



U.S. Global Investors

Quarterly Fund Profile 2nd Quarter 2010





About Our Company

Our Story

Early Beginnings

U.S. Global Investors was originally started as an investment club in the early 1960s. In 1969 the company became a registered investment adviser under the name Military Services Investments Advisors, Inc. The name was soon changed to Growth and Research Management, Inc.

The First No-Load Precious Metals Fund

In July of 1974 the company launched the Gold Shares Fund (USERX), the nation's first no-load precious metals fund.

Public Offering

In early 1984, company stakeholders voted to take the company public and the name was changed to United Services Advisors.

Frank Holmes Buys Controlling Stake

In October 1989, Frank Holmes purchased a controlling interest in the company, becoming the firm's chief executive officer.

Opening the Door to the China Region

In October 1994, the company opened the first no-load fund dedicated to investing in the China Region.

Name Changed to U.S. Global Investors, Inc.

In June 1996, the company was renamed U.S. Global Investors, Inc. to reflect its expanded activity in global financial markets.

Eastern European Reconstruction

In the spring of 1997, U.S. Global Investors opened the Eastern European Fund (EUROX) which concentrated on the growth of the region following the collapse of the Soviet Union.

Frank Holmes Wins Mining Fund Manager of the Year Award

In December 2006, *Mining Journal* magazine named Frank Holmes its "Mining Fund Manager of the Year."

Taking an Active Role in the Global Community

In the summer of 2007, U.S. Global Investors took leadership roles in two leading global charitable organizations: The Clinton Giustra Sustainable Growth Initiative and the International Crisis Group.

Global Infrastructure Identified as a Global Megatrend

In October 2007, U.S. Global Investors refocused the Global MegaTrends Fund (MEGAX) on global infrastructure investment.

About U.S. Global Investors

U.S. Global Investors, Inc. is an investment management firm specializing in gold, natural resources, emerging markets and global infrastructure opportunities around the world.

The company, headquartered in San Antonio, Texas, manages a family of no-load mutual funds across a range of asset classes. In addition, the company manages funds for international clients.

The story of U.S. Global Investors goes back more than 40 years when it began as an investment club. Over the years, the company has formed a strong bond with its investors who have entrusted U.S. Global to help them achieve their financial goals.

Since 1989, the company has been led by CEO Frank Holmes, who purchased a controlling interest that same year. Under Mr. Holmes' guidance, the company has expanded into new markets and developed a strong culture which shapes U.S. Global Investors' identity today.

Our Vision

To make people feel financially happy and secure that their wealth is consistently growing.

Our Values

- Respect for People and Teamwork
- Initiative and Responsiveness
- Curiosity to Learn and Improve
- Performance and Results Oriented
- Focused Work Ethic
- Recognition of Achievement

Stay Connected with Our Award-Winning Weekly Investor Alert or Advisor Alert

Our investment team provides unique insights on gold, energy, natural resources, and emerging markets, as well as timely perspectives on the economy and equity and bond markets. Plus, be the first to learn about upcoming webcasts and other special events. ➔ Sign up at www.usfunds.com.

We want to hear from you.

Contact us by phone at 1-800-US-FUNDS (1-800-873-8637).

Individual investors can reach our Shareholder Services team at shsvc@usfunds.com.
Investment professionals can reach our Institutional Services Team at advisor@usfunds.com.

Our mailing address is:

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78265-9405



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International Equity Funds

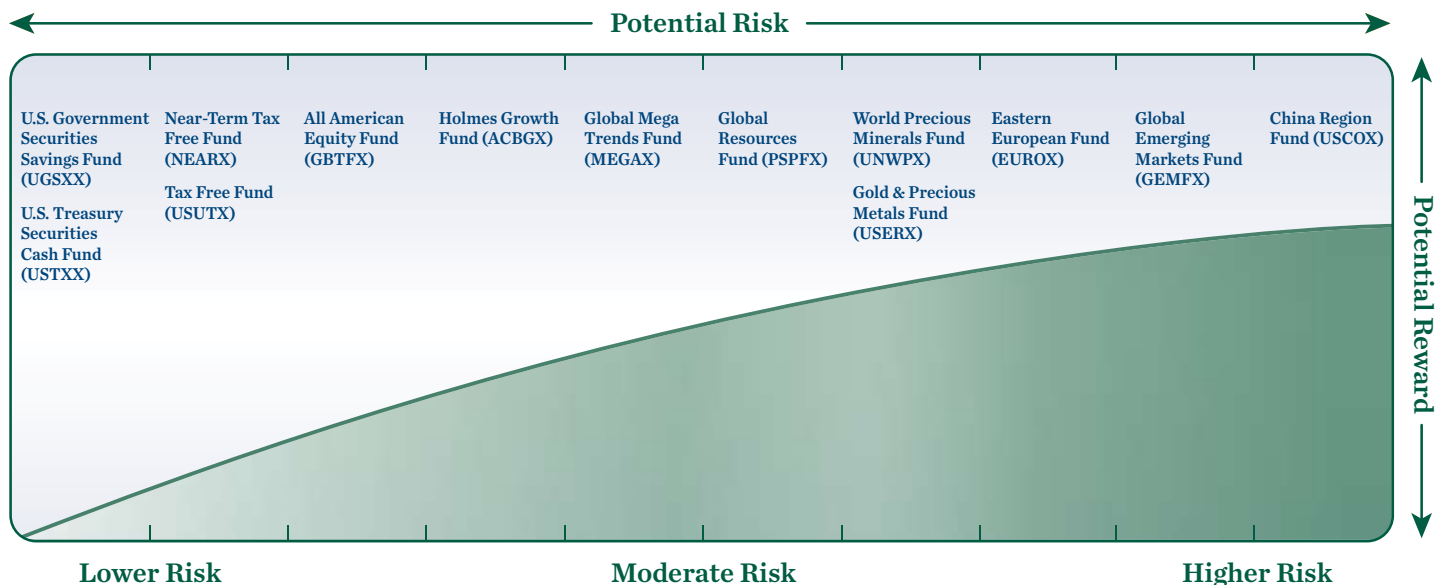
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Global Resources Fund (PSPFX)

June 2010

Symbol: PSPFX CUSIP: 911476-20-8
Inception Date: 8/3/83

About the Fund

The Global Resources Fund takes a diversified approach to the natural resources sector by investing in energy and basic materials. The fund invests in companies involved in the exploration, production and processing of petroleum, natural gas, coal, alternative energies, chemicals, mining, iron and steel, and paper and forest products, and can invest in any part of the world.

Fund Objective

The Global Resources Fund seeks long-term growth of capital while providing protection against inflation and monetary instability.

Fund Strategy

Under normal market conditions, the Global Resources Fund invests at least 80 percent of its net assets in the common stock, preferred stock, convertible securities, rights and warrants, and depository receipts of companies involved in the natural resources industries. The fund may invest without limitation in any of the various natural resources industries.

Portfolio Team

Frank Holmes, Chief Investment Officer
Years of Experience: 30

Brian K. Hicks, CFA
Years of Experience: 17

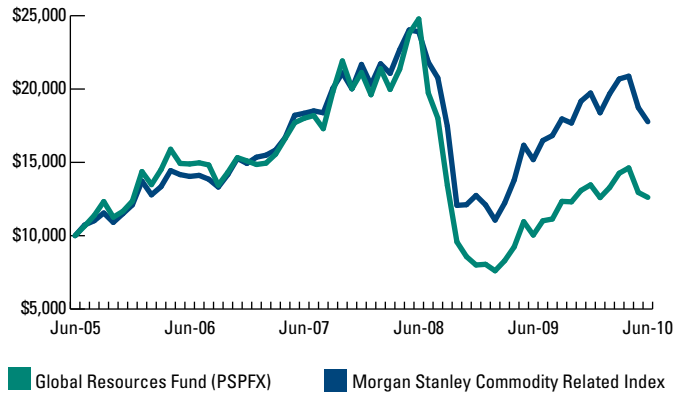
Evan Smith, CFA
Years of Experience: 10

Potential Risk/Reward

Low  High

All information is unaudited and, unless otherwise indicated, is as of 06/30/10. All information refers to retail class shares unless otherwise indicated.

Growth of \$10,000 from 06/30/2005 to 06/30/2010



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

Portfolio Statistics

Total Net Assets	\$627.9 Million	Standard Deviation	17.50%
NAV	\$8.29	Benchmark Standard Deviation	14.32%
Average Weighted Market Capitalization	\$18.3 Billion	Lipper Category	Global Natural Resources
Beta	1.099		
Information Ratio	-0.375		

Average Annual Returns

	Average Annual						Expense Ratio		
	1 Month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (8/3/83)	Gross	Capped
Global Resources Fund (as of 06/30/10)	-2.59%	-6.33%	25.61%	-11.18%	4.75%	16.30%	5.20%	1.63%	1.90%
Global Resources Fund Inst. Class (as of 06/30/10)	-2.58%	n/a	n/a	n/a	n/a	n/a	-6.39%	1.22%	*
Morgan Stanley Commodity Related Equity Index ¹ (as of 06/30/10)	-5.16%	-9.92%	17.02%	-1.06%	12.19%	14.72%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest) that U.S. Global Investors, Inc. can modify or terminate at any time. 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 0.25%) 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. High double-digit returns are attributable, in part, to unusually favorable market conditions and may not be repeated or consistently achieved in the future. * Please refer to the prospectus for Institutional class shares for details about fee waivers.



