161
		24,992,684
	Medical–0.9%	
3,250,000	Millipore Corp., 7.500% 4/1/07	3,261,268
5,000,000	Universal Health Services Inc., 7.125% 6/30/16	5,222,285
		8,483,553
	Retail–0.6%	
5,550,000	Autozone Inc., 4.750% 11/15/10	5,397,125

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Regions Morgan Keegan Select Intermediate Bond Fund

Portfolio of Investments

December 31, 2006 (Unaudited)

Principal Amount	Description	Value (b)
	Corporate Bonds–Investment Grade (continued)	
	Special Purpose Entities–13.0%	
$ 2,000,000	C10 Capital SPV Ltd., 6.722% 12/31/49 (a)	$ 1,978,140
10,000,000	Duane Park I Ltd., 7.500% 6/27/16 (a)	10,000,000
7,500,000	Hybrid Capital, 8.000% 4/29/49	7,623,900
13,000,000	ILFC E-Capital Trust I, 5.900% 12/21/65 (a)	13,134,628
5,000,000	InCaps Funding I Ltd., 7.400% 6/1/33 (a)	4,900,000
12,500,000	JP Morgan Chase Capital XX, 6.550% 9/29/36	12,907,588
12,000,000	Mangrove Bay Pass-Through Trust, 6.102% 7/15/33 (a)	11,705,280
4,975,224	Muzinich CBO II Ltd., 7.150% 10/15/13 (a)	5,171,149
482,507	MMCaps Funding I Ltd., 8.030% 6/15/31 (a)	537,518
2,000,000	North Street 2000-1 Ltd., 5.826% 7/30/10 (a)	1,860,000
130,000	Preferred Pass-Through Trust 2006, Zero Coupon Bond 12/1/26 (a)	13,065,000
4,000,000	Preferred Term Securities, 6.690% 12/11/32 (a)	4,130,000
1,500,000	Preferred Term Securities XXI, 6.450% 9/22/36 (a)	1,500,000
6,000,000	Pyxis Master Trust 2006-7, 10.326% 10/1/37 (a)	6,000,000
3,000,000	Racers, 8.507% 10/15/13	2,988,750
6,000,000	Rally CDO Ltd., 5.020% 3/30/10 (a)	5,970,000
15,355,000	Two-Rock Pass Through Trust, 5.680% 12/31/49 (a)	15,108,859
		118,580,812
	Technology–0.2%	
2,000,000	NCR Corp., 7.125% 6/15/09	2,051,148
	Telecommunications–0.2%	
1,500,000	Telecom Italia Capital SA, 7.200% 7/18/36	1,567,077
	Total Corporate Bonds–Investment Grade (cost $250,776,733)	**249,328,456**
	Corporate Bonds–Below Investment Grade or Unrated–2.1% of Net Assets	
	Consumer Goods–0.5%	
5,000,000	Deluxe Corp., 5.000% 12/15/12	4,337,500
	Finance–0.8%	
3,250,000	First National Bank of Omaha, 7.320% 12/1/10	3,268,073
4,000,000	Ford Motor Credit Co, 6.625% 6/16/08	3,997,272
		7,265,345
	Materials–0.6%	
750,000	Mueller Industries Inc., 6.000% 11/1/14	698,438
4,910,000	Sappi Papier Holding AG, 6.750% 6/15/12 (a)	4,896,949
		5,595,387

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REGIONS MORGAN KEEGAN SELECT INTERMEDIATE BOND FUND

PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Principal Amount	Description	Value (b)
	Corporate Bonds–Below Investment Grade or Unrated (continued)	
	Special Purpose Entities–0.2%	
$ 536,607	CA FM Lease Trust, 8.500% 7/15/17 (a)	$ 575,505
1,000,000	Pyxis Master Trust 2006-8, 10.326% 10/1/37 (a)	1,000,000
		1,575,505
	Total Corporate Bonds–Below Investment Grade or Unrated (cost $18,996,989)	**18,773,737**
	Mortgage-Backed Securities–Investment Grade–13.9% of Net Assets	
	Collateralized Mortgage Obligations–13.9%	
4,906,344	Countrywide Alternative Loan Trust 2005-24 1B2, 5.751% 7/20/35	4,654,893
10,965,197	Countrywide Alternative Loan Trust 2005-58 B2, 6.526% 12/20/35	10,910,371
2,998,353	Countrywide Alternative Loan Trust 2005-82 B2, 7.330% 2/25/36	3,047,346
12,000,000	Countrywide Alternative Loan Trust 2006-6CB 1A5, 5.500% 5/25/36	11,327,316
	Harborview Mortgage Loan Trust 2003-2 1X, 1.516% 10/19/33 interest-only strips	183,129
	Harborview Mortgage Loan Trust 2004-1 X, 1.473% 4/19/34 interest-only strips	121,606
	Harborview Mortgage Loan Trust 2004-8 X, 0.949% 11/19/34 interest-only strips	547,093
7,908,408	Harborview Mortgage Loan Trust 2006-4 B10, 6.750% 5/19/47	6,703,641
8,811,924	Impac Secured Assets CMN Owner Trust 2005-1 B3, 5.687% 7/25/35	8,976,619
15,953,000	Lehman Mortgage Trust 2006-6 4A16, 6.000% 12/25/36	15,952,841
	Mellon Residential Funding Corp. 2004-TBC1 X, 0.568% 2/26/34 interest-only strips (a)	586,360
14,500,000	Park Place Securities Inc. 2005-WHQ2 M11, 7.824% 5/25/35	13,455,710
9,754,000	Residential Funding Mortgage Securities I 2006-S6 A10, 6.000% 7/25/36	9,783,164
1,674,900	SACO I Inc. 2000-3A 1B3, 7.777% 9/25/40 (a)	1,669,455
184,128	Sail Notes 2004-5A B, 6.750% 6/27/34 (a)	184,588
214,428	Salomon Brothers Mortgage Securities VII Inc. 2000-1 B1, 9.000% 3/25/22	213,598
12,000,000	Structured Adjustable Rate Mortgage Loan Trust 2006-3 3A2, 5.750% 4/25/36	12,179,472
11,009,000	Structured Adjustable Rate Mortgage Loan Trust 2006-8 4A2, 6.000% 9/25/36	11,021,220
610,747	Structured Asset Securities Corp. 1999-SP1 B, 9.000% 5/25/29	606,706
	Washington Mutual Alternative Mortgage Pass-Through Certificates 2006-AR7 X2PP, 0.960% 9/25/46 interest-only strips	3,976,990
11,000,000	Wells Fargo Mortgage Backed Securities Trust 2006-11 A18, 6.000% 9/25/36	10,885,952
	Total Mortgage-Backed Securities–Investment Grade (cost $128,276,504)	**126,988,070**

