FOXBY CORP.

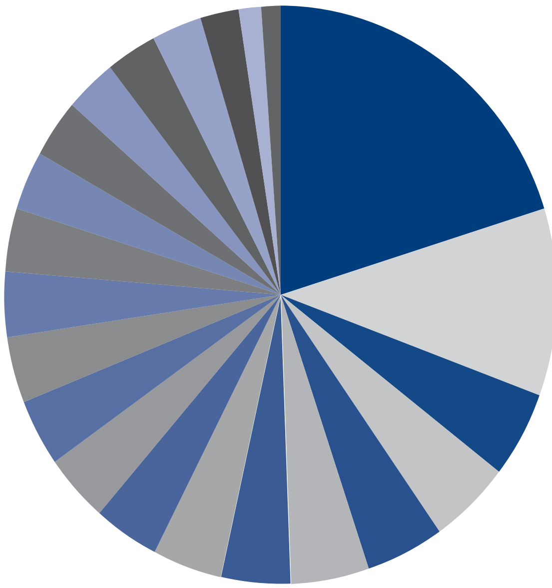
ANNUAL REPORT
December 31, 2005

American Stock Exchange Symbol:

FXX

www.foxbycorp.com

INVESTMENTS BY INDUSTRY*



Mining	20.61%
National Commercial Banks	10.69%
Insurance Agents, Brokers & Services	4.97%
In Vitro & In Vivo Diagnostic Substances	4.86%
Mineral & Ores	4.67%
Patent Owners & Lessors	4.66%
State Commercial Banks	4.17%
Retail - Drug Stores & Proprietary Stores	4.15%
Fire, Marine & Casualty Insurance	3.93%
Soap, Detergents, Cleaning Preparations, Perfumes, Cosmetics	3.91%
Jewelry, Precious Metals	3.83%
Semiconductors and Related Devices	3.79%
Retail - Variety Stores	3.71%
Industrial & Commercial Fans & Blowers & Air Purifing Equipment	3.61%
Malt Beverages	3.39%
Converted Paper & Paperboard Products	3.33%
Wholesale - Medical, Dental & Hospital Equipment & Supplies	3.08%
Cable and Other Pay TV Services	3.03%
Radio & TV Broadcasting & Communications Equipment	3.01%
Wholesale - Farm Product Raw Materials	2.28%
Natural Gas Distributions	1.36%
Warrants	1.13%
	102.17%

PORTFOLIO ANALYSIS*

U.S. Equities	71.88%
Foreign Equities	30.29%
	102.17%

* Investments by industry and portfolio analysis use approximate percentages of total net assets, and may not add up to 100% due to leverage or other assets, rounding, and other factors.

FOXBY CORP.

American Stock Exchange Symbol: **FXX**

11 Hanover Square, New York, NY 10005
www.foxbycorp.com

January 30, 2006

Fellow Shareholders:

We are pleased to submit this 2005 Annual Report for Foxby Corp., and to welcome our new shareholders who find the Fund's flexible total return investment approach attractive. As a non-diversified, closed end fund seeking total return, the Fund uses a flexible strategy in the selection of securities, and is not limited by the issuer's location, size, or market capitalization. The Fund may invest in equity and fixed income securities of both new and seasoned U.S. and foreign issuers, including securities convertible into common stock and debt securities. The Fund also may employ aggressive and speculative investment techniques, such as selling securities short, employing futures and options, derivatives, and borrowing money for investment purposes, an approach known as "leveraging," and may invest defensively in high grade money market instruments.

At year end, the Fund's top ten holdings comprised approximately 46% of net assets. As a percent of net assets, investments in U.S. equities accounted for about 72% and foreign equities about 30%, reflecting leverage of about 2%. Precious metals mining, our largest industry sector investment, accounted for about 21% of net assets. As the Fund pursues its total return objective through this flexible approach, these holdings and allocations are, of course, subject to change at any time. By way of comparison, at December 31, 2004, the Fund's top ten holdings comprised approximately 33% of total assets and as a percent of net assets, investments in U.S. equities accounted for about 94% and foreign equities about 21%, reflecting leverage of about 14%. Precious metals mining, our largest industry sector investment at that time as well, accounted for about 14% of net assets.