Industry Breakdown

as a percentage of total investments

Oil Companies - Exploration & Production	37.97%
Gold Mining	14.26%
Oil Companies - Integrated	10.49%
Oil - Field Services	6.14%
Oil & Gas Drilling	3.01%
Coal	2.17%
Silver Mining	1.63%
Gold ETF	1.45%
Engineering/R&D Services	1.40%
Machinery - Pumps	1.37%
Machinery - General Industrial	1.22%
Machinery - Construction & Mining	1.06%
Diversified Minerals	0.98%
Metal - Copper	0.96%
Building Products - Cement/Aggregates	0.83%
Other	15.07%

Top 10 Equity Holdings²

as a percentage of net assets

Chevron Corp	3.99%
Occidental Petroleum Corp	3.68%
Pacific Rubiales Energy Corp	3.66%
Canadian Natural Resources Ltd	3.64%
Randgold Resources Ltd	3.28%
Newmont Mining Corp	2.95%
Barrick Gold Corp	2.89%
Southwestern Energy Co	2.25%
ConocoPhillips	2.19%
Anadarko Petroleum Corp	2.14%
Percentage of total net assets in top 20 holdings	47.06%
Total number of holdings	121

Assets by Capitalization

as a percentage of total assets

Small Cap (under \$1 Billion)	21.62%
Mid Cap (\$1-\$10 Billion)	38.40%
Large Cap (over \$10 Billion)	39.99%

Fund Composition³

as a percentage of total investments

Equities	87.86%
Cash Equivalents	11.31%
Bonds	0.83%

Top 5 Regional Breakdown

as a percentage of net assets (Country of incorporation)

United States	40.01%
Canada	29.82%
Jersey - Channel Islands	3.28%
United Kingdom	2.43%
Brazil	1.59%

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.

Foreign and emerging market investing involves special risks such as currency fluctuation and less public disclosure, as well as economic and political risk. 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.

There is no guarantee that the investment objectives will be met. ¹The Morgan Stanley Commodity Related Index (CRX) is an equal-dollar weighted index of 20 stocks involved in commodity related industries such as energy, non-ferrous metals, agriculture, and forest products. The index was developed with a base value of 200 as of March 15, 1996. 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. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Information Ratio is the ratio of expected return to risk, as measured by standard deviation. Information Ratio is used to measure portfolio management's performance against a benchmark. Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility.

Gold and Precious Metals Fund (USERX)

June 2010

Symbol: USERX CUSIP: 911478-10-5
Inception Date: 7/1/74

About the Fund

The Gold and Precious Metals Fund is the first no-load gold fund in the U.S. We have a history as pioneers in portfolio management in this specialized sector. Our team brings valuable background in geology and mining finance, important to understanding the technical side of the business. The fund focuses on producers, companies currently pulling gold or other precious minerals out of the ground. These companies, often called "seniors," generally have the largest market caps in the mining sector.

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.

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.

Portfolio Team

Frank Holmes, Chief Investment Officer
Years of Experience: 30

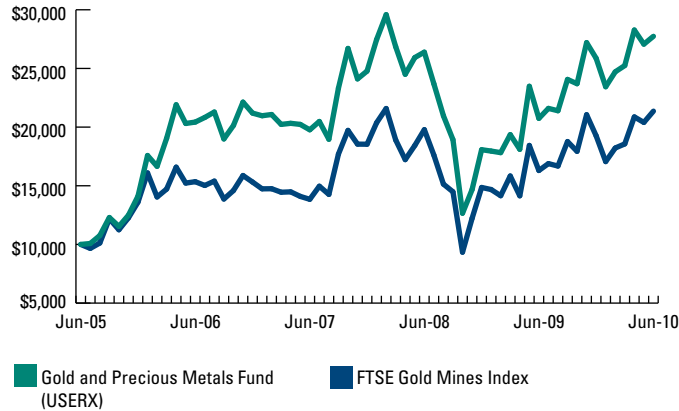
Ralph Aldis, CFA
Years of Experience: 20

Potential Risk/Reward

Low High

All information is unaudited and, unless otherwise indicated, is as of 06/30/10

Growth of \$10,000 from 06/30/2005 to 06/30/2010



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

Portfolio Statistics

Total Net Assets	\$235.0 Million	Standard Deviation	17.07%
NAV	\$16.58	Benchmark Standard Deviation	16.94%
Average Weighted Market Capitalization	\$11.9 Billion	2009 Distributions (\$ per share)	\$0.039
Beta	0.886	Lipper Category	Gold Oriented
Information Ratio	0.346		

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 06/30/10)	2.47%	7.24%	33.72%	11.94%	22.62%	22.06%	1.39%	1.70%	1.90%
FTSE Gold Mines Index ¹ (as of 06/30/10)	5.22%	10.92%	31.04%	15.52%	16.38%	15.48%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest) that U.S. Global Investors, Inc. can modify or terminate at any time. 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. High double-digit returns are attributable, in part, to unusually favorable market conditions and may not be repeated or consistently achieved in the future.

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 these sectors.



Industry Breakdown

as a percentage of total investments

Gold Mining	66.78%
Silver Mining	7.59%
Diversified Minerals	6.08%
Gold ETF	4.96%
Precious Metals	1.86%
Investment Companies - Resources	1.63%
Platinum	0.89%
Metal - Copper	0.83%
Oil Companies - Exploration & Production	0.73%
Other	8.64%

Top 5 Regional Breakdown

as a percentage of net assets (Country of incorporation)

Canada	56.28%
United States	11.60%
Jersey - Channel Islands	9.92%
Australia	7.12%
South Africa	1.82%

Assets by Capitalization

as a percentage of total assets

Small Cap (under \$1 Billion)	21.89%
Mid Cap (\$1-\$10 Billion)	52.46%
Large Cap (over \$10 Billion)	25.65%

Top 10 Equity Holdings²

as a percentage of net assets

Randgold Resources Ltd	9.92%
Barrick Gold Corp	7.25%
Agnico-Eagle Mines Ltd	6.91%
Centamin Egypt Ltd	5.69%
Red Back Mining Inc	5.65%
Newmont Mining Corp	5.46%
Dundee Precious Metals Inc	4.24%
SPDR Gold Trust	3.83%
Kinross Gold Corp	2.93%
Silver Wheaton Corp	2.89%

Percentage of total net assets in top 20 holdings **72.59%**

Total number of holdings **54**

Fund Composition³

as a percentage of total investments

Equities	93.65%
Cash Equivalents	6.35%
Bonds	0.00%



Morningstar 3- and 5-year RatingsTM

Among 67, 67, 60, and 38 Equity Precious Metals funds, the Gold and Precious Metals Fund earned 3 stars, 4 stars, 4 stars and 2 stars for the overall, 3-, 5- and 10-year periods ending 6/30/10.

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.

There is no guarantee that the investment objectives will be met. 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. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Information Ratio is the ratio of expected return to risk, as measured by standard deviation. Information Ratio is used to measure portfolio management's performance against a benchmark. Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility. Morningstar Ratings are based on risk-adjusted return. The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Past performance does not guarantee future results. For each fund with at least a three-year history, Morningstar calculates a Morningstar RatingTM 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.)

World Precious Minerals Fund (UNWPX)

June 2010

Symbol: UNWPX CUSIP: 911476-80-2
Inception Date: 11/27/85

About the Fund

The World Precious Minerals Fund complements our Gold and Precious Metals Fund by giving investors increased exposure to junior and intermediate mining companies for added growth potential. With a high level of expertise in this specialized sector, our portfolio management team includes professionals with experience in geology, mineral resources and mining finance.

Fund Objective

The World Precious Minerals Fund seeks long-term growth of capital while providing protection against inflation and monetary instability.

Fund Strategy

Under normal market conditions, the World Precious Minerals Fund will invest at least 80 percent of its net assets in common stock, preferred stock, convertible securities, rights and warrants, and depository receipts of companies principally engaged in the exploration for, or mining and processing of, precious minerals such as gold, silver, platinum group, palladium and diamonds. The fund focuses on selecting junior and intermediate exploration companies from around the world.

