

The Kinetics Market Opportunities Fund



4Q 2011

Kinetics Asset Management LLC

- Kinetics Asset Management LLC, employee-owned SEC-registered investment adviser, established in 1996.
- With its affiliated investment advisors, manages approximately \$7.0 billion in assets as of 12/31/2011.
- Oversees investments in 8 U.S. mutual funds, separate accounts and alternative products.
- Utilizes the proprietary research capabilities of affiliate, Horizon Asset Management LLC.

Portfolio Management Team

Peter Doyle

Chief Investment Strategist & Co-Founder
26 years of management experience
Co-Manager of Fund since inception (2006)

Murray Stahl

Director of Research
32 years of management experience
Co-Manager of Fund since inception (2006)

Class Information

Class	Ticker	Cusip	12b-1 fee
Advisor A	KMKAX	494613771	0.25%
Advisor C	KMKCX	494613730	0.75%
Institutional	KMKYX	494613615	-
No Load	KMKNX	494613789	-

Fund Characteristics

Total Net Assets	\$43.2 million
Total Number of Holdings	55
Turnover Ratio	14%
Investment Style	Global Equity
Minimum Purchase	\$2,500

Portfolio Allocation

Common Stocks	91.9%
Cash and Cash Equivalents	8.0%
Other Investments	0.1%

		Investment Style		
		Value	Core	Growth
Capitalization	Large			
	Mid			
	Small			

Market Opportunities Fund Overview

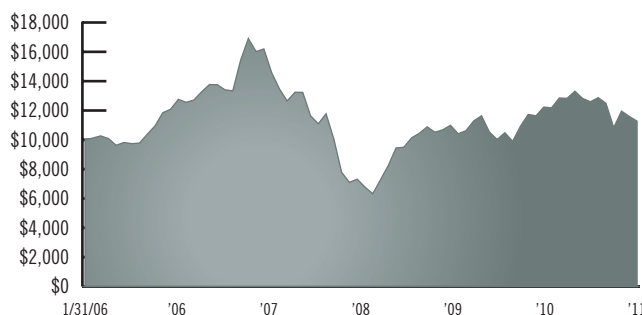
- ◆ U.S. focused global fund invests in companies engaged in capital markets related activities and services, which trade at attractive valuations.
- ◆ Investments are focused on companies that generally benefit from increasing transactional volume or facilitating financial transactions without employing financial leverage or risking their own capital.
- ◆ Such companies tend to have high operating leverage, high returns on equity and scalability.

Historic Total Return (No-Load Class) as of 12/31/11

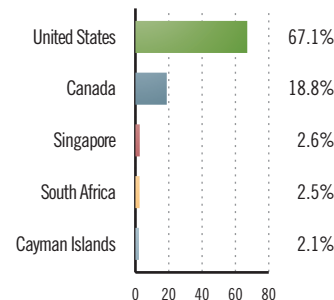
	2007	2008	2009	2010	2011
Fund (KMKNX)	34.03%	-54.83%	50.21%	11.31%	-7.85%
S&P 500 Index	5.49%	-37.00%	26.46%	15.06%	2.11%
MSCI EAFE Index	11.17%	-43.38%	31.78%	7.75%	-12.14%

Growth of \$10,000 Returns Since Inception

\$11,274



Top Countries (%)



Top 10 Holdings (%) as of 12/31/11

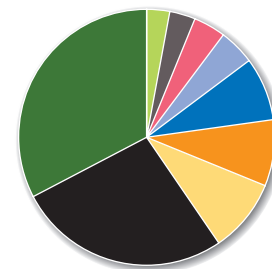
CBOE Holdings Inc.	9.7%
WisdomTree Investments, Inc.	9.4%
Franco-Nevada Corporation	8.0%
IntercontinentalExchange Inc.	6.6%
Brookfield Asset Management Inc. - Class A	4.6%
Mastercard, Inc. - Class A	3.9%
CME Group, Inc.	3.9%
Las Vegas Sands Corp.	3.5%
Cohen & Steers, Inc.	3.1%
Sotheby's	2.8%

Statistics as of 12/31/11

	Fund	S&P 500
Beta	1.24	1.00
Standard Deviation	24.32	17.51
Up Market Capture Ratio	1.33	-
Down Market Capture Ratio	1.30	-
Sharpe Ratio	0.00	-0.01
Weighted Avg. Mkt. Cap. (\$mil)	\$10,954	\$96,350
Median Market Capitalization	\$2,827	\$10,925
Price to Book	2.15	2.03
Price to Earnings	14.60	13.88
Return on Equity	14.88%	21.29%

Top Industries (%)

Asset Management	28.1%
Sec., Cmnty Contracts, and Other Fin. Inv. & Rel. Act	23.1%
Mining (except Oil and Gas)	8.0%
Global Exchanges	7.2%
Data Processor	6.9%
Holding Company	3.9%
Gaming	3.5%
Non-Store Retailers	2.8%
Insurance Carriers and Related Activities	2.5%



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Performance (No-Load Class)

	3 Month	YTD	Annualized Returns as of 12/31/11			
			1YR	3YR	5YR	Since Inception
The Market Opportunities Fund (KMKNX)	4.04%	-7.85%	-7.85%	15.50%	-1.38%	2.05%
S&P 500 Index	11.82%	2.11%	2.11%	14.11%	-0.25%	1.84%
MSCI EAFE Index	3.33%	-12.14%	-12.14%	7.65%	-4.72%	-1.14%

The Market Opportunities Fund No Load Class inception date is 1/31/06. Figures include changes in principal value, reinvested dividends and capital gains distributions. Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Call 1-800-930-3828 or visit us at www.kineticsfunds.com for the most recent month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of sales load or fee. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem or exchange your shares 30 days or less after you purchase them.

