



U.S. Global Investors

Quarterly Fund Profile 2nd Quarter 2009

Our Stars

Rankings as of 6/30/09

Ratings are based on risk-adjusted return as of 6/30/09. The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating. Past performance does not guarantee future results.

★★★★★

Gold and Precious Metals Fund

Morningstar 5-year Rating™. Among 61, 61, 58, and 36 Equity Precious Metals funds, the Gold and Precious Metals Fund earned 3 stars, 3 stars, 5 stars and 2 stars for the overall, 3-, 5- and 10-year periods.

★★★★★

All American Equity Fund

Morningstar 5-year Rating™. Among 1565, 1565, 1294 and 663 Large Growth funds, the All American Equity Fund earned 3 stars, 3 stars, 4 stars and 2 stars for the overall, 3-, 5- and 10-year periods.

★★★★★

Global MegaTrends Fund

Morningstar 10-year Rating™. Among 1565, 1565, 1294 and 663 Large Growth funds, the Global MegaTrends Fund earned 3 stars, 2 stars, 2 stars and 4 stars for the overall, 3-, 5- and 10-year periods.

★★★★★

Near-Term Tax Free Fund

Morningstar Overall, 3-year, 5-year and 10-year Ratings™. Among 121, 121, 118 and 65 Municipal National Short-term funds, the Near-Term Tax Free Fund earned 4 stars, 4 stars, 4 stars and 4 stars for the overall, 3-, 5- and 10-year periods.

★★★★★

Tax Free Fund

Morningstar Overall, 3-year and 5-year Ratings™. Among 239, 239, 216 and 133 Municipal National Intermediate funds, the Tax Free Fund earned 4 stars, 4 stars, 4 stars and 3 stars for the overall, 3-, 5- and 10-year periods.

★★★★★

Eastern European Fund

Morningstar 10-year Rating™. Among 99, 99, 93, and 55 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.

Please consider carefully the fund's investment objectives, risks, charges and expenses. For this and other important information, obtain a fund prospectus by visiting www.usfunds.com or by calling 1-800-US-FUNDS (1-800-873-8637). Read it carefully before investing. Distributed by U.S. Global Brokerage, Inc.

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.)

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.

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.

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

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.

Returns

Total Annualized Returns for the period ending 6/30/09

	Inception Date	1-year	3-year	5-year	10-year	Life of Fund	Gross Expense Ratio	Capped Expense Ratio
Natural Resource Funds								
Global Resources Fund	8/3/83	-59.47%	-12.30%	9.97%	13.30%	4.48%	1.57%	1.50%
Gold and Precious Metals Fund	7/1/74	-21.39%	0.51%	17.97%	16.71%	0.59%	1.79%	1.50%
World Precious Minerals Fund	11/27/85	-34.01%	-5.67%	13.91%	14.56%	5.87%	1.71%	1.50%
International Equity								
China Region Fund	2/10/94	-22.11%	1.42%	10.20%	5.71%	0.22%	2.29%	2.00%
Eastern European Fund	3/31/97	-56.10%	-12.13%	5.73%	13.25%	10.40%	2.14%	--
Global Emerging Markets Fund	2/24/05	-52.42%	-12.06%	n/a	n/a	-2.81%	2.93%	2.50%
Global MegaTrends Fund	10/21/91	-39.90%	-8.57%	-1.85%	0.24%	4.22%	2.56%	1.85%
Domestic Equity								
All American Equity Fund	3/4/81	-38.10%	-7.78%	-0.38%	-4.31%	5.85%	2.31%	1.75%
Holmes Growth Fund	10/17/94	-39.29%	-9.18%	-0.68%	-0.42%	7.43%	1.92%	1.75%
Fixed Income								
Tax Free Fund	11/1/84	3.69%	3.79%	3.68%	4.18%	6.03%	1.92%	0.70%
Near-Term Tax Free Fund	12/4/90	4.88%	4.26%	3.25%	3.77%	4.58%	1.87%	0.45%
U.S. Government Securities Savings Fund	11/1/90	0.76%	3.01%	2.89%	2.92%	3.87%	0.72%	0.45%
U.S. Treasury Securities Cash Fund	2/18/82	0.24%	2.33%	2.24%	2.24%	4.45%	1.15%	1.00%
S&P 500 Stock Index:	n/a	-26.21%	-8.22%	-2.24%	-2.22%	---	n/a	n/a

