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U.S. Global Investors
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Junior Mining Companies Have Taken a Senior Role

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

For the past decade, junior mining companies have outperformed senior miners at finding new mineral deposits and generating wealth for investors.

Smaller-cap explorers and producers are generating greater wealth for investors.

These are among some of the findings released in a study conducted by resource company strategist MinEx Consulting, which analyzed the performance of explorers and producers operating in Canada between 1975 and 2014. What the consultancy firm found is that, in the last decade, junior companies were responsible for more than three quarters of all new mineral discoveries and were approximately 30 percent more effective than senior companies at generating wealth.

Ralph Aldis, portfolio manager of our two precious metals funds— the World Precious Minerals Fund (UNWPX) and Gold and Precious Metals Fund (USERX), which holds four stars overall from Morningstar, among 71 Equity Precious Metals funds as of 3/31/2015, based on risk-adjusted returns—agrees with the results of the study. In a March interview with The Gold Report, he noted that junior gold producers “have the flexibility to be able to adjust” to varying commodity-price conditions.

“It’s the smaller, midsized companies that have a better handle on their operations,” Ralph said.

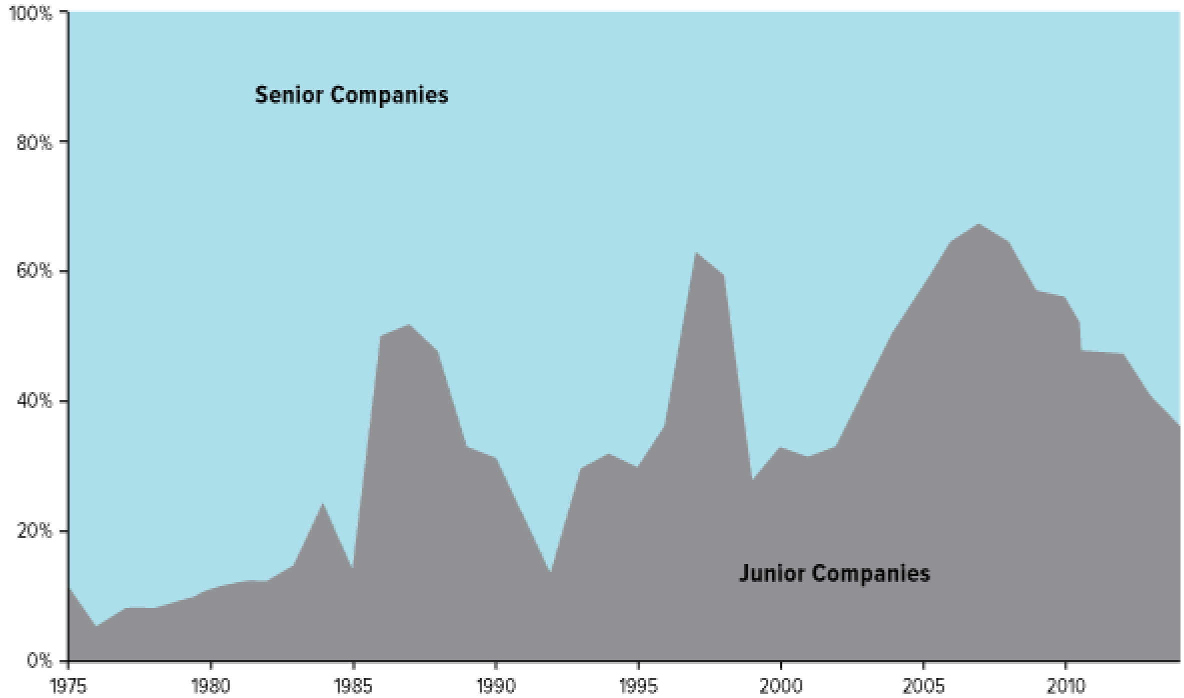
A good example of such a small-cap miner would be Claude Resources Inc., which we own in both USERX and UNWPX. Claude, the only producer operating in Saskatchewan, Canada, managed to turn its operation around fairly quickly after netting a huge loss of $73 million in 2013. The company just reported a profit of $4.6 million in 2014, driven by “record production performance,” according to President and CEO Brian Skanderbeg. For the one-year period, the company is up a phenomenal 216 percent.

“Claude has been around for a long time, but its new management understood that it had to change its mining method, which has made a big difference,” Ralph said in The Gold Report.

Junior companies have increasingly played an essential exploratory role in Canada. Nearly 40 years ago, they were responsible for only 5 percent of all capital spent on exploration; by 2007, that amount had ballooned to more than 65 percent. Over the past decade, juniors have accounted for 54 percent of all spending on exploration in Canada.

Importance of Junior Mining Companies in Canada Has Been Rising Over Time

Percentage of Total Spent on Exploration

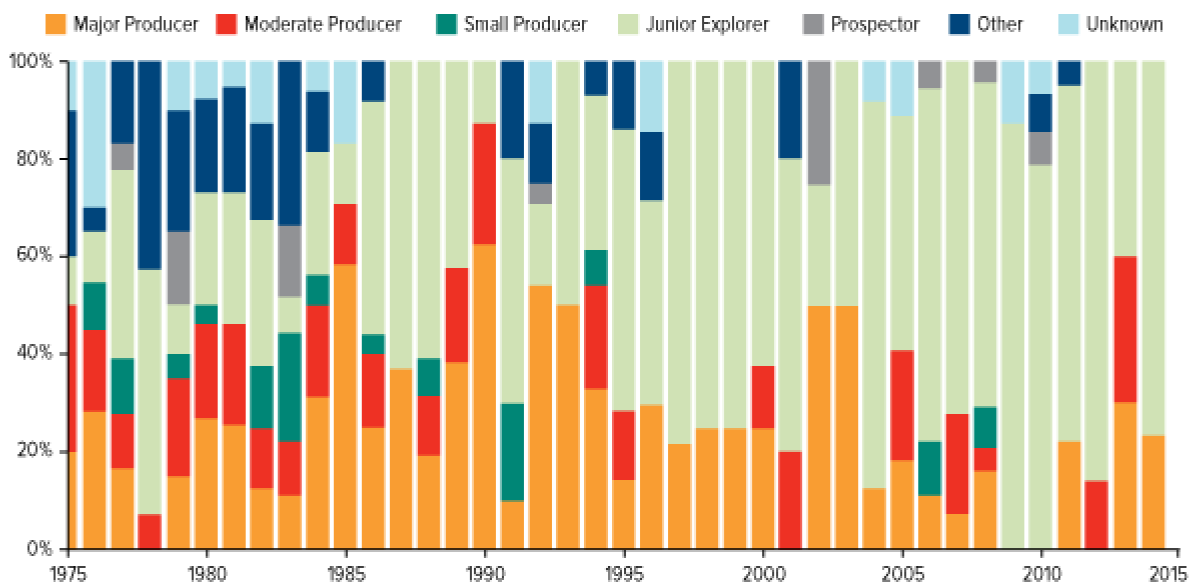


Source: MinEx Consulting, Natural Resources Canada, U.S. Global Investors

click to enlarge

As a result, major producers have steadily lost ground to the smaller players in terms of discovering new mineral deposits. In three of the previous 10 years, in fact—2009, 2010 and 2012—senior companies failed to make a single new discovery.