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REGIONS MORGAN KEEGAN SELECT INTERMEDIATE BOND FUND

PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Principal Amount/ Shares	Description	Value (b)
	Mortgage-Backed Securities–Below Investment Grade Or Unrated–0.4% of Net Assets	
	Collateralized Mortgage Obligations–0.4%	
$ 3,725,000	Sasco Trust 2003-BC2 N3, 10.000% 2/27/33 (a)	$ 3,371,125
	Total Mortgage-Backed Securities–Below Investment Grade or Unrated (cost $3,614,552)	**3,371,125**
	Government & Agency Securities–1.7% of Net Assets	
1,500,000	Federal Home Loan Bank System, Zero Coupon Bond 3/16/20	1,134,375
	Fannie Mae-Aces 1997-M6, 0.757% 3/17/37 interest-only strips (c)	311,040
	Fannie Mae-Aces 1999-M3, 0.792% 6/25/38 interest-only strips (c)	661,320
172,572	Small Business Administration Participation Certificates 1994-20J 1, 8.300% 10/1/14	181,805
117,696	Small Business Administration Participation Certificates 1997-20D 1, 7.500% 4/1/17	122,971
74,432	Small Business Administration Participation Certificates 2000-20B 1, 7.730% 2/1/20	79,142
118,385	Small Business Administration Participation Certificates 2000-20D 1, 7.470% 4/1/20	124,789
1,874,788	Small Business Administration Participation Certificates 2001-20J 1, 5.760% 10/1/21	1,911,058
6,533,207	Small Business Administration Participation Certificates 2003-20E 1, 4.640% 5/1/23	6,354,008
547,499	Small Business Administration 2001-P10B 1, 6.344% 8/1/11	564,572
1,132,834	Small Business Administration 2002-P10A 1, 6.030% 2/1/12	1,127,170
1,153,063	Small Business Administration 2003-P10A 1, 4.524% 2/10/13	1,132,884
1,828,964	Small Business Administration 2004-P10A 1, 4.504% 2/1/14	1,719,225
	Total Government & Agency Securities (cost $17,791,366)	**15,424,359**
	U.S. Treasury Obligations–2.2% of Net Assets	
8,500,000	United States Treasury Bill, 4.760% 1/4/07	8,496,919
11,500,000	United States Treasury Bill, 4.760% 1/11/07	11,485,944
	Total U.S. Treasury Obligations (cost $19,982,863)	**19,982,863**
	Preferred Stocks–1.2% of Net Assets	
400,000	Preferred Pass-Through Trust 2006-B BAC B (a)	10,760,000
	Total Preferred Stocks (cost $10,760,000)	**10,760,000**
	Eurodollar Time Deposits–1.2% of Net Assets	
	State Street Bank & Trust Company Eurodollar time deposits dated December 29, 2006, 4.050%, maturing at $11,295,642 on January 2, 2007.	11,290,561

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REGIONS MORGAN KEEGAN SELECT INTERMEDIATE BOND FUND

PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Description	Value (b)
Repurchase Agreement–3.3% of Net Assets	
Repurchase agreement with Morgan Stanley, 4.800%, dated December 29, 2006 to be repurchased at $30,600,000 on January 2, 2007, collaterized by a $30,606,515 U.S. Treasury note with maturity of February 15, 2019.	$ 30,000,000
Total Investments–102.4% of Net Assets (cost $945,846,600)	**936,056,013**
Other Assets and Liabilities, net–(2.4)% of Net Assets	**(22,261,966)**
Net Assets	**$ 913,794,047**

(a) These securities are sold within the terms of a private placement memorandum, are exempt from registration under Rule 144A under the Securities Act of 1933, as amended, and may be resold in transactions exempt from registration, normally to qualified institutional buyers. Pursuant to valuation policies and procedures adopted by the Board of Directors, these issues have been determined to be liquid by Morgan Asset Management, Inc., the Fund's investment adviser.

(b) See Note 2 of accompanying Notes to Financial Statements regarding investment valuations.

(c) The issuer is a publicly-traded company that operates under a congressional charter; its securities are neither issued nor guaranteed by the U.S. government.

The Notes to the Financial Statements are an integral part of, and should be read in conjunction with, the Financial Statements.

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REGIONS MORGAN KEEGAN SELECT HIGH INCOME FUND

OBJECTIVE & STRATEGY

Regions Morgan Keegan Select High Income Fund seeks a high level of income by investing in below investment grade bonds (commonly referred to as "junk bonds"). The Fund seeks capital growth as a secondary objective when consistent with the Fund's primary objective. The Fund generally invests primarily in below investment-grade bonds. Except with respect to up to 10% of its total assets, these debt securities will be rated, at the time of purchase, CCC- or higher (or a comparable rating) by at least one nationally recognized statistical rating organization or, if unrated, determined by the Fund's investment adviser to be of comparable quality. The Fund may also invest in investment grade bonds. The types of securities the Fund may purchase include corporate bonds, mortgage-backed and asset-backed securities and other structured finance vehicles, convertible debt securities, U.S. government securities and municipal and foreign government obligations. The Fund may invest up to 15% of its total assets in foreign debt and foreign equity securities and up to 25% of its total assets in domestic equity securities, including common and preferred stocks. Such securities may include common stocks of real estate investment trusts and utilities. The average effective maturity of the Fund's portfolio will generally be between three and fifteen years. The Fund is closed to new investors.

INVESTMENT RISKS: Bond funds tend to experience smaller fluctuations in value than stock funds. However, investors in any bond fund should anticipate fluctuations in price. Bond prices and the value of bond funds decline as interest rates rise. Funds with longer-term maturities generally are more vulnerable to interest rate risk than funds with shorter-term maturities. Below investment grade debt securities are considered speculative with respect to an issuer's capacity to pay interest and repay principal and are susceptible to default or decline in market value due to adverse economic and business developments. An economic downturn or period of rising interest rates could adversely affect the ability of issuers, especially issuers of below investment grade debt, to service primary obligations and an unanticipated default could cause the Fund to experience a reduction in value of its shares.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

For the six months ended December 31, 2006, Regions Morgan Keegan Select High Income Fund's Class A Shares had a total return of 5.16%, based on net asset value. The Fund's six month total return underperformed the Lehman Brothers Ba U.S. High Yield Index[1] total return of 8.06% during the same period. The Fund's Class A Shares paid $0.50 per share in distributions from net investment income and $0.07 per share in distributions from capital gains during the six months ended December 31, 2006.

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REGIONS MORGAN KEEGAN SELECT HIGH INCOME FUND

During the period, corporate high yield debt and common stocks were the best performing asset categories. Credit spreads (the yield premium required for risky assets over riskless assets such as U.S. Treasuries) contracted, or shrank significantly in the corporate sector providing meaningful outperformance for corporate securities. In the asset-backed sector, however, concerns over the slow down in housing and real estate in general caused credit spreads to expand, especially in the subprime home equity sector, and acted to depress overall performance from our portfolio of mortgage-related securities. Asset-backed bonds secured by aircraft leases, medical equipment leases and ship leases continued to perform very well.

During the period we have made substantial allocation shifts away from home equity loans and into collateralized loan obligations focusing specifically on packages of senior secured corporate loans, issued by both domestic and international companies. Further allocation shifts will focus on moving out of some floating rate assets and into more fixed rate assets as we expect economic growth to show further weakness in the 2nd and 3rd quarters, which should lead to an eventual lowering of short-term rates by the Federal Reserve Board in 2007.

James C. Kelsoe, Jr., CFA
Senior Portfolio Manager
Morgan Asset Management, Inc.