Portfolio Team

Frank Holmes, Chief Investment Officer
Years of Experience: 30

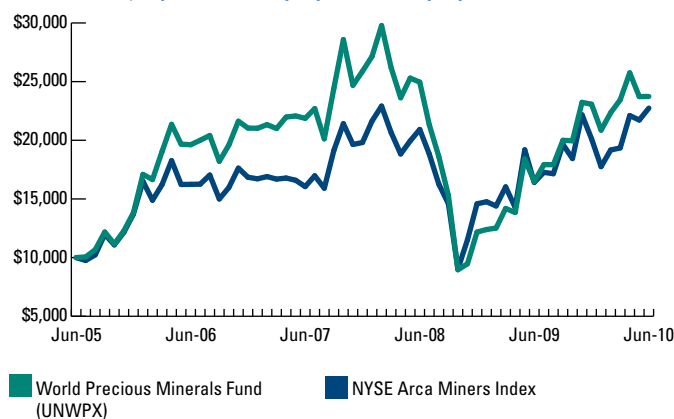
Ralph Aldis, CFA
Years of Experience: 20

Potential Risk/Reward

Low  High

All information is unaudited and, unless otherwise indicated, is as of 06/30/10. All information refers to retail class shares unless otherwise indicated.

Growth of \$10,000 from 06/30/2005 to 06/30/2010



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

Portfolio Statistics

Total Net Assets	\$622.0 Million	Standard Deviation	20.03%
NAV	\$17.92	Benchmark Standard Deviation	18.08%
Average Weighted Market Capitalization	\$6.3 Billion	2009 Distributions (\$ per share)	\$0.672
Beta	0.912	Lipper Category	Gold Oriented
Information Ratio	0.054		

Average Annual Returns

	Average Annual						Expense Ratio		
	1 Month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (11/27/85)	Gross	Capped
World Precious Minerals Fund (as of 06/30/10)	0.06%	2.87%	44.13%	2.76%	18.86%	21.13%	7.21%	1.74%	1.90%
World Precious Minerals Fund Inst. Class (as of 06/30/10)	0.22%	n/a	n/a	n/a	n/a	n/a	3.46%	1.29%	*
NYSE Arca Gold Miners Index ¹ (as of 06/30/10)	4.67%	13.00%	38.59%	12.30%	17.87%	18.87%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest) that U.S. Global Investors, Inc. can modify or terminate at any time. 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. High double-digit returns are attributable, in part, to unusually favorable market conditions and may not be repeated or consistently achieved in the future. * Please refer to the prospectus for Institutional class shares for details about fee waivers.



Industry Breakdown

as a percentage of total investments

Gold Mining	60.46%
Diversified Minerals	8.66%
Silver Mining	5.03%
Precious Metals	4.20%
Gold ETF	3.26%
Metal - Diversified	1.56%
Oil Companies - Exploration & Production	1.55%
Platinum	1.40%
Oil Companies - Integrated	1.19%
Diamonds/Precious Stones	1.12%
Other	11.57%

Top 10 Equity Holdings²

as a percentage of net assets

Randgold Resources Ltd	9.52%
Romarco Minerals Inc	5.53%
Red Back Mining Inc	4.85%
Centamin Egypt Ltd	4.07%
Agnico-Eagle Mines Ltd	3.77%
Goldcorp Inc	3.70%
Andean Resources Ltd	2.72%
Medoro Resources Ltd	2.47%
SPDR Gold Trust	2.46%
Greystar Resources Ltd	2.19%
Percentage of total net assets in top 20 holdings	58.12%
Total number of holdings	179

Fund Composition³

as a percentage of total investments

Equities	93.63%
Cash Equivalents	6.37%
Bonds	0.00%

Top 5 Regional Breakdown

as a percentage of net assets (Country of incorporation)

Canada	63.17%
Jersey - Channel Islands	9.52%
Australia	8.75%
United States	6.97%
Cayman Islands	1.32%

Assets by Capitalization

as a percentage of total assets

Small Cap (under \$1 Billion)	46.46%
Mid Cap (\$1–\$10 Billion)	42.21%
Large Cap (over \$10 Billion)	11.32%

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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 these sectors.

There is no guarantee that the investment objectives will be met. ¹The 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 index benchmark value was 500.0 at the close of trading on December 20, 2002. 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. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Information Ratio is the ratio of expected return to risk, as measured by standard deviation. Information Ratio is used to measure portfolio management's performance against a benchmark. Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility.

China Region Fund (USCOX)

June 2010

Symbol: USCOX CUSIP: 911476-82-8
Inception Date: 2/10/94

About the Fund

The China Region Fund invests in one of the world's fastest-growing regions. The China region has experienced many changes since the fund opened in 1994 but we believe the region continues to hold further investment opportunities. Many countries in the region possess characteristics similar to the United States prior to the industrial revolution: a thriving, young workforce, migration from rural to urban areas and shifting sentiment toward consumption.

Fund Objective

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

Fund Strategy

The fund invests in both new and existing enterprises registered and operating in China and the China region. Under normal market conditions, 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.

Portfolio Team

Frank Holmes, Chief Investment Officer
Years of Experience: 30

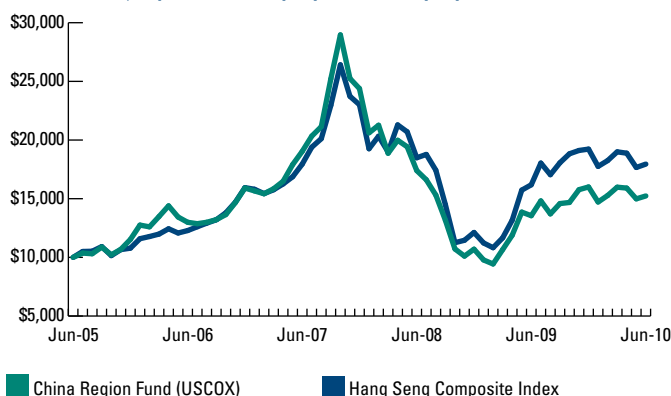
Romeo Dator, CFA
Years of Experience: 17

Potential Risk/Reward

Low High

All information is unaudited and, unless otherwise indicated, is as of 06/30/10

Growth of \$10,000 from 06/30/2005 to 06/30/2010



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

Portfolio Statistics

Total Net Assets	\$47.6 Million	Standard Deviation	15.38%
NAV	\$7.96	Benchmark Standard Deviation	14.65%
Beta	0.966	Lipper Category	China Region
Information Ratio	-0.297		

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 06/30/10)	1.66%	-4.78%	12.43%	-7.14%	8.78%	5.99%	0.93%	2.43%	2.55%
Hang Seng Composite Index ¹ (as of 06/30/10)	1.64%	-6.64%	10.89%	0.07%	12.45%	4.28%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest) that U.S. Global Investors, Inc. can modify or terminate at any time. 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 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.



Industry Breakdown

as a percentage of total investments

Food - Miscellaneous/Diversified	5.24%
Commercial Banks Non-US	4.98%
Retail - Apparel/Shoe	4.87%
Electronic Components - Semiconductors	4.12%
Gold Mining	3.82%
Building Products - Cement/Aggregates	2.95%
Retail - Automobile	2.92%
Diversified Operations	2.86%
Oil Companies - Exploration & Production	2.68%
Electric Products - Miscellaneous	2.65%
Gold ETF	2.52%
E-Commerce/Services	2.50%
Food - Retail	2.43%
Chemicals - Specialty	2.26%
Coal	2.25%
Other	50.94%

Top 10 Equity Holdings²

as a percentage of net assets

Belle International Holdings Ltd	2.98%
Astra International Tbk PT	2.76%
Samsung Techwin Co Ltd	2.71%
China Resources Enterprise Ltd	2.70%
Indofood Sukses Makmur Tbk PT	2.66%
Bank Mandiri Tbk PT	2.60%
Zhaojin Mining Industry Co Ltd	2.46%
SPDR Gold Trust	2.39%
Ctrip.com International Ltd	2.37%
Lianhua Supermarket Holdings Co Ltd	2.30%
Percentage of total net assets in top 20 holdings	45.08%
Total number of holdings	90

Fund Composition³

as a percentage of total investments

Equities	86.80%
Cash Equivalents	13.20%
Bonds	0.00%

Top 8 Regional Breakdown

as a percentage of net assets (Country of incorporation)

China	23.00%
Cayman Islands	12.72%
Indonesia	12.37%
Hong Kong	12.00%
Korea, Republic of, (South Korea)	6.17%
United States	4.85%
Bermuda	4.19%
Canada	2.45%

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.

There is no guarantee that the investment objectives will be met. ¹The 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. 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. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Information Ratio is the ratio of expected return to risk, as measured by standard deviation. Information Ratio is used to measure portfolio management's performance against a benchmark. Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility.



Eastern European Fund (EUROX)

June 2010

Symbol: EUROX CUSIP: 90330L-40-2
Inception Date: 3/31/97

About the Fund

The Eastern European Fund focuses on a region that is still in the early stages of industrial, economic and market development in the post-Soviet era. The region is rich in natural resources and many of the countries have only recently begun to embrace capitalist government policies.

Fund Objective

The Eastern European Fund seeks long-term growth of capital by investing in the Eastern Europe region.

Fund Strategy

The fund invests in dynamic companies in the Eastern European region including Russia, the Czech Republic, Hungary, Poland and other countries of the region.

The fund evaluates each of these countries' strengths based on currency rates, GDP growth, interest rates and political stability.

