USFunds.com • **January 31, 2014**

U.S. Global Investors
Investor Alert

Podcast RSS Subscribe on iTunes PDF Version

EMAIL TO A FRIEND

Table of Contents

Press Release:
U.S. Global Investors Announces Earnings Webcast

Journey to the Center of African Mining

By Frank Holmes
CEO and Chief Investment Officer
U.S. Global Investors

This weekend, I head to the resource-rich continent of Africa. My journey begins at the 2014 Investing in African Mining Indaba, where I plan to give a keynote speech to a room full of mining ministers and industry experts. I'm honored to be presenting along with other keynote speakers, including Susan Shabangu, South African minister of mineral resources, Tom Butler, global head of mining at the World Bank, and Gavin Keeton, professor at Rhodes University.

Indaba is the place to learn about the best wealth creation ideas in African mining. It's the world's largest mining investment conference, gathering together the industry's most influential decision-makers in African mining. Last year, more than 7,800 people from 100 countries and 1,500 international companies attended, including 45 African and non-African government delegations.

While on the continent, I'll travel to Mozambique to visit a massive farm operation owned by Agriterra, one of the Global Resources Fund (PSPFX) holdings. The company also has a cocoa nursery and plantation in Sierra Leone that our team visited last year.


Agriterra's cocoa nursery in Sierra Leone

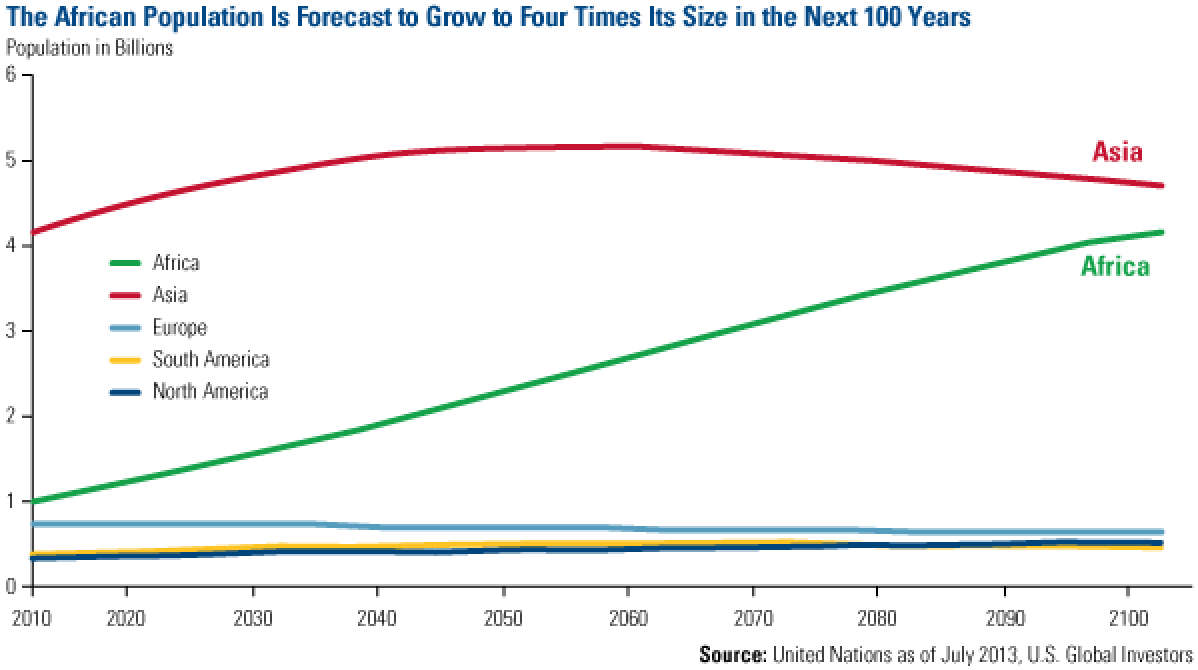
Agriterra has exciting potential, as the company focuses on hiring the best intellectual capital to improve crop yields, package and ship commodities, and provide necessary resources to the rapidly growing population of Africa.

From Mozambique, I'll get some Kenyan dirt on my boots when I visit one of African Oilfield Logistics' operations. African Oilfield Logistics is an oil and gas services business that focuses on exploration and development projects not only in Kenya, but also Ethiopia and Mauritius. To date, the company has been a profitable position for shareholders of the Global Resources Fund.

In an interview about African mining with Business Excellence, I said many companies from North America and Europe look to move capital to the continent. However, when a new government is formed, leaders often introduce new regulations and rules that dissuade investment. I call these places "no-fly zones."

Read the rest of my interview here.

Yet, it's hard to ignore the resource potential, especially given the explosion in population. Over the next 100 years, the African population is forecasted to grow to four times its size.



click to enlarge

While every country has its own challenges, whether political or geographic, global journeys like these can uncover the best opportunities for investors. Figures on a spreadsheet only tell part of the story, so it is essential to connect the explicit knowledge learned from statistical models with the tacit knowledge gained during global travel to find companies that can successfully operate and grow capital for their investors.

Occasionally, investors have the chance to join us on our journey. This year, I invite you on an investment adventure of a lifetime to explore Europe's fastest growing economy, Turkey. Don't only depend on what is reported in the media when you can witness what Turkey has to offer firsthand. Learn more about this golden opportunity and reserve your spot today.

Leaping and Bounding Markets in the Year of the Horse?