In the Last Decade, 3/4 of All Mineral Discoveries in Canada Were Made by Junior Explorers



"Major Producer" has several large mines and >$500m pa sales revenue
"Moderate Producer" has 1-3 mines and $50-500m pa sales revenue
"Small Producer" has a single mine and <$50m pa sales revenue
"Junior Explorer" has no income
"Other" includes industrial companies, oil & gas producers, private companies and government agencies

Source: MinEx Consulting, U.S. Global Investors

click to enlarge

Quality or Quantity? How about Both?

Not all mineral deposits are created equal, of course. Some might be all a producer needs to be successful, whereas others aren't even worth the time and capital to develop.

You can think of a Tier 1 deposit as a "company making" mine—one that might yield up to 250,000 ounces of gold per year over its lifespan of 20 years or more. Some of these projects can easily be valued at over $1 billion.

A Tier 2 deposit is significant but not as profitable as a Tier 1, with a typical valuation of between $200 million and $1 billion.

Finally, a Tier 3 deposit is considered marginal, valued at anywhere between $0 and $200 million.

Click to view my 2014 visit to the Copper Mountain Mine in Princeton, British Columbia!

About 80 percent of the mining industry's wealth is generated from Tier 1 and Tier 2 projects. But such discoveries, as you might imagine, are muchrarer than Tier 3s. To give you an idea of just *how* rare they are, consider this: Every decade in Canada, the industry discovers on average 40 Tier 3 deposits, seven Tier 2 deposits—and only three Tier 1 deposits.

So how do the juniors stack up against the seniors when it comes to finding quality mines? In the table below, you can see that they're running slightly behind. In the past decade, juniors made 7.3 Tier 1 or 2 discoveries in Canada, compared to the seniors' 8.7.

Spend and Performance in Canada: 2005 – 2014

	Exploration Spend in Billions		Number of Discoveries		Tier 1 and 2 Discoveries		Estimated Value of Discoveries, in Billions		Value/Spend
Seniors	$12.5	46%	21	24%	8.7	54%	$7.9	39%	0.63
Juniors	$14.6	54%	66	76%	7.3	46%	$12.1	61%	0.83

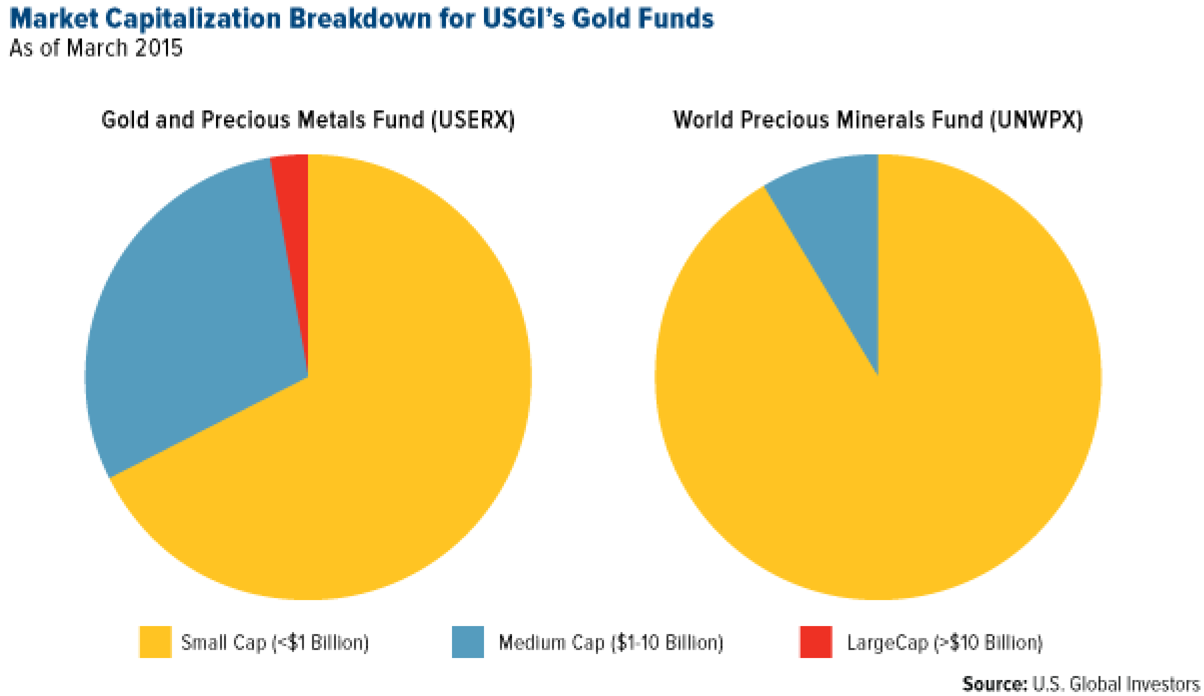
Past performance does not guarantee future results.
Source: MinEx Consulting, U.S. Global Investors

But—and this is a big "but"—they handily beat the seniors when it came to the total number of discoveries. Of all the deposits found, over three quarters were made by junior miners.

As I said earlier, juniors spent more than the seniors on exploration during this timeframe ($14.6 billion compared to $12.5 billion), and their discoveries collectively had a much higher valuation ($12.1 billion compared to $7.9 billion). Accordingly, they were roughly 30 percent more effective than seniors at generating wealth for investors. Put another way, they had a greater "bang for your buck."

Small Cap, Big Opportunities

This news bodes well for our two precious metals funds. Although they both invest in junior explorers and producers, the Gold and Precious Metals Fund also allocates assets to the large-cap, senior mining companies.



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Not only that, but Canada is the top investment destination in both funds: 57 percent in USERX, 77 percent in UNWPX. Canadian mining companies have lately seen margin expansion because the majority of their costs are in the relatively weak Canadian dollar, yet they sell their commodities in the strong U.S. dollar.

According to MinEx, 19 percent of the world's high-quality Tier 1 and 2 mineral discoveries were made in Canada between 2005 and 2014. That's second only to the entire continent of Africa (25 percent). The country's mining industry also has an estimated value of $19 billion, or 21 percent of total valuation worldwide. At 0.77, Canada's value-spend ratio, or "bang for your buck," was better than the global average of 0.67.

Explore U.S. Global Investors' two gold equity funds:

The Gold and Precious Metals Fund (USERX) is the first no-load gold mutual fund in the U.S. and seeks opportunity in gold mining, investing in proven gold-producing companies.

The World Precious Minerals Fund (UNWPX) gives investors increased exposure to junior and intermediate mining companies involved in precious minerals such as gold, silver, platinum, palladium and diamonds for added growth potential.

MORNINGSTAR

★★★★	Overall/71
★★★	3-Year/71
★★★	5-Year/67
★★★★	10-Year/51

Morningstar ratings based on risk-adjusted return and number of funds
Category: Equity Precious Metals

Through: 3/31/2015

Morningstar Ratings are based on risk-adjusted return. The Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its three-, five- and ten-year Morningstar Rating metrics. Past performance does not guarantee future results. 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.)