Portfolio Team

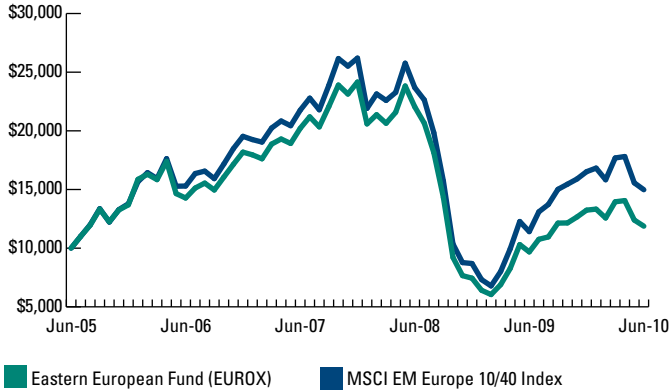
- Frank Holmes**, Chief Investment Officer
Years of Experience: 30
- John Derrick**, CFA
Years of Experience: 14
- Jack Dzierwa**
Years of Experience: 13
- Tim Steinle**, CFA
Years of Experience: 8

Potential Risk/Reward

Low High

All information is unaudited and, unless otherwise indicated, is as of 06/30/10

Growth of \$10,000 from 06/30/2005 to 06/30/2010



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

Portfolio Statistics

Total Net Assets	\$371.9 Million	Information Ratio	-0.921
NAV	\$8.17	Standard Deviation	20.15%
Average Weighted Market Capitalization	\$21.7 Billion	Benchmark Standard Deviation	20.88%
Beta	0.971	Lipper Category	Emerging Markets

Average Annual Returns

	Average Annual						Expense Ratio		
	1 Month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (3/31/97)	Gross	Capped
Eastern European Fund (as of 06/30/10)	-4.22%	-10.32%	22.67%	-16.23%	3.49%	15.30%	11.28%	1.98%	2.85%
MSCI EM Europe 10/40 Index (Net Total Return) [†] (as of 06/30/10)	-3.77%	-9.31%	31.29%	-11.68%	8.41%	10.50%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest) that U.S. Global Investors, Inc. can modify or terminate at any time. 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 2.00%) 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. 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. The Eastern European Fund invests more than 25% 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.



Industry Breakdown

as a percentage of total investments

Commercial Banks Non-US	27.37%
Oil Companies - Integrated	11.09%
Oil Companies - Exploration & Production	9.25%
Food - Retail	5.15%
Telecommunication Services	4.13%
Steel - Producers	3.94%
Metal - Iron	3.49%
Gold Mining	2.70%
Cellular Telecommunications	2.40%
Automotive - Cars & Light Trucks	1.96%
Steel Pipe & Tube	1.82%
Medical - Generic Drugs	1.81%
Appliances	1.74%
Electric - Integrated	1.67%
Real Estate Operating/Development	1.64%
Other	19.83%

Top 10 Regional Breakdown

as a percentage of net assets (Country of incorporation)

Russia	52.94%
Turkey	16.93%
Poland	4.99%
Netherlands	3.69%
Hungary	3.13%
Canada	2.86%
Bermuda	1.00%
Czech Republic	0.95%
United States	0.86%
Greece	0.83%

Top 10 Equity Holdings²

as a percentage of net assets

Sberbank of Russian Federation	10.74%
NovaTek OAO	4.84%
Turkiye Garanti Bankasi AS	4.79%
Rosneft Oil Co	4.28%
Lukoil OAO	3.28%
Mechel	3.21%
Gazprom OAO	3.00%
VTB Bank OJSC	2.54%
X5 Retail Group NV	2.41%
Novolipetsk Steel OJSC	2.41%
Percentage of total net assets in top 20 holdings	60.38%
Total number of holdings	61

Fund Composition³

as a percentage of total investments

Equities	92.30%
Cash Equivalents	7.70%
Bonds	0.00%

Assets by Capitalization

as a percentage of total assets

Small Cap (under \$1 Billion)	4.36%
Mid Cap (\$1-\$10 Billion)	35.97%
Large Cap (over \$10 Billion)	59.66%



Morningstar 10-year Rating™

Among 104, 104, 94, and 64 Europe Stock funds, the Eastern European Fund earned 3 stars, 1 star, 1 star and 4 stars for the overall, 3-, 5- and 10-year periods ending 6/30/10.

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.

There is no guarantee that the investment objectives will be met. ¹The MSCI Emerging Markets Europe 10/40 Index (Net Total Return) is a free float-adjusted market capitalization index that is designed to measure equity performance in the emerging market countries of Europe (Czech Republic, Hungary, Poland, Russia, and Turkey). The index is calculated on a net return basis (i.e., reflects the minimum possible dividend reinvestment after deduction of the maximum rate withholding tax). The index is periodically rebalanced relative to the constituents' weights in the parent index. 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. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Information Ratio is the ratio of expected return to risk, as measured by standard deviation. Information Ratio is used to measure portfolio management's performance against a benchmark. Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility. Morningstar Ratings are based on risk-adjusted return. The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its three-, five- and ten-year (if applicable) 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.)



Global Emerging Markets Fund (GEMFX)

June 2010

Symbol: GEMFX CUSIP: 90330L-50-1
Inception Date: 2/24/05

About the Fund

The Global Emerging Markets Fund offers a diversified portfolio of investments in emerging markets around the world. Rapid economic growth is taking place in rising powerhouses Brazil, Russia, India and China, and other emerging markets. Truly global in its approach, the fund invests in developing countries from nearly every continent.

Fund Objective

The Global Emerging Markets Fund seeks long-term growth of capital.

Fund Strategy

Under normal market conditions, the fund invests at least 80 percent of its net assets in equity securities such as common stocks, preferred stock, convertible securities, rights and warrants, and depositary receipts of companies located in emerging market countries or in companies with a significant business presence in emerging countries. Emerging market countries are those countries defined as such by the World Bank, the International Finance Corporation, the United Nations or the European Bank for Reconstruction and Development.

Portfolio Team

Frank Holmes, Chief Investment Officer
Years of Experience: 30

John Derrick, CFA
Years of Experience: 14

Tim Steinle, CFA
Years of Experience: 8

Romeo Dator, CFA
Years of Experience: 17

Potential Risk/Reward

Low  High

All information is unaudited and, unless otherwise indicated, is as of 06/30/10

Growth of \$10,000 from 06/30/2005 to 06/30/2010



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

■ Global Emerging Markets Fund (GEMFX) ■ MSCI Emerging Markets Net Total Return Index

Portfolio Statistics

Total Net Assets	\$11.8 Million	Standard Deviation	17.20%
NAV	\$7.47	Benchmark Standard Deviation	15.87%
Average Weighted Market Capitalization	\$18.9 Billion	Lipper Category	Emerging Markets
Beta	1.080		
Information Ratio	-1.289		

Average Annual Returns

	Average Annual						Expense Ratio		
	1 Month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (2/24/05)	Gross	Capped
Global Emerging Markets Fund (as of 06/30/10)	-0.93%	-6.04%	16.17%	-18.16%	1.68%	n/a	0.49%	3.97%	3.15%
MSCI Emerging Markets Net Total Return Index ¹ (as of 06/30/10)	-0.73%	-6.17%	23.15%	-2.49%	12.72%	10.01%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest) that U.S. Global Investors, Inc. can modify or terminate at any time. 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 2.00%) 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. 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.



Industry Breakdown

as a percentage of total investments

Commercial Banks Non-US	10.73%
Gold Mining	8.26%
Cellular Telecommunications	5.20%
Electronic Components - Semiconductors	4.46%
Food - Retail	4.08%
Oil Companies - Integrated	3.43%
Retail - Apparel/Shoe	3.32%
Retail - Hypermarkets	3.13%
Multimedia	2.68%
Brewery	2.56%
Gold ETF	2.36%
Patient Monitoring Equipment	2.08%
E-Commerce/Services	2.00%
Pipelines	1.99%
Property/Casualty Insurance	1.83%
Other	41.88%

Top 10 Equity Holdings²

as a percentage of net assets

Randgold Resources Ltd	4.03%
Lojas Renner SA	3.18%
Naspers Ltd	2.57%
TNK-BP Holding	2.45%
Samsung Electronics Co Ltd	2.44%
Wal-Mart de Mexico SAB de CV	2.33%
Eldorado Gold Corp	2.29%
SPDR Gold Trust	2.27%
Opto Circuits India Ltd	2.00%
Ctrip.com International Ltd	1.92%
Percentage of total net assets in top 20 holdings	42.97%
Total number of holdings	93

Fund Composition³

as a percentage of total investments

Equities	93.95%
Cash Equivalents	6.05%
Bonds	0.00%

Top 10 Regional Breakdown

as a percentage of net assets (Country of incorporation)

Brazil	11.66%
Cayman Islands	8.32%
Russia	7.62%
Korea, Republic of, (South Korea)	7.03%
United States	6.94%
China	6.36%
Mexico	5.95%
Canada	4.76%
South Africa	4.76%
Jersey - Channel Islands	4.03%

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.