New Year's celebrations in the U.S. may be over, but more than a billion people in China and around the world will be celebrating Lunar New Year with family and friends beginning January 31.

We're entering the Year of the Horse, a year that could be full of adventure, romance and chaos. In the 2014 Feng Shui Index, CLSA noted that the Year of the Horse should bring positive markets, at least until mid- to late-2014, with a possible correction around August.

Taking a look at market performance during the previous five Years of Horses (1954, 1966, 1978, 1990, and 2002), the best years were 1954 and 1978. In 1954, the Dow Jones Industrial Average rose 40 percent. In 1978 the Hang Seng Composite Index leapt 35 percent. The worst years were 1966 and 2002, when the Hang Seng lost 11 and 13 percent, respectively.

This Year of the Horse is combined with wood, which is one of the five key elements in feng shui, and that is positive for stocks to leap and bound over the course of the next 12 months.

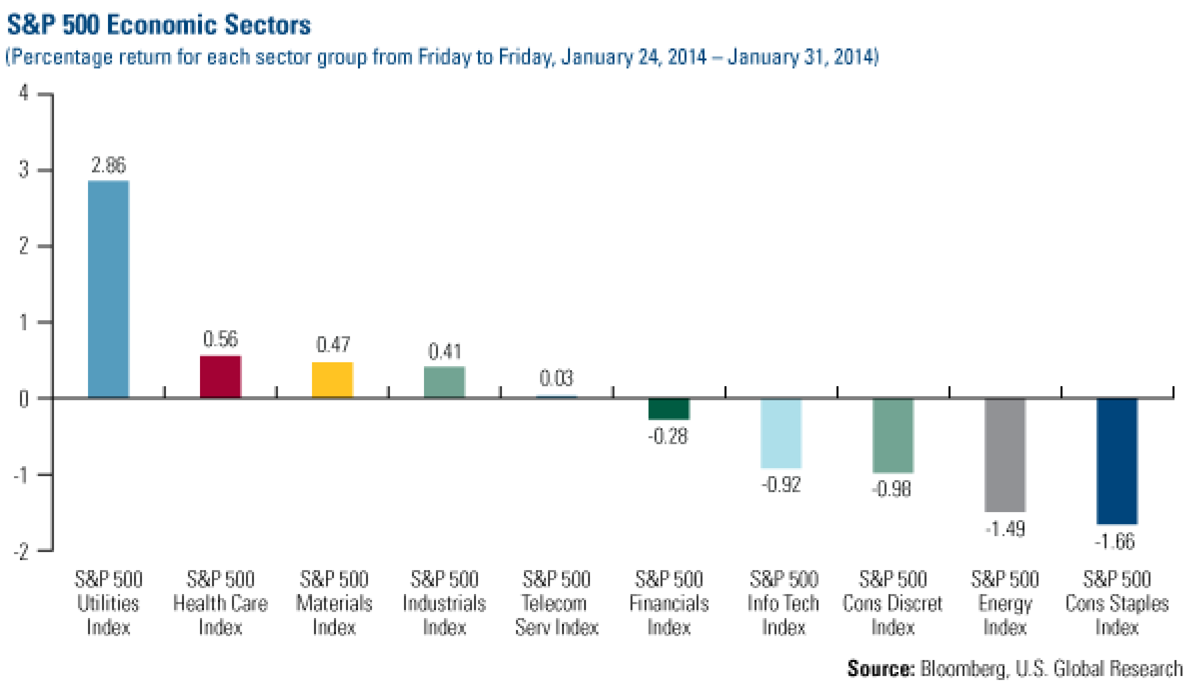
Index Summary

- Major market indices finished lower this week. The Dow Jones Industrial Average fell 1.14 percent. The S&P 500 Stock Index dropped 0.43 percent, while the Nasdaq Composite declined 0.59 percent. The Russell 2000 small capitalization index moved lower by 1.16 percent this week.
- The Hang Seng Composite fell 1.72 percent; Taiwan fell 1.58 percent while the KOSPI advanced 0.03 percent. The 10-year Treasury bond yield fell 7 basis points this week at 2.65 percent.

All American Equity Fund - GBTFX • Holmes Macro Trends Fund - ACBGX

Domestic Equity Market

The S&P 500 Index ended the week modestly lower, falling 0.43 percent, in a volatile, choppy week. Earnings season has been mixed so far with some high-profile misses, such as Amazon.com. The interest-rate-sensitive utility sector was by far the best performer as interest rates continue to fall with global financial market volatility.



click to enlarge

Strengths

- Utilities were strong across the board with 30 of 31 names in the S&P 500 Utilities Index higher for the week. The utilities sector was the best performer in January, with most of that gain occurring this week.
- Health care also outperformed this week continuing a year-long trend. This week saw strong performance from the health-care technology and life-science tools industries.
- Alexion Pharmaceuticals was the best performer in the S&P 500 this week, rising 18.77 percent. The company released quarterly earnings results which were ahead of expectations. The company also completed its move of operations to Ireland, which should significantly lower its tax burden in 2014.

Weaknesses

- The consumer staples sector was the worst performer this week with weakness in several bellwether names. Altria Group and Philip Morris were among the worst performers, along with Procter & Gamble, Kellogg and Coca-Cola.
- The energy sector was also weak as bellwether names such as Exxon Mobil and Chevron had earnings disappointments. The offshore service and drilling names also were weak.
- ADT was the worst performer in the S&P 500 this week, falling 22.54 percent. The company announced disappointing quarterly results with both earnings and revenue falling short of expectations due to higher customer churn and fewer customer adds during the quarter.