The Adviser has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 2.00% (exclusive of acquired fund fees and expenses of 0.01%) for the China Region Fund, 1.75% (exclusive of acquired fund fees and expenses of 0.01%) for the All American Equity Fund, 1.50% (exclusive of acquired fund fees and expenses of 0.04%) for the Gold and Precious Metals Fund, 1.50% (exclusive of acquired fund fees and expenses of 0.02%) for the World Precious Minerals Fund, 1.50% for the Global Resources Fund, 2.50% (exclusive of acquired fund fees and expenses of 0.06%) for the Global Emerging Markets Fund, 2.25% for the Eastern European Fund, 1.75% (exclusive of acquired fund fees and expenses of 0.01%) for the Holmes Growth Fund, 1.85% (exclusive of acquired fund fees and expenses of 0.01%) for the Global MegaTrends Fund, 0.70% for the Tax Free Fund, 0.45% for the Near-Term Tax Free Fund, 0.45% for the U.S. Government Securities Savings Fund, and 1.00% for the U.S. Treasury Securities Cash Fund, on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. In addition, the yields and returns for the U.S. Treasury Securities Cash Fund and the U.S. Government Securities Savings 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. The Adviser can modify or terminate this arrangement 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. An investment in a money market fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

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

Global Resources Fund

Symbol: PSPFX CUSIP: 911476-20-8 U.S. Global Investors Funds

Fund Objective

The Global Resources Fund is a diversified natural resources fund with the principal objective of achieving long-term growth of capital, while providing protection against inflation and monetary instability. The fund invests in companies involved in the exploration, production and processing of petroleum, natural gas, industrial commodities, metals, minerals, paper and forest products and can invest in any part of the world.

Fund Strategy

The fund seeks investments in financially sound and under-appreciated companies in out-of-favor and undervalued natural resource sectors. Its globally diversified portfolio includes energy, energy production and transmission, precious metals, base metals, chemicals and forest products among other industries in these sectors. The portfolio team pays special attention to the following criteria:

- Commodity price movement
- Production growth potential
- Asset growth prospects
- Price to cash flow
- Earnings expectations

Portfolio Statistics

Total Net Assets	\$570.0 Million
Average Weighted Market Capitalization	\$25.2 Billion
NAV	\$6.60
2008 Distributions (\$ per share)	\$1.316
Lipper Category	Global Natural Resources
Redemption Fee (for shares held less than 30 days)	.25%

Portfolio Team

Frank Holmes, Chief Investment Officer

Years of investment experience: 30

Education: BA, University of Western Ontario

Brian K. Hicks, CFA

Years of investment experience: 17

Education: MS, BS, University of Colorado

Evan Smith, CFA

Years of investment experience: 10

Education: BS, University of Texas at Austin

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

Year-End Fund Data Fund Calendar Year Total Return (%)

2004	30.41
2005	48.97
2006	22.19
2007	39.95
2008	-62.13

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. There is no guarantee that the investment objectives will be met.

Global Resources Fund

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (8/3/83)	Gross	Capped
Global Resources Fund	-8.33%	21.10%	25.48%	-59.47%	-12.30%	9.97%	13.30%	4.48%	1.57%	1.50%
Morgan Stanley Commodity Related Index ¹	-6.06%	24.25%	19.14%	-36.48%	2.65%	12.16%	12.53%	n/a	n/a	n/a

Gross expense ratio as stated in the most recent prospectus. The Adviser for the Global Resources Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 1.50% on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus (e.g., short-term trading fees of 0.25%) 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.

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.

Top 10 Industries as a percentage of net assets

Oil Companies - Exploration & Production	22.44%
Oil Companies - Integrated	9.56%
Oil & Gas Drilling	6.36%
Gold Mining	5.24%
Metal - Copper	5.13%
Oil - Field Services	5.07%
Diversified Minerals	4.70%
Oil Field Machinery & Equipment	3.71%
Platinum	3.24%
Coal	2.96%

Top 10 Equity Holdings²

PetroChina Co Ltd	3.28%
Pacific Rubiales Energy Corp	2.82%
Petroleo Brasileiro SA	2.79%
Freeport-McMoRan Copper & Gold Inc	2.46%
Rio Tinto PLC	2.39%
Goldcorp Inc	2.17%
Impala Platinum Holdings Ltd	2.02%
Chesapeake Energy Corp	2.00%
New Gold Inc	1.65%
Halliburton Co	1.64%