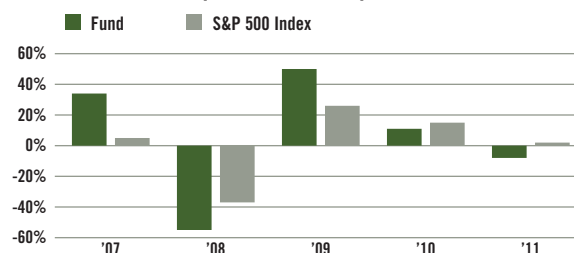
Expense Ratios by Share Class

	Advisor A	Advisor C	No Load	Inst.
Gross	2.42%	2.67%	1.92%	1.87%
Net	1.89%	2.39%	1.64%	1.44%

Gross expense ratios for the No Load Class, Advisor Class A, Advisor Class C and the Institutional Class are reported as of 12/31/10 and referenced in the 5/1/11 respective prospectuses.

Net expense ratios listed for No Load Class, Advisor Class A, Advisor Class C and Institutional Class are stated as of 12/31/10 and include a voluntary expense waiver from the Investment Adviser which may be terminated at any time.

Calendar Year Returns (No-Load Class)



Definitions:

Beta: A statistic that measures the volatility of the fund, as compared to that of the overall market. The market's beta is set at 1.00; a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile. The Beta has been calculated using data since the fund's inception.

Standard Deviation: A statistical measure of portfolio risk used to measure variability of total return around an average, over a specified period of time. The greater the standard deviation over the period, the wider the variability or range of returns and hence, the greater the fund's volatility. The standard deviation has been calculated since inception.

Up Market Capture Ratio: A statistical measure of an investment manager's overall performance in up-markets. The up-market capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen. The up-market capture ratio has been calculated since inception.

Down Market Capture Ratio: A statistical measure of an investment manager's overall performance in down-markets. The down-market capture ratio is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. The down-market capture ratio has been calculated since inception.

Sharpe Ratio: A statistical measure that uses standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio implies a better historical risk-adjusted performance. The Sharpe ratio has been calculated since inception using the 3-month treasury bill for the risk-free rate of return.

Weighted Avg. Mkt. Cap: The mean market capitalization (value of outstanding shares) of a basket of stocks, taking into account the relative weight of each investment.

Median Market Capitalization: The median market capitalization (value of outstanding shares) of a basket of stocks.

Price to Book Ratio: The harmonic weighted average of the price/book (P/B) ratios of the equity securities referenced. The ratio calculated by dividing the current price of the stock by the company's book value per share (assets minus liabilities).

Price to Earnings Ratio: The harmonic weighted average of the price/earnings (P/E) ratios of the equity securities referenced. The P/E ratio is calculated by dividing the current price of the stock by the trailing one year earnings.

Return on Equity: The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.

Turnover Ratio: A measure of how frequently assets within a fund are bought and sold by the managers represented over a one year period.

Allocation Box: The allocation box has been created by Kinetics. The horizontal axis of the box is divided into three investment style classifications: Value, Core (a blend of Value and Growth) and Growth. The vertical axis is divided into three categories based on individual company size: large, mid and small. Generally, the 400 largest companies in the U.S. are considered Large, the next 1000 largest are Mid and the remainder are Small. Classifications made by Kinetics are for representative purposes only and may change at any time without notice.

The Growth of \$10,000 chart illustrates the performance of a hypothetical \$10,000 investment made in No Load Class shares on commencement of operations (1/31/06). It assumes reinvestment of capital gains and dividends. This chart is not intended to imply any future performance.

As of 12/31/11, holdings are expressed as a percentage of total net investments and may vary over time. Equity holdings are subject to change, and may not be indicative of actual market position due to the use of call and put options.

The Top 10 Industries displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities.

You should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. For a free copy of the fund's prospectus, which contains this and other information, visit our website at www.kineticsfunds.com or call 1-800-930-3828. You should read the prospectus carefully before you invest.

As a non-diversified fund, the value of its shares may fluctuate more than shares invested in a broader range of companies. In addition, investing in foreign securities involves more risk than just U.S. investments, including the risk of currency fluctuations, political and economic instability and differences in financial reporting standards. There may also be heightened risks investing in non-investment grade debt securities and the use of options. There are also risks associated with investing in small and medium sized companies. Non-investment grade debt securities, i.e., junk bonds, are subject to greater credit risk, price volatility and risk of loss than investment grade securities. Options contain special risks including the imperfect correlation between the value of the option and the value of the underlying asset. Unlike other investment companies that directly acquire and manage their own portfolios of securities, the Fund pursues its investment objective by investing all of its investable assets in a corresponding portfolio series of Kinetics Portfolios Trust.

S&P 500 Index statistics data is based on the iShares S&P 500 Index Fund.

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. The Standard & Poor's 500 Index represents an unmanaged, broad-based basket of stocks. It is typically used as a proxy for overall market performance. The S&P 500 Index returns assume that dividends are reinvested. An investor cannot invest directly in an index.

Distributor: Kinetics Funds Distributor LLC is not an affiliate of Kinetics Mutual Funds, Inc.



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We Do Our Research