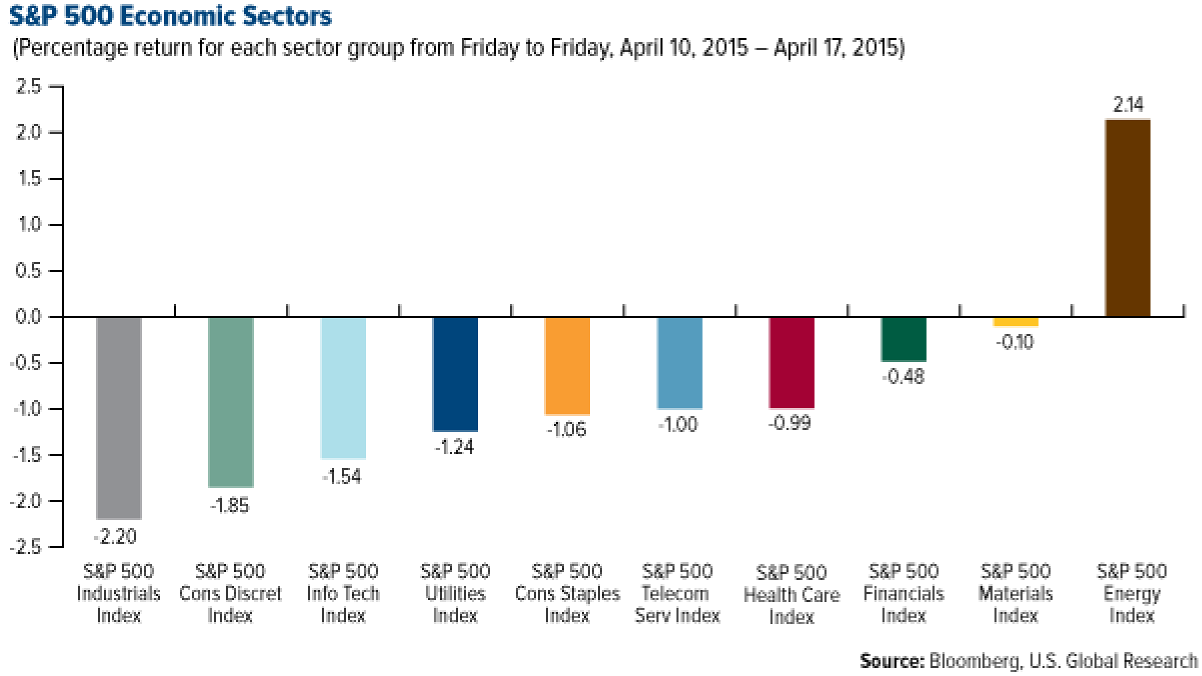
Index Summary

- The major market indices finished lower this week. The Dow Jones Industrial Average fell 0.74 percent. The S&P 500 Stock Index dropped 0.48 percent, while the Nasdaq Composite declined 0.86 percent. The Russell 2000 small capitalization index fell 0.58 percent this week.
- The Hang Seng Composite gained 2.93 percent this week; while Taiwan rose 0.03 percent and the KOSPI jumped 4.11 percent.
- The 10-year Treasury bond yield dropped 9 basis points to 1.87 percent.

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

Domestic Equity Market

The S&P 500 gave back some of the prior week's gains, declining 0.48 percent. This came from further concerns over the Greek debt crisis, decelerating S&P 500 profits and the announcement of tighter rules for margin trading in China.



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Strengths

- Energy stocks led the way for the S&P 500 this week as WTI and Brent crude oil gained 8 percent and 10 percent, respectively, on signs of slower U.S. production and inventory growth. The offshore drillers led for a second week as Transocean, Noble Corp, Ensco and Diamond Offshore gained an average of 5 percent in the week.
- Basic materials finished flat during a volatile week of trading. Dow Chemical, Lyondell Industries and Newmont Mining all closed in positive territory.
- Netflix was the top performer in the S&P 500 over the past five days following a strong first-quarter earnings report. The company soared to record highs after reporting that its video-streaming service reached 62 million subscribers.

Weaknesses

- Industrials continued to lag the broader equity market despite General Electric’s 10-percent jump last Friday following its earnings announcement. Transports were also slowed, in part by surging crude oil prices, falling 1.4 percent.
- Consumer discretionary stocks gave up their leadership this week, falling by 1.85 percent as investor risk aversion prompted profit taking. Best Buy and Carnival Corp fell by 5 percent and 3 percent, respectively.
- Precision Castparts Inc. was the worst performer in the S&P 500 this week, falling 8.67 percent. The company forecast lower-than-expected quarterly profits and stated that it will take as much as a $360 million write-down because of declining demand for pipes used in the energy industry.

Opportunities

- In a research report published this week, Deutsche Bank estimates a first-quarter pretax profit of $3.5 billion for the U.S. airline industry, compared to $700 million a year ago. Lower fuel costs are responsible for over 100 percent of the earnings gain. This marks a record high for the industry and is only the third time in a decade that airlines have been profitable in the first quarter. Delta Air Lines gained 3.54 percent for the week. The company kick-started the first quarter 2015 earnings season within the aviation space and beat the Zacks consensus estimate of earnings, the ninth-successive quarterly earnings beat.
- The University of Michigan Consumer Sentiment Index came in higher than expected this week at 95.9 compared to 94. The results bode well for consumer discretion and other more consumer-dependent

companies.

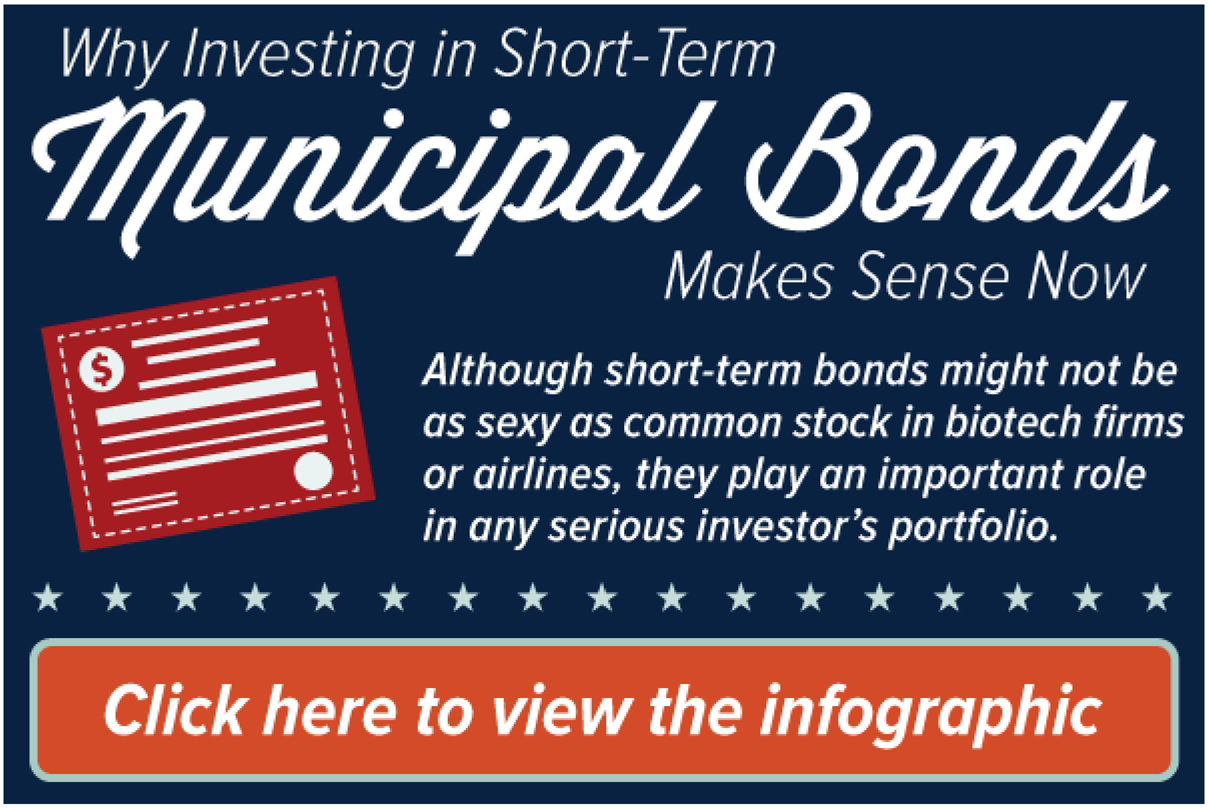
- Federal Reserve Bank presidents of Atlanta and Boston stated they are cautious about raising rates too soon given the recent release of weak economic data. Lower rates for longer should continue to prop up domestic equities.