Regional Breakdown

as a percentage of net assets (Country of incorporation)

United States	43.89%
Canada	25.05%
Brazil	3.87%
China	3.58%
United Kingdom	2.45%

Fund Composition³ as a percentage of total investments

Equities	88.47%
Cash Equivalents	9.79%
Bonds	1.74%

Gold and Precious Metals Fund

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

Fund Objective

The Gold and Precious Metals Fund seeks capital appreciation and protection against inflation and monetary instability by investing in equity securities of companies predominantly involved in the mining, fabrication, processing, marketing or distribution of metals including gold, silver, platinum group, palladium and diamonds.

Fund Strategy

Under normal market conditions, the Gold and Precious Metals Fund will invest at least 80% 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 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 investment experience: 30

Education: BA, University of Western Ontario

Ralph Aldis, CFA

Years of investment experience: 20

Education: BS, Stephen F. Austin University;
MA, University of Texas at Austin

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

★★★★★ Morningstar 5-year Rating™

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

Portfolio Statistics

Total Net Assets	\$207.9 Million
NAV	\$12.43
2008 Distributions	\$0.727
Lipper Category	Gold Oriented
Redemption Fee (for shares held less than 30 days)	.50%

Year-End Fund Data Fund Calendar Year Total Return (%)

2004	-6.44
2005	32.80
2006	50.19
2007	16.91
2008	-27.05

¹The FTSE Gold Mines Index Series encompasses all gold mining companies that have a sustainable and attributable gold production of at least 300,000 ounces a year, and that derive 75% or more of their revenue from mined gold. ²Portfolio holdings will change. ³Fund assets can include, but are not limited to, equities, bonds, cash, receivables, pre-paid expenses and other miscellaneous assets. Fund composition represents key components only and should not be considered a complete financial picture of a fund's assets. There is no guarantee that the investment objectives will be met. See p. 2 for additional Morningstar disclosure.

Gold and Precious Metals Fund

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (7/1/74)	Gross	Capped
Gold and Precious Metals Fund	-11.66%	7.16%	14.77%	-21.39%	0.51%	17.97%	16.71%	0.59%	1.79%	1.50%
FTSE Gold Mines Index ¹	-11.59%	2.95%	9.73%	-17.60%	2.03%	12.25%	11.37%	n/a	n/a	n/a

The Adviser for the Gold and Precious Metals Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 1.50% (exclusive of acquired fund fees and expenses of 0.04%) on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus (e.g., short-term trading fees of 0.50%) which, if applicable, would lower your total returns. Obtain performance data current to the most recent month-end at www.usfunds.com or 1-800-US-FUNDS.

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

Top 5 Industries as a percentage of net assets

Gold Mining	59.05%
Silver Mining	3.59%
Metal - Copper	2.64%
Platinum ETF	2.54%
Precious Metals	2.38%

Top 10 Equity Holdings²

Goldcorp Inc	5.42%
Randgold Resources Ltd	4.57%
Agnico-Eagle Mines Ltd	4.39%
Jaguar Mining Inc	3.91%
Royal Gold Inc	3.82%
Kinross Gold Corp	3.42%
Red Back Mining Inc	3.38%
Gold Fields Ltd	3.25%
AngloGold Ashanti Ltd	2.77%
ETFS Physical Platinum	2.54%

Fund Composition³ as a percentage of total investments

Equities	77.61%
Cash Equivalents	21.91%
Bonds	0.48%

Regional Breakdown

as a percentage of net assets (Country of incorporation)

Canada	44.72%
United States	9.76%
Jersey - Channel Islands	7.89%
South Africa	5.48%
Australia	3.93%

World Precious Minerals Fund

Symbol: UNWPX CUSIP: 911476-80-2 U.S. Global Investors Funds

Fund Objective

The World Precious Minerals Fund seeks long-term growth of capital, plus protection against inflation and monetary instability. It invests in the securities of companies predominately involved in the exploration, mining and processing of, and dealing in precious minerals such as gold, silver, platinum and diamonds.