Market Review and Outlook

During the year the Federal Open Market Committee (FOMC) continued to raise its key overnight Federal funds target rate, which at year end stood at 4.25%. The minutes of the last meeting of the FOMC revealed, however, that Committee members seemed to lack a consensus as to how many interest rate raises would be needed to control inflation and that additional raises "would probably not be large." Despite raising the rate to 4.25% by December 13, the Committee reiterated that "only some further measured policy firming is likely to be needed."

Surveying the economic scene, we note that the National Association of Realtors reported 2005 sales of existing homes set a record for a fifth consecutive year, although fourth quarter sales showed weakness. Recent inflationary pressure from employment rates, salary changes, and raw material prices has also been weak. Oil price increases, however, may spur inflation to the extent not offset by decreases in consumer goods spending.

The Fund's strategy in view of these conditions during the year was to seek companies with financial strength and growth prospects, or other special features, and employ leverage from time to time. To balance its long precious metals company positions, the Fund entered into a short sale on a precious metals company deemed less attractive in the second half. The Fund also employed S&P 500 futures in a market timing strategy at year end. For the year, the Fund's total net asset value return was a negative 2.72% on a total market return on the American Stock Exchange of a negative 7.66%. Over the course of future market fluctuations, the Fund will seek opportunities to optimize its holdings to enhance performance for a higher total return.

As outgoing Federal Reserve Board Chairman Alan Greenspan, has so often said, the fear of inflation may be as important as inflation itself. Accordingly, if labor costs or raw material prices increase, we might expect the FOMC to continue to raise short term interest rates higher to combat inflation fears. But, the FOMC's use of this strategy may be somewhat limited since currently shorter term interest rates already are generally higher than longer term rates. Historically when short term rates are much higher than long term rates for an extended period, recessions have begun. Thus, should the consumer lose faith in the economy from, for example, a decline in housing markets, the FOMC might risk an increase in inflation to restore consumer confidence and the economy by lowering rates, notwithstanding the potential inflationary impact.

Litigation Settled

We are pleased to have announced on January 6, 2006 that the Fund and Richard J. Shaker entered into a settlement of litigation pending in Maryland. Under the terms of the settlement, the management fee paid to Foxby's investment adviser, CEF Advisers, Inc., was reduced to an annual rate of 0.50% of Foxby's average daily net assets. Mr. Shaker and his co-plaintiffs have agreed to refrain from engaging in future efforts to seek control of Foxby. The settlement was approved by the Board of Directors of the Fund. The parties have filed a Stipulation of Dismissal with the Court. Mr. Shaker and his clients have sold their stake in Foxby, 397,300 shares, to Investor Service Center, Inc., an affiliate of CEF Advisers, for a total of $893,925. Affiliates of management now own approximately 24.4% of the Fund's shares.

We appreciate your support and thank you for investing with Foxby.

Sincerely,

Thomas B. Winmill
President

Marion E. Morris
Senior Vice President

TOP TEN HOLDINGS
(at December 31, 2005)

1. Gammon Lake Resources Inc.
2. Brown & Brown, Inc.
3. IDEXX Laboratories, Inc.
4. Peru Copper Inc.
5. SurModics, Inc.
6. Randgold Resources Ltd.
7. Meridian Gold Inc.
8. State Street Corp.
9. Walgreen Co.
10. PMA Capital Corp.

Top ten holdings comprise approximately 46% of total net assets. This portfolio information should not be considered as a recommendation to purchase or sell a particular security and there is no assurance that any securities will remain in or out of the Fund.

Schedule of Portfolio Investments – December 31, 2005

Shares		Market Value
	COMMON STOCKS (101.04%)	
	Cable and Other Pay Television Services (3.03%)	
7,600	Comcast Corp.[1]	$ 197,296
	Converted Paper & Paperboard Products (3.33%)	
2,800	3M Co.	217,000
	Fire, Marine & Casualty Insurance (3.93%)	
28,000	PMA Capital Corporation[1]	255,640
	Industrial & Commercial Fans & Blowers & Air Purifing Equipment (3.61%)	
7,400	Donaldson Company, Inc.	235,320
	Insurance Agents, Brokers & Services (4.97%)	
10,600	Brown & Brown, Inc.	323,724
	In Vitro & In Vivo Diagnostic Substances (4.86%)	
4,400	IDEXX Laboratories, Inc.[1]	316,712
	Jewelry, Precious Metals (3.83%)	
29,000	Dundee Precious Metals Inc.[1]	249,486
	Malt Beverages (3.39%)	
3,300	Molson Coors Company Class B	221,067
	Mineral & Ores (4.67%)	
110,000	Peru Copper Inc.[1]	304,150
	Mining (20.61%)	
40,000	Bolivar Gold Corp.[1]	100,154
37,500	Desert Sun Mining Corp.[1]	92,625
35,000	Gammon Lake Resources Inc.[1]	416,500
50,000	Jaguar Mining Inc.[1]	169,064
12,900	Meridian Gold Inc.[1]	282,123
16,000	Randgold Resources Ltd.[1]	282,080
		1,342,546
	National Commercial Banks (10.69%)	
8,600	MBNA Corporation	233,576
7,700	U.S. Bancorp	230,153
3,700	Wells Fargo & Company	232,471
		696,200
	Natural Gas Distribution (1.36%)	
21,600	MetroGAS S.A. ADR[1]	88,344
	Patent Owners & Lessors (4.66%)	
8,200	SurModics, Inc.[1]	303,318

