



# China Region Fund

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

July 2009

## Fund Objective

The China Region Fund seeks to achieve long-term capital appreciation by investing in the economic growth in the greater China region.

## Portfolio Team

**Frank Holmes, Chief Investment Officer**

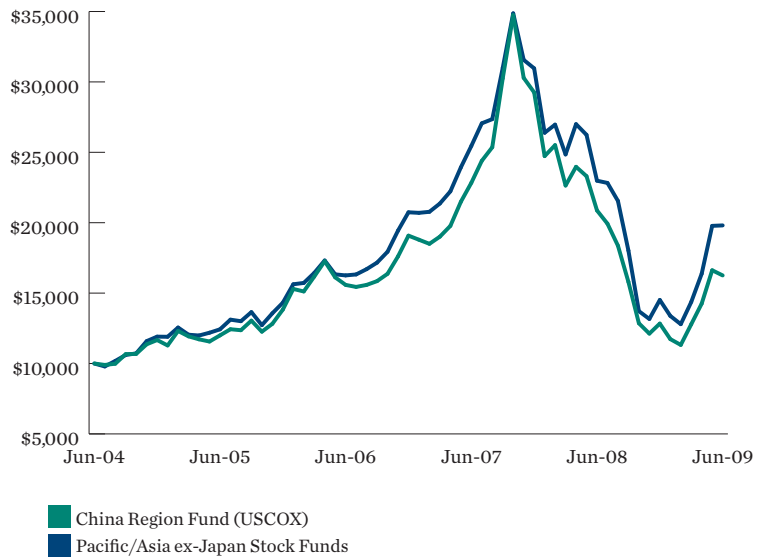
**Romeo A. Dator, CFA**

## Fund Strategy

At least 80 percent of the fund's assets are invested, under normal market conditions, in equity securities issued by companies or whose principal business activities are in the greater China region, including China, Hong Kong, Singapore, Korea and Taiwan. For a complete list of the countries in which the fund can invest, please see the prospectus. Management searches for companies that:

- Demonstrate strong earnings and growth potential
- Maintain leading market positions
- Generate solid cash flow
- Possess dynamic and entrepreneurial management
- Show growth at a reasonable price

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. 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

Low  High

## 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 7/31/09)	9.32%	38.46%	-10.83%	4.80%	12.41%	7.20%	0.80%	2.29%	2.00%
Hang Seng Composite Index <sup>1</sup> (as of 7/31/09)	11.43%	48.96%	-3.81%	12.77%	17.00%	n/a	n/a	n/a	n/a

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.

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 6/30/09*

Total Net Assets	\$50.1 Million
Beta ( <i>as of 7/31/09</i> )	1.14
Sharpe Ratio ( <i>as of 7/31/09</i> )	0.22
Lipper Category	China Region

## Net Asset Value *as of 7/31/09*

NAV	\$7.74
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## Top 10 Industries

*as a percentage of net assets as of 7/31/09*

Commercial Banks Non-US	13.04%
Real Estate Operating / Development	5.56%
Power Converters / Power Supply Equipment	4.96%
Gold Mining	4.27%
Oil Companies - Exploration & Production	3.91%
Telecommunication Equipment	3.57%
Retail - Sporting Goods	3.44%
Steel - Producers	3.28%
Coal	2.98%
Internet Application Software	2.94%

## Top 10 Equity Holdings<sup>2</sup> *as of 6/30/09*

China Merchants Bank Co Ltd	3.64%
China Dongxiang Group Co	3.35%
Hong Kong Exchanges and Clearing Ltd	3.11%
China Shenhua Energy Co Ltd	2.92%
Agile Property Holdings Ltd	2.88%
Industrial & Commercial Bank of China	2.79%
Tencent Holdings Ltd	2.78%
China Construction Bank Corp	2.78%
Maanshan Iron & Steel	2.51%
Cnpc Hong Kong Ltd	2.49%

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

*(Country of incorporation) as of 7/31/09*

China	49.63%
Hong Kong	17.43%
Cayman Islands	3.94%
Indonesia	3.73%
Korea, Republic of, (South Korea)	2.76%
United Kingdom	2.58%
Singapore	2.54%
United States	2.37%

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

*as a percentage of total investments as of 7/31/09*

Equities	96.10%
Cash Equivalents	3.90%
Bonds	0.00%

<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. 09-536