Opportunities

- The current macro environment remains positive as economic data is robust enough to give investors confidence in an economic recovery, but not too strong as to force the Fed to aggressively change course in the near term.
- Money flows are likely to find their way into domestic U.S. equities and out of bonds and emerging markets.
- The improving economic situation could possibly drive equity prices well into 2014.

Threats

- Last week could have marked the beginning of a short-term market consolidation period after such strong performance over the past six months.
- Higher interest rates are a threat for the whole economy. The Fed must walk a fine line and the potential for policy error could be large.
- A lot of good news may be priced into the market and the economy will need to deliver to maintain the positive momentum in the market.

U.S. Government Securities Ultra-Short Bond Fund - UGSDX • Near-Term Tax Free Fund - NEARX

The Economy and Bond Market

Treasury bond yields continued their recent slide, heading lower again this week. Fourth-quarter GDP rose 3.2 percent, ahead of expectations, but a “risk-off” environment trumped the good economic data. Emerging market currencies experienced significant volatility this week and created a flight-to-quality effect in treasuries and other safe-haven assets, driving yields lower. The Federal Reserve proceeded to move forward with another round of tapering this week, shaving another $10 billion off the quantitative easing program, which in a different environment could have pushed yields higher, but not this week.

click to enlarge

Strengths

- Fourth-quarter GDP rose 3.2 percent and follows the 4.1 percent seen in the third quarter, giving confidence that the economy is truly on the mend.
- The Conference Board's consumer confidence index rose more than expected in January and has bounced back after a dip during the fourth quarter.
- Consumer sentiment is also improving in Europe with several surveys indicating recovery. For example, the January reading of the European Commission economic sentiment index hit its highest level since July 2011.

Weaknesses

- Durable goods orders fell 4.3 percent in December and when combined with weak manufacturing indicators in China, raise a red flag.
- New home sales fell 7 percent in December, declining for two months in a row.
- Other housing indicators were also weak with pending home sales falling 9 percent in December. Weather likely played a role in some of the weak data, but it will be a couple of months before we know for sure.

Opportunities

- As expected, the Fed tapered by another $10 billion this week, but the Fed continues to remain committed to an overall accommodative policy. This consistency in meeting market expectations builds Fed credibility.
- Key global central bankers remain in easing mode such as the European Central Bank (ECB), Bank of England and the Bank of Japan. ECB president Mario Draghi vowed to take "decisive action" if needed to combat deflation. Speculation is building that the ECB may cut rates to 10 basis points, essentially matching the Fed.
- There are many moving parts to the taper decision and, while the Fed began the process, it is very possible that tapering could be delayed if the economy stumbles.

Threats

- Several emerging market countries are raising interest rates at an aggressive pace to either deal with inflation or a weak currency. It could be the beginning of a new global interest rate cycle for higher rates.

- Trade and/or currency "wars" cannot be ruled out which may cause unintended consequences and volatility in the financial markets.
- The recent bond market selloff may be a "shot across the bow" as the markets reassess the changing macro dynamics.

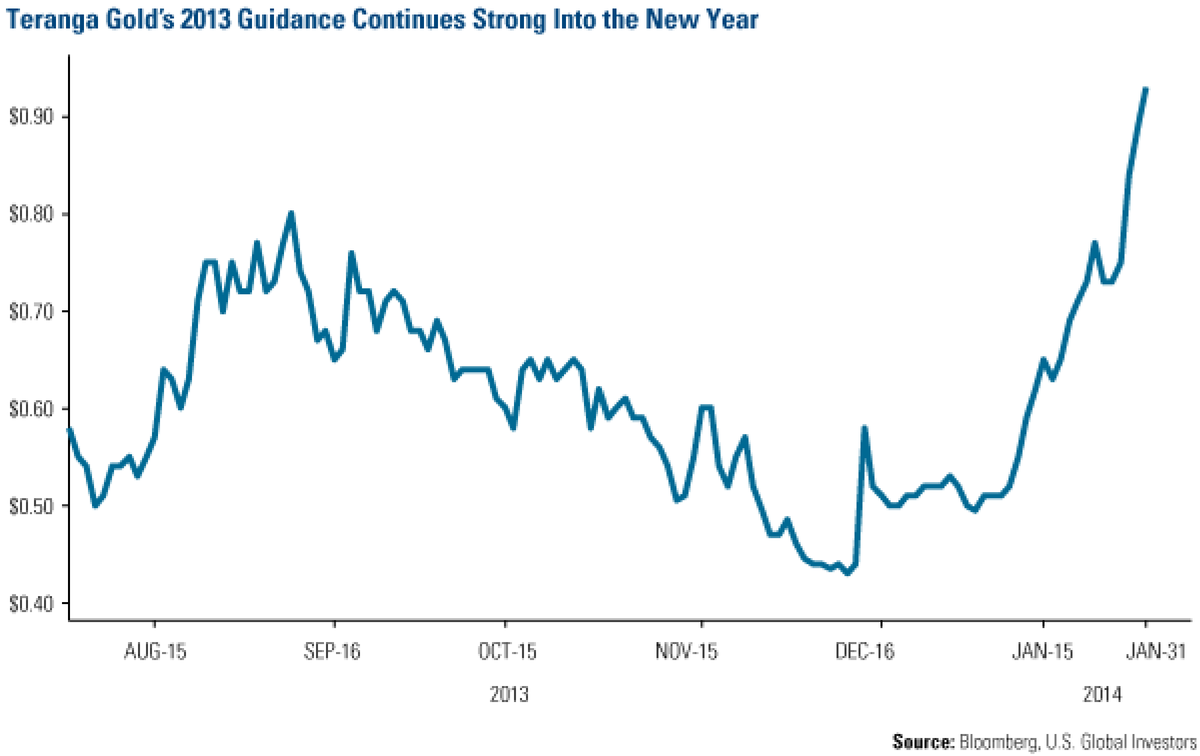
World Precious Minerals Fund - UNWPX • Gold and Precious Metals Fund - USERX

