



# China Region Fund

Symbol: USCOX CUSIP: 911476-82-8 U.S. Global Investors Funds

August 2009

## Fund Objective

The China Region Fund seeks to achieve long-term capital appreciation.

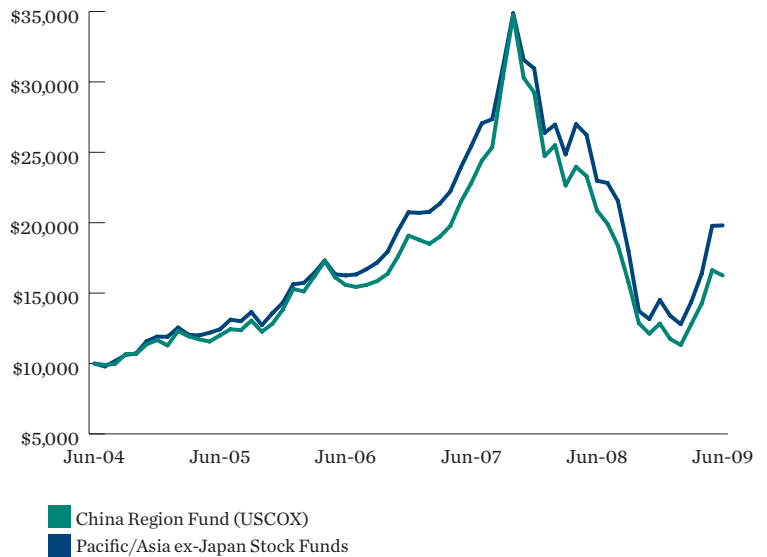
## Portfolio Team

**Frank Holmes, Chief Investment Officer**  
**Romeo A. Dator, CFA**

## Fund Strategy

The fund invests in both new and existing enterprises registered and operating in China and the China region. At least 80 percent of the fund's assets are invested in equity securities, including common stock, preferred stock, convertible securities, rights and warrants and depository receipts of companies located in the China region. The fund will invest in securities in the authorized China securities market; in particular, the Hong Kong, Shenzhen, and Shanghai stock exchanges. The fund will also invest in securities traded on the Taiwan, Korea, Singapore, Malaysia and Indonesia stock exchanges.

China Region Fund  
 Growth of \$10,000 from 06/01/2004 to 06/30/2009



The chart illustrates the performance of a hypothetical \$10,000 investment made in the fund during the depicted time frame, compared to its Morningstar category. 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.

## Potential Risk/Reward



## Average Annual Returns

	Average Annual						Expense Ratio		
	1-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (2/10/94)	Gross	Capped
China Region Fund (as of 6/30/09)	-2.21%	26.65%	-22.11%	1.42%	10.20%	5.71%	0.22%	2.29%	2.00%
Hang Seng Composite Index <sup>1</sup> (as of 6/30/09)	2.89%	33.68%	-12.88%	9.63%	14.36%	n/a	n/a	n/a	n/a
China Region Fund (as of 8/31/09)	-7.49%	28.09%	-10.50%	1.80%	10.49%	6.31%	0.29%	2.29%	2.00%
Hang Seng Composite Index <sup>1</sup> (as of 8/31/09)	-5.50%	40.77%	-2.08%	9.77%	14.65%	n/a	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. The Adviser for the China Region Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 2.00% (exclusive of acquired fund fees and expenses of 0.01%) on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. 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 1.00%) which, if applicable, would lower your total returns. Obtain performance data current to the most recent month-end at [www.usfunds.com](http://www.usfunds.com) or 1-800-US-FUNDS. High double-digit returns are attributable, in part, to unusually favorable market conditions and may not be repeated or consistently achieved in the future.

Foreign and emerging market investing involves special risks such as currency fluctuation and less public disclosure, as well as economic and political risk. By investing in a specific geographic region, a regional fund's returns and share price may be more volatile than those of a less concentrated portfolio.

Please consider carefully the 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.

## Portfolio Statistics *as of 8/31/09*

Total Net Assets	\$50.1 Million
NAV	\$7.16
Beta	1.10
Sharpe Ratio	0.13
Lipper Category	China Region

## Fund Composition<sup>3</sup>

*as a percentage of total investments as of 8/31/09*

Equities	90.21%
Cash Equivalents	9.79%
Bonds	0.00%

## Top 10 Industries

*as a percentage of net assets as of 8/31/09*

Commercial Banks Non-US	10.68%
Telecommunication Equipment	4.88%
Gold Mining	4.50%
Internet Application Software	4.46%
Diversified Operations	4.35%
Oil Companies - Exploration & Production	3.81%
Real Estate Operating / Development	3.66%
Coal	3.23%
Electronic Components - Semiconductors	3.03%
Finance - Other Services	2.55%

## Top 10 Equity Holdings<sup>2</sup> *as of 8/31/09*

Tencent Holdings Ltd	4.46%
ZTE Corp	3.78%
China Shenhua Energy Co Ltd	3.23%
Standard Chartered PLC	2.70%
Tingyi Cayman Islands Holding Corp	2.51%
Cnpc Hong Kong Ltd	2.51%
China Dongxiang Group Co	2.49%
Astra International Tbk PT	2.39%
China Resources Enterprise	2.34%
Li & Fung Ltd	2.32%

## Regional Breakdown<sup>4</sup> *as a percentage of net assets*

*(Country of incorporation) as of 8/31/09*

China	39.51%
Hong Kong	19.46%
Cayman Islands	6.98%
Indonesia	3.36%
Bermuda	3.15%
Korea, Republic of, (South Korea)	3.12%
United Kingdom	2.70%
Singapore	2.43%

<sup>1</sup>The Hang Seng Composite Index is a market capitalization-weighted index that comprises the top 200 companies listed on Stock Exchange of Hong Kong, based on average market cap for the 12 months. <sup>2</sup>Portfolio holdings will change. <sup>3</sup>Fund assets can include, but are not limited to, equities, bonds, cash, receivables, pre-paid expenses and other miscellaneous assets. Fund composition represents key components only and should not be considered a complete financial picture of a fund's assets. <sup>4</sup>Regional breakdown is based on country of incorporation and not intended to conform to the China region definition in the prospectus. There is no guarantee that the investment objectives will be met. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. 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. 09-600