

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) May 23, 2006

NATURAL HEALTH TRENDS CORP.

(Exact name of Company as specified in its charter)

Delaware 0-26272 59-2705336

(State or other jurisdiction (Commission IRS Employer
of incorporation) File Number) Identification No.)

2050 Diplomat Drive Dallas, TX 75234
(Address of principal executive offices) (Zip Code)

Company's telephone number, including area code (972) 241-4080

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Company under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

On May 23, 2006, Natural Health Trends Corp. (the "Company") received a letter from The Nasdaq Stock Market stating that the Company is not in compliance with Marketplace Rule 4310(c)(14), which obligates Nasdaq listed issuers to timely file those reports and other documents required to be filed with the Securities and Exchange Commission. The Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2006 was due on May 15, 2006.

As previously disclosed, on May 8, 2006, the Company filed its Annual Report on Form 10-K which was incomplete since it omitted Part III of the Form 10-K. This part is frequently incorporated by reference to a company's proxy statement. Since the Company filed its Annual Report on Form 10-K late, and has not amended it to include the Part III information, a hearing with the Nasdaq Listing Qualifications Panel (the "Panel") has been scheduled for June 1, 2006. The Panel will consider whether the Company's shares of common stock should continue to be listed on The Nasdaq National Market. At that hearing, the Panel will also consider the Company's failure to timely file its Quarterly Report on Form 10-Q for the first quarter.

It is not anticipated that the Company's shares of common stock will be delisted before its hearing with the Panel. However, if the Company fails to file its Amended Annual Report on Form 10-K/A or its Form 10-Q for the first quarter, or fails to persuade the Panel to provide the Company with an exception to Marketplace Rule 4310(c) (14), the Company's shares of common stock may be subject to delisting by The Nasdaq Stock Market.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99. Press Release of the Company dated May 26, 2006.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NATURAL HEALTH TRENDS CORP.

Date: May 26, 2006

By: /s/ CHRIS SHARNG

Name: Chris Sharng

Title: Executive Vice President and
Chief Financial Officer

NATURAL HEALTH TRENDS CORP.
Chris Sharn, EVP & CFO
972-241-4080

FOR IMMEDIATE RELEASE

NATURAL HEALTH NOTIFIED OF NON-COMPLIANCE WITH NASDAQ RULE

DALLAS, TX, May 26, 2006 -- Natural Health Trends Corp. (NASDAQ NMS: BHIP), an international direct-selling company, announced today that on April 18, 2006 it received a letter from The NASDAQ Stock Market stating that the Company is not in compliance with Marketplace Rule 4310(c)(14), which obligates NASDAQ listed issuers to timely file those reports and other documents required to be filed with the Securities and Exchange Commission. The Company's Annual Report on Form 10-K was due on March 31, 2006. On May 8, 2006, the Company filed a Form 10-K that was incomplete, since it incorporated certain sections by reference from a proxy statement that has not been filed. The Company anticipates filing an amended Annual Report on Form 10-KA with the required information.

The Company timely requested a hearing with the NASDAQ Hearings Panel, and the hearing has been set for June 1, 2006. On May 23, 2006, the Company received a letter from NASDAQ stating that it had not received the Company's Form 10-Q for the quarter ended March 31, 2006, and that this matter will be considered at the hearing on June 1, 2006, to determine the Company's continued listing. The Company will file this Form 10-Q late.

It is not anticipated that the Company's shares of common stock will be delisted before that hearing. However, if the Company fails to file its Amended Annual Report on Form 10-KA or its Form 10-Q, or fails to persuade the Hearings Panel to provide the Company with an exception to Marketplace Rule 4310(c) (14), the Company's shares of Common Stock may be subject to delisting by The NASDAQ Stock Market.

Natural Health Trends Corp. is an international direct-selling company operating in more than 15 markets throughout Asia, North America, and Latin America. The Company markets premium quality personal care, health and lifestyle products under the Lexxus brand and markets its nutritional supplement products under the Kaire brand. Additional information can be found on the Company's website, and management encourages interested parties to register for updated corporate information via e-mail on the Company's homepage, www.naturalhealthtrends.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 - -- Forward-looking statements in this release do not constitute guarantees of future performance. Such forward-looking statements are subject to risks and uncertainties that could cause our actual results to differ materially from those anticipated. Such statements may relate, among other things, to our relationship with our distributors; our need to continually recruit new distributors; our internal controls and accounting methods that may require further modification; regulatory matters governing our products and network marketing system; our ability to recruit and maintain key management; adverse publicity associated with our products or direct selling organizations; product liability claims; our reliance on outside manufacturers; risks associated with operating internationally, including foreign exchange risks; product concentration; dependence on increased penetration of existing markets; the competitive nature of our business; and our ability to generate sufficient cash to operate and expand our business. For a more detailed discussion of the risks and uncertainties of our business, please refer to our Annual Report on Form 10-K for the fiscal year ended December 31, 2004 filed with the Securities and Exchange Commission. We assume no obligation to update any forward-looking information contained in this press release or with respect to the announcements described herein.

#####