Threats

- G20 finance ministers highlighted volatile currencies as a significant threat to the global recovery. Large cross-border fund flows have the potential to cause destabilization abroad, which would indirectly impact U.S. companies.

- Yields on 10-year U.S. government bonds remain below 2 percent. Dragged down primarily by lower rates abroad, the continued depression of U.S. borrowing costs remains a cause for concern.

- The U.S. dollar continues to move sideways and maintain its strength. The currency's strength continues to cause concern for U.S. companies with large foreign exposure.



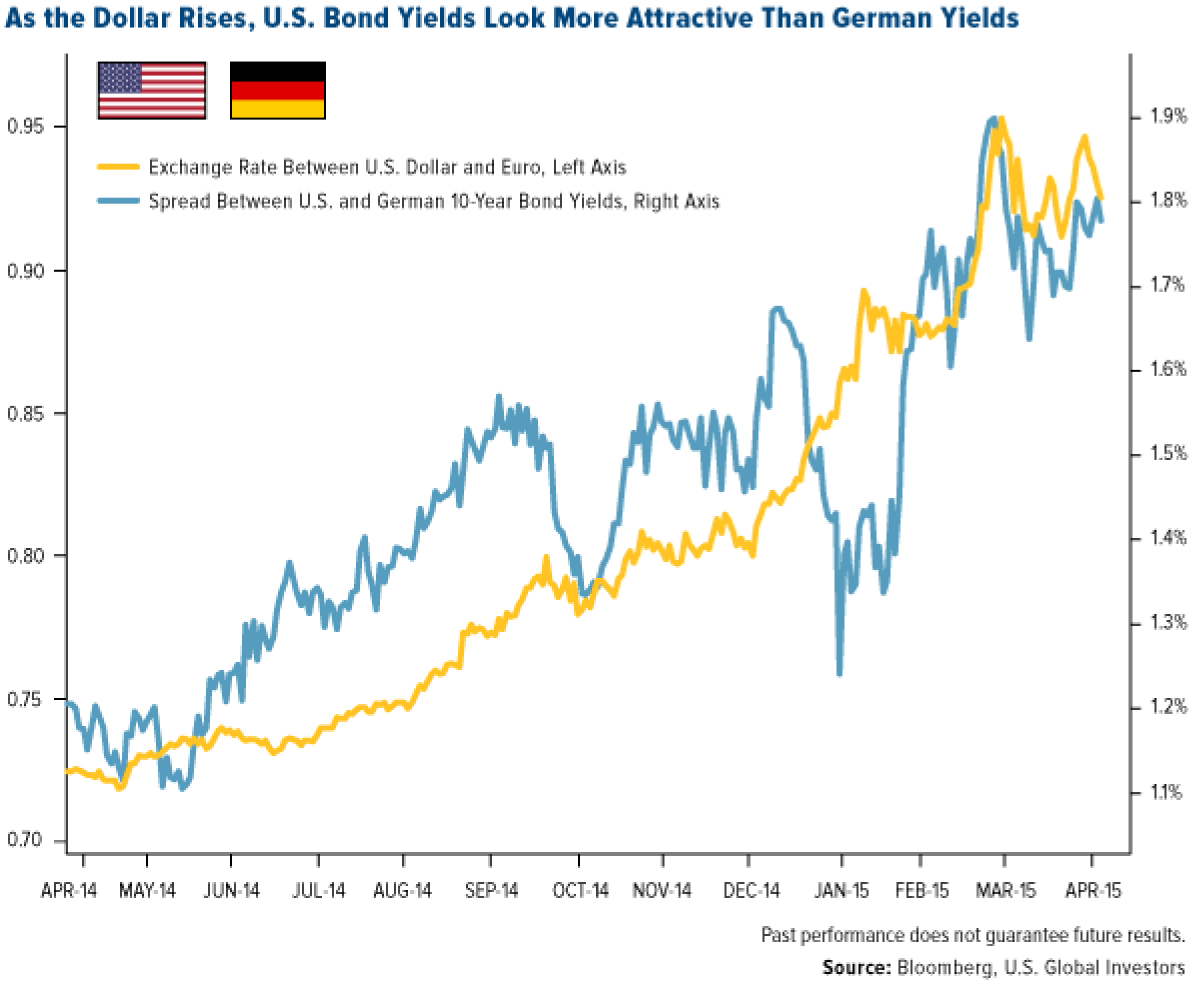
U.S. Government Securities Ultra-Short Bond Fund - UGSDX • Near-Term Tax Free Fund - NEARX

The Economy and Bond Market

U.S. Treasury bond yields moved lower this week on overseas concerns that Greece could default on its debt and abandon the euro, along with disappointing domestic economic reports.

Strengths

- The past year has seen an increasing spread between U.S. and German 10-year government yields. This has complemented the momentum in the U.S. dollar's strength versus the euro. Clearly, the U.S. continues to offer much greater value for bond investors.



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- The Philadelphia Federal Reserve Business Outlook came in at 7.5, up from a prior reading of 5.0. This was higher than the consensus estimate of 6.0.
- The University of Michigan's Sentiment survey for March came in at 95.9, beating expectations of 94.0. The reading was also up from February's 93.0.

Weaknesses

- Initial jobless claims rose to 294,000 for the week ended April 11, up from the previous 281,000.
- Housing starts of 926,000 for March disappointed expectations of 1,040,000.
- The latest Empire State manufacturing survey from the New York Federal Reserve came in at -1.19, widely missing expectations of 7.17.

Opportunities

- Inflation in the United States rose slower than expected for the month of March. With inflation still weak, the Fed is less likely to raise rates anytime soon, allowing for the easy monetary policy in the U.S. to continue.
- The municipal bond market has experienced the most bond sales during the first quarter of this year since 2010.
- China remains in monetary easing mode which could help counteract its slowing growth rate.

Threats

- Eurozone bond markets will remain very sensitive to any further Greece-related comments coming out of the G20 Finance Ministers meeting in Washington. The quashing of hopes of a deal at the April 24 Riga Eurogroup meeting has started to impact not just Greek bonds but other peripheral countries as well. Market attention remains focused on whether 750 million euros due to the International Monetary Fund (IMF) on May 12 will be repaid.

- The combination of falling nominal bond yields and rising inflation expectations could put further downward pressure on the euro.
- According to a new study by the IMF, since the onset of the global financial crisis, many economies have faced lower growth in their productive capacity, which may slow the rise of living standards in the future.