Schedule of Portfolio Investments – December 31, 2005

Shares		Market Value
	COMMON STOCKS - continued	
	Radio & TV Broadcasting & Communications Equipment (3.01%)	
12,800	NTT DoCoMo, Inc. ADR	$ 196,096
	Retail - Drug Stores & Proprietary Stores (4.15%)	
6,100	Walgreen Co.	269,986
	Retail - Variety Stores (3.71%)	
4,400	Target Corporation	241,868
	Semiconductors & Related Devices (3.79%)	
9,900	Intel Corporation	247,104
	Soap, Detergents, Cleaning Preparations, Perfumes, Cosmetics (3.91%)	
4,400	The Procter & Gamble Company	254,672
	State Commercial Banks (4.17%)	
4,900	State Street Corporation	271,656
	Wholesale - Farm Product Raw Materials (2.28%)	
38,000	Alliance One International, Inc.	148,200
	Wholesale - Medical, Dental & Hospital Equipment & Supplies (3.08%)	
6,000	Patterson Companies Inc.[1]	200,400
	Total Common Stocks (cost: $5,898,442)	6,580,785
	WARRANTS (1.13%)	
20,000	Bolivar Gold Corp. Warrants expiring 12/22/09[1]	6,463
9,375	Desert Sun Mining Corp. Warrants expiring 11/20/08[1]	8,828
25,000	Jaguar Mining Inc. Warrants expiring 12/31/07[1]	15,194
55,000	Peru Copper Inc. Warrants expiring 3/18/06[1]	43,175
	Total Warrants (cost: $0)	73,660
	Total Investments (cost: $5,898,442) (102.17%)	$6,654,445
	Liabilities in Excess of Cash and Other Assets (-2.17%)	(141,642)
	Total Net Assets (100.00%)	**$6,512,803**

[1] Non-income producing security.

ADR means “American Depository Receipt.”

STATEMENT OF ASSETS AND LIABILITIES
December 31, 2005

ASSETS:	
Investments at market value	
(cost: $5,898,442) (note 2)	$6,654,445
Cash	6,746
Dividend receivable	3,472
Other assets	2,489
Total assets	6,667,152
LIABILITIES:	
Note payable (note 7)	84,776
Accrued expenses	61,151
Investment management (note 4)	4,491
Administrative services (note 4)	3,931
Total liabilities	154,349
NET ASSETS: (applicable to 2,602,847 shares outstanding: 500,000,000 shares of $.01par value authorized)	$6,512,803
NET ASSET VALUE PER SHARE	
($6,512,803 ÷ 2,602,847 shares outstanding)	$2.50

At December 31, 2005, net assets consisted of:

Paid-in capital	$22,830,309
Net unrealized appreciation on investments	756,003
Accumulated net realized loss on investments and futures	(17,073,509)
	$ 6,512,803

STATEMENT OF OPERATIONS
Year Ended December 31, 2005

INVESTMENT INCOME:	
Dividends	$62,898
Interest	471
Total investment income	63,369
EXPENSES:	
Legal (note 9)	316,704
Investment management (note 4)	63,595
Bookkeeping and pricing	22,646
Printing and postage	18,864
Audit	16,600
Loan interest and fees	14,214
Administrative services (note 4)	11,802
Transfer agent	9,463
Directors	8,309
Custodian	7,683
Exchange listing	4,933
Other	7,185
Total expenses	501,998
Expense reductions	(217)
Total net expenses	501,781
Net investment loss	(438,412)
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:	
Net realized gain (loss):	
Short sales	(255,111)
Sale of investments	164,324
Foreign currencies	25,766
Unrealized appreciation on investments	317,063
Net realized and unrealized gain on investments	252,042
Net decrease in net assets resulting from operations	$(186,370)