There is no guarantee that the investment objectives will be met. ¹The MSCI Emerging Markets Total Net Return Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in emerging market countries on a net return basis (i.e., reflects the minimum possible dividend reinvestment after deduction of the maximum rate withholding tax). 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. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Information Ratio is the ratio of expected return to risk, as measured by standard deviation. Information Ratio is used to measure portfolio management's performance against a benchmark. Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility.

Global MegaTrends Fund (MEGAX)

June 2010

Symbol: MEGAX CUSIP: 90330L-20-4
Inception Date: 10/21/91

About the Fund

The Global MegaTrends Fund seeks large-scale and sustainable growth opportunities as evidenced by major capital expenditures in a sector, country, or region. We've identified global infrastructure as such a megatrend, making it the key focus for the fund's investments.

Unlike competing infrastructure funds, the Global MegaTrends Fund takes a "picks and shovels" approach. This means not only investing in particular projects but also in the tools, equipment, companies and people that are needed to build or service a project.

Fund Objective

The Global MegaTrends Fund seeks long-term capital appreciation consistent with the preservation of capital.

Fund Strategy

The Global MegaTrends Fund seeks to invest in companies that are positioned to grow by providing capital goods, basic materials, professional services or other key inputs to facilitate the design, construction, maintenance, financing, or servicing of global infrastructure properties. In addition to the focus on investments in infrastructure, the funds seeks to invest in companies that meet suitable measures of return on cash flow, growth in revenue, earnings growth and return on equity. There is no constraint upon the markets that the fund management will consider.

Portfolio Team

Frank Holmes, Chief Investment Officer
Years of Experience: 30

John Derrick, CFA
Years of Experience: 14

Romeo Dator, CFA
Years of Experience: 17

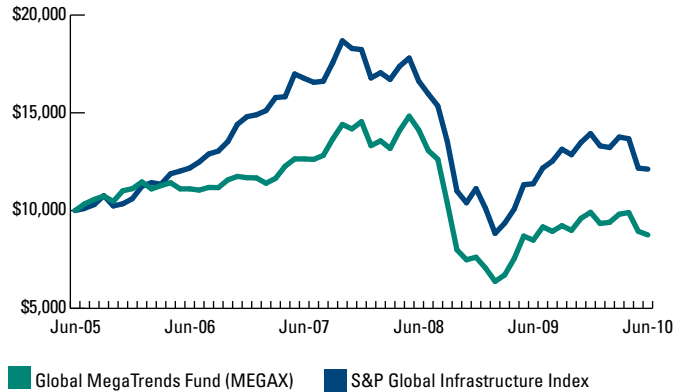
Jack Dzierwa
Years of Experience: 13

Potential Risk/Reward

Low High

All information is unaudited and, unless otherwise indicated, is as of 06/30/10. All information refers to retail class shares unless otherwise indicated.

Growth of \$10,000 from 06/30/2005 to 06/30/2010



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

Portfolio Statistics

Total Net Assets	\$19.6 Million	Standard Deviation	11.83%
NAV	\$7.20	Benchmark Standard Deviation	11.01%
Average Weighted Market Capitalization	\$14.6 Billion	2009 Distributions (\$ per share)	\$0.023
Beta	1.106	Lipper Category	Large Cap Growth
Information Ratio	-0.089		

Average Annual Returns

	Average Annual						Expense Ratio		
	1 Month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (10/21/91)	Gross	Capped
Global MegaTrends Fund (as of 06/30/10)	-2.04%	-11.66%	3.15%	-11.51%	-2.62%	-0.70%	4.16%	2.40%	2.35%
Global MegaTrends Fund Inst. Class (as of 06/30/10)	-2.04%	n/a	n/a	n/a	n/a	n/a	-8.09%	1.52%	*
S&P Global Infrastructure Index ¹ (as of 06/30/10)	-0.74%	-13.05%	6.57%	-10.23%	3.92%	n/a	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest) that U.S. Global Investors, Inc. can modify or terminate at any time. 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 0.25%) 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. * Please refer to the prospectus for Institutional class shares for details about fee waivers.



Industry Breakdown

as a percentage of total investments

Electric - Integrated	10.66%
Pipelines	6.79%
Airport Development/Maintenance	6.45%
Engineering/R&D Services	5.65%
Water Treatment Systems	5.16%
Building Products - Cement/Aggregates	5.07%
Public Thoroughfares	5.00%
Cellular Telecommunications	4.55%
Storage/Warehousing	4.01%
Reinsurance	3.72%
Transportation - Rail	2.72%
Gold Mining	2.64%
Electric Products - Miscellaneous	2.32%
Automotive - Cars & Light Trucks	2.21%
Power Converters/Power Supply Equipment	2.19%
Other	30.85%

Top 10 Equity Holdings²

as a percentage of net assets

Grupo Aeroportuario del Sureste SAB de CV	4.65%
Hyflux Ltd	4.42%
CPFL Energia SA	4.27%
Cia de Concessoes Rodoviaras	3.80%
Westshore Terminals Income Fund	3.73%
Berkshire Hathaway Inc	3.46%
NUSTAR ENERGY LP	2.93%
Grupo Empresarial Ibiza	2.65%
CSX Corp	2.53%
FirstEnergy Corp	2.34%
Percentage of total net assets in top 20 holdings	54.59%
Total number of holdings	54

Assets by Capitalization

as a percentage of total assets

Small Cap (under \$1 Billion)	13.13%
Mid Cap (\$1 – \$10 Billion)	58.59%
Large Cap (over \$10 Billion)	28.27%

Fund Composition³

as a percentage of total investments

Equities	89.30%
Cash Equivalents	10.70%
Bonds	0.00%

Top 10 Regional Breakdown

as a percentage of net assets (Country of incorporation)

United States	22.01%
Canada	10.24%
Brazil	10.24%
Russia	7.24%
Mexico	6.83%
Turkey	4.44%
Singapore	4.42%
China	3.92%
Panama	2.65%
Bermuda	2.29%

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.

Foreign and emerging market investing involves special risks such as currency fluctuation and less public disclosure, as well as economic and political risk.

There is no guarantee that the investment objectives will be met. ¹The S&P Global Infrastructure Index provides liquid and tradable exposure to 75 companies from around the world that represent the listed infrastructure universe. To create diversified exposure across the global listed infrastructure market, the index has balanced weights across three distinct infrastructure clusters: Utilities, Transportation and Energy. 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. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Information Ratio is the ratio of expected return to risk, as measured by standard deviation. Information Ratio is used to measure portfolio management's performance against a benchmark. Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility.

All American Equity Fund (GBTFX)

June 2010

Symbol: GBTFX CUSIP: 911476-60-4
Inception Date: 3/4/81

About the Fund

The All American Equity Fund invests in the growth of America by seeking "All American" companies with the best prospects for growth. Offering the opportunity to invest right here at home, often in well-recognized names, the fund invests at least 80 percent of its assets in "All American" companies. The portfolio management team uses a variety of investment strategies to select companies identified as having superior growth, profitability and quality relative to companies in the same industry.

Fund Objective

The All American Equity Fund seeks long-term capital appreciation.

Fund Strategy

Under normal circumstances, the fund will invest at least 80 percent of its assets in securities defined as "All American." These securities can include common stock, preferred stock, convertible securities, rights and warrants and depository receipts.

Portfolio Team

Frank Holmes, Chief Investment Officer
Years of Experience: 30

John Derrick, CFA
Years of Experience: 14

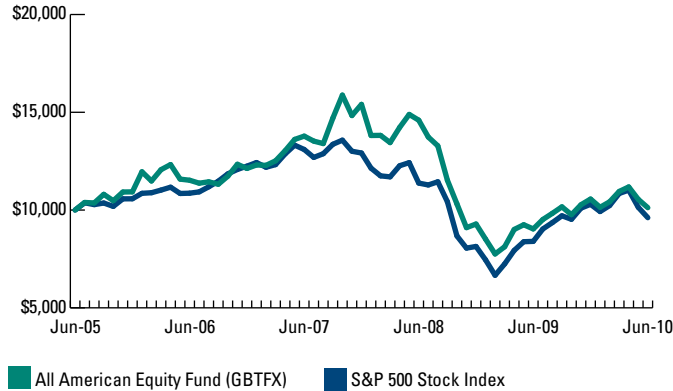
Romeo Dator, CFA
Years of Experience: 17

Potential Risk/Reward

Low High

All information is unaudited and, unless otherwise indicated, is as of 06/30/10

Growth of \$10,000 from 06/30/2005 to 06/30/2010



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

Portfolio Statistics

Total Net Assets	\$15.2 Million	Standard Deviation	9.81%
NAV	\$18.78	Benchmark Standard Deviation	9.44%
Beta	0.916	2009 Distributions (\$ per share)	\$0.110
Information Ratio	0.127	Lipper Category	Mid-Cap Growth

Average Annual Returns

	Average Annual						Expense Ratio		
	1 Month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (3/4/81)	Gross	Capped
All American Equity Fund (as of 06/30/10)	-4.04%	-4.18%	12.03%	-9.77%	0.24%	-3.48%	6.05%	2.78%	2.20%
S&P 500 Stock Index ¹ (as of 06/30/10)	-5.23%	-6.65%	14.43%	-9.80%	-0.79%	-1.59%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest) that U.S. Global Investors, Inc. can modify or terminate at any time. 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 0.10%) 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.