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

Gold Market

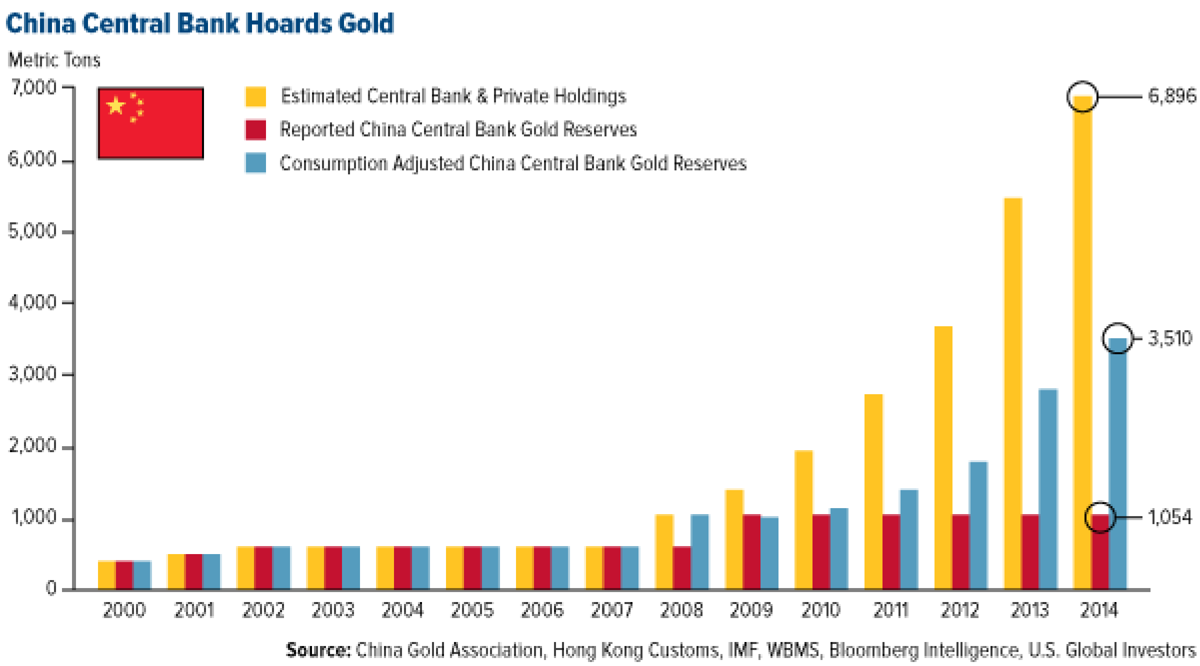
For the week, spot gold closed at $1,204.27 up $9.55 per ounce, or 0.80 percent. Gold stocks, as measured by the NYSE Arca Gold Miners Index, gained 4.28 percent. The U.S. Trade-Weighted Dollar Index tumbled 1.72 percent for the week.

Date	Event	Survey	Actual	Prior
Apr-14	U.S. PPI Final Demand YoY	-0.90%	-0.80%	-0.60%
Apr-14	Chinese Retail Sales YoY	10.90%	10.20%	--
Apr-15	German CPI YoY	0.30%	0.30%	0.30%
Apr-15	ECB Main Refinancing Rate	0.05%	0.05%	0.05%
Apr-16	U.S. Housing Starts	1040K	926K	897K
Apr-16	Initial Jobless Claims	280K	294K	281K
Apr-17	Europe CPI Core YoY	0.60%	0.60%	0.60%
Apr-17	U.S. CPI YoY	0.00%	-0.10%	0.00%
Apr-21	ZEW Survey Current Situation	56.5	--	55.1
Apr-21	ZEW Survey Expectations	55.3	--	54.8
Apr-22	HSBC China Manufacturing PMI	49.4	--	49.6
Apr-23	U.S. Initial Jobless Claims	290K	--	294K

Apr-23	U.S. New Home Sales	510K	--	539K
Apr-24	U.S. Durable Goods Orders	0.60%	--	-1.40%

Strengths

- Gold traders remain divided amid speculation over the timing of U.S. interest rate increases. Survey results show seven bullish, six bearish and six analysts with a hold recommendation. As of April 3, Shanghai Gold Exchange withdrawals stood at 647 metric tons (Mt). Annualized, that would come out to 2,600 Mt for 2015 versus 2,100 for last year.



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- The New York Federal Reserve's Empire State manufacturing reading fell to -1.19, missing estimates of 7.17. Another Fed report showed total industrial production fell 0.6 percent in March, the biggest drop since 2012. Market commentators were expecting economic activity to pick up in April after extreme weather impacted first-quarter results. April data so far suggests otherwise. As more disappointing data is released, the more appeal gold has as a safe,
- Klondex announced the recovery of 32,542 gold-equivalent ounces during the first quarter. This puts the company on track to meet, and perhaps exceed, its 2015 production estimates of 120,000 to 125,000 gold-equivalent ounces. Kirkland Lake's reserve update highlighted the high-grade, long-life potential of its Macassa Mine Complex in northern Ontario.

Weaknesses

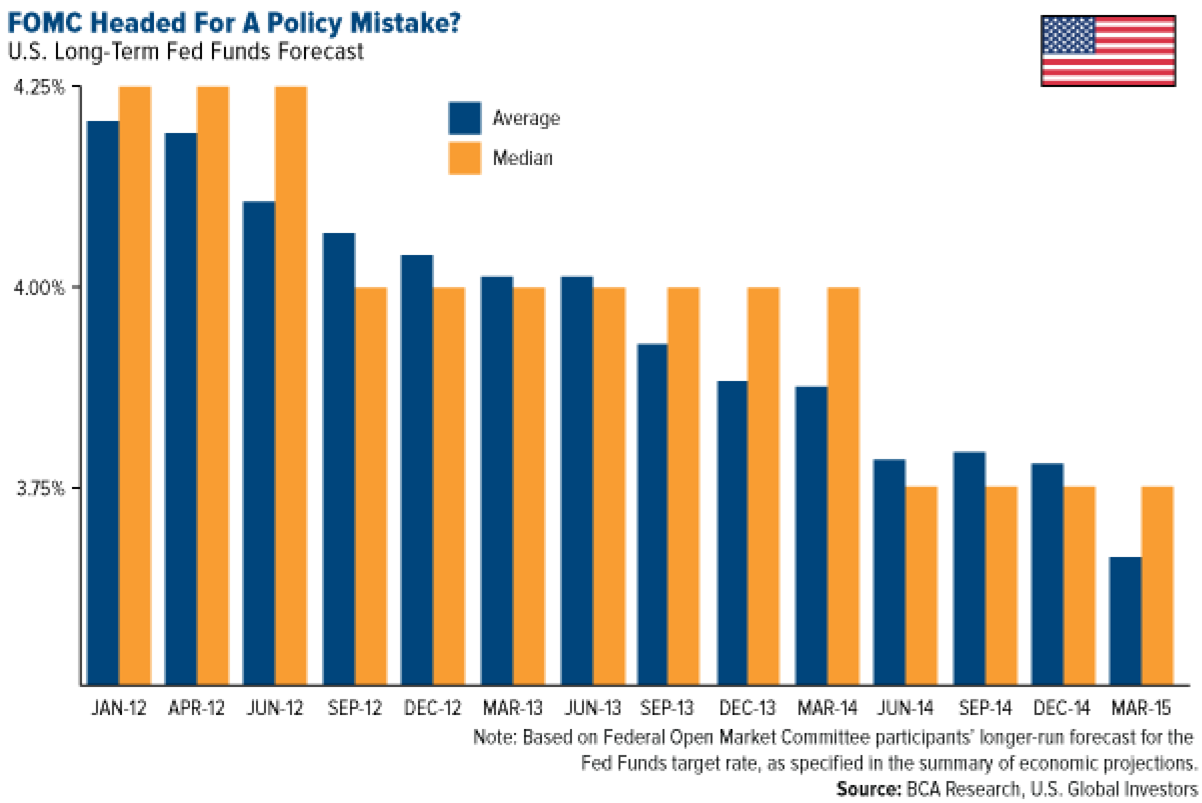
- The global benchmark for silver prices has fallen 17 percent in the past year as stockpiles continue to surge. Silver inventory, monitored by the Shanghai Futures Exchange, almost tripled to 341.5 metric tons by April 9, the highest in a year from 122.8 tons during the final week of 2014.
- Solar panels are one of the bigger users of silver outside of fabricators of silverware and jewelry. While China's economy expanded 7 percent in the first quarter from a year earlier, this is the weakest pace since 2009 and perhaps sheds some light on the inventory build.
- Gold Fields reached an expensive wage settlement with South African unions. The three-year wage agreement resulted in average annual wage increases of 10 percent, including a 21 percent increase in year one for entry-level workers signed with registered trade unions.