Market forecasts provided in this report may not necessarily come to pass. There is no assurance that the Fund will achieve its investment objectives. These views are subject to change at any time based upon market or other conditions, and Morgan Asset Management, Inc. disclaims any responsibility to update such views. The Fund is subject to market risk, which is the possibility that the market values of securities owned by the Fund will decline and, therefore, the value of the Fund's shares may be less than what you paid for them. Accordingly, you can lose money investing in the Fund.

INDEX DESCRIPTION

(1) *The Lehman Brothers Ba U.S. High Yield Index is a broad-based unmanaged index of Ba fixed rate, non-investment grade debt. All bonds included in the High Yield Index must be dollar-denominated, nonconvertible, have at least one year remaining to maturity, and an outstanding par value of at least $150 million. The index is unmanaged and, unlike the Fund, is not affected by cashflows or trading and other expenses. It is not possible to invest directly in an index.*

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REGIONS MORGAN KEEGAN SELECT HIGH INCOME FUND

PORTFOLIO STATISTICS†

AS OF DECEMBER 31, 2006

Average Credit Quality	BB-
Current Yield.	10.29%
Yield to Maturity	11.87%
Duration	4.47 Years
Average Effective Maturity	5.96 Years
Total Number of Holdings	314

† *The Fund's composition is subject to change.*

CREDIT QUALITY†

AS OF DECEMBER 31, 2006

	% OF TOTAL INVESTMENTS		% OF TOTAL INVESTMENTS
AAA	3.8%	B	16.2%
A	0.1%	CCC	14.4%
BBB	10.6%	CC	2.0%
BB	29.8%	D	0.6%
		Not Rated	22.5%
		Total	100.0%

† *The Fund's composition is subject to change.*

ASSET ALLOCATION†

AS OF DECEMBER 31, 2006

	% OF TOTAL INVESTMENTS
Corporate Bonds	30.3%
Collateralized Mortgage Obligations	16.5%
Collateralized Debt Obligations	15.4%
Equipment Leases	9.1%
Home Equity Loans	9.0%
Common Stocks	8.2%
Preferred Stocks	3.7%
Collateralized Loan Obligations	2.6%
Short-Term Investments	2.0%
Certificate-Backed Obligations	1.3%
Franchise Loans	0.8%
Corporate Loans	0.5%
Commercial Loans	0.5%
Other	0.1%

† *The Fund's composition is subject to change.*

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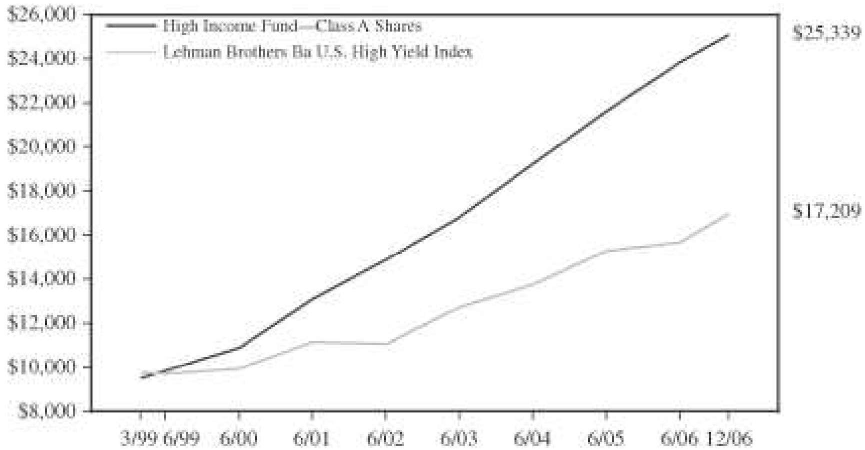
REGIONS MORGAN KEEGAN SELECT HIGH INCOME FUND

GROWTH OF A $10,000 INVESTMENT

CLASS A SHARES

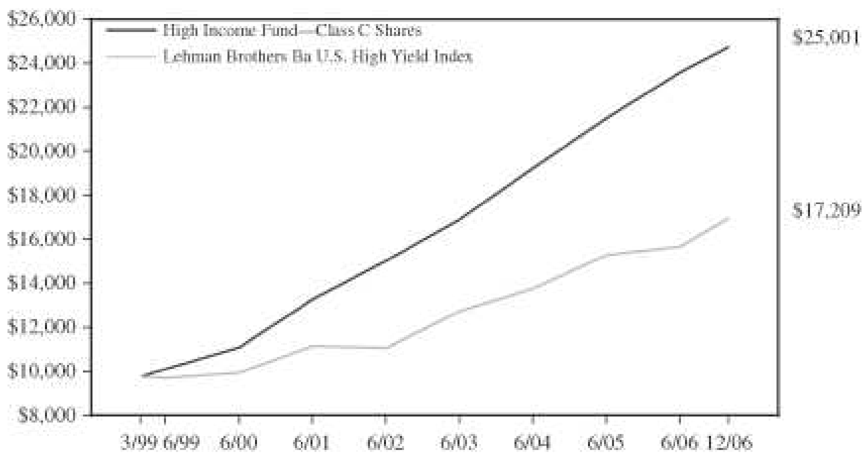
The graph below illustrates a hypothetical investment of $10,000 in Regions Morgan Keegan Select High Income Fund—Class A Shares from the commencement of investment operations on March 22, 1999 to December 31, 2006 compared to the Lehman Brothers Ba U.S. High Yield Index(1).



GROWTH OF A $10,000 INVESTMENT

CLASS C SHARES

The graph below illustrates a hypothetical investment of $10,000 in Regions Morgan Keegan Select High Income Fund—Class C Shares from the commencement of investment operations on March 22, 1999 to December 31, 2006 compared to the Lehman Brothers Ba U.S. High Yield Index(1).



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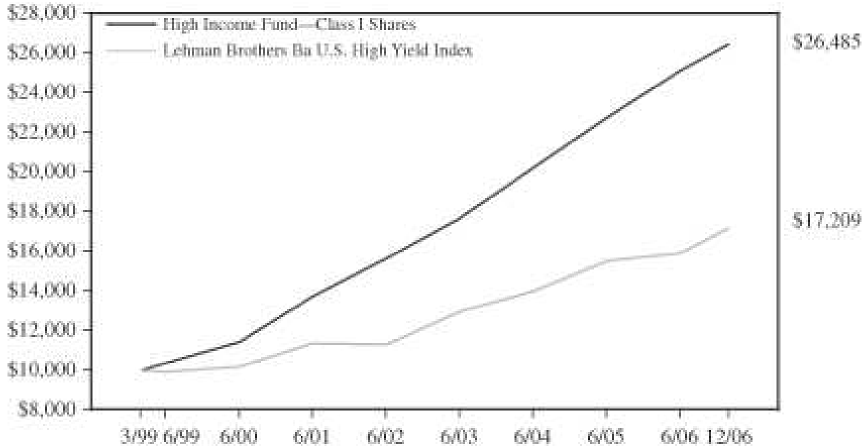
REGIONS MORGAN KEEGAN SELECT HIGH INCOME FUND

GROWTH OF A $10,000 INVESTMENT

CLASS I SHARES

The graph below illustrates a hypothetical investment of $10,000 in Regions Morgan Keegan Select High Income Fund—Class I Shares from the commencement of investment operations on March 22, 1999 to December 31, 2006 compared to the Lehman Brothers Ba U.S. High Yield Index[(1)].