Industry Breakdown

as a percentage of total investments

Telephone - Integrated	5.09%
Computers	4.28%
Applications Software	4.14%
Oil Companies - Exploration & Production	4.09%
Gold Mining	4.00%
Retail - Restaurants	3.91%
Electric - Integrated	3.88%
Aerospace/Defense	2.93%
Oil Companies - Integrated	2.93%
Internet Infrastructure Software	2.49%
Food - Miscellaneous/Diversified	2.43%
Chemicals - Specialty	2.19%
Electronic Components - Semiconductors	2.13%
Diversified Banking Institutions	2.09%
Property/Casualty Insurance	2.03%
Other	51.40%

Top 10 Equity Holdings²

as a percentage of net assets

Apple Inc	4.13%
Salesforce.com Inc	3.10%
Akamai Technologies Inc	2.40%
Panera Bread Co	1.98%
ConocoPhillips	1.94%
Bank of America Corp	1.89%
Chipotle Mexican Grill Inc	1.80%
Devon Energy Corp	1.60%
DIRECTV	1.56%
Cerner Corp	1.50%
Percentage of total net assets in top 20 holdings	34.74%
Total number of holdings	78

Fund Composition³

as a percentage of total investments

Equities	88.62%
Cash Equivalents	11.38%
Bonds	0.00%

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.

There is no guarantee that the investment objectives will be met. ¹The S&P 500 Stock Index is a widely recognized capitalization-weighted index of 500 common stock prices in U.S. companies. 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. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Information Ratio is the ratio of expected return to risk, as measured by standard deviation. Information Ratio is used to measure portfolio management's performance against a benchmark. Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility.

Holmes Growth Fund (ACBGX)

June 2010

Symbol: ACBGX CUSIP: 90330L-10-5
Inception Date: 10/17/94

About the Fund

The Holmes Growth Fund seeks to identify those companies that have the greatest potential for growth. The portfolio management team uses a variety of investment strategies to search for companies suitable for investment in the fund. The team looks for companies that have proven management and sound financial strength, and whose stock price is low in light of the company's earnings and cash flow.

Fund Objective

The Holmes Growth Fund seeks long-term growth of capital.

Fund Strategy

Under normal market conditions, the Holmes Growth Fund invests primarily in a diversified portfolio of common stock, convertible securities, rights and warrants and depository receipts. In general, the fund uses a growth-style process to choose companies for investment. A growth company is one that has had superior growth, profitability, and quality relative to companies in the same industry and that is expected to continue such performance.

Portfolio Team

Frank Holmes, Chief Investment Officer
Years of Experience: 30

John Derrick, CFA
Years of Experience: 14

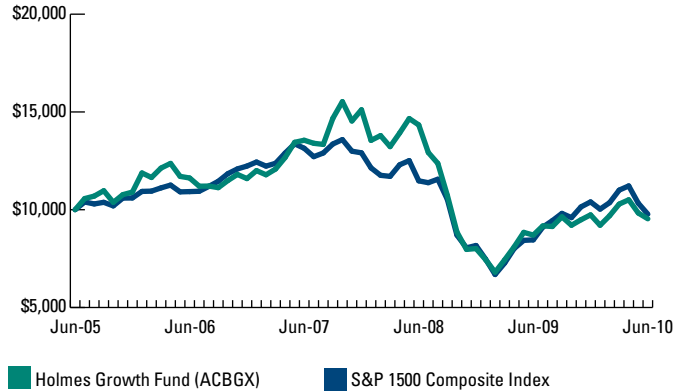
Romeo Dator, CFA
Years of Experience: 17

Potential Risk/Reward

Low High

All information is unaudited and, unless otherwise indicated, is as of 06/30/10

Growth of \$10,000 from 06/30/2005 to 06/30/2010



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

Portfolio Statistics

Total Net Assets	\$34.2 Million	Information Ratio	0.010
NAV	\$15.22	Standard Deviation	11.18%
Average Weighted Market Capitalization	\$19.4 Billion	Benchmark Standard Deviation	9.60%
Beta	1.014	Lipper Category	Multi-Cap Growth

Average Annual Returns

	Average Annual						Expense Ratio		
	1 Month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (10/17/94)	Gross	Capped
Holmes Growth Fund (as of 06/30/10)	-3.00%	-2.06%	9.58%	-11.05%	-0.94%	-4.62%	7.57%	2.11%	2.20%
S&P 1500 Composite Index ¹ (as of 06/30/10)	-5.41%	-6.03%	15.58%	-9.39%	-0.46%	-0.83%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest) that U.S. Global Investors, Inc. can modify or terminate at any time. 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 0.25%) 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.



Industry Breakdown

as a percentage of total investments

Radio	8.32%
Oil Companies - Exploration & Production	7.44%
Gold Mining	7.29%
Electronic Components - Semiconductors	5.94%
Computers	3.50%
Footwear & Related Apparel	3.25%
Pharmacy Services	2.91%
Diversified Banking Institutions	2.90%
Medical - Biomedical/Genes	2.68%
Oil - Field Services	2.46%
E-Commerce/Services	2.32%
Internet Content-Info/News	2.10%
Oil Companies - Integrated	2.03%
Retail - Vitamins/Nutritional Supplements	1.98%
Medical - Drugs	1.94%
Other	42.93%

Top 10 Equity Holdings²

as a percentage of net assets

Newfoundland Capital Corp Ltd	7.87%
Randgold Resources Ltd	3.32%
Apple Inc	3.31%
Express Scripts Inc	2.75%
Concho Resources Inc/Midland TX	2.59%
Core Laboratories NV	2.33%
Ctrip.com International Ltd	2.20%
Baidu Inc/China	1.99%
Pacific Rubiales Energy Corp	1.92%
Bank of America Corp	1.89%
Percentage of total net assets in top 20 holdings	47.16%
Total number of holdings	58

Fund Composition³

as a percentage of total investments

Equities	86.66%
Cash Equivalents	12.16%
Bonds	1.17%

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.

There is no guarantee that the investment objectives will be met. ¹The S&P 1500 Composite is a broad-based capitalization-weighted index of 1500 U.S. companies and is comprised of the S&P 400, S&P 500, and the S&P 600. The index was developed with a base value of 100 as of December 30, 1994. 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. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Information Ratio is the ratio of expected return to risk, as measured by standard deviation. Information Ratio is used to measure portfolio management's performance against a benchmark. Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility.

Tax Free Fund (USUTX)

June 2010

Symbol: USUTX CUSIP: 911476-50-5
Inception Date: 11/1/84

About the Fund

The Tax Free Fund invests in municipal bonds issued by state and local governments across the country, with the goal of consistent superior performance in the municipal arena. The Tax Free Fund invests in bonds that the portfolio management team believes will perform well in the long run, with a focus on providing a higher level of tax-free income.

Fund Objective

The Tax Free Fund seeks current income that is exempt from federal income tax and also seeks preservation of capital.

Fund Strategy

Under normal market conditions, the Tax Free Fund invests at least 80 percent of its net assets in investment grade municipal securities whose interest is free from federal income tax, including the federal alternative minimum tax. The Tax Free Fund may invest in debt securities of any maturity.

The fund's portfolio team applies a two-step approach in choosing investment, beginning by analyzing various macroeconomic factors in an attempt to forecast interest rate movements, and then positioning the fund's portfolio by selecting investments that it believes fit that forecast.

Portfolio Team

Frank Holmes, Chief Investment Officer
Years of Experience: 30

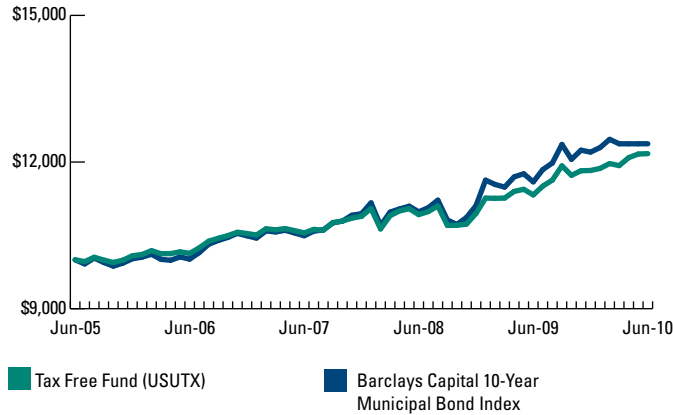
John Derrick, CFA
Years of Experience: 14

Potential Risk/Reward

Low High

All information is unaudited and, unless otherwise indicated, is as of 06/30/10

Growth of \$10,000 from 06/30/2005 to 06/30/2010



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

Portfolio Statistics

Total Net Assets	\$22.1 Million	30-day SEC Yield	2.40%
NAV	\$12.33	Tax Equivalent Yield (Based on 35% Tax Rate)	3.93%
Standard Deviation	1.77%	Lipper Category	General Municipal Debt Funds
Year-to-date Distributions (\$ per share)	\$0.223		

Average Annual Returns

	Average Annual						Expense Ratio		
	1 Month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (11/1/84)	Gross	Capped
Tax Free Fund (as of 06/30/10)	0.06%	2.92%	7.45%	4.87%	4.01%	4.77%	6.08%	1.74%	0.70%
Barclays Capital 10-Year Municipal Bond Index ¹ (as of 06/30/10)	0.31%	4.12%	9.58%	6.59%	4.91%	5.82%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest) that U.S. Global Investors, Inc. can modify or terminate at any time. 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 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.

