

# Global MegaTrends Fund (MEGAX)

Symbol: MEGAX CUSIP: 90330L-20-4  
Inception Date: 10/21/91

Institutional Class Symbol: MEGIX  
CUSIP: 911476-78-6  
Inception Date: 03/01/10

Lipper Category: Global Multi-Cap Growth

## About the Fund

The Global MegaTrends Fund seeks large-scale and sustainable growth opportunities as evidenced by major capital expenditures in a sector, country, or region. We've identified global infrastructure as such a megatrend, making it the key focus for the fund's investments.

Unlike competing infrastructure funds, the Global MegaTrends Fund takes a "picks and shovels" approach. This means not only investing in particular projects but also in the tools, equipment, companies and people that are needed to build or service a project.

## Fund Objective

The Global MegaTrends Fund seeks long-term capital appreciation consistent with the preservation of capital.

## Fund Strategy

The Global MegaTrends Fund seeks to invest in companies that are positioned to grow by providing capital goods, basic materials, professional services or other key inputs to facilitate the design, construction, maintenance, financing, or servicing of global infrastructure properties. In addition to the focus on investments in infrastructure, the funds seeks to invest in companies that meet suitable measures of return on cash flow, growth in revenue, earnings growth and return on equity. There is no constraint upon the markets that the fund management will consider.

## Portfolio Team

**Frank Holmes, Chief Investment Officer**  
Years of Experience: 30+

**John Derrick, CFA**  
Years of Experience: 18

**Brian K. Hicks, CFA**  
Years of Experience: 19

**Evan Smith, CFA**  
Years of Experience: 17

## Potential Risk/Reward

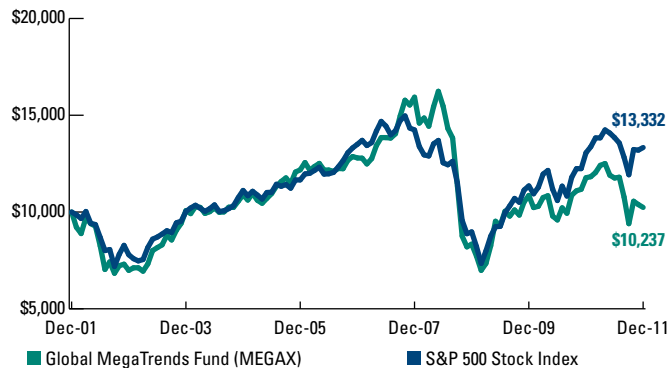
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## December 2011 Fund Fact Sheet

### Growth of \$10,000 from 12/31/2001 to 12/31/2011



The chart illustrates the performance of a hypothetical \$10,000 investment made in the fund during the depicted time frame, compared to its benchmark index. Figures include reinvestment of capital gains and dividends, but the performance does not include the effect of any direct fees described in the fund's prospectus (e.g., short-term trading fees) which, if applicable, would lower your total returns.

## Risk Measures & Statistics (3-Year)

Sharpe Ratio	0.41	R-squared vs. Benchmark	78.14
Alpha vs. Benchmark	-1.92	Standard Deviation	22.28%
Beta vs. Benchmark	1.00	Benchmark Standard Deviation	19.78%

## Returns

	Average Annual						Expense Ratio		
	1 Month	Year to Date	1-year	3-year	5-year	10-year	Since Inception	Gross	After Waivers
Global MegaTrends Fund (as of 12/31/11)	-1.41%	-13.02%	-13.02%	7.07%	-4.36%	0.23%	4.18%*	2.44%	2.35%
Global MegaTrends Fund Inst. Class (as of 12/31/11)	-1.50%	-12.82%	-12.82%	n/a	n/a	n/a	-0.77%**	8.09%	1.61%
S&P Global Infrastructure Index (as of 12/31/11)	0.38%	-0.39%	-0.39%	9.70%	-0.16%	11.06%	n/a	n/a	n/a
S&P 500 Stock Index (as of 12/31/11)	1.02%	2.11%	2.11%	14.13%	-0.25%	2.92%	n/a	n/a	n/a

Expense ratios as stated in the most recent prospectus. The expense ratio after waivers for Investor Class shares is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest) that U.S. Global Investors, Inc. can modify or terminate at any time. The expense ratio after waivers for Institutional Class shares is a voluntary arrangement pursuant to which U.S. Global Investors, Inc. has agreed to waive all class specific expenses of each fund. The expense waiver is exclusive of performance fees, acquired fund fees and expenses, extraordinary expenses, taxes, brokerage commissions and interest, and can be modified or terminated at any time. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus (e.g., short-term trading fees of 0.25%) which, if applicable, would lower your total returns. Performance quoted for periods of one year or less is cumulative and not annualized. Obtain performance data current to the most recent month-end at [www.usfunds.com](http://www.usfunds.com) or 1-800-US-FUNDS. Since Inception \*(10/21/91), \*\*(03/01/10).