STATEMENTS OF CHANGES IN NET ASSETS
Years Ended December 31, 2005 and 2004

	2005	2004
OPERATIONS:		
Net investment loss	$ (438,412)	$ (291,759)
Net realized gain (loss) on investment transactions	(65,021)	1,153,414
Change in unrealized appreciation (depreciation) on investments	317,063	(1,313,471)
Net decrease in net assets resulting from operations	(186,370)	(451,816)
Total change in net assets	(186,370)	(451,816)
NET ASSETS:		
Beginning of year	6,699,173	7,150,989
End of year	$6,512,803	$6,699,173

STATEMENT OF CASH FLOWS
Year Ended December 31, 2005

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net decrease in net assets resulting from operations	$ (186,370)
Adjustments to reconcile net decrease in net assets resulting from operations to net cash provided by (used in) operating activities:	
Net change in unrealized appreciation of investments	(317,064)
Net realized loss on investments	65,021
Proceeds from sales and long term securities	3,071,223
Purchase of long term securities	(1,831,882)
Increase in accrued fees and expenses	31,937
Decrease in dividends receivable and other assets	2,338
Net purchases of short term securities	(3,733)
Net cash provided by operating activities	831,470
CASH FLOWS FROM FINANCING ACTIVITIES:	
Repayment of bank line of credit	(824,724)
Net cash used in financing activities	(824,724)
Net increase in cash	6,746
CASH:	
Beginning of year	–
End of year	$ 6,746
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:	
Cash paid for interest	$ 14,466

Notes to Financial Statements

(1) Foxby Corp., a Maryland corporation registered under the Investment Company Act of 1940, as amended (the “Act”), is a non-diversified, closed-end management investment company whose shares are listed on the American Stock Exchange.

(2) The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. With respect to security valuation, securities traded on a national securities exchange or the Nasdaq National Market System ("NMS") are valued at the last reported sales price on the day the valuations are made. Such securities that are not traded on a particular day and securities traded in the over-the-counter market that are not on NMS are valued at the mean between the current bid and asked prices. Certain of the securities in which the Fund invests are priced through pricing services which may utilize a matrix pricing system which takes into consideration factors such as yields, prices, maturities, call features and ratings on comparable securities. Bonds may be valued according to prices quoted by a dealer in bonds which offers pricing services. Debt obligations with remaining maturities of 60 days or less are valued at cost adjusted for amortization of premiums and accretion of discounts. Securities denominated in foreign currencies are translated into U.S. dollars at prevailing exchange rates. Securities for which quotations are not readily available or reliable and other assets may be valued as determined in good faith under the direction of and pursuant to procedures established by the Fund’s Board of Directors. Investment transactions are accounted for on the trade date (the date the order to buy or sell is executed). Dividend income and distributions to shareholders are recorded on the ex-dividend date and interest income is recorded on the accrual basis. Withholding taxes on foreign dividends have been provided for in accordance with the Fund’s understanding of the applicable country’s tax rules and rates. In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(3) No provision has been made for U.S. income taxes because the Fund’s current intention is to continue to qualify as a regulated investment company under the Internal Revenue Code and to distribute to its shareholders substantially all of its taxable income and net realized gains. Foreign securities held by the Fund may be subject to foreign taxation. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests. At December 31, 2005, the Fund had net capital loss carryovers that may be used to offset future realized capital gains for federal income tax purposes of $16,793,145, of which $8,986,140, $6,343,522, $414,304, $837,334, and $211,845 expires in 2008, 2009, 2010, 2011, and 2013, respectively.

As of December 31, 2005, the components of distributable earnings on a tax basis were as follows:

Capital loss carryover	$(16,793,145)
“Post-October* net capital losses	(280,364)
Unrealized appreciation	756,003
	$(16,317,506)

Federal income tax regulations permit “post-October” net capital losses to be deferred and recognized on the tax return of the next succeeding taxable year.

Accounting principles generally accepted in the United States of America require certain components of net assets to be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. For the year ended December 31, 2005, the Fund reclassified $438,412 from accumulated investment loss to paid-in capital.