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. Each 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. Bond funds are subject to interest-rate risk; their value declines as interest rates rise. The tax free funds 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.



Top 10 Holdings²

as a percentage of net assets

State of California	4.12%
Kansas Development Finance Authority	3.54%
University of Kansas Hospital Authority	2.84%
Utah State Building Ownership Authority	2.63%
County of Du Page IL	2.60%
Rhode Island Health & Educational Building Corp	2.53%
Duncanville Independent School District/TX	2.42%
Commonwealth of Puerto Rico	2.41%
City of Forney TX	2.37%
Atlanta Development Authority	2.30%
Percentage of total net assets in top 20 holdings	46.34%
Total number of holdings	60

Maturity

<1 Year	11%
1-3 Years	24%
3-5 Years	10%
5-10 Years	38%
10-20 Years	9%
20+ Years	8%
Average Maturity	6.46
Average Duration	4.78

Sector Breakdown

as a percentage of total assets

General Obligation	31%
School District	18%
Medical	17%
General Improvement	11%
Cash Equivalents	5%
Water	5%

Fund Composition³

as a percentage of total investments

Bonds	95.20%
Cash Equivalents	4.80%

Quality

AAA	35%
AA	29%
A	27%
BBB	7%
Other	2%

Top 5 States

as a percentage of net assets

Texas	16.97%
California	13.42%
Illinois	9.14%
Kansas	6.38%
Alabama	6.34%

★★★★

Morningstar 5-year RatingTM

Among 204, 204, 181 and 118 Municipal National Intermediate funds, the Tax Free Fund earned 3 stars, 3 stars, 4 stars and 3 stars for the overall, 3-, 5- and 10-year periods ending 6/30/10.

5 Lipper Leader Tax Efficiency

Lipper ratings for Tax Efficiency reflect funds' historical success in postponing taxable distributions relative to peers as of 6/30/10. Tax Efficiency offers no benefit to investors in tax-sheltered accounts such as retirement plans. Past performance does not guarantee future results.

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.

There is no guarantee that the investment objectives will be met. ¹The Barclay 10-Year Municipal Bond Index is a total return benchmark designed for long-term municipal assets. The index includes bonds with a minimum credit rating BAA3, are issued as part of a deal of at least \$50 million, have an amount outstanding of at least \$5 million and have a maturity of 8 to 12 years. ²Portfolio holdings will change. ³Fund assets can include, but are not limited to, 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. Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility. Morningstar Ratings are based on risk-adjusted return. The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Past performance does not guarantee future results. For each fund with at least a three-year history, Morningstar calculates a Morningstar RatingTM 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.) The Lipper ratings are subject to change every month and are based on an equal-weighted average of percentile ranks for the Tax Efficiency metrics over three-, five-, and ten-year periods (if applicable). The highest 20% of funds in each peer group are named Lipper Leader or a score of 5, the next 20% receive a score of 4, the middle 20% are scored 3, the next 20% are scored 2, and the lowest 20% are scored 1. Tax Free Fund, in Lipper's General Municipal Debt classification, received the following ratings for the 3-, 5-, and 10-year periods, respectively: Tax Efficiency: 5 (210 funds), 5 (196 funds) and 5 (158 funds). Lipper ratings are not intended to predict future results, and Lipper does not guarantee the accuracy of this information. More information is available at www.lipperweb.com. Lipper Leader Copyright 2010, Reuters, All Rights Reserved.

Near-Term Tax Free Fund (NEARX)

June 2010

Symbol: NEARX CUSIP: 911476-85-1
Inception Date: 12/4/90

About the Fund

The Near-Term Tax Free Fund invests in municipal bonds with relatively short maturity. The fund seeks to provide tax-free monthly income and stability by investing in debt securities issued by state and local governments from across the country.

Fund Objective

The Near-Term Tax Free fund seeks current income that is exempt from federal income tax and also seeks preservation of capital.

Fund Strategy

Under normal market conditions, the Near-Term Tax Free Fund invests at least 80 percent of its net assets in investment grade municipal securities whose interest is free from federal income tax, including the federal alternative minimum tax. The Near-Term Tax Free Fund will maintain a weighted-average portfolio maturity of five years or less.

The fund's portfolio team applies a two-step approach in choosing investment, beginning by analyzing various macroeconomic factors in an attempt to forecast interest rate movements, and then positioning the fund's portfolio by selecting investments that it believes fit that forecast.

Portfolio Team

Frank Holmes, Chief Investment Officer
Years of Experience: 30

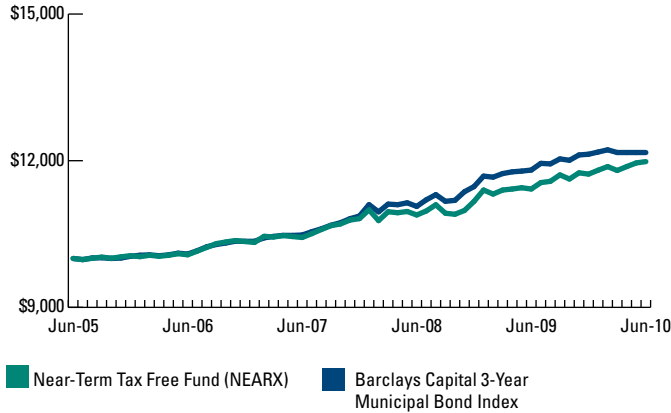
John Derrick, CFA
Years of Experience: 14

Potential Risk/Reward

Low High

All information is unaudited and, unless otherwise indicated, is as of 06/30/10

Growth of \$10,000 from 06/30/2005 to 06/30/2010



Portfolio Statistics

Total Net Assets	\$26.4 Million	30-day SEC Yield	1.62%
NAV	\$2.23	Tax Equivalent Yield (Based on 35% Tax Rate)	2.67%
Standard Deviation	1.04%	Lipper Category	Short/Intermediate Municipal Debt Funds
Year-to-date Distributions (\$ per share)	\$0.028		

Average Annual Returns

	Average Annual						Expense Ratio		
	1 Month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (12/4/90)	Gross	Capped
Near-Term Tax Free Fund (as of 06/30/10)	0.22%	2.18%	4.91%	4.73%	3.68%	4.00%	4.60%	1.52%	0.45%
Barclays Capital 3-Year Municipal Bond Index ¹ (as of 06/30/10)	0.29%	1.51%	4.30%	5.53%	4.25%	4.31%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest) that U.S. Global Investors, Inc. can modify or terminate at any time. 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 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.

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. Each 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. Bond funds are subject to interest-rate risk; their value declines as interest rates rise. The tax free funds 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.



Top 10 Holdings²

as a percentage of net assets

City of Chicago IL	3.69%
State of Illinois	3.29%
County of Orange FL	2.25%
Commonwealth of Puerto Rico	2.02%
State of Connecticut	1.85%
City of New York NY	1.75%
City of Detroit MI	1.67%
Illinois Finance Authority	1.60%
City of Atlanta GA	1.60%
City of San Antonio TX	1.58%
Percentage of total net assets in top 20 holdings	34.67%
Total number of holdings	75

Maturity

<1 Year	14%
1-3 Years	24%
3-5 Years	30%
5-10 Years	32%
10-20 Years	0%
20+ Years	0%
Average Maturity	3.50
Average Duration	3.15

Sector Breakdown

as a percentage of total assets

General Obligation	24%
School District	14%
General Improvement	11%
Cash Equivalents	10%
Medical	8%
Utilities	7%

Fund Composition³

as a percentage of total investments

Bonds	90.18%
Cash Equivalents	9.82%

Quality

AAA	28%
AA	39%
A	29%
BBB	2%
Other	2%

Top 5 States

as a percentage of net assets

Texas	12.02%
Illinois	11.23%
Florida	5.71%
Arizona	5.13%
Alabama	5.10%

★★★★

Morningstar Overall, 3-year and 5-year RatingsTM

Among 122, 122, 116 and 64 Municipal National Short-term funds, the Near-Term Tax Free Fund earned 4 stars, 4 stars, 4 stars and 3 stars for the overall, 3-, 5- and 10-year periods ending 6/30/10.

