

Mail Stop 4561

October 31, 2006

By U.S. Mail and facsimile to (312) 751-0769

Mark Goldwasser
Chairman, President and Chief Executive Officer
National Holdings Corporation
875 North Michigan Avenue, Suite 1560
Chicago, IL 60611

**Re: National Holdings Corporation
 (f/k/a Olympic Cascade Financial Corporation)
 Form 10-K for the Fiscal Year Ended September 30, 2005
 Form 10-Q for the Fiscal Quarter Ended December 31, 2005
 Form 10-Q for the Fiscal Quarter Ended March 31, 2006
 Form 10-Q for the Fiscal Quarter Ended June 30, 2006
 File No. 001-12629**

Dear Mr. Goldwasser:

We have completed our review of your Form 10-K and related filings and have no further comments at this time.

Sincerely,

Amit Pande
Assistant Chief Accountant