Gold Market

For the week, spot gold closed at $1,244.23, down $25.84 per ounce, or 2.03 percent. Gold stocks, as measured by the NYSE Arca Gold Miners Index, declined 0.87 percent. The U.S. Trade-Weighted Dollar Index rose 0.98 percent for the week.

Strengths

- Physical sales for gold rose 51 percent in China during the month of December, ahead of the gift-giving season of the Lunar New Year on January 31. Chow Tai Fook, the largest jewelry retailer in China, surged 26 percent in the three months through December, as the gold price drop reduced the cost of its inputs. Similarly, Austria's mint is running 24-hour shifts as global mints from the U.S. to Australia report climbing demand for the metal. Meanwhile, the global security services company Brinks, is getting ready to open its fifth gold vault in Singapore to profit from gold's movement from the West to the East.



click to enlarge

- Teranga Gold announced that its full-year 2013 production reached 207,204 ounces, meeting the higher end of its production guidance, at all-in costs of $1,033 per ounce, near the lower threshold of guidance. In addition, the company provided encouraging guidance for 2014 as it expects production of 220,000 to 240,000 of gold, at all-in costs below $900 per ounce. The stock has massively outperformed its peers over the last month as the recent results come on the back of a $135 million streaming deal signed with Franco-Nevada.
- Three bought deals in the junior gold space were announced this week, a sign that insiders are confident that the current cycle will continue to strengthen. True Gold Mining is raising C$36.6 million (Canadian dollars) for development and construction of the recently permitted Karma deposit in Burkina Faso. Similarly, Lydian International is raising C$15 million to advance its Amulsar project in Armenia, while Dalradian Resources is raising approximately C$12 million to advance its high-grade Curraghinalt deposit in Northern Ireland.

Weaknesses

- On January 30, gold futures tumbled the most in six weeks after a report showed the U.S. economy expanded 3.2 percent in the fourth quarter. This boosted speculation that the Fed will continue to scale back monetary stimulus.
- German inflation continues to surprise to the downside, this time slowing in January. The surprise is partly explained by a decrease in Euro-denominated oil prices that drove both fuel and heating prices lower-than-expected. The situation in the rest of the eurozone is similar, which in effect reduced both retail and institutional appetite for gold.
- Newmont Mining's rating was lowered to “underperform” at Royal Bank of Canada, as the company's 2014 production guidance fell materially below expectations, with costs slightly higher. The lower guidance may be a result of the industry's troubles in meeting previous targets. According to Cosmos Chiu of CIBC, the industry today is projecting modest production growth of only 9 percent, compared to an average of greater than 20 percent in the past decade.

Opportunities

- Comex gold stocks eligible for delivery are at virtually all-time lows, continuing to fall rapidly. J.P. Morgan withdrew a massive 321,500 ounces from its vaults last week, the largest withdrawal of physical gold ever, according to Lawrence Williams of Mineweb. Comex's last report shows that delivery-eligible inventories are currently sitting at a very modest 70,000 ounces, or 2.2 tonnes. At the rate of current outflows, there will be no physical gold left to back the paper contracts.

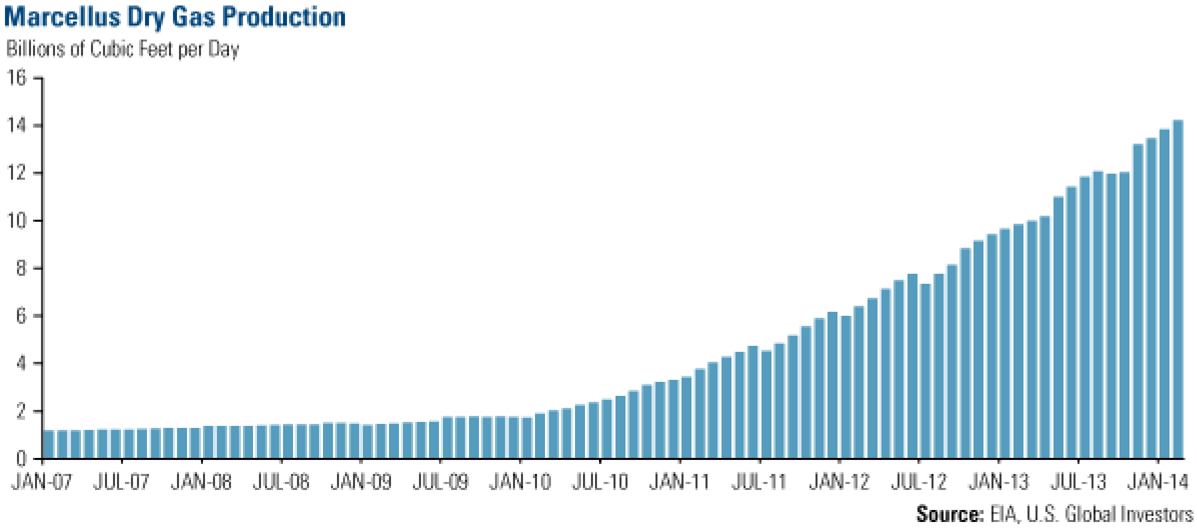
- Dundee Precious Metals hosted a site visit to the company's Tsumeb smelter in Namibia. Despite a lower smelting capacity hurting performance in 2013, about 70 percent of the operating costs at the smelter are fixed and, as such, should improve as throughput increases and the operation becomes better established, according to BMO. With the large amount of work done to-date, there appears to be comparatively fewer items on the to-do list, which should translate into better operating performance in upcoming quarters.
- H.C. Wainwright initiated coverage on Pretium Resources with a buy rating and a 12-month price target of $11. According to Jeffrey Wright, Pretium's Brucejack project is a textbook example of what a large-scale, high grade mine should look like. The timing is opportunistic to establish a position ahead of the revised feasibility study, he noted. Pretium also has the potential for a takeout given the very few, large-scale projects of low technical risk in North America.