Opportunities

- Analysts at Bank of America Merrill Lynch think the worst is over for gold, forecasting a price of $1,500 an ounce by 2017. Although the U.S. economy seems to be moving forward, the analysts expect delayed and more muted rate hikes which would help gold break out of recent ranges. Additionally, a survey ran by the group found that 68 percent of respondents think the U.S. is the most overvalued region and 13 percent said the U.S. dollar is overvalued against the euro and the yen. This is a big reversal from the prior month where 12 percent of respondents said the currency was undervalued. Citigroup analysts said that while 2015 is still a vulnerable year for gold, the 2016-2020 period should be more supportive.
- Unidentified sources said AngloGold Ashanti is in talks with Newmont Mining and Kinross Gold to sell part or all of its Cripple Creek Mine in Colorado. The sale could raise as much as $1 billion and help AngloGold pay down debt. Mick Davis, the ex-Xstrata CEO, has considered buying a Canadian mining company. Hudbay Minerals, Capstone Corp and Imperial Metals Corp are among companies thought to be takeover candidates, according to those familiar with his plan.
- Alamos and Aurico stocks rose this week on the news of an equal-sided merger. The deal effectively puts both companies in play. Steven Green with TD Securities noted the deal effectively rescues Aurico from its balance sheet issues and provides no premium to Alamos' shareholders.

Threats

- According to the International Monetary Fund's (IMF's) latest Global Financial Stability Report, since October 2014 financial risks have risen and rotated to parts of the financial system that are harder to assess. The report suggested risks are rotating away from banks and into shadow banks, from solvency to market-liquidity risks, and from advanced to emerging markets. Separately, BCA's Global Investment Strategy believes that both the Federal Reserve and the investment community are underappreciating the difficulty that the U.S. economy will have in maintaining even, trend-like growth in the absence of continued low rates.



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- Paul Christopher, head of international strategy at the Wells Fargo Investment Institute, said the recent gains in the price of gold have been supported by a series of sluggish reports on the U.S. economy, largely attributed to harsh winter weather. This would point to gold's recent gains as being transitory. He warned not to bet against the U.S. economy and a strong U.S. dollar. In contrast, the analyst earnings revisions ratio for the S&P 500 has fallen for the eighth month in row, not exactly transitory noise.

- Investor and former IMF economist Stephen Jen said there is pent-up demand for the U.S. dollar that will underpin years of appreciation, noting that much of the world is structurally short the dollar. He said sovereign and corporate borrowers outside America owe a record $9 trillion in the U.S. currency, much of which will need repaying in coming years.

Frank Talk Insight for Investors


April 13, 2015
Finding Value in Declining Commodity Prices


April 9, 2015
Ralph Aldis: Gold Mining Success Lies in Proper Capital Allocation


April 6, 2015
These Signs Point to an Airline Industry Secular Bull Market

A blog by Frank Holmes, CEO and Chief Investment Officer

Global Resources Fund - PSPFX

Energy and Natural Resources Market

Strengths

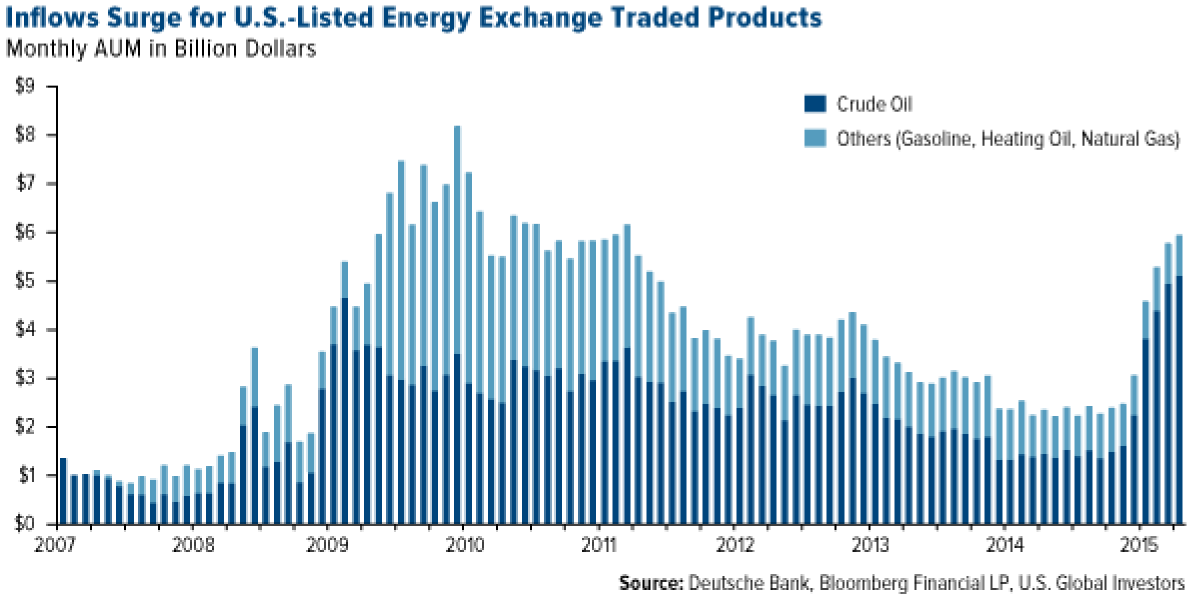
- Dividend-paying oil and gas stocks, along with most of the energy complex, led the way this week following an increase of 8.5 percent in the price of WTI. The S&P/TSX Energy Index jumped 6.8 percent over the past five days.
- Precious metals stocks performed admirably this week as the price of gold has held steady at $1,200 an ounce in response to a further pull back in the U.S. dollar. The NYSE Arca Gold Miners Index gained 4.28 percent this week.
- Small-cap natural resource stocks on the TSX Venture Exchange outperformed the benchmark this week. Money flows into the sub-sector have gained momentum with a stable gold price along with stronger crude oil prices.