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REGIONS MORGAN KEEGAN SELECT HIGH INCOME FUND

PERFORMANCE INFORMATION

AVERAGE ANNUAL TOTAL RETURNS

AS OF DECEMBER 31, 2006	SIX MONTHS*	1 YEAR	5 YEAR	COMMENCEMENT OF INVESTMENT OPERATIONS(2)
CLASS A SHARES**	2.53%	8.33%	11.58%	12.68%
(EXCLUDING SALES LOAD)	5.16%	11.11%	12.15%	13.05%
CLASS C SHARES***	3.85%	9.45%	11.59%	12.49%
(EXCLUDING CDSC)	4.90%	10.55%	11.59%	12.49%
CLASS I SHARES	5.29%	11.38%	12.42%	13.32%
LEHMAN BROTHERS BA U.S. HIGH YIELD INDEX(1)	8.06%	10.07%	7.89%	N/A

* *Not annualized for periods less than one year.*
** *Reflects the maximum sales load of 2.50%.*
*** *Reflects the maximum contingent deferred sales charge (CDSC) of 1.00% for shares redeemed within one year of purchase.*

(1) *The Lehman Brothers Ba U.S. High Yield Index is a broad-based unmanaged index of Ba fixed rate, non-investment grade debt. All bonds included in the High Yield Index must be dollar-denominated, nonconvertible, have at least one year remaining to maturity, and an outstanding par value of at least $150 million. The index is unmanaged and, unlike the Fund, is not affected by cashflows or trading and other expenses. It is not possible to invest directly in an index.*

(2) *The Fund's Class A Shares, Class C Shares and Class I Shares commenced investment operations on March 22, 1999.*

Performance data quoted represents past performance which is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Fund performance changes over time and current performance may be lower or higher than what is stated. For the most recent performance, call toll-free 800-564-2188. The Fund's performance results are shown on a total return basis and include the reinvestment of all dividends and capital gain distributions in the Fund. Returns shown in the chart and table above do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Mutual funds are not bank deposits or obligations, are not guaranteed by any bank and are not insured or guaranteed by the U.S. government, the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency. Investment in mutual funds involves investment risk, including the possible loss of principal.

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REGIONS MORGAN KEEGAN SELECT HIGH INCOME FUND

PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Principal Amount	Description	Value (b)
	Asset-Backed Securities–Investment Grade–2.9% of Net Assets	
	Collateralized Debt Obligations ("CDO")–2.3%	
$ 5,000,000	Palmer Square PLC 2A CN, 5.965% 11/2/45 (a)	$ 4,950,000
10,000,000	Taberna Preferred Funding, Ltd. 2006-6A, 6.100% 12/5/36 (a)	9,944,000
10,000,000	Taberna Preferred Funding, Ltd. 2006-7A C1, Zero Coupon Bond 2/5/37 (a)	9,840,000
4,328,000	Trapeza CDO I LLC 2006-10A, 6.700% 6/6/41	3,981,760
		28,715,760
	Commercial Loans–0.1%	
	Asset Securitization 1996-D2 ACS2, 1.176% 2/14/29 interest-only strips	38,668
	Home Equity Loans (Non-High Loan-To-Value)–0.5%	
4,250,000	Countrywide Asset-Backed Certificates 2006-SPS1, 7.000% 12/25/25	3,620,958
4,000,000	Soundview Home Equity Loan Trust 2005-A B1, 8.350% 4/25/35 (a)	3,200,000
		6,820,958
	Total Asset-Backed Securities–Investment Grade (cost $36,011,215)	**35,575,386**
	Asset-Backed Securities–Below Investment Grade or Unrated–35.8% of Net Assets	
	Certificate-Backed Obligations ("CBO")–1.3%	
4,454,180	Antares Funding LP, 13.413% 12/14/11 (a)	4,765,972
6,500,000	Eirles Two Limited 262, 10.870% 8/3/21	6,500,000
4,700,000	Eirles Two Limited 263, 13.370% 8/3/21	4,700,000
340,588	Seneca CBO III Ltd., Zero Coupon Bond 12/12/12 (a)	204,353
		16,170,325
	Collateralized Debt Obligations ("CDO")–13.0%	
5,000,000	Acacia CDO, Ltd. 10A, 3.700% 9/7/46 (a)	2,280,500
11,000,000	Aladdin CDO 2006-3A, 10.365% 10/31/13 (a)	5,170,000
4,250,000	Alesco Preferred Funding Ltd. 13A I, Zero Coupon Bond 9/23/37	4,098,913
3,500,000	Attentus CDO Ltd. 2006-2A, Zero Coupon Bond 10/9/41	3,202,500
8,000,000	Attentus CDO Ltd. 2006-2A, Zero Coupon Bond 10/9/41	7,776,000
10,550,000	Commodore 1A C, 8.120% 2/28/37 (a)	4,958,500
7,000,000	Dillon Read CMBS CDO Ltd. 2006-1A, Zero Coupon Bond 12/5/46 (a)	6,118,910
9,000,000	Diversified Asset Securitization Holdings 2 1A B1, 9.712% 9/15/35 (a)	4,770,000
7,000,000	Dryden Leveraged Loan CDO 2005-9A DFN, Zero Coupon Bond 9/20/19	5,950,000
7,000,000	Equinox Funding 1A D, 12.276% 11/15/12 (a)	3,850,000
4,000,000	Grand Avenue CDO 2005-1A E2 , 10.500% 4/5/46 (a)	4,000,000

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Regions Morgan Keegan Select High Income Fund

Portfolio of Investments

December 31, 2006 (Unaudited)