Threats

- The fixed-income research team at Deutsche Bank believes that the gold price could face a tug-of-war between macro headwinds from Fed tapering on one hand, and robust physical buying and safe-haven demand on the other. On balance, the analysts at the bank argue that the end of central bank balance sheet expansion, and a broad-based rally of the U.S. dollar, is likely to resume downward pressure on gold prices.
- South Africa's Association of Mineworkers and Construction Union (AMCU) rejected a 9 percent wage increase offer on Thursday from leading platinum producers, prolonging a week of industrial action. The strike is currently affecting around 40 percent of the global supply of platinum. Gold producers in the country, which were at risk of facing strikes, have been shielded from such acts as a court ruling blocked the attempted strike action.
- In a commentary from Gluskin Sheff's David Rosenberg, Rosenberg compared the reported U.S. inflation reading to the implicit inflation in owner's-equivalent rent. According to the commentary, if one were to replace the imputed rent measure of the consumer price index (CPI) with the actual transaction price measure of owner's-equivalent rent, the inflation would be 5.3 percent today, not 1.7 percent as per the "official" government number that has convinced many people that deflation is but a heartbeat away.

Global Resources Fund - PSPFX

Energy and Natural Resources Market



click to enlarge

Strengths

- Despite weakness in natural gas pricing late in the week, the prompt contract of Henry Hub stayed above $5 for three out of the last five days. The February 2014 contract expired this week at a 4-year high of $5.56 per million British thermal units (MMBtu). The prompt (March 2014) contract is up 9 percent from last week to $5.01/MMBtu.
- Midwest physical premiums for aluminium remained above $0.20 a pound again this week, and came close to breaching $0.21 on Friday. Physical premiums are nearly double the level seen for most of last year.
- Coffee futures have been very strong, posting the biggest monthly gain since August 2011 due to dry weather in Brazil that may curb output. Arabica futures have jumped 23 percent from very low levels in November.

Weaknesses

- China's HSBC final manufacturing Purchasing Managers' Index (PMI) dropped to a six-month low of 49.5 in January, indicating a contraction, as output and new order growth weakened. As a result, three-month London Metals Exchange (LME) copper dropped to a two-month low.
- Caterpillar's mining equipment sales declined 48 percent in 2013, resulting primarily from weaker demand for mining products, as mining companies have reduced their capital expenditures with almost the entire decline related to new equipment.
- Asian spot iron ore prices continued to weaken this week before bottoming on Wednesday at $122.90 per metric ton, the lowest level since July 8, 2013.

Opportunities

- Through most of this decade, non-Organisation for Economic Co-Operation and Development (OECD) demand growth has been a key driver for oil market balances, but what makes this year different is that the growth is poised to come from a diverse pool of countries rather than a few big sources that have been major contributors in the past, such as China and India.
- China needs to invest more in overseas mining projects to improve its pricing power, according to the National Development and Reform Commission, adding Chinese iron ore imports would continue to rise and the country would remain dependent on imports.
- Indonesia plans to issue export quotas for processed minerals and concentrates soon, according to a mines ministry official, as the government seeks to take greater control over shipments of its natural resources. Separately, the Mineral Entrepreneurs Association has filed a legal challenge against the ore export ban while Freeport and Newmont have yet to resume exports of unrefined ores since the introduction of the new export tax.

Threat

- Headwinds from Fed tapering and some recent weak oil demand data suggest that there may be downside risks for oil demand heading into the year.
- South Africa's Association of Mineworkers and Construction Union (AMCU) rejected a wage offer from platinum producers, which was presented after four days of government-brokered talks. The union had been seeking a doubling of wages for workers at the three largest platinum producers globally, together accounting for more than 40 percent of global mining.

