Adviser's Perspective Quarterly
Quaker Strategic Growth Fund

QUAKER® FUNDS

A: QUAGX B: QAGBX C: QAGCX I: QAGIX

March 31, 2008

Equity markets continued to be volatile in the first quarter of 2008 with both the S&P 500 and NASDAQ entering bear market territory with declines of over 20% (on an intra-day basis) from their October highs. Markets finished the quarter in negative territory with the S&P 500 falling -9.45% and the NASDAQ declining -13.88%.

While down for the quarter, the Class A shares of the Quaker Strategic Growth Fund outperformed on a relative basis to the Fund's benchmark falling -7.13% (before sales charges, -12.24% after sales charges), in the first three months of the year.

While the domestic economy slowly shifts into recessionary mode, we have continued to own stocks that should benefit from strong economic growth abroad, especially in the emerging markets. As economic expansion continues in these countries, the infrastructure build-out and construction boom is consuming increasing levels of raw materials, pushing up demand for commodities. Also, as new skyscrapers and factories are built and more cars are sold, emerging markets are also increasing their per capita use of energy. This demand trend is especially acute in areas that lack or have overwhelmed domestic sources of energy and are now increasingly dependent on imports (with oil and natural gas being the most portable). The improving consumer purchasing power that has accompanied the breakneck growth in emerging economies has also fueled an increase in consumption of beef and chicken. The feed needed to raise the additional livestock, coupled with world-wide initiatives to divert crops for biofuel use, has kept overall prices for grains and fertilizer elevated.

In an effort to capitalize on these trends, we continue to have overweights in the industrial (global construction and engineering firms), materials (mining and fertilizer companies), energy (integrated oil and gas, drillers, and exploration and production companies) and consumer staple (agribusiness) sectors.

In the portfolio, we continue to emphasize highly liquid large-cap growth stocks with attractive valuations and good earnings surprise potential. As the currency advantage helps the U.S. to become the low cost producer in some industries, companies with a global footprint that benefit from the lower dollar (via increased export activity) and exhibit sustainable or expanding free-cash flow (so they can self-finance themselves in a period of tight credit availability) should be priced at a premium. In an effort to identify them as this shift happens, we will continue to seek out companies with expanding unit growth at improving margin levels.

We have maintained our underweights in the financial, consumer discretionary and technology sectors of the market due in part to the continually unfolding credit meltdown (which has led to much dilution as finance companies attempt to re-capitalize) and continuing weakness in the overall domestic economy.

As always, we appreciate your continued confidence and welcome comments or questions.

Provided by DG Capital

Continued on next page

Sub-Adviser:
DG Capital Management

Fund Assets: $1,046,635,139
Public Offering Price: $26.32

Mutual Fund Exposures	***% Assets***
Long Positions	80.0%
Short Positions	0.4%
Cash	20.0%

Top Positions	***% Assets***
Potash Of Saskatchewan	4.5%
Freeport-McMoRan Corp.	4.4%
Archer Daniels Midland	4.1%
Co Vale Do Rio Doce	4.1%
Newmont Mining Corp.	4.1%
Transocean Inc.	4.0%
XTO Energy Corp.	4.0%
Apache	4.0%
Occidental Petroleum	3.9%
Rio Tinto	3.3%
Total	**40.4%**

The Fund's holdings and characteristics are as of 3/31/2008 and are subject to change.

Performance	For Calendar Quarter Ended 3/31/2008		
Class A Inception 11/25/1996	Before Sales Charges	After Sales Charges	*S&P 500 Index*
3 Months	-7.13%	-12.24%	*-9.44%*
Year-to-Date	-7.13%	-12.24%	*-9.44%*
1 Year (Cumulative)	20.43%	13.81%	*-5.08%*
5 Years (Annualized)	18.96%	17.62%	11.31%
10 Years (Annualized)	16.30%	15.64%	3.50%
Life of Share Class (Annualized)	17.73%	17.15%	6.77%
Expense Ratio: 1.90% as of June 30, 2007			

The returns shown above reflect the performance of the former No-Load Class for periods ending before June 23, 2000, and Class A Shares thereafter. Performance data shown before sales charges does not reflect the deduction of the sales load for periods end. Performance data shown after sales charges for periods after June 23, 2000 reflects the Class A maximum sales charge of 5.50%.

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end is available by calling us toll free at 1-800-220-8888.

Additional disclosures about the Fund appear on the next page.

Next page, please.

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This Fund engages in short selling (selling securities not owned at time of sale), which involves special risks and requires special investment expertise. The Fund invests in “special situation” companies in which the adviser believe unique events at the company may offer a compelling investment opportunity, but could cause the investment to be more risky than other investments.

The S&P 500˛ Total Return Index is a widely recognized, unmanaged index of the approximately 500 largest companies in the United States as measured by market capitalization. The index assumes reinvestment of all dividends and distributions and does not reflect any asset-based charges for investment management or other expenses.

Continued from previous page

Earnings surprise is when the earnings reported in a company's quarterly or annual report are above or below analysts' earnings estimates.

Fund Mandate: Our Investment Process is designed to create a flexible strategy that allows us to opportunistically react to market changes. The Fund can hold up to 25% in short positions or go to 100% cash if deemed necessary.

The Sub-Adviser: DG Capital Management, Boston, MA, was founded in 1996 and currently has almost $2.2 billion under management.

QUAKER® FUNDS

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