5 Lipper Leader
Preservation

5 Lipper Leader
Expense

Lipper ratings for Preservation reflect funds' historical loss avoidance relative to other funds within the same asset class, as of 6/30/10. Preservation ratings are relative, rather than absolute, measures, and funds named Lipper Leaders for Preservation may still experience losses periodically; those losses may be larger for equity and mixed equity funds than for fixed income funds. Lipper ratings for Expense reflect funds' expense minimization relative to peers with similar load structures as of 6/30/10. Past performance is no guarantee of future results.

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.

There is no guarantee that the investment objectives will be met. ¹The Barclays Capital 3-Year Municipal Bond Index is a total return benchmark designed for long-term municipal assets. The index includes bonds with a minimum credit rating BAA3, are issued as part of a deal of at least \$50 million, have an amount outstanding of at least \$5 million and have a maturity of 8 to 12 years. ²Portfolio holdings will change. ³Fund assets can include, but are not limited to, 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. Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility. Morningstar Ratings are based on risk-adjusted return. The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Past performance does not guarantee future results. For each fund with at least a three-year history, Morningstar calculates a Morningstar RatingTM 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.) The Lipper ratings are subject to change every month and are based on an equal-weighted average of percentile ranks for the Preservation and Expense metrics over three-, five-, and ten-year periods (if applicable). The highest 20% of funds in each peer group are named Lipper Leader or a score of 5, the next 20% receive a score of 4, the middle 20% are scored 3, the next 20% are scored 2, and the lowest 20% are scored 1. Near-Term Tax Free Fund, in Lipper's Short-Intermediate Municipal Debt classification, received the following ratings for the 3-, 5-, and 10-year periods, respectively: Preservation (in Fixed Income asset class): 5 (4225 funds), 5 (3648 funds) and 5 (2495 funds). Expense: 5 (15 funds), 5 (15 funds) and 5 (11 funds). (Lipper ratings are not intended to predict future results, and Lipper does not guarantee the accuracy of this information. More information is available at www.lipperweb.com. Lipper Leader Copyright 2010, Reuters, All Rights Reserved.

U.S. Government Securities Savings Fund (UGSXX)

U.S. Treasury Securities Cash Fund (USTXX)

June 2010

About the Funds

The U.S. Government Securities Savings Fund is designed to be used as an investment where you can park funds needed for a financial goal or as a refuge when you need safety of principal. The fund accrues dividends daily and pays them to you monthly. Its yield will reflect the current market rates of government securities.

The U.S. Treasury Securities Cash Fund seeks to offer a high degree of safety for your savings plus the convenience of check writing. The fund accrues dividends daily and pays them to you monthly.

Fund Objectives

The U.S. Government Securities Savings Fund seeks to achieve a consistently high yield with safety of principal.

The U.S. Treasury Securities Cash Fund seeks to obtain a high level of current income while maintaining the highest degree of safety of principal.

Fund Strategies

Under normal market conditions, the U.S. Government Securities Savings Fund invests at least 80 percent of its net assets in United States Treasury debt securities and obligations of agencies and instrumentalities of the United States, including repurchase agreements collateralized with such securities.

Under normal market conditions, the U.S. Treasury Securities Cash Fund invests at least 80 percent of its net assets in United States Treasury debt securities, including repurchase agreements collateralized with such securities.

Portfolio Team

Frank Holmes, Chief Investment Officer
Years of Experience: 30

John Derrick, CFA
Years of Experience: 14

Potential Risk/Reward

Low  High

U.S. Government Securities Savings Fund

Symbol: UGSXX CUSIP: 911476-88-5 Inception Date: 11/1/90

U.S. Treasury Securities Cash Fund

Symbol: USTXX CUSIP: 911476-10-9 Inception Date: 2/18/82

All information is unaudited and, unless otherwise indicated, is as of 06/30/10

Portfolio Statistics

U.S. Government Securities Savings Fund

Total Net Assets	\$228.2 Million
NAV	\$1.00
7-Day Simple Yield	0.01%
7-Day Effective Yield	0.01%
Average Days to Maturity	21
Year-to-date Distributions (\$ per share)	\$0.00005
Lipper Category	U.S. Government Money Market Funds

Portfolio Statistics

U.S. Treasury Securities Cash Fund

Total Net Assets	\$105.3 Million
NAV	\$1.00
7-Day Simple Yield	0.01%
7-Day Effective Yield	0.01%
Average Days to Maturity	3
Year-to-date Distributions (\$ per share)	\$0.00005
Lipper Category	U.S. Treasury Money Market Funds

Average Annual Returns

	Average Annual						Expense Ratio		
	1 Month	Year to Date	1-year	3-year	5-year	10-year	Since Inception	Gross	Capped
U.S. Government Securities Savings Fund	0.00%	0.00%	0.01%	1.40%	2.54%	2.38%	3.67%*	0.78%	0.45%
U.S. Treasury Securities Cash Fund	0.00%	0.00%	0.01%	0.89%	2.02%	1.79%	4.29%**	1.01%	1.00%

Since Inception *(11/1/90), **(2/18/82)

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest). In addition, the yields and returns for the U.S. Government Securities Savings Fund and the U.S. Treasury Securities Cash Fund include the effects of the Adviser's voluntary waiver of fees and/or reimbursement of expenses to maintain a minimum net yield for the funds. U.S. Global Investors, Inc. can modify or terminate these arrangements at any time. 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 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.

With respect to the money market funds, an investment in a money market fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in these funds.

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.



Returns

Total Annualized Returns for the period ending 06/30/09

	Inception Date	Year to Date	1-year	3-year	5-year	10-year	Since Inception	Gross Expense Ratio	Capped Expense Ratio
Natural Resource Funds									
Global Resources Fund	8/3/83	-6.33%	25.61%	-11.18%	4.75%	16.30%	5.20%	1.63%	1.90%
Global Resources Fund Inst. Class	3/1/10	n/a	n/a	n/a	n/a	n/a	-6.39%	1.22%	*
Gold and Precious Metals Fund	7/1/74	7.24%	33.72%	11.94%	22.62%	22.06%	1.39%	1.70%	1.90%
World Precious Minerals Fund	11/27/85	2.87%	44.13%	2.76%	18.86%	21.13%	7.21%	1.74%	1.90%
World Precious Minerals Fund Inst. Class	3/1/10	n/a	n/a	n/a	n/a	n/a	3.46%	1.29%	*
International Equity Funds									
China Region Fund	2/10/94	-4.78%	12.43%	-7.14%	8.78%	5.99%	0.93%	2.43%	2.55%
Eastern European Fund	3/31/97	-10.32%	22.67%	-16.23%	3.49%	15.30%	11.28%	1.98%	2.85%
Global Emerging Markets Fund	2/24/05	-6.04%	16.17%	-18.16%	1.68%	N/A	0.49%	3.97%	3.15%
Global MegaTrends Fund	10/21/91	-11.66%	3.15%	-11.51%	-2.62%	-0.70%	4.16%	2.40%	2.35%
Global MegaTrends Fund Inst. Class	3/1/10	n/a	n/a	n/a	n/a	n/a	-8.09%	1.52%	*
Domestic Equity Funds									
All American Equity Fund	3/4/81	-4.18%	12.03%	-9.77%	0.24%	-3.48%	6.05%	2.78%	2.20%
Holmes Growth Fund	10/17/94	-2.06%	9.58%	-11.05%	-0.94%	-4.62%	7.57%	2.11%	2.20%
Fixed Income Funds									
Tax Free Fund	11/1/84	2.92%	7.45%	4.87%	4.01%	4.77%	6.08%	1.74%	0.70%
Near-Term Tax Free Fund	12/4/90	2.18%	4.91%	4.73%	3.68%	4.00%	4.60%	1.52%	0.45%
U.S. Government Securities Savings Fund	11/1/90	0.00%	0.01%	1.40%	2.54%	2.38%	3.67%	0.78%	0.45%
U.S. Treasury Securities Cash Fund	2/18/82	0.00%	0.01%	0.89%	2.02%	1.79%	4.29%	1.01%	1.00%
S&P 500 Stock Index:	n/a	-6.65%	14.43%	-9.80%	-0.79%	-1.59%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. Capped expense ratio is a voluntary limit on total fund operating expenses (exclusive of any acquired fund fees and expenses, performance fees, taxes, brokerage commissions and interest). In addition, the yields and returns for the U.S. Government Securities Savings Fund and the U.S. Treasury Securities Cash Fund include the effects of the Adviser's voluntary waiver of fees and/or reimbursement of expenses to maintain a minimum net yield for the funds. U.S. Global Investors, Inc. can modify or terminate these arrangements at any time. 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 up to 2.00%) 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. High double-digit returns are attributable, in part, to unusually favorable market conditions and may not be repeated or consistently achieved in the future. * Please refer to the prospectus for Institutional class shares for details about fee waivers.

See each fund's respective pages for risks specific to that fund. With respect to the money market funds, an investment in a money market fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in these funds.

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.

The S&P 500 Stock Index is a widely recognized capitalization-weighted index of 500 common stock prices in U.S. companies.

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