China Region Fund - USCOX • Emerging Europe Fund - EUROX

Emerging Markets

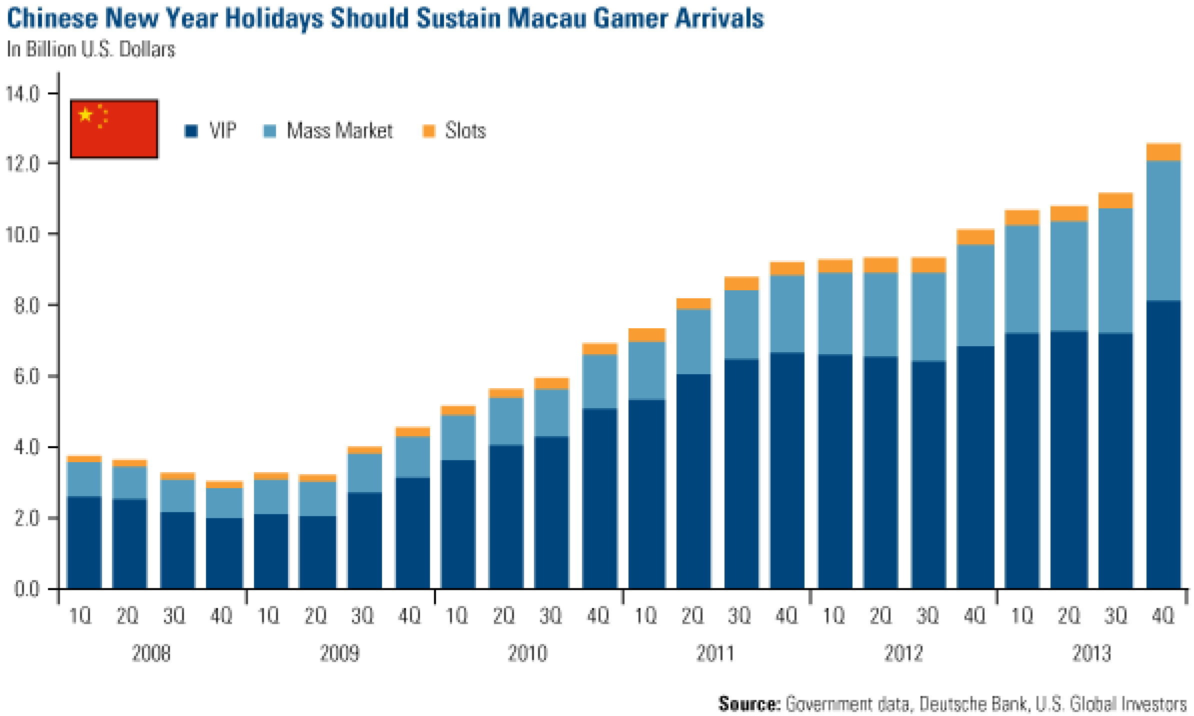
Strengths

- Hungary's trade balance surplus for the month of November was its second best since the spring of 2011. The $825 million surplus was mainly supported by increasing exports to the European Union (EU) common market. In addition, the Eastern European nation posted a sizeable decrease in unemployment, which fell to 9.1 percent from 9.3 percent previously.
- South Africa surprised the markets this week as it announced that its fiscal budget for the month of December reached a $30 billion surplus. Reaching the highest that it has been in at least ten years, this surplus is owed to both increased collections and lower expenditures. In addition, the African nation also posted its largest trade-balance surplus since December 2012, providing support for its weakening currency.
- South Korea's industrial production bounced back 2.6 percent year-over-year in December, ahead of market expectations, from a 0.8 percent contraction in November. This is thanks to sequential output gains from semiconductors and automobiles.

Weaknesses

- Eastern European currencies depreciated significantly for the week ended January 31. The Hungarian forint lost 3.46 percent relative to the dollar, while the Polish zloty and the Russian ruble weakened 2.55 percent and 1.81 percent, respectively. Central bank inaction was notable in the region in the midst of a volatile environment for emerging market currencies.
- Russia's economy grew less than half of its 2013 pace, as the reported GDP advance of 1.3 percent, the least since a 2009 recession, fell short of economists' forecasts. Similarly, India's full-year GDP growth was revised down to 4.5 percent from earlier estimates of a 5 percent rise. The most recent year's growth was also a disappointment following India's 2012 GDP growth above 6 percent.
- GDP growth in the Philippines decelerated to 6.5 percent year-over-year in the fourth quarter from 6.9 percent in the third quarter, the slowest pace since the second quarter of 2012. Private consumption and fixed-asset investment growth declined due to strong typhoon and fiscal restraint led by investigations on misuse of budgetary resources.

Opportunities



click to enlarge

- China's decision to bail out investors in a $500 million trust loan product, many of which are high net worth individuals, should alleviate market fears of a potential liquidity crunch in Macau casinos' VIP business. This comes just in time to sustain gamer arrivals amid Chinese New Year holidays. The Macau gaming industry's evolution from VIP to mass market, high free cash flow generation, and undemanding valuations given solid earnings prospects in the next few years, are among the key drivers for continued outperformance going forward.
- For the second time this year, Bank of America raised the 2014 GDP forecast for the eurozone. According to the bank, the area will now grow 1 percent in 2014 and 1.5 percent in 2015. The increased confidence in the eurozone recovery is set to benefit the export industries of major Eastern European countries.
- Turkey's conglomerates have positioned themselves as the safest investments in the country as the taper storm hammers the Eastern European nation. Given the joint ventures they have established with global firms, the risks posed by a depreciating currency and higher interest rates are manageable, especially since most of their businesses make sales abroad or have the ability to adjust prices quickly. Business segments such as oil refining and car exports can gain slightly from a weaker lira.