Principal Amount	Description	Value (b)
	Asset-Backed Securities–Below Investment Grade or Unrated (continued)	
	Collateralized Debt Obligations ("CDO") (continued)	
$ 2,000,000	801 Grand CDO 06-1 LLC, 11.390% 9/20/16 (a)	$ 1,985,000
10,000,000	Global Leveraged Capital Credit Opportunity Fund 2006-1A, Zero Coupon Bond 12/20/18 (a)	10,000,000
7,000,000	GSC Partners CDO Fund Ltd. 2006-7A, 5.074% 5/25/20 (a)	7,122,500
5,792,326	Hewett's Island 2004-1A, 12.390% 12/15/16	5,589,594
3,000,000	IXIS ABS CDO 1 Ltd., Zero Coupon Bond 12/12/46 (a)	2,340,000
5,000,000	Jazz CDO BV III-A EB, 10.713% 9/26/14 (a)	5,000,000
37,000,000	Kenmore Street Synthetic CDO 2006-1A, 10.365% 4/30/14 (a)	17,390,000
5,500,000	Kleros Preferred Funding Ltd. 2006-5A, 10.000% 1/10/50 (a)	5,060,000
3,249,471	Knollwood CDO Ltd. 2006-2A E, 11.373% 7/13/46 (a)	3,249,471
5,250,000	Knollwood CDO Ltd. 2006-2A SN, 15.000% 7/13/46	4,830,000
10,000,000	Kodiak CDO 2006-1A, 3.712% 8/7/37 (a)	9,250,000
9,500,000	OFSI Fund 2006-1A, 2.000% 9/20/19 (a)	9,600,700
4,743,627	Peritus I CDO Ltd. 2005-1A C, 9.000% 5/24/15 (a)	4,634,239
7,450,000	Silver Elms CDO PLC 2006-1A E, 10.000% 12/22/51	6,816,750
2,000,000	Trapeza CDO I LLC 2006-11A F, 10.361% 10/10/41	2,000,000
2,000,000	Trapeza CDO I LLC 2006-11A, Zero Coupon Bond 10/10/41	1,920,000
8,000,000	Tropic CDO Corp. 2006-5A C1, Zero Coupon Bond 7/15/36	7,576,000
6,000,000	Veritas 2006-2A, 15.000% 7/11/21 (a)	5,760,000
		162,299,577
	Collateralized Loan Obligations ("CLO")–2.6%	
8,000,000	Babson CLO Ltd. 2005-2A, Zero Coupon Bond 7/20/19	7,545,040
3,400,000	Latitude CLO Ltd. 2005-1X, 8.200% 12/15/17	3,157,750
4,000,000	Ocean Trails CLO 2006-1A, Zero Coupon Bond 10/12/20	3,860,000
4,000,000	Rosedale CLO Ltd. I-A II, 5.146% 7/26/21 (a)	3,840,000
4,500,000	Stanfield Bristol CLO, Ltd., Zero Coupon Bond 10/15/19 (a)	4,275,000
10,000,000	Telos CLO Ltd. 2006-1A, Zero Coupon Bond 10/11/21 (a)	9,850,000
		32,527,790
	Commercial Loans–0.5%	
10,000,000	Merrill Lynch Mortgage Investors Inc. 1998-C1 F, 6.250% 11/15/26	6,101,600
	Equipment Leases–9.1%	
2,683,585	Aerco Limited 1X B1, 5.950% 7/15/23	1,751,227
12,509,195	Aerco Limited 2A B2, 6.400% 7/15/25 (a)	6,254,598
17,952,055	Aerco Limited 1X C1, 6.700% 7/15/23	7,046,182
21,885,203	Aerco Limited 2A C2, 7.400% 7/15/25 (a)	7,659,821
49,500,000	Aircraft Finance Trust 1999-1A A1, 5.830% 5/15/24 (a)	35,021,250
18,000,000	Airplanes Pass Through Trust 2001-1A A9, 5.900% 3/15/19	11,722,500
1,609,523	DVI Receivables 2001-2 A3, 3.519% 11/11/09	1,158,856
3,092,174	DVI Receivables 2001-2 A4, 4.613% 11/11/09	2,288,209
14,039,212	DVI Receivables 2002-1 A3A, 5.800% 6/11/10	7,510,978

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REGIONS MORGAN KEEGAN SELECT HIGH INCOME FUND

PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Principal Amount	Description	Value (b)
	Asset-Backed Securities–Below Investment Grade or Unrated (continued)	
	Equipment Leases (continued)	
$ 21,075,000	Lease Investment Flight Trust 1 A1, 5.740% 7/15/31	$ 14,989,594
29,000,000	Pegasus Aviation Lease 2001-1A A1, 5.830% 5/10/31 (a)	17,907,500
10,552,752	Pegasus Aviation Lease 2001-1A B1, 6.850% 5/10/31 (a)	316,583
3,517,584	Pegasus Aviation Lease 2001-1A B2, 7.270% 5/10/31 (a)	105,528
		113,732,826
	Franchise Loans–0.8%	
3,679,000	Falcon Franchise Loan 2000-1 F, 6.500% 11/5/17 (a)	2,210,785
2,809,000	Falcon Franchise Loan 2001-1 E, 6.500% 1/5/23	1,851,805
2,000,000	Falcon Franchise Loan 2001-1 F, 6.500% 1/5/23	1,009,020
6,348,000	Falcon Franchise Loan 2003-1 F, 6.000% 1/5/25 (a)	3,242,939
	FMAC Receivables Loan Trust 1996-B AX, 2.862% 11/15/18 interest-only strips (a)	1,759,427
		10,073,976
	Home Equity Loans (Non-High Loan-To-Value)–8.4%	
5,645,000	ACE Securities Corp. 2005-HE6 B1, 8.350% 10/25/35 (a)	4,315,151
3,000,000	ACE Securities Corp. 2005-HE2 B1, 8.600% 4/25/35 (a)	2,385,000
713,635	Ameriquest Mortgage 2003-8 MV6, 8.541% 10/25/33	710,034
3,292,000	Asset Backed Securities Corp. Home Equity 2005-HE4 M12, 7.850% 5/25/35 (a)	2,843,465
6,000,000	Asset Backed Securities Corp. Home Equity 2005-HE5 M12, 8.350% 6/25/35 (a)	4,909,100
3,365,000	Asset Backed Securities Corp. Home Equity 2006-HE4 M9, 7.850% 5/25/36 (a)	3,009,050
350,258	Conseco Finance 2001-C B2, 9.350% 8/15/33	343,151
1,275,000	Equifirst Mortgage 2005-1 B3, 6.707% 4/25/35 (a)	1,048,688
3,620,500	Fremont Trust 2005-2 N3, 7.500% 6/25/35 (a)	3,258,450
4,786,000	GSAMP Trust 2006-S1 B2, 7.900% 11/25/35 (a)	4,098,012
8,401,000	GSAMP Trust 2006-S3 B2, 7.000% 5/25/36 (a)	7,031,217
4,000,000	Home Equity Asset Trust 2005-6 B4, 8.350% 12/25/35 (a)	3,315,000
4,435,000	Master Asset Backed Securities Trust 2005-FRE1 M10, 7.850% 10/25/35 (a)	3,592,350
1,606,227	Master Trust 2004-CI4 N2, 9.000% 4/26/34 (a)	1,558,040
4,139,000	Merrill Lynch Mortgage Investors Inc. 2005-SL1 B5, 8.850% 6/25/35 (a)	3,456,065
6,082,000	Structured Asset Securities Corporation 2005-S6 B3, 7.850% 11/25/35 (a)	5,040,457
7,156,547	Terwin Mortgage 2005-11SL B7, 5.000% 11/25/36 (a)	5,653,672
	Terwin Mortgage 2005-3SL B6, 11.500% 3/25/35 interest-only strips	1,106,684
8,000,504	Terwin Mortgage 2005-7SL, 6.001% 7/25/35 (a)	6,680,421
15,000,000	Terwin Mortgage 2005-R1, 5.000% 12/28/36 (a)	11,137,500

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Regions Morgan Keegan Select High Income Fund

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December 31, 2006 (Unaudited)