## Industry Breakdown

Transportation & Logistics	15.52%
Industrials	13.83%
Energy Infrastructure	13.20%
Oil & Gas - Service & Equipment	10.56%
Building & Construction Materials	10.24%
Metals & Mining	9.18%
Financial Services	5.19%
Utilities	2.68%
Oil & Gas - Exploration & Production	2.56%
Agriculture	1.61%
Real Estate Development	1.43%
Telecommunications	0.48%
Other	2.28%
Cash Equivalents	11.60%

## Top 10 Holdings

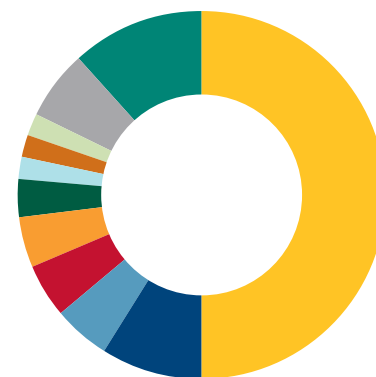
Mastercard Inc	3.74%
CCR SA	3.57%
Grupo Empresarial Ibiza	3.48%
General Electric Co	3.00%
National Oilwell Varco Inc	2.73%
Chart Industries Inc	2.72%
TransCanada Corp	2.49%
Freeport-McMoRan Copper & Gold Inc	2.46%
Keyera Corp	2.30%
Core Laboratories NV	2.29%
<b>Percentage of total net assets in top 20 holdings</b>	<b>47.59%</b>
<b>Total number of holdings</b>	<b>66</b>
<b>Total Net Assets</b>	<b>\$14.93 Million</b>
<b>P/E Ratio</b>	<b>15.52</b>

## Market Capitalization Breakdown

Large Cap (over \$10 Billion)	48.53%
Mid Cap (\$1–\$10 Billion)	11.4%
Small Cap (under \$1 Billion)	40.07%
<b>Average Weighted Market Capitalization</b>	<b>\$16.0 Billion</b>

## Regional Breakdown

United States (50.44%)	South Korea (1.98%)
Canada (8.80%)	China (1.94%)
Brazil (5.00%)	Marshall Islands (1.93%)
Indonesia (4.83%)	Other (6.08%)
Panama (4.31%)	Cash Equivalents (11.60%)
Netherlands (3.43%)	



Please consider carefully a fund's investment objectives, risks, charges and expenses. For this and other important information, obtain a fund prospectus by visiting [www.usfunds.com](http://www.usfunds.com) or by calling 1-800-US-FUNDS (1-800-873-8637). Read it carefully before investing. Distributed by U.S. Global Brokerage, Inc.

Foreign and emerging market investing involves special risks such as currency fluctuation and less public disclosure, as well as economic and political risk.

There is no guarantee that the investment objectives will be met. The S&P Global Infrastructure Index provides liquid and tradable exposure to 75 companies from around the world that represent the listed infrastructure universe. To create diversified exposure across the global listed infrastructure market, the index has balanced weights across three distinct infrastructure clusters: Utilities, Transportation and Energy. The S&P 500 Stock Index is a widely recognized capitalization-weighted index of 500 common stock prices in U.S. companies. All information is unaudited and, unless otherwise indicated, is as of 12/31/2011. Fund composition data provided is calculated as a percentage of net assets. No single sector or country in the "other" category is over 1% of the fund. Sharpe ratio is a measure of risk-adjusted performance calculated by subtracting the risk-free rate from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns. Alpha is a measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index. The excess return of the fund relative to the return of the benchmark index is a fund's alpha. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. R-squared is a statistical measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. R-squared values range from 0 to 100. An R-squared of 100 means that all movements of a security are completely explained by movements in the index. Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility. 12-008