Threats

- The Federal Reserve announced a second $10 billion decrease in its monthly bond purchases, strengthening the U.S. dollar and weakening most emerging market currencies. Weaker emerging market currencies could strengthen export-focused industries, but they do carry severe inflationary implications for nations with current account deficits and trade imbalances.
- Emerging market funds saw outflows of $6.3 billion in the week ended January 29, marking the fourteenth-straight week of outflows. The outflow rate is the highest in more than two years, with global emerging market, Latin American, and Asian funds seeing the largest redemptions. Turkish-dedicated funds had modest net inflows despite the ongoing stress.
- Volatility could persist in the short term in Thailand, as the risk of a violent confrontation is growing between rival political groups. An anti-government protest leader called for a nationwide mass rally on election day, February 2, to prevent former premier Thaksin Shinawatra from returning to power.

Leaders and Laggards

The tables show the weekly, monthly and quarterly performance statistics of major equity and commodity market benchmarks of our family of funds.

Weekly Performance

Index	Close	Weekly Change($)	Weekly Change(%)
Oil Futures	97.47	+0.83	+0.86%
S&P Basic Materials	278.04	+1.30	+0.47%
Korean KOSPI Index	1,941.15	+0.59	+0.03%
S&P/TSX Canadian Gold Index	182.26	-0.22	-0.12%
S&P 500	1,782.59	-7.70	-0.43%
Nasdaq	4,103.88	-24.30	-0.59%
DJIA	15,698.85	-180.26	-1.14%
Russell 2000	1,130.88	-13.25	-1.16%
S&P Energy	610.44	-9.21	-1.49%
Gold Futures	1,244.30	-20.20	-1.60%
Hang Seng Composite Index	3,076.32	-53.83	-1.72%
XAU	90.71	-1.97	-2.13%
10-Yr Treasury Bond	2.65	-0.07	-2.50%
Natural Gas Futures	4.87	-0.31	-6.00%

Monthly Performance

Index	Close	Monthly Change($)	Monthly Change(%)
S&P/TSX Canadian Gold Index	182.26	+25.81	+16.50%
Natural Gas Futures	4.87	+0.64	+15.15%
XAU	90.71	+6.56	+7.80%
Gold Futures	1,244.30	+41.30	+3.43%
Oil Futures	97.47	-0.95	-0.97%
Korean KOSPI Index	1,941.15	-23.28	-1.19%
Nasdaq	4,103.88	-72.71	-1.74%
Russell 2000	1,130.88	-32.76	-2.82%
S&P 500	1,782.59	-65.77	-3.56%
S&P Basic Materials	278.04	-13.60	-4.66%
DJIA	15,698.85	-877.81	-5.30%
S&P Energy	610.44	-41.23	-6.33%
10-Yr Treasury Bond	2.65	-0.38	-12.58%
Hang Seng Composite Index	3,076.32	-332.01	-14.83%

Quarterly Performance

Index	Close	Quarterly Change($)	Quarterly Change(%)
Natural Gas Futures	4.87	+1.36	+38.66%
S&P/TSX Canadian Gold Index	182.26	+10.44	+6.08%
Nasdaq	4,103.88	+181.84	+4.64%
Russell 2000	1,130.88	+35.21	+3.21%
Oil Futures	97.47	+2.86	+3.02%
S&P 500	1,782.59	+20.95	+1.19%
S&P Basic Materials	278.04	+2.79	+1.01%
10-Yr Treasury Bond	2.65	+0.02	+0.95%
DJIA	15,698.85	+83.30	+0.53%
XAU	90.71	-1.33	-1.45%
S&P Energy	610.44	-17.11	-2.73%
Hang Seng Composite Index	3,076.32	-152.30	-4.72%
Korean KOSPI Index	1,941.15	-98.27	-4.82%
Gold Futures	1,244.30	-70.20	-5.34%

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 or by calling 1-800-US-FUNDS (1-800-873-8637). Read it carefully before investing. Distributed by U.S. Global Brokerage, Inc.

All opinions expressed and data provided are subject to change without notice. Some of these opinions may not be appropriate to every investor.

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.

The Emerging Europe Fund invests more than 25 percent of its investments in companies principally engaged in the oil & gas or banking industries. The risk of concentrating investments in this group of industries will make the fund more susceptible to risk in these industries than funds which do not concentrate their investments in an industry and may make the fund's performance more volatile.

Because the Global Resources Fund concentrates its investments in a specific industry, the fund may be subject to greater risks and fluctuations than a portfolio representing a broader range of industries.

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 percent to 10 percent of your portfolio in these sectors.

Bond funds are subject to interest-rate risk; their value declines as interest rates rise. Tax-exempt income is federal income tax free. A portion of this income may be subject to state and local income taxes, and if applicable, may subject certain investors to the Alternative Minimum Tax as well. The Near-Term Tax Free Fund may invest up to 20% of its assets in securities that pay taxable interest. Income or fund distributions attributable to capital gains are usually subject to both state and federal income taxes. The Near-Term Tax Free Fund may be exposed to risks related to a concentration of investments in a particular state or geographic area. These investments present risks resulting from changes in economic conditions of the region or issuer.

Investing in real estate securities involves risks including the potential loss of principal resulting from changes in property value, interest rates, taxes and changes in regulatory requirements.

Past performance does not guarantee future results.

Some link(s) above may be directed to a third-party website(s). U.S. Global Investors does not endorse all information supplied by this/these website(s) and is not responsible for its/their content.

These market comments were compiled using Bloomberg and Reuters financial news.