Weaknesses

- Packaging stocks underperformed this week, as a series of negative earnings announcements weighed on investor sentiment.
- Rail stocks lagged the benchmark for a second week in a row. This came from expectations for weak first-quarter earnings in response to poor weather, soft crude oil volumes and a large port strike.
- Paper and forest equities trailed the index this week as the majority of investor money flows went into energy stocks.

Opportunities

- Since the beginning of this year, and following the 60-percent decline in oil prices, inflows into U.S. and European-listed crude oil exchange traded products (ETPs) have surged. According to recent data, assets under management (AUM) of U.S.-listed oil ETPs has more than doubled from $2.25 billion at the end of last year to $5.1 billion as of April 2015. In Europe, AUM in oil ETPs has risen by a similar magnitude in percentage terms, from just under $1 billion to $2.5 billion over the same period.



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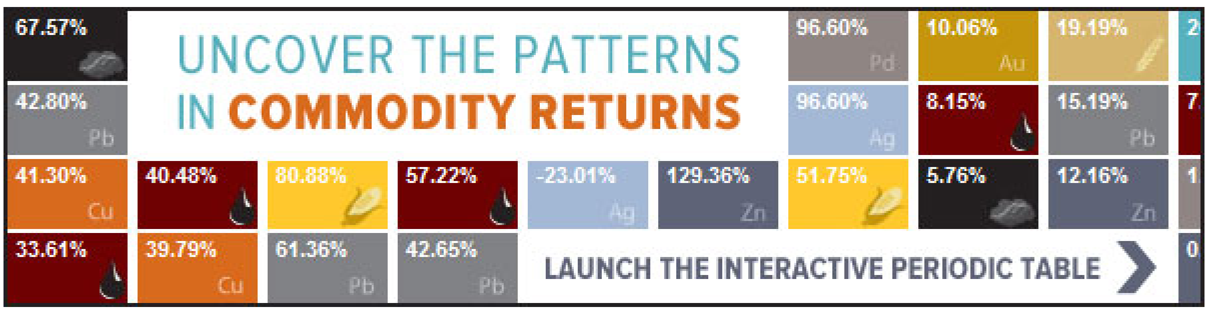
- Nickel demand from the auto industry could rise threefold in five years in response to increasing production of electric and hybrid cars, according to Norilsk Nickel, Russia's largest producer.
- U.S. product (gasoline and diesel) demand growth in the first quarter was the strongest since 2003, suggesting that lower crude oil prices are stimulating demand. This trend could continue over the balance of the year, helping to tighten oil market balances and contribute to a price recovery.

Threats

- The U.S. dollar may continue to build upon this year's gains as there are $9 trillion of U.S. bonds held by sovereign and corporate borrows, a large portion of which will need to be repaid over the coming years. Moreover many central banks are re-accumulating their dollar reserves after the dollar's share of foreign reserves declined to a record low of 60-percent in 2011.
- Global car sales, an important measure of the health of the world economy and driver of commodity demand, continued growing in the first quarter but at a decelerating rate. A European recovery was outweighed by slower U.S. and Chinese growth and some noticeable declines in emerging markets. Full-year growth forecasts are unlikely to be met, though the rate of growth should accelerate with March offering a slightly more positive tone.



China Region Fund - USCOX • Emerging Europe Fund - EUROX

Emerging Markets

Strengths

- Chinese stocks continued their rapid rise this week as investors expect the government to do more in order to stimulate the slowing economy. The Shanghai Stock Exchange Composite Index rose 6.27 percent this week.

- Colombian equities rallied alongside WTI crude oil prices this week. The Indice General de la Bolsa de Valores de Colombia rose 2.18 percent.
- Inflows into South Korea reached an eight-and-a-half-month high this week. Furthermore, Morgan Stanley upgraded its target for South Korea's KOSPI Index by 5 percent on the back of expectations of further rate cuts. This week the Korea Stock Exchange KOSPI Index rose 2.67 percent.

Weaknesses

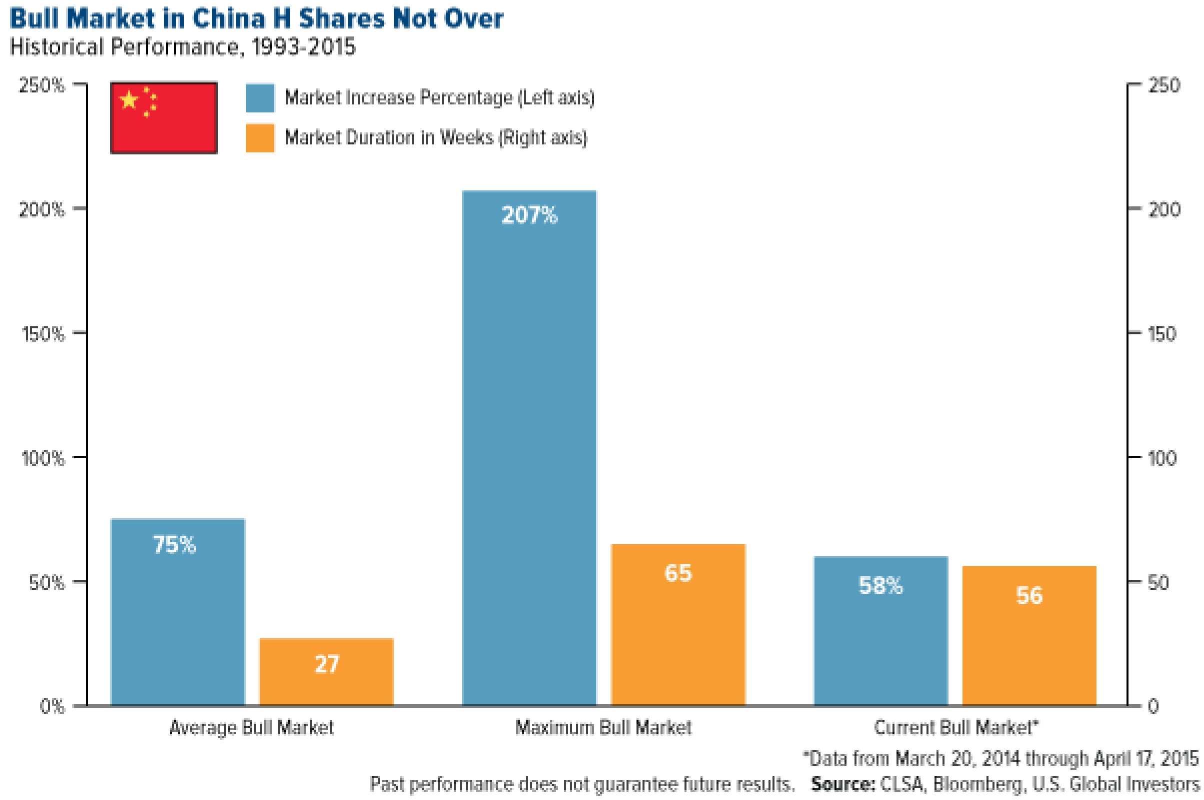
- Greek equities underperformed this week as investors' confidence becomes more rattled with next week's deadline approaching. The Athens Stock Exchange General Index fell 5.96 percent this week. As you can see in the chart below, Greek 10-year yields reached fresh 52-week highs this week.

click to enlarge

- Ukraine equities sharply declined this week as the country's financial condition continues to worsen and its liquidity continues to dry up. The Ukraine PFTS Index fell 12.78 percent this week.
- Indian stocks retreated as inflation slowed more than expected in March. The S&P BSE SENSEX Index fell 1.51 percent this week.