(4) The Fund retains CEF Advisers, Inc. as its Investment Manager. Under the terms of the Investment Management Agreement, the Investment Manager receives a management fee, payable monthly, based on the average daily net assets of the Fund. Effective December 20, 2005 the annual rate of management fee compensation was changed to 1/2 of 1% from 1%. Certain officers and directors of the Fund are officers and

directors of the Investment Manager. The Fund reimbursed the Investment Manager $11,802 for providing at cost certain administrative services comprised of compliance and accounting services during the year ended December 31, 2005. Through arrangements with the Fund's custodian and cash management, credits realized as a result of uninvested cash balances were used to reduce custody and transfer agency expenses, respectively. For financial reporting purposes, the Fund includes these credits as an expense offset in the Statement of Operations.

(5) Purchases and sales of investment securities (excluding short term investments) aggregated $1,831,882 and $3,071,223, respectively, for the year ended December 31, 2005.

At December 31, 2005, for federal income tax purposes the aggregate cost of securities was $5,898,440 and net unrealized appreciation was $756,003 comprised of gross unrealized appreciation of $1,159,217 and gross unrealized depreciation of $403,214.

(6) The Fund may engage in transactions in futures contracts. Upon entering into a futures contract, the Fund is required to deposit with the broker an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as the "initial margin." Subsequent payments ("variation margin") are made or received by the Fund each day, depending on the daily fluctuation of the value of the contract. The daily change in the contract is included in unrealized appreciation/depreciation on investments and futures contracts. The Fund realizes a gain or loss when the contract is closed. Futures transactions sometimes may reduce returns or increase volatility. In addition, futures can be illiquid and highly sensitive to changes in their underlying security, interest rate or index, and as a result can be highly volatile. A small investment in certain futures could have a potentially large impact on a Fund's performance. At December 31, 2005 the Fund had no open futures contracts. At December 31, 2005, the Fund had $541,642 of investments pledged as collateral for the variation margin account.

(7) The Fund, Global Income Fund, Inc., Midas Fund, Inc., and Midas Special Equities Fund, Inc. (the "Borrowers") have entered into a committed secured line of credit facility with State Street Bank & Trust Company ("Bank"). Global Income Fund, Inc. is a closed-end investment company advised by the Investment Manager Midas Fund, Inc. and Midas Special Equities Fund, Inc. are open-end investment companies advised by Midas Management Corporation, an affiliate of the Investment Manager. The Bank also acts as the Fund's custodian. The aggregate amount of the line of credit is $9,000,000 and the borrowing of each Borrower is collateralized by the underlying investments of such Borrower. The Bank will make revolving loans to a Borrower not to exceed in the aggregate outstanding at any time with respect to any one Borrower the least of $9,000,000 or the maximum amount permitted pursuant to each Borrower's investment policies or as permitted under the Act. The commitment fee on this facility is 0.10% per annum on the unused portion of the commitment, based on a 360-day year. All loans under this facility will be available at the Borrower's option of (i) overnight Federal funds or (ii) LIBOR (30, 60, 90 days), each as in effect from time to time, plus 0.75% per annum, calculated on the basis of actual days elapsed for a 360-day year. For the year ended December 31, 2005, the weighted average interest rate was 3.76% based on the balances outstanding during the period and the weighted average amount outstanding was $378,055.

(8) Of the 2,602,847 shares of common stock outstanding at December 31, 2005, Investor Service Center, Inc., an affiliate of the Fund's Investment Manager, owned 634,200 shares or 24.4% of the total shares outstanding.

(9) In the Circuit Court for Baltimore City, Maryland, Civil Action No. 24-C-04-007613 filed on October 4, 2004, a group comprised of Richard J. Shaker, Phillip Goldstein, Rajeev Das, and Andrew Dakos sued the Fund and its directors, alleging various breaches by the directors of fiduciary duty under Maryland law and seeking declaratory and injunctive relief. The lawsuit generally arose out of the Fund's 2004 annual meeting of stockholders and the Fund's Bylaws. On December 20, 2005 the parties entered into a settlement of the lawsuit. Under the terms of the settlement, the management fee paid to the Investment Manager was reduced to an annual rate of 0.50% of Foxby's average daily net assets. The plaintiffs agreed to refrain from engaging in future efforts to seek control of Foxby. The settlement was approved by the Board of Directors of the Fund.