Holdings as a percentage of net assets as of 12/31/13:

Agriterra Ltd: Global Resources Fund, 0.69%; World Precious Minerals Fund, 1.08%
African Oilfield Logistics Ltd: Global Resources Fund, 1.84%
Amazon.com, Inc.: Holmes Macro Trends Fund, 0.53%
Alexion Pharmaceuticals, Inc.: 0.0%
Altria Group, Inc.: 0.0%
Philip Morris: Emerging Europe Fund, 1.39%
The Procter & Gamble Company: 0.0%
Kellogg Company: 0.0%
The Coca-Cola Company: All American Equity Fund, 0.94%
Exxon Mobil Corp.: All American Equity Fund, 1.08%
Chevron Corp.: 0.0%
The ADT Corp.: All American Equity Fund, 0.97%
Chow Tai Fook Jewellery Group Ltd: 0.0%
Brinks: 0.0%
Teranga Gold Corp.: Gold and Precious Metals Fund, 0.56%
Franco-Nevada Corp.: Gold and Precious Metals Fund, 1.54%; World Precious Minerals Fund, 0.63%
True Gold Mining, Inc.: World Precious Minerals Fund, 0.27%
Lydian International Ltd: 0.0%
Dalradian Resources, Inc.: World Precious Minerals Fund, 0.78%
Newmont Mining Corp.: Gold and Precious Metals Fund, 0.18%; World Precious Minerals Fund, 0.16%
Dundee Precious Metals, Inc.: Emerging Europe Fund, 1.39%; Global Resources Fund, 0.27%; Gold and Precious Metals Fund, 3.90%; World Precious Minerals Fund, 2.18%
Pretium Resources, Inc.: Global Resources Fund, 0.41%; World Precious Minerals Fund, 2.34%
Caterpillar, Inc.: 0.0%
Freeport-McMoRan Copper & Gold: Global Resources Fund, 2.73%

*The above-mentioned indices are not total returns. These returns reflect simple appreciation only and do not reflect dividend reinvestment.
The Dow Jones Industrial Average is a price-weighted average of 30 blue chip stocks that are generally leaders in their industry.
The S&P 500 Stock Index is a widely recognized capitalization-weighted index of 500 common stock prices in U.S. companies.
The Nasdaq Composite Index is a capitalization-weighted index of all Nasdaq National Market and SmallCap stocks.
The Russell 2000 Index® is a U.S. equity index measuring the performance of the 2,000 smallest companies in the Russell 3000®, a widely recognized small-cap index.
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.
The Taiwan Stock Exchange Index is a capitalization-weighted index of all listed common shares traded on the Taiwan Stock Exchange.
The Korea Stock Price Index is a capitalization-weighted index of all common shares and preferred shares on the Korean Stock Exchanges.
The Philadelphia Stock Exchange Gold and Silver Index (XAU) is a capitalization-weighted index that includes the leading companies involved in the mining of gold and silver.
The U.S. Trade Weighted Dollar Index provides a general indication of the international value of the U.S. dollar.
The S&P/TSX Canadian Gold Capped Sector Index is a modified capitalization-weighted index, whose equity weights are capped 25 percent and index constituents are derived from a subset stock pool of S&P/TSX Composite Index stocks.
The S&P 500 Energy Index is a capitalization-weighted index that tracks the companies in the energy sector as a subset of the S&P 500.
The S&P 500 Materials Index is a capitalization-weighted index that tracks the companies in the material sector as a subset of the S&P 500.
The S&P 500 Financials Index is a capitalization-weighted index. The index was developed with a base level of 10 for the 1941-43 base period.
The S&P 500 Industrials Index is a Materials Index is a capitalization-weighted index that tracks the companies in the industrial sector as a subset of the S&P 500.
The S&P 500 Consumer Discretionary Index is a capitalization-weighted index that tracks the companies in the consumer discretionary sector as a subset of the S&P 500.
The S&P 500 Information Technology Index is a capitalization-weighted index that tracks the companies in the information technology sector as a subset of the S&P 500.
The S&P 500 Consumer Staples Index is a Materials Index is a capitalization-weighted index that tracks the companies in the consumer staples sector as a subset of the S&P 500.
The S&P 500 Utilities Index is a capitalization-weighted index that tracks the companies in the utilities sector as a subset of the S&P 500.
The S&P 500 Healthcare Index is a capitalization-weighted index that tracks the companies in the healthcare sector as a subset of the S&P 500.
The S&P 500 Telecom Index is a Materials Index is a capitalization-weighted index that tracks the companies in the telecom sector as a subset of the S&P 500.
The NYSE Arca Gold Miners Index is a modified market capitalization weighted index comprised of publicly traded companies involved primarily in the mining for gold and silver.
The Conference Board index of leading economic indicators is an index published monthly by the Conference Board used

to predict the direction of the economy's movements in the months to come. The index is made up of 10 economic components, whose changes tend to precede changes in the overall economy.

The European Commission Economic Sentiment Indicator Eurozone is a monthly indicator that reflects general economic activity of the EU. The indicator combines assessments and expectations stemming from business and consumer surveys. Such surveys include different components of the economy: industry, consumers, constructions and retail trade.

The Purchasing Manager's Index is an indicator of the economic health of the manufacturing sector. The PMI index is based on five major indicators: new orders, inventory levels, production, supplier deliveries and the employment environment.

The Consumer Price Index (CPI) is one of the most widely recognized price measures for tracking the price of a market basket of goods and services purchased by individuals. The weights of components are based on consumer spending patterns.