



Gold and Precious Metals Fund

Symbol: USERX CUSIP: 911478-10-5 U.S. Global Investors Funds

August 2009

Fund Objective

The Gold and Precious Metals Fund seeks capital appreciation while protecting against inflation and monetary instability. The fund also pursues current income as a secondary objective.

Portfolio Team

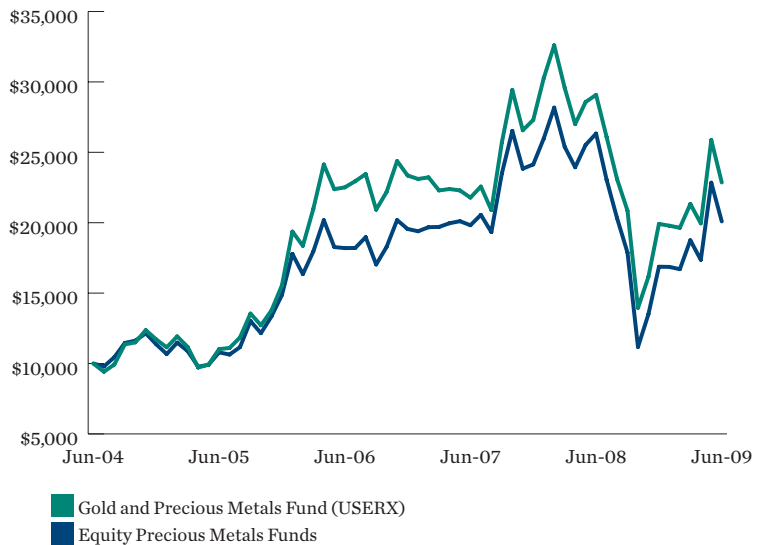
Frank Holmes, *Chief Investment Officer*

Ralph Aldis, *CFA*

Fund Strategy

Under normal market conditions, the Gold and Precious Metals Fund will invest at least 80 percent of its net assets in equity securities of companies predominately involved in the mining, fabrication, processing, marketing, or distribution of metals including gold, silver, platinum group, palladium and diamonds. Gold companies include mining companies that exploit gold deposits that are supported by by-products and co-products such as copper, silver, lead and zinc, and also have diversified mining companies which produce a meaningful amount of gold. The fund focuses on selecting companies with established producing mines.

Gold and Precious Metals 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 (7/1/74)	Gross	Capped
Gold and Precious Metals Fund (as of 6/30/09)	-11.66%	14.77%	-21.39%	0.51%	17.97%	16.71%	0.59%	1.79%	1.50%
FTSE Gold Mines Index ¹ (as of 6/30/09)	-11.59%	9.73%	-17.60%	2.03%	12.25%	11.37%	n/a	n/a	n/a
Gold and Precious Metals Fund (as of 8/31/09)	-0.93%	18.37%	2.04%	0.17%	18.87%	17.24%	0.68%	1.79%	1.50%
FTSE Gold Mines Index ¹ (as of 8/31/09)	-1.22%	12.29%	10.15%	2.70%	10.83%	11.47%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. The Adviser for the Gold and Precious Metals Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 1.50% (exclusive of acquired fund fees and expenses of 0.04%) 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 0.50%) which, if applicable, would lower your total returns. Obtain performance data current to the most recent month-end at www.usfunds.com or 1-800-US-FUNDS.

Gold, precious metals, and precious minerals funds may be susceptible to adverse economic, political or regulatory developments due to concentrating in a single theme. The prices of gold, precious metals, and precious minerals are subject to substantial price fluctuations over short periods of time and may be affected by unpredicted international monetary and political policies. We suggest investing no more than 5% to 10% of your portfolio in gold, precious metals, precious minerals, or gold, precious metals, or precious minerals stocks.

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 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	\$209.0 Million
NAV	\$12.82
2008 Distributions	\$0.727
Beta	12.54
Sharpe Ratio	0.14
Lipper Category	Gold Oriented

Top 10 Equity Holdings² *as of 8/31/09*

Randgold Resources Ltd	7.21%
Jaguar Mining Inc	4.98%
Goldcorp Inc	4.58%
Red Back Mining Inc	4.17%
Royal Gold Inc	3.51%
IAMGOLD Corp	3.03%
Centamin Egypt Ltd	2.92%
Gold Fields Ltd	2.69%
ETFS Physical Platinum	2.64%
Kinross Gold Corp	2.33%

Fund Composition³

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

Equities	79.67%
Cash Equivalents	19.80%
Bonds	0.53%

Top 5 Industries

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

Gold Mining	63.12%
Silver Mining	4.16%
Diversified Minerals	3.53%
Metal - Copper	3.43%
Platinum ETF	2.64%

Regional Breakdown *as a percentage of net assets*

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

Canada	45.53%
Jersey - Channel Islands	10.47%
South Africa	7.88%
Australia	5.66%
United States	3.92%

★★★★★ Morningstar 5-year Rating™

Among 61, 61, 58, and 36 Equity Precious Metals funds, the Gold and Precious Metals Fund earned 3 stars, 3 stars, 5 stars and 2 stars for the overall, 3-, 5- and 10-year periods. Ratings are based on risk-adjusted return as of 6/30/09. The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating. Past performance does not guarantee future results.

¹The FTSE Gold Mines Index Series encompasses all gold mining companies that have a sustainable and attributable gold production of at least 300,000 ounces a year, and that derive 75% or more of their revenue from mined gold. ²Portfolio holdings will change. ³Fund 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. There is no guarantee that the investment objectives will be met. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) 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