Principal Amount	Description	Value (b)
	Asset-Backed Securities–Below Investment Grade or Unrated (continued)	
	Home Equity Loans (Non-High Loan-To-Value) (continued)	
$ 10,000,000	Terwin Mortgage 2006-1 2B5, 5.000% 1/25/37 (a)	$ 7,700,000
12,799,000	Terwin Mortgage 2006-R2 A, 2.351% 12/25/36 (a)	10,838,705
13,512,500	Terwin Mortgage 2006-R3, 6.290% 6/26/37 (a)	11,249,156
		105,279,368
	Recreational Equipment–0.1%	
759,454	Green Tree Recreational Equipment 1996-C CTFS, 7.650% 10/15/17	735,611
	Total Asset-Backed Securities–Below Investment Grade or Unrated (cost $467,738,335)	**446,921,073**
	Corporate Bonds–Investment Grade–1.0% of Net Assets	
	Finance–0.1%	
2,000,000	ABN Amro Bank NV/London, 9.873% 11/17/09 (a)	1,980,000
	Special Purpose Entities–0.9%	
5,000,000	Lincoln Park Referenced Linked Notes 2001-1 Ltd., 8.796% 7/30/2031 (a)	4,450,000
6,375,000	Pyxis Master Trust 2006-7, 10.326% 10/1/37 (a)	6,375,000
		10,825,000
	Total Corporate Bonds–Investment Grade (cost $12,812,540)	**12,805,000**
	Corporate Bonds–Below Investment Grade or Unrated–29.0% of Net Assets	
	Automotives–2.1%	
4,700,000	Cooper Standard Auto, 8.375% 12/15/14	3,701,250
3,325,000	Dana Corporation, Zero Coupon Bond 3/15/10 in default (c)	2,535,313
4,700,000	Dana Corporation, Zero Coupon Bond 1/15/15 in default (c)	3,360,500
5,750,000	Dura Operating, Zero Coupon Bond 4/15/12 in default (c)	1,955,000
5,475,000	Ford Motor, 7.450% 7/16/31	4,297,875
575,000	Ford Motor, 9.980% 2/15/47	503,125
1,650,000	General Motors, 8.375% 7/15/33	1,526,250
8,075,000	Metaldyne Corp., 11.000% 6/15/12	8,276,875
		26,156,188
	Business Services–1.5%	
3,125,000	Comforce Operating, 12.000% 12/1/07	3,179,688
8,000,000	Continental Global, 9.000% 10/1/08	7,755,840
90,000	Danka Business, 11.000% 6/15/10	91,800
6,850,000	MSX International, 11.000% 10/15/07	6,576,000
1,875,000	MSX International, 11.375% 1/15/08	1,504,275
		19,107,603

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Principal Amount	Description	Value (b)
	Corporate Bonds–Below Investment Grade or Unrated (continued)	
	Electronics–0.1%	
$ 1,475,000	Stoneridge Inc., 11.500% 5/1/12	$ 1,519,250
	Energy–1.3%	
625,000	Neptune Marine Invest, 10.920% 9/7/09 (a)	637,500
11,075,000	Paramount Resources Ltd., 8.500% 1/31/13*	10,991,937
4,225,000	Tristan Oil Ltd., 10.500% 1/1/12 (a)	4,225,000
		15,854,437
	Entertainment–0.3%	
4,125,000	Six Flags Inc., 9.625% 6/1/14	3,825,937
	Finance–0.9%	
2,000,000	ABN Amro Bank NV/London, 19.223% 11/17/09 (a)	1,980,000
6,749,000	Advanta Capital Trust I, 8.990% 12/17/26	6,883,980
2,450,000	Altra Industrial Motion, 9.750% 12/1/11	2,499,000
		11,362,980
	Food–0.7%	
4,175,000	Eurofresh Inc., 11.500% 1/15/13 (a)	3,872,313
7,075,000	Merisant, 9.500% 7/15/13	4,209,625
925,000	Mrs. Fields Famous Brands LLC/Mrs. Fields Financing Co. Inc., 11.500% 3/15/11	698,375
		8,780,313
	Forestry–0.3%	
4,250,000	Millar Western, 7.750% 11/15/13	3,814,375
	Health Care–0.6%	
2,375,000	Healthsouth Corp., 11.354% 6/15/14 (a)	2,529,375
11,275,000	Insight Health, 9.875% 11/1/11	2,649,625
3,445,000	Interactive Health LLC, 7.250% 4/1/11 (a)	2,420,112
		7,599,112
	Investment Companies–0.2%	
2,000,000	Regional Diversified Funding, 10.000% 1/25/36 (a)	2,010,000
	Manufacturing–10.7%	
6,975,000	Advanced Lighting Technologies, 11.000% 3/31/09	6,940,125
2,925,000	Ames True Temper, 10.000% 7/15/12	2,691,000
6,325,000	AmeriCast Technologies Inc., 11.000% 12/1/14 (a)	6,325,000
11,325,000	BGF Industries, 10.250% 1/15/09	11,013,563
4,875,000	Coleman Cable Inc., 9.875% 10/1/12	4,984,688
8,915,000	Consolidated Container, 10.125% 7/15/09	8,825,850
1,725,000	Constar International, 11.000% 12/1/12	1,595,625
2,100,000	Corp Durango SA, 8.500% 12/31/12	2,065,875
10,275,000	Edgan Acquisition Company, 9.875% 2/1/11	10,480,500

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DECEMBER 31, 2006 (UNAUDITED)

Principal Amount	Description	Value (b)
	Corporate Bonds–Below Investment Grade or Unrated (continued)	
	Manufacturing (continued)	
$ 7,100,000	Elgin National Industries, 11.000% 11/1/07	$ 7,024,314
3,825,000	FMG Finance, 10.625% 9/1/16 (a)	4,102,312
8,725,000	GSI Group, 12.000% 5/15/13	9,423,000
3,883,000	Home Products International, Zero Coupon Bond 5/15/08	1,553,200
7,535,000	IMAX Corp., 9.625% 12/1/10	6,433,006
7,825,000	JB Poindexter, 8.750% 3/15/14	6,651,250
8,450,000	Maax Corp., 9.750% 6/15/12	6,591,000
3,050,000	Ply Gem Industries Inc., 9.000% 2/15/12	2,592,500
8,853,000	Rafaella Apparel, 11.250% 6/15/11 (a)	9,030,060
3,600,000	Spectrum Brands, 8.500% 10/1/13	3,366,000
3,675,000	Tech Olympic USA, Inc., 10.375% 7/1/12	3,307,500
3,560,000	Terphane Holding Corp., 12.500% 6/15/09 (a)	3,560,000
2,700,000	Trimas Corporation, 9.875% 6/15/12	2,612,250
5,315,000	Windmere-Durable, 10.000% 7/31/08	5,315,000
7,675,000	Wolverine Tube, 7.375% 8/1/08 (a)	6,063,250
1,525,000	Wolverine Tube, 10.500% 4/1/09	1,235,250
		133,782,118
	Retail–1.3%	
3,075,000	Lazydays RV Center, 11.750% 5/15/12	2,936,625
639,000	Star Gas Partner, 10.250% 2/15/13	666,956
9,340,000	Uno Restaurant, 10.000% 2/15/11 (a)	7,752,200
5,200,000	Vitamin Shoppe Industries Inc., 12.873% 11/15/12	5,421,000
		16,776,781
	Special Purpose Entities–5.4%	
13,500,000	Dow Jones CDX HY T4, 10.500% 12/29/09 (a)	13,635,000
6,000,000	INCAPS Funding II, 15.000% 1/15/34 (a)	4,500,000
7,425,000	Milacron Escrow Corp., 11.500% 5/15/11	7,053,750
1,000,000	MM Community Funding, 10.000% 8/1/31 (a)	710,000
7,450,000	Momentive Performance Materials Inc., 11.500% 12/1/16 (a)	7,301,000
1,800,000	PCA LLC/PCA Finance Corp., 14.000% 6/1/09 (a)	1,818,000
3,000,000	Preferred Term Securities II, 10.000% 5/22/33 (a)	1,751,250
2,000,000	Preferred Term Securities XXI, 10.000% 3/22/38 (a)	1,886,300
3,000,000	Preferred Term Securities XXII, 10.000% 9/22/36 (a)	2,809,830
6,000,000	Preferred Term Securities XXII, 9.700% 9/22/36 (a)	5,771,820
5,000,000	Preferred Term Securities XXIII, 10.000% 12/22/36 (a)	4,856,100
6,000,000	Preferred Term Securities XXIII, 10.000% 12/22/36 (a)	5,712,180
3,000,000	Preferred Term Securities XXIV, 9.999% 3/22/37 (a)	2,940,000
4,000,000	Pyxis Master Trust 2006-8, 10.325% 10/1/37 (a)	4,000,000
3,000,000	TPREF Funding III, 11.000% 1/15/33 (a)	2,430,000
		67,175,230