Notes to Financial Statements (concluded)

The parties have filed a Stipulation of Dismissal with the Court. Shaker and his clients sold their stake in Foxby, 397,300 shares, to Investor Service Center, Inc., an affiliate of the Investment Manager for a total of $893,925. In connection with these and other legal matters, total legal expenses incurred by the Fund were $316,704 and $83,200 for the years ended December 31, 2005 and 2004, respectively. Total litigation expenses incurred by the Fund on its own behalf and as advances of legal and other expenses to the Fund's directors before insurance recoveries reimbursed to the Fund pursuant to its director's and officer's liability insurance policy were $881,450 and $36,512 for the years ended December 31, 2005 and 2004, respectively. The Fund was reimbursed $607,700 in cash pursuant to its director's and officer's liability insurance policy for the year ended December 31, 2005.

FINANCIAL HIGHLIGHTS

	Year Ended 12/31/05	Year Ended 12/31/04	Year Ended 12/31/03	Nine Months Ended 12/31/02	Year Ended 3/31/02	Year Ended 3/31/01
PER SHARE DATA						
Net asset value at beginning of period	$2.57	$2.75	$2.59	$3.27	$3.77	$14.81
Income from investment operations:						
Net investment loss	(.17)	(.11)	(.10)	(.04)	(.08)	(.09)
Net realized and unrealized gain (loss) on investments	.10	(.07)	.26	(.64)	(.16)	(10.45)[(a)]
Total from investment operations	(.07)	(.18)	.16	(.68)	(.24)	(10.54)
Less distributions:						
Distributions to shareholders	–	–	–	–	(.26)	(.50)
Net asset value at end of period	$2.50	$2.57	$2.75	$2.59	$3.27	$3.77
Market value at end of period	$2.05	$2.22	$2.40	$2.07	$3.00	$3.33
TOTAL RETURN ON NET ASSET VALUE BASIS (b)	(2.72)%	(6.55)%	6.18%	(20.80)%	(6.65)%	(73.46)%
TOTAL RETURN ON MARKET VALUE BASIS (b)	(7.66)%	(7.50)%	15.94%	(31.00)%	(2.06)%	(71.89)%
RATIOS/SUPPLEMENTAL DATA						
Net assets at end of period (000's omitted)	$6,513	$6,699	$7,151	$6,731	$8,503	$9,735
Ratio of total expenses to average net assets	7.76%	5.27%	4.39%	4.70%[(c)]	3.17%	2.19%
Ratio of net expenses to average net assets	7.76%	5.27%	4.39%	4.70%[(c)]	3.17%	2.19%
Ratio of net expenses excluding loan interest and fees to average net assets	7.54%	5.19%	4.39%	4.70%[(c)]	3.17%	2.19%
Ratio of net investment loss to average net assets	(6.78)%	(4.31)%	(3.91)%	(3.30)%[(c)]	(2.41)%	(.93)%
Portfolio turnover rate	26.92%	164.08%	75.39%	267.87%	89.31%	550.56%

(a) Includes $0.06 of gains resulting from the buy back of treasury shares at a discount to net asset value.

(b) Total return on market value basis is calculated assuming a purchase of common stock on the opening of the first day and sale on the closing of the last day of each period reported. Dividends and distributions, if any, are assumed for purposes of this calculation, to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Generally, total return on net asset value basis will be higher than total return on market value basis in periods where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods. Conversely, total return on net asset value basis will be lower than total return on market value basis in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods. Total return calculated for a period of less than one year is not annualized. The calculation does not reflect brokerage commissions, if any.

(c) Annualized.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Foxby Corp.:

We have audited the accompanying statement of assets and liabilities of Foxby Corp. (the "Fund"), including the schedule of investments as of December 31, 2005, the related statement of operations for the year then ended, the statement of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the four years in the period then ended and the nine months ended December 31, 2002. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit. The financial highlights for the year ended March 31, 2001 were audited by other auditors whose report dated May 14, 2001 expressed an unqualified opinion on the financial highlights.

We conducted our audits in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Fund's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2005 by correspondence with the custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Foxby Corp. as of December 31, 2005, the results of its operations, the changes in its net assets, and the financial highlights for the periods noted above, in conformity with accounting principles generally accepted in the United States of America.