Opportunities

- The ongoing bull market rally in China H shares has not deviated from historical norms, with potentially significant room left for further gains. An examination of the entire trading history of China H shares in the last 22 years suggests that the average increase of 25 bull market rallies to date is around 75 percent, with an average duration of 27 weeks; the maximum, 207 percent and 64 weeks. The current rally has recorded a 58-percent increase and lasted 56 weeks. In this context, probable near-term corrections could be viewed as buying opportunities for the long run.



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- JP Morgan upgraded its expectations for emerging markets this week, specifically highlighting India, Indonesia and Turkey as several of the countries to be overweight in.
- Hungary's credit rating was upgraded to the highest junk rating by Standard & Poor's this week. Furthermore, expectations of a lower corporate tax rate may help boost domestic companies' performance moving forward.

Threats

- The latest announcements from securities regulators in China to cool over-the-counter margin lending and allow mutual funds to lend stock holdings to short sellers, are consistent with the goals of Chinese authorities. The authorities want to engineer a slow and steady bull market by introducing risk control measures when markets are short-term overbought. A near-term correction in Chinese stocks is a highly probably event.
- The International Monetary Fund is warning investors of higher currency volatility for emerging markets in the near future. Currencies have been a large detractor from performance for many international investors.
- Russia had its credit rating maintained at junk status with a negative outlook from Standard & Poor's this week. Despite further rate cuts being largely expected by many investors, the risks are still very present in Russia.

Leaders and Laggards

Weekly Performance

Index	Close	Weekly Change($)	Weekly Change(%)
Hang Seng Composite Index	3,900.71	+110.86	+2.93%
Oil Futures	55.99	+5.20	+10.24%
S&P Energy	597.81	+15.38	+2.64%
Korean KOSPI Index	2,143.50	+84.63	+4.11%
S&P/TSX Canadian Gold Index	164.90	+2.79	+1.72%
Nasdaq	4,931.81	-42.75	-0.86%
10-Yr Treasury Bond	1.87	-0.10	-4.85%
XAU	70.95	+3.28	+4.85%
S&P 500	2,081.18	-10.00	-0.48%
DJIA	17,826.30	-132.43	-0.74%
S&P Basic Materials	311.48	+0.44	+0.14%
Russell 2000	1,251.86	-7.25	-0.58%
Gold Futures	1,203.90	+10.30	+0.86%
Natural Gas Futures	2.64	+0.11	+4.39%

Monthly Performance

Index	Close	Monthly Change($)	Monthly Change(%)
Oil Futures	55.99	+11.33	+25.37%
S&P Energy	597.81	+32.56	+5.76%
Korean KOSPI Index	2,143.50	+115.05	+5.67%
XAU	70.95	+3.37	+4.99%
Gold Futures	1,203.90	+51.90	+4.51%
S&P/TSX Canadian Gold Index	164.90	+3.45	+2.14%
Russell 2000	1,251.86	-0.28	-0.02%
S&P 500	2,081.18	-18.32	-0.87%
Nasdaq	4,931.81	-51.01	-1.02%
DJIA	17,826.30	-249.89	-1.38%
S&P Basic Materials	311.48	-1.44	-0.46%
10-Yr Treasury Bond	1.87	-0.06	-2.92%
Natural Gas Futures	2.64	-0.28	-9.62%
Hang Seng Composite Index	3,900.71	-332.01	-14.83%

Quarterly Performance

Index	Close	Quarterly Change($)	Quarterly Change(%)
Hang Seng Composite Index	3,900.71	+586.94	+17.71%
Korean KOSPI Index	2,143.50	+255.37	+13.53%
Oil Futures	55.99	+7.30	+14.99%
Russell 2000	1,251.86	+75.20	+6.39%

Nasdaq	**4,931.81**	**+297.43**	**+6.42%**
S&P Energy	**597.81**	**+38.45**	**+6.87%**
S&P 500	**2,081.18**	**+61.76**	**+3.06%**
S&P Basic Materials	**311.48**	**+10.93**	**+3.64%**
DJIA	**17,826.30**	**+314.73**	**+1.80%**
10-Yr Treasury Bond	**1.87**	**+0.03**	**+1.47%**
S&P/TSX Canadian Gold Index	**164.90**	**-15.86**	**-8.77%**
Gold Futures	**1,203.90**	**-74.60**	**-5.83%**
XAU	**70.95**	**-8.57**	**-10.78%**
Natural Gas Futures	**2.64**	**-0.49**	**-15.61%**

Fund portfolios are actively managed, and holdings may change daily. Holdings are reported as of the most recent quarter-end. Holdings as a percentage of net assets as of March 31, 2015:

Alamos Gold (World Precious Minerals Fund 0.02%)
AngloGold Ashanti (Gold and Precious Metals Fund 0.07%, World Precious Minerals Fund 0.08%)
Aurico (Gold and Precious Metals Fund 0.88%)
Best Buy Inc. (All American Equity Fund 1.15%)
Capstone Corp. 0.00%
Carnival Corp. (All American Equity Fund 1.26%)
Claude Resources Inc. (Gold and Precious Metals Fund 0.96%, World Precious Minerals Fund 0.41%)
Delta Air Lines (Holmes Macro Trends Fund 1.93%)
Diamond Offshore (All American Equity Fund 0.81%)
Dow Chemical (All American Equity Fund 1.26%)
Ensco 0.00%

General Electric 0.00%
Gold Fields (Gold and Precious Metals Fund 1.31%, World Precious Minerals Fund 0.32%)
Hudbay Minerals (World Precious Minerals Fund 0.02%)
Imperial Metals Corp. 0.00%
Kinross Gold 0.00%
Klondex Mines (Global Resources Fund 2.27%, Gold and Precious Metals Fund 12.37%, World Precious Minerals Fund 13.18%)
Lyondell Industries (All American Equity Fund 1.38%, Holmes Macro Trends Fund 1.13%)
Netflix Inc. 0.00%
Newmont Mining (Gold and Precious Minerals Fund 1.10%, World Precious Minerals Fund 0.06%)
Noble Corp. 0.00%
Norilsk Nickel 0.00%
Precision Castparts Inc. 0.00%
Transocean 0.00%
Xstrata 0.00%

*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 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.
The University of Michigan Confidence Index is a survey of consumer confidence conducted by the University of Michigan. The report, released on the tenth of each month, gives a snapshot of whether or not consumers are willing to spend money.
The Shanghai Stock Exchange Composite Index is a capitalization-weighted index that tracks the daily price performance of all A-shares and B-shares listed on the Shanghai Stock Exchange.
The Bolsa de Valores de Colombia, also known as the BVC, is the principal stock exchange of Colombia.
The Athens Stock Exchange General Index is a capitalization-weighted index of Greek stocks listed on the Athens Stock Exchange.

The Ukraine PFTS Index is a formal indicator of PFTS Stock Exchange. The index is calculated based on the common shares of companies, which have been put on the PFTS Listing.
The Bombay Stock Exchange Sensitive Index (Sensex) is a cap-weighted index. The selection of the index members has been made on the basis of liquidity, depth, and floating-stock-adjustment depth and industry representation. Sensex has a base date and value of 100 on 1978-1979. The index uses free float.
The S&P/TSX Capped Energy Index is a constrained market capitalization-weighted index that consists of Canadian energy sector companies listed on the Toronto Stock Exchange.