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REGIONS MORGAN KEEGAN SELECT HIGH INCOME FUND

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DECEMBER 31, 2006 (UNAUDITED)

Principal Amount	Description	Value (b)
	Corporate Bonds–Below Investment Grade or Unrated (continued)	
	Telecommunications–1.7%	
$ 775,000	Broadview Networks Holdings, 11.375% 9/1/12 (a)	$ 807,938
5,476,000	CCH I Holdings LLC, 11.750% 5/15/14	4,942,090
2,083,000	CCH I Holdings LLC, 11.000% 10/1/15	2,137,679
3,900,000	Clearwire Corp., 11.000% 8/15/10	3,929,250
1,450,000	Iridium LLC/Capital Corp., Zero Coupon Bond 7/15/05 in default (c)	420,500
7,485,000	Primus Telecommunications, 8.000% 1/15/14	4,491,000
5,175,000	Securus Technologies, 11.000% 9/1/11	4,838,625
		21,567,082
	Tobacco–0.4%	
6,255,000	North Atlantic Trading, 9.250% 3/1/12	5,457,487
	Transportation–0.5%	
8,275,000	Sea Containers Ltd., Zero Coupon Bond 10/15/06*	6,154,531
	Travel–1.0%	
12,400,000	Worldspan Financial, 11.655% 2/15/11	12,772,000
	Total Corporate Bonds–Below Investment Grade or Unrated (cost $377,675,833)	**363,715,424**
	Mortgage-Backed Securities–Investment Grade–3.6% of Net Assets	
	Collateralized Mortgage Obligations–3.6%	
	Harborview Mortgage 2003-2 1X, 1.516% 10/19/33 interest-only strips	314,899
	Harborview Mortgage 2004-1 X, 1.473% 4/19/34 interest-only strips	243,211
	Harborview Mortgage 2004-8 X, 0.949% 11/19/34 interest-only strips	2,735,464
	Indymac Index Mortgage Loan Trust 2005-AR10 AX, 1.884% 6/25/35 interest-only strips	8,201,937
2,700,000	Indymac Index Corp 2006-AR6 N2, 8.832% 6/25/46 (a)	2,700,000
	Master Adjustable Rate Mortgages Trust 2006-OA2 XW, 0.610% 12/25/46 interest-only strips	7,458,330
	Mellon Residential Funding Corp. 2002-TBC2 X, 0.750% 8/15/32 interest-only strips	1,147,338
5,000,000	Park Place Securities, Inc. 2005-WCW3 M10, 7.850% 8/25/35	4,325,000
	Residential Accredit Loans Inc. 2005-QO4 XIO, 2.589% 12/25/45 interest-only strips	4,857,811
1,305,646	Structured Asset Securities Corporation 2003-S A, 7.500% 12/28/33 (a)	913,952
3,842,000	Structured Asset Investment Loan Trust 2005-HE2 M10, 7.850% 7/25/35	3,365,361

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Principal Amount	Description	Value (b)
	Mortgage-Backed Securities–Investment Grade (continued)	
	Collateralized Mortgage Obligations (continued)	
	Washington Mutual Alternative Mortgage Pass-Through Certificates 2006-AR8 CX3, 1.000% 10/25/46 interest-only strips	$ 1,136,665
	Washington Mutual Alternative Mortgage Pass-Through Certificates 2006-AR8 3X1, 1.400% 10/25/46 interest-only strips	2,474,948
	Washington Mutual Alternative Mortgage Pass-Through Certificates 2006-AR8 3X2, 0.500% 10/25/46 interest-only strips	879,392
	Washington Mutual Alternative Mortgage Pass-Through Certificates 2006-AR13 2XPP, 0.623% 10/25/46 interest-only strips	4,428,687
	Total Mortgage-Backed Securities–Investment Grade (cost $56,820,386)	**45,182,995**
	Mortgage-Backed Securities–Below Investment Grade or Unrated–12.7% of Net Assets	
	Collateralized Mortgage Obligations–12.7%	
$ 3,721,344	Countrywide Alternative Loan Trust 2006-OA1 B2, 7.350% 3/20/46	2,083,953
3,983,855	Countrywide Alternative Loan Trust 2006-6CB B4, 5.575% 5/25/36	1,792,057
9,104,892	Countrywide Alternative Loan Trust 2006-OA12 B4, 7.600% 9/20/46	2,117,889
4,674,000	Countrywide Alternative Loan Trust 2006-OA6N N3, 10.000% 7/25/46 (a)	4,591,925
7,800,000	First Franklin Mortgage 2004-FFH2 B2, 8.850% 6/25/34 (a)	6,864,000
11,000,000	First Franklin Mortgage 2004-FFH3 B2, 8.850% 10/15/34 (a)	8,800,000
5,000,000	First Franklin Mortgage 2005-FFH4, 7.350% 12/25/35 (a)	3,825,000
4,000,000	First Franklin Mortgage 2004-FFH4 B2, 8.341% 1/25/35 (a)	3,200,000
3,878,000	First Franklin Mortgage 2004-FFH4 B1, 8.341% 1/25/35 (a)	3,412,097
5,800,000	First Franklin Mortgage 2005-FFH3 B4, 7.350% 9/25/35 (a)	4,270,250
131,856	First Nationwide Trust 2001-4 DB4, 7.716% 9/25/31	22,416
10,000,000	Greenwich Structured Arm Products 2005-3 N2, 2.000% 6/27/35 (a)	6,375,000
16,000,000	Greenwich Structured Arm Products 2005-4 N-2, Zero Coupon Bond 7/27/45 (a)	9,440,000
6,000,000	Greenwich Structured Arm Products 2005-6A N3, Zero Coupon Bond 11/27/45 (a)	5,190,000
5,000,000	GSAMP Trust 2004-AR1 B5, 5.000% 6/25/34 (a)	4,129,550
1,803,000	Harborview Corp. 2006-8A N3, 8.350% 7/21/36 (a)	1,717,069
1,151,000	Harborview Corp. 2006-8A N4, 8.350% 7/21/36 (a)	1,005,686
11,679,000	Harborview Corp. 2006-8A N5, Zero Coupon Bond 7/21/36 (a)	4,832,186
6,542,864	Harborview Mortgage 2006-5 B11, 7.100% 7/19/47	3,864,412
5,711,847	Harborview Mortgage 2006-4 B11, 7.100% 5/19/47 (a)	3,512,786
1,600,000	Indymac Index Corp. 2006-AR6 N3, 8.832% 6/25/46 (a)	1,508,752
3,600,000	Long Beach Asset Holdings 2006-2 N3, 8.350% 4/25/46 (a)	3,312,000
12,000,000	Long Beach Asset Holdings 2005-WL1, 7.500% 6/25/45 (a)	10,200,000
3,500,000	Long Beach Mortgage Loan Trust 2005-2 B2, 7.155% 4/25/35 (a)	2,943,500