TAIT, WELLER & BAKER

Philadelphia, Pennsylvania
January 19, 2006

PRIVACY POLICY

The Fund recognizes the importance of protecting the personal and financial information of its shareholders. We consider each shareholder's personal information to be private and confidential. This describes the practices followed by us to protect our shareholders' privacy. We may obtain information about you from the following sources: (1) information we receive from you on forms and other information you provide to us whether in writing, by telephone, electronically or by any other means; (2) information regarding your transactions with us, our corporate affiliates, or others. We do not sell shareholder personal information to third parties. We will collect and use shareholder personal information only to service shareholder accounts. This information may be used by us in connection with providing services or financial products requested by shareholders. We will not disclose shareholder personal information to any nonaffiliated third party except as permitted by law. We take steps to safeguard shareholder information. We restrict access to nonpublic personal information about you to those employees and service providers who need to know that information to provide products or services to you. With our service providers we maintain physical, electronic, and procedural safeguards to guard your nonpublic personal information. Even if you are no longer a shareholder, our Privacy Policy will continue to apply to you. We reserve the right to modify, remove or add portions of this Privacy Policy at any time.

DIVIDEND REINVESTMENT PLAN

The Fund has adopted a Dividend Reinvestment Plan (the "Plan”). Under the Plan, each dividend and capital gain distribution, if any, declared by the Fund on outstanding shares will, unless elected otherwise by each shareholder by notifying the Fund in writing at any time prior to the record date for a particular dividend or distribution, be paid on the payment date fixed by the Board of Directors or a committee thereof in additional shares. If the Market Price (as defined below) per share is equal to or exceeds the net asset value per share at the time shares are valued for the purpose of determining the number of shares equivalent to the cash dividend or capital gain distribution (the “Valuation Date”), participants will be issued additional shares equal to the amount of such dividend divided by the greater of that net asset value per share or 95% of that Market Price per share. If the Market Price per share is less than such net asset value on the Valuation Date, participants will be issued additional shares equal to the amount of such dividend divided by the Market Price. The Valuation Date is the day before the dividend or distribution payment date or, if that day is not an American Stock Exchange trading day, the next trading day. For all purposes of the Plan: (a) the Market Price of the shares on a particular date shall be the average closing market price on the five trading days the shares traded ex-dividend on the Exchange prior to such date or, if no sale occurred on any of these days, then the mean between the closing bid and asked quotations, for the shares on the Exchange on such day, and (b) net asset value per share on a particular date shall be as determined by or on behalf of the Fund.

PROXY VOTING

The Fund’s Proxy Voting Guidelines (the “Guidelines”) as well as its voting record for the 12 months ended June 30, are available without charge, by calling the Fund collect at 1-212-344-6310 and on the SEC’s website at http://www.sec.gov. The Guidelines are also posted on the Fund’s website at http://www.foxbycorp.com.

QUARTERLY HOLDINGS

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund’s Forms N-Q are available on the SEC’s Internet site at http://www.sec.gov and may be reviewed and copied at the SEC’s Public Reference Room. Copies of this information can be obtained, after paying a duplicating fee, by e-mail request to publicinfo@sec.gov, or by writing to the SEC’s Public Reference Section, Washington, DC 20549-0102. The Fund’s Investment Company Act file number is 811-09261. The Fund makes the information on Form N-Q available to shareholders upon request free of charge by e-mail request to info@foxbycorp.com or by calling the Fund collect at 1-212-344-6310.

WWW.FOXBYCORP.COM

Visit us on the Internet at www.foxbycorp. The site provides information about the Fund including market performance, net asset value (NAV), dividends, press releases, and shareholder reports. For further information, you can email us at info@foxbycorp.com. The Fund is a member of the Closed-End Fund Association (CEFA). Its website address is www.cefa.com. CEFA is solely responsible for the content of its website.

FUND INFORMATION

Investment Manager
CEF Advisers, Inc.
11 Hanover Square
New York, NY 10005
www.closedendfunds.net
1-212-344-6310

Independent Registered Public Accounting Firm
Tait, Weller & Baker
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Philadelphia, PA 19103

Internet
www.foxbycorp.com
email: info@foxbycorp.com

Stock Transfer Agent and Registrar
American Stock Transfer & Trust Co.
59 Maiden Lane
New York, NY 10038
1-800-278-4353
www.amstock.com

Custodian
State Street Bank & Trust Co.
801 Pennsylvania Avenue
Kansas City, MO 64105

BOARD OF DIRECTORS' REVIEW OF THE INVESTMENT MANAGEMENT AGREEMENT

The annual continuance of the investment management agreement (the "Agreement") between the Fund and the investment manager, CEF Advisers, Inc., was approved at a meeting of the Board of Directors held in March 2005. The semi-annual report to shareholders for the fiscal period ended June 30, 2005 includes a discussion of the factors which the Board of Directors considered in the approval of the continuance of the Agreement. In addition, at a meeting held on September 14, 2005, the Board of Directors approved an amended investment management agreement ("Amended Agreement") between the Fund and the investment manager. The Amended Agreement is substantially similar to the Agreement, except that it provides for a reduction in the investment management fee from 1.00% of the Fund's average daily net assets to 0.50% of the Fund's average daily net assets. The Amended Agreement became effective on December 20, 2005.