Fund Strategy

Under normal market conditions, the World Precious Minerals Fund will invest at least 80% 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 investment experience: 30

Education: BA, University of Western Ontario

Ralph Aldis, CFA

Years of investment experience: 20

Education: BS, Stephen F. Austin University;
MA, University of Texas at Austin

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

Portfolio Statistics

Total Net Assets	\$478.6 Million
NAV	\$12.93
2008 Distributions (\$ per share)	\$2.051
Lipper Category	Gold Oriented
Redemption Fee (for shares held less than 30 days)	.50%

Year-End Fund Data Fund Calendar Year Total Return (%)

2004	0.97
2005	30.89
2006	52.30
2007	23.02
2008	-52.96

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. There is no guarantee that the investment objectives will be met.

World Precious Minerals Fund

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (11/27/85)	Gross	Capped
World Precious Minerals Fund	-10.52%	16.07%	35.25%	-34.01%	-5.67%	13.91%	14.56%	5.87%	1.71%	1.50%
NYSE Arca Gold Miners Index ¹	-14.48%	2.37%	12.50%	-21.55%	0.35%	11.31%	13.49%	n/a	n/a	n/a

The Adviser for the World Precious Minerals Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 1.50% (exclusive of acquired fund fees and expenses of 0.02%) on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus (e.g., short-term trading fees of 0.50%) which, if applicable, would lower your total returns. Obtain performance data current to the most recent month-end at www.usfunds.com or 1-800-US-FUNDS.

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

Top 10 Industries as a percentage of net assets

Gold Mining	60.60%
Diversified Minerals	7.04%
Silver Mining	4.07%
Precious Metals	2.90%
Platinum	2.43%
Metal - Copper	2.24%
Oil Companies - Integrated	1.95%
Platinum ETF	1.23%
Metal - Diversified	0.91%
Finance - Investment Banker / Broker	0.90%

Top 10 Equity Holdings²

Goldcorp Inc	8.61%
Randgold Resources Ltd	5.95%
Jaguar Mining Inc	3.64%
Romarco Minerals Inc	3.55%
Agnico-Eagle Mines Ltd	2.97%
Red Back Mining Inc	2.57%
Centamin Egypt Ltd	2.31%
Silver Wheaton Corp	2.23%
Kinross Gold Corp	2.01%
Pacific Rubiales Energy Corp	1.95%

Fund Composition³ as a percentage of total investments

Equities	85.89%
Cash Equivalents	13.12%
Bonds	0.99%

Regional Breakdown

as a percentage of net assets (Country of incorporation)

Canada	57.95%
Australia	9.22%
Jersey - Channel Islands	7.44%
United States	5.17%
South Africa	3.10%

China Region Fund

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

Fund Objective

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

Fund Strategy

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

Management searches for companies that:

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

Portfolio Team

Frank Holmes, Chief Investment Officer

Years of investment experience: 30

Education: BA, University of Western Ontario

Romeo A. Dator, CFA

Years of investment experience: 17

Education: BS, Duke University;
MBA, Roy E. Crummer Graduate School of Business
at Rollins College

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

Portfolio Statistics

Total Net Assets	\$50.1 Million
NAV	\$7.08
Lipper Category	China Region
Redemption Fee (for shares held less than 180 days)	1.00%

Year-End Fund Data Fund Calendar Year Total Return (%)

2004	4.21
2005	18.53
2006	38.01
2007	53.29
2008	-56.12

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. ⁴Regional breakdown is based on country of incorporation and not intended to conform to the China region definition in the prospectus. There is no guarantee that the investment objectives will be met.

China Region Fund

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (11/27/85)	Gross	Capped
China Region Fund	-2.21%	27.11%	26.65%	-22.11%	1.42%	10.20%	5.71%	0.22%	2.29%	2.00%
Hang Seng Composite Index ¹	2.89%	38.95%	33.68%	-12.88%	9.63%	14.36%	n/a	n/a	n/a	n/a

The Adviser for the China Region Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 2.00% (exclusive of acquired fund fees and expenses of 0.01%) on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus (e.g., short-term trading fees of 1.00%) which, if applicable, would lower your total returns. Obtain performance data current to the most recent month-end at www.usfunds.com 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.