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December 31, 2006 (Unaudited)

Principal Amount/ Shares	Description	Value (b)
	Mortgage-Backed Securities–Below Investment Grade or Unrated (continued)	
	Collateralized Mortgage Obligations (continued)	
$ 2,000,000	Long Beach Mortgage Loan Trust 2005-WL2 B3, 6.961% 8/25/35 (a)	$ 1,703,960
5,200,000	Meritage Asset Holdings 2005-2 N4, 7.50% 11/25/35 (a)	3,848,000
4,108,000	Meritage Mortgage 2004-2 B1, 8.600% 1/25/35 (a)	3,594,500
4,064,000	New Century Home Equity Loan Trust 2006-S1 M8, 6.500% 3/25/36	3,399,455
8,000,000	Park Place Securities, Inc. 2005-WCW3 M11, 7.850% 8/25/35 (a)	6,342,400
3,100,000	Park Place Securities, Inc. 2005-WHQ4 M11, 7.850% 9/25/35 (a)	2,170,000
6,300,000	Park Place Securities, Inc. 2005-WHQ1 M10, 7.850% 3/25/35 (a)	5,544,000
6,000,000	Park Place Securities, Inc. 2005-WCW2 M11, 7.850% 7/25/35 (a)	4,571,400
2,000,000	Sharp SP I LLC 2006-AHM3 N3, 12.500% 10/25/46 (a)	2,000,000
2,780,000	Soundview Home Equity Loan Trust 2005-1 B3, 8.600% 4/25/35 (a)	2,168,400
4,582,000	Soundview Home Equity Loan Trust 2005-3 B2, 8.100% 6/25/35	3,596,870
4,000,000	Soundview Home Equity Loan Trust 2005-B M14, 7.650% 5/25/35 (a)	1,684,080
2,500,000	Soundview Home Equity Loan Trust 2006-1 B, 7.850% 2/25/36 (a)	1,875,000
3,023,000	Structured Asset Securities Corporation 2005-AR1 B2, 7.350% 9/25/35 (a)	2,282,365
6,773,699	Structured Asset Securities Corporation 2004-S4 B3, 5.000% 12/25/34 (a)	4,234,917
8,000,000	Structured Asset Securities Corporation 2004-S2 B, 6.000% 6/25/34 (a)	7,605,680
7,264,313	Structured Asset Securities Corporation 1999-1 Note, 10.000% 8/25/28 (a)	3,704,800
	Total Mortgage-Backed Securities–Below Investment Grade or Unrated (cost $164,473,417)	**159,336,355**
	Municipal Securities–0.1% of Net Assets	
1,815,000	Pima County Arizona IDA Health Care, Zero Coupon Bond 11/15/32 in default (c)	961,950
	Total Municipal Securities (cost $1,138,554)	**961,950**
	Common Stocks–8.1% of Net Assets	
73,000	Alpha Natural Resources, Inc. (c)	1,038,790
61,600	American Capital Strategies, Ltd.	2,849,616
24,700	Anadarko Petroleum Corporation	1,074,944
41,300	Aqua America, Inc.	940,814
67,300	Aries Maritime Transport Limited	617,141
62,500	AVX Corporation	924,375
37,200	Brookdale Senior Living, Inc.	1,785,600
75,200	BRT Realty Trust	2,079,280
108,960	Cascade Microtech, Inc. (c)	1,427,376
5,900	Caterpillar, Inc.	361,847

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December 31, 2006 (Unaudited)

Shares	Description	Value (b)
Common Stocks (continued)		
29,600	Cemex, S.A. de C.V.	$ 1,002,848
87,700	Cirrus Logic, Inc. (c)	603,376
90,100	Citizens Communications Company	1,294,737
34,700	Companhia de Saneamento Básico do Estado de São Paulo	1,174,942
170,000	Compass Diversified Trust	2,915,500
60,969	Consolidated Communications Illinois Holdings, Inc.	1,274,252
48,900	Cypress Sharpridge (a)	489,000
31,900	Cytec Industries, Inc.	1,802,669
15,800	Edison International	718,584
4,900	ENSCO International Incorporated	245,294
48,700	Enterprise Products Partners L.P.	1,411,326
41,000	FairPoint Communications, Inc.	776,950
78,900	Famous Dave’s of America, Inc. (c)	1,301,061
109,000	Fording Canadian Coal Trust	2,261,750
35,300	Helix Energy Solutions Group, Inc. (c)	1,107,361
134,800	Horizon Offshore, Inc. (c)	2,197,240
178,000	Infocrossing, Inc. (c)	2,901,400
218,700	InPhonic, Inc. (c)	2,425,383
111,695	Intermet Corporation (c)	893,560
25,500	Iowa Telecommunications Services, Inc.	502,605
42,600	Kinder Morgan Energy Partners, L.P.	2,040,540
54,700	KKR Financial Corp.	1,465,413
21,200	L-3 Communications Holdings, Inc.	1,733,736
103,200	Macquarie Infrastructure Company Trust	3,661,536
23,900	Magellan Midstream Partners, L.P.	922,540
39,100	McDermott International, Inc. (c)	1,988,626
48,220	MCG Capital Corporation	979,830
54,300	Mittal Steel Company N.V.	2,290,374
63,900	Motorola, Inc.	1,313,784
141,700	Nam Tai Electronics, Inc.	2,152,423
166,289	Ness Technologies, Inc. (c)	2,371,281
92,300	New York Community Bancorp, Inc.	1,486,030
49,300	NNN Realty Advisors, Inc. (a)	493,000
186,600	Optimal Group, Inc. (c)	1,776,432
71,000	Owens Corning, Inc.	2,122,900
32,975	Peabody Energy Corporation	1,332,520
1,000	Providence Washington Insurance Companies (c)	100
26,000	RARE Hospitality International, Inc. (c)	856,180
69,300	Regal Entertainment Group	1,477,476
37,400	Resource Capital Corp. (c)	633,930
16,300	RTI International Metals, Inc. (c)	1,274,986
62,600	Sanderson Farms, Inc.	1,896,154
26,900	Sasol Limited	992,610
40,630	Ship Finance International Limited	965,369

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REGIONS MORGAN KEEGAN SELECT HIGH INCOME FUND

PORTFOLIO OF INVESTMENTS

DECEMBER 31, 2006 (UNAUDITED)

Principal Amount/ Shares	Description	Value (b)
	Common Stocks (continued)	
273,987	Star Gas Partners, L.P. (c)	$ 964,434
10,900	Superior Energy Services, Inc. (c)	356,212
181,322	Taiwan Semiconductor Manufacturing Company Ltd.	1,981,849
268,529	Technology Investment Capital Corporation (c)	