RESULTS OF THE ANNUAL MEETING

The Fund's Annual Meeting was held on October 4, 2005 at the office of the Fund at 11 Hanover Square, New York, New York for the purpose of electing the following director to serve as follows with the votes received as set forth below:

Director	Class	Term	Expiring*	Votes For	Votes Withheld
Peter K. Werner	III	5 years	2010	2,153,743	414,841

* And until his successor is duly elected and qualifies. Directors whose term of office continued after the meeting are Thomas B. Winmill (Class IV), James E. Hunt (Class I), and Bruce B. Huber (Class II).

DIRECTORS AND OFFICERS

The following table sets forth certain information concerning the other Directors currently serving on the Board of the Fund. Unless otherwise noted, the address of record for the directors and officers is 11 Hanover Square, New York, New York 10005. Unless otherwise noted, the address of record for the directors and officers is 11 Hanover Square, New York, New York 10005. Each Director who is deemed to be an "interested person" because he is an "affiliated person" as defined in the Investment Company Act of 1940, as amended (the "1940 Act"), is indicated by an asterisk.

Name, Principal Occupation, Business Experience for Past Five Years, Address, and Age	Director Since	Number of Portfolios in Investment Company Complex Overseen by Director	Other Public Company Directorships Held by Director*
Class I:			
JAMES E. HUNT - He is a Managing Director of Hunt, Howe Partners LLC executive recruiting consultants. He was born on December 14, 1930.	2004	5	0
Class II:			
BRUCE B. HUBER, CLU, ChFC, MSFS - He is a Financial Representative with new England Financial, specializing in financial, estate and insurance matters. He was born on February 7, 1930.	2004	5	0
Class III:			
PETER K. WERNER - Since 1996 he has taught and directed many programs at The Governor Dummer Academy. Previously he was Vice President of Money Market Trading at Lehman Bros. He was born on August 16, 1959.	2002	5	0
Class IV:			
THOMAS B. WINMILL* - He is President, Chief Executive Officer, and General Counsel of the Fund, as well as the other investment companies (collectively, the "Investment Company Complex") advised by the Investment Manager and its affiliates, and of Winmill & Co. Incorporated and its affiliates ("WCI"). He also is President of the Investment Manager. He is a member of the New York State Bar and the SEC Rules Committee of the Investment Company Institute. He was born on June 25, 1959.	2002	5	Bexil Corporation

* He is an “interested person” of the Fund as defined in the 1940 Act due to his affiliation with the Investment Manager.

** Refers to directorships held by a director in any company with a class of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 or any company registered as an investment company under the Investment Company Act of 1940.

Messrs. Huber, Hunt and Werner also serve on the Audit and Nominating Committees of the Board. Mr. Winmill also serves on the Executive Committee of the Board.

The executive officers, other than those who serve as Directors, and their relevant biographical information are set forth below.

Name and Age	Principal Occupation During the Past 5 years
Thomas O’Malley Born on July 22, 1958	Chief Accounting Officer, Chief Financial Officer, Treasurer and Vice President since 2005. He is also Chief Accounting Officer, Chief Financial Officer, and Vice President of the Investment Company Complex, the Investment Manager, and WCI. Previously, he served as Assistant Controller of Reich & Tang Asset Management, LLC, Reich & Tang Services, Inc., and Reich & Tang Distributors, Inc. He is a certified public accountant.
Marion E. Morris Born on June 17, 1945	Senior Vice President since 2000. She is also a Senior Vice President of the Investment Company Complex, the Investment Manager, and WCI. She is Director of Fixed Income and a member of the Investment Policy Committee of the Investment Manager. Previously, she served as Vice President of Salomon Brothers, The First Boston Corporation and Cantor Fitzgerald.
John F. Ramirez Born on April 29, 1977	Secretary and Chief Compliance Officer since 2005. He is also Secretary and Chief Compliance Officer of the Investment Company Complex, the Investment Manager, and WCI. He previously served as Compliance Administrator and Assistant Secretary of the Investment Company Complex, the Investment Manager, and WCI.