Top 10 Industries as a percentage of net assets

Commercial Banks Non-US	12.95%
Real Estate Operating / Development	7.85%
Oil Companies - Exploration & Production	5.25%
Gold Mining	4.56%
Power Converters / Power Supply Equipment	4.44%
Finance - Other Services	3.99%
Telecommunication Equipment	3.43%
Retail - Sporting Goods	3.35%
Steel - Producers	2.92%
Coal	2.92%

Top 10 Equity Holdings²

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

Fund Composition³ as a percentage of total investments

Equities	89.16%
Cash Equivalents	10.84%
Bonds	0.00%

Regional Breakdown⁴

as a percentage of net assets (Country of incorporation)

China	51.94%
Hong Kong	22.68%
Indonesia	3.30%
Korea, Republic of, (South Korea)	2.96%
Cayman Islands	2.78%
United Kingdom	2.32%
Canada	1.63%
United States	1.50%

Eastern European Fund

Symbol: EUROX CUSIP: 90330L-40-2 U.S. Global Investors Funds

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 emerging markets of Eastern Europe, including Russia, the Czech Republic, Hungary and Poland. For a complete list of the countries in which the fund can invest, please see the prospectus. The fund seeks to invest in countries that have the most favorable:

- Currency rates
- Interest rates
- GDP growth
- Political stability

Portfolio Team

Frank Holmes, Chief Investment Officer

Years of investment experience: 30

Education: BA, University of Western Ontario

John Derrick, CFA

Years of investment experience: 14

Education: BBA, University of Texas at Arlington

Tim Steinle, CFA

Years of investment experience: 8

Education: BS, Azeri Petroleum Institute in Baku;
MBA, University of Texas at Austin

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

★★★★ Morningstar 10-year Rating™

Among 99, 99, 93, and 55 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. Ratings are based on risk-adjusted return as of 6/30/09. The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating. Past performance does not guarantee future results.

Portfolio Statistics

Total Net Assets	\$359.9 Million
NAV	\$6.66
Lipper Category	Emerging Markets
Redemption Fee (for shares held less than 180 days)	2.00%

Year-End Fund Data Fund Calendar Year Total Return (%)

2004	52.37
2005	40.78
2006	32.79
2007	32.86
2008	-69.20

¹The Morgan Stanley Capital International 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. See page 2 for additional Morningstar disclosures. There is no guarantee that the investment objectives will be met.

Eastern European Fund

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (3/31/97)	Gross	Capped
Eastern European Fund	-6.06%	40.51%	30.08%	-56.10%	-12.13%	5.73%	13.25%	10.40%	2.14%	--
MSCI EM Europe 10/40 Index (Net Total Return) ¹	-7.04%	42.44%	31.28%	-51.83%	-9.30%	9.64%	9.68%	n/a	n/a	n/a

The Adviser for the Eastern European Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 2.25% on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus (e.g., short-term trading fees of 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.

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.

Top 10 Industries as a percentage of net assets

Oil Companies - Integrated	18.39%
Commercial Banks Non-U.S.	15.19%
Oil Companies - Exploration & Production	13.18%
Cellular Telecommunications	7.66%
Electric - Generation	4.01%
Television	3.68%
Metal - Iron	2.85%
Agricultural Chemicals	2.46%
Metal - Diversified	2.46%
Gold Mining	2.29%

Top 10 Equity Holdings²

Lukoil OAO	8.30%
Gazprom OAO	6.96%
Sberbank	5.66%
Rosneft Oil Co	5.39%
Turkiye Garanti Bankasi AS	4.96%
CEZ AS	4.01%
Mobile Telesystems OJSC	3.47%
KazMunaiGas Exploration Production	3.40%
Novolipetsk Steel OJSC	2.85%
NovaTek OAO	2.82%

Fund Composition³ as a percentage of total investments

Equities	86.17%
Cash Equivalents	13.83%
Bonds	0.00%

Regional Breakdown

as a percentage of net assets (Country of incorporation)

Russia	53.32%
Turkey	11.46%
Poland	5.72%
Czech Republic	5.09%
Hungary	3.64%
Kazakhstan	3.40%
Jersey - Channel Islands	1.16%
Netherlands	0.67%
Canada	0.60%
Guernsey, Channel Islands	0.30%

Global Emerging Markets Fund

Symbol: GEMFX CUSIP: 90330L-50-1 U.S. Global Investors Funds

Fund Objective

The Global Emerging Markets Fund seeks long-term growth of capital by investing in global emerging markets.

Fund Strategy

The fund invests, under normal market conditions, 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 investment experience: 30

Education: BA, University of Western Ontario

John Derrick, CFA

Years of investment experience: 14

Education: BBA, University of Texas at Arlington

Tim Steinle, CFA

Years of investment experience: 8

Education: BS, Azeri Petroleum Institute in Baku;
MBA, University of Texas at Austin

Romeo A. Dator, CFA

Years of investment experience: 17

Education: BS, Duke University;
MBA, Roy E. Crummer Graduate School of Business
at Rollins College

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

Portfolio Statistics

Total Net Assets	\$11.5 Million
NAV	\$6.43
2008 Distributions (\$ per share)	\$0.078
Lipper Category	Emerging Markets
Redemption Fee (for shares held less than 180 days)	2.00%

Year-End Fund Data Fund Calendar Year Total Return (%)

2005	n/a
2006	32.59
2007	39.35
2008	-68.02

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. There is no guarantee that the investment objectives will be met.

Global Emerging Markets Fund

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (2/24/05)	Gross	Capped
Global Emerging Markets Fund	-3.45%	28.34%	21.55%	-52.42%	-12.06%	n/a	n/a	-2.81%	2.93%	2.50%
MSCI Emerging Markets Total Net Return Index ¹	-1.35%	34.73%	36.01%	-28.07%	2.95%	14.71%	8.70%	n/a	n/a	n/a

The Adviser for the Global Emerging Markets Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 2.50% (exclusive of acquired fund fees and expenses of 0.06%) on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus (e.g., short-term trading fees of 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.

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

Top 10 Industries as a percentage of net assets

Oil Companies - Integrated	10.32%
Commercial Banks Non-U.S.	8.62%
Gold Mining	6.12%
Cellular Telecommunications	5.18%
Finance - Other Services	3.97%
Electronic Components - Semiconductors	3.88%
Telephone - Integrated	3.06%
Power Converters / Power Supply Equipment	2.93%
Computers	2.93%
Retail - Sporting Goods	2.40%

Top 10 Equity Holdings²

Industrial & Commercial Bank of China	3.26%
Petroleo Brasileiro SA	3.25%
China High Speed Transmission Equipment Group Co Ltd	2.93%
Wistron Corp	2.93%
Sasol Ltd	2.90%
Samsung Electronics Co Ltd	2.65%
China Dongxiang Group Co	2.40%
MTN Group Ltd	2.39%
Itau Unibanco Holding SA	2.39%
AngloGold Ashanti Ltd	2.22%

Fund Composition³ as a percentage of total investments

Equities	83.87%
Cash Equivalents	16.13%
Bonds	0.00%

Top 10 Regional Breakdown

as a percentage of net assets (Country of incorporation)

China	23.19%
Brazil	11.84%
Russia	7.85%
South Africa	7.31%
Hong Kong	6.51%
Taiwan	3.88%
Korea, Republic of, (South Korea)	3.88%
United States	2.66%
India	2.10%
Mexico	1.87%

Global MegaTrends Fund

Symbol: MEGAX CUSIP: 90330L-20-4 U.S. Global Investors Funds

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 this focus on investments in infrastructure, the fund 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 market capitalizations that the fund management will consider. Fund management characterizes its strategy as a “picks and shovels” approach: not only investing in the underlying infrastructure asset itself, but also investing in the companies that help to build it or to service it.

Portfolio Team

Frank Holmes, Chief Investment Officer

Years of investment experience: 30

Education: BA, University of Western Ontario

John Derrick, CFA

Years of investment experience: 14

Education: BBA, University of Texas at Arlington

Romeo A. Dator, CFA

Years of investment experience: 17

Education: BS, Duke University;

MBA, Roy E. Crummer Graduate School of Business at Rollins College

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

★★★★ Morningstar 10-year Rating™

Among 1565, 1565, 1294 and 663 Large Growth funds, the Global MegaTrends Fund earned 3 stars, 2 stars, 2 stars and 4 stars for the overall, 3-, 5- and 10-year periods. Ratings are based on risk-adjusted return as of 6/30/09. The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating. Past performance does not guarantee future results.

Portfolio Statistics

Total Net Assets	\$28.5 Million
Weighted Average Market Capitalization	\$11.4 Billion
NAV	\$7.00
2008 Distributions (\$ per share)	\$0.007
Lipper Category	Large Cap Growth
Redemption Fee (for shares held less than 30 days)	.25%

Year-End Fund Data Fund Calendar Year Total Return (%)

2004	8.07
2005	11.88
2006	5.04
2007	24.54
2008	-47.65

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. See page 2 for additional Morningstar disclosures. There is no guarantee that the investment objectives will be met.

Global MegaTrends Fund

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (10/21/91)	Gross	Capped
Global MegaTrends Fund	-2.37%	26.58%	11.46%	-39.90%	-8.57%	-1.85%	0.24%	4.22%	2.56%	1.85%
S&P 500 Stock Index ¹	0.20%	15.93%	3.16%	-26.21%	-8.22%	-2.24%	-2.22%	n/a	n/a	n/a

The Adviser for the Global MegaTrends Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 1.85% (exclusive of acquired fund fees and expenses of 0.01%) on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus (e.g., short-term trading fees of 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.

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

Top 10 Industries as a percentage of net assets

Electric - Integrated	12.33%
Steel - Producers	7.33%
Engineering / R&D Services	6.03%
Power Converters / Power Supply Equipment	5.00%
Energy - Alternate Sources	4.07%
Building - Heavy Construction	4.04%
Cellular Telecommunications	3.71%
Water Treatment Systems	3.19%
Airport Development / Maintenance	3.01%
Public Thoroughfares	2.75%

Top 10 Equity Holdings²

FPL Group Inc	4.39%
Grupo Aeroportuario del Sureste SAB de CV	3.01%
Gerdau SA	2.57%
China High Speed Transmission Equipment Group Co Ltd	2.44%
Fluor Corp	2.43%
First Solar Inc	2.27%
Cia de Concessoes Rodoviaras	2.25%
Maanshan Iron & Steel	2.20%
Exelon Corp	2.16%
CPFL Energia SA	2.12%

Fund Composition³ as a percentage of total investments

Equities	81.32%
Cash Equivalents	18.68%
Bonds	0.00%

Regional Breakdown

as a percentage of net assets (Country of incorporation)

United States	26.86%
China	15.31%
Brazil	10.21%
Canada	8.94%
Russia	5.15%
Turkey	3.12%
Mexico	3.01%
Hong Kong	2.12%
Singapore	1.60%
Poland	1.54%

All American Equity Fund

Symbol: GBTFX CUSIP: 911476-60-4 U.S. Global Investors Funds

Fund Objective

The All American Equity Fund seeks long-term capital appreciation by investing in stocks of domestic growth companies.

Fund Strategy

The investment team strives to outperform the stock market average by building a portfolio with industry diversification similar to that of the S&P 500 Stock Index with the flexibility to seek out other promising stock opportunities as market conditions dictate. The team searches for blue-chip companies exhibiting the strongest growth in revenue and earnings. Stocks are selected for the portfolio using a proprietary earnings-growth model that reviews sectors first, then groups within those sectors and, finally, individual stocks. This model enables the investment team to (1) assess historical, current and forecasted earnings trends in accordance with market conditions, (2) purchase stocks with sustainable earnings growth at compelling values, (3) produce results that are directional (a specific buy-hold-sell decision) and systematic, and (4) provide reliable reasons for holding a stock. Generally, the focus is on stocks of companies that:

- Demonstrate strong earnings and growth potential
- Maintain leading market positions
- Generate solid cash flow

Portfolio Team

Frank Holmes, Chief Investment Officer

Years of investment experience: 30

Education: BA, University of Western Ontario

John Derrick, CFA

Years of investment experience: 14

Education: BBA, University of Texas at Arlington

Romeo A. Dator, CFA

Years of investment experience: 17

Education: BS, Duke University;

MBA, Roy E. Crummer Graduate School of Business at Rollins College

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

★★★★ Morningstar 5-year Rating™

Among 1565, 1565, 1294 and 663 Large Growth funds, the All American Equity Fund earned 3 stars, 3 stars, 4 stars and 2 stars for the overall, 3-, 5- and 10-year periods. Ratings are based on risk-adjusted return as of 6/30/09. The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating. Past performance does not guarantee future results.

Portfolio Statistics

Total Net Assets	\$14.9 Million
Weighted Average Market Capitalization	\$33.7 Billion
Average P/E	25.0
NAV	\$16.86
2008 Distributions (\$ per share)	\$0.007
Lipper Category	Multi-Cap Growth
Redemption Fee (for shares held less than 30 days)	.10%

Year-End Fund Data Fund Calendar Year Total Return (%)

2004	5.05
2005	11.83
2006	10.95
2007	27.03
2008	-39.72

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. See page 2 for additional Morningstar disclosures. There is no guarantee that the investment objectives will be met.

All American Equity Fund

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (3/4/81)	Gross	Capped
All American Equity Fund	-2.32%	11.21%	-2.71%	-38.10%	-7.78%	-0.38%	-4.31%	5.85%	2.31%	1.75%
S&P 500 Stock Index ¹	0.20%	15.93%	3.16%	-26.21%	-8.22%	-2.24%	-2.22%	n/a	n/a	n/a

The Adviser for the All American Equity Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 1.75% (exclusive of acquired fund fees and expenses of 0.01%) on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus (e.g., short-term trading fees of 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.

Top 10 Industries as a percentage of net assets

Computers	6.52%
Diversified Banking Institutions	6.11%
Oil Companies - Exploration & Production	5.28%
Wireless Equipment	4.34%
Gold Mining	3.06%
Medical - Biomedical / Gene	3.03%
Oil - Field Services	2.75%
Cellular Telecommunications	2.65%
Oil Companies - Integrated	2.52%
Medical Information Systems	2.52%

Top 10 Equity Holdings²

Apple Inc	4.15%
Bank of America Corp	3.62%
QUALCOMM Inc	2.75%
Petroleo Brasileiro SA	2.52%
Cerner Corp	2.52%
Goldman Sachs Group Inc/The	2.49%
SLM Corp	2.43%
Copart Inc	2.11%
Illumina Inc	2.10%
F5 Networks Inc	2.10%

Fund Composition³ as a percentage of total investments

Equities	82.70%
Cash Equivalents	17.30%
Bonds	0.00%

Holmes Growth Fund

Symbol: ACBGX CUSIP: 90330L-10-5 U.S. Global Investors Funds

Fund Objective

The Holmes Growth Fund seeks long-term growth of capital by investing in a diversified portfolio of common stocks.

Fund Strategy

The fund invests in companies of all sizes. However, it focuses on companies with market capitalizations of less than \$10 billion at the time of purchase. Potential investments are chosen through a fundamental, quantitative analysis of data. Although not all individual stocks purchased meet every standard, the team's proprietary strategy focuses on those equities that have:

- High quality earnings generated from operations
- Strong balance sheets
- Leading position within market niche
- Management ownership in the company

Portfolio Statistics

Total Net Assets	\$35.7 Million
Weighted Average Market Capitalization	\$15.7 Billion
Average P/E	20.1
NAV	\$13.89
Lipper Category	Multi-Cap Growth
Redemption Fee (for shares held less than 30 days)	.25%

Portfolio Team

Frank Holmes, Chief Investment Officer

Years of investment experience: 30

Education: BA, University of Western Ontario

John Derrick, CFA

Years of investment experience: 14

Education: BBA, University of Texas at Arlington

Romeo A. Dator, CFA

Years of investment experience: 17

Education: BS, Duke University;
MBA, Roy E. Crummer Graduate School of Business
at Rollins College

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

Year-End Fund Data Fund Calendar Year Total Return (%)

2004	16.53
2005	9.71
2006	6.32
2007	30.38
2008	-46.97

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. There is no guarantee that the investment objectives will be met.

Holmes Growth Fund

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (10/17/94)	Gross	Capped
Holmes Growth Fund	-1.56%	17.02%	8.60%	-39.29%	-9.18%	-0.68%	-0.42%	7.43%	1.92%	1.75%
S&P Composite 1500 Index ¹	0.28%	16.32%	3.47%	-26.32%	-8.18%	-1.93%	-1.49%	n/a	n/a	n/a

The Adviser for the Holmes Growth Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 1.75% (exclusive of acquired fund fees and expenses of 0.01%) on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus (e.g., short-term trading fees of 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.

Top 10 Industries as a percentage of net assets

Radio	7.51%
Diversified Banking Institutions	5.07%
Oil Companies - Exploration & Production	3.29%
Gold Mining	3.27%
Oil - Field Services	2.89%
Entertainment Software	2.88%
Financial Services	2.82%
E-Services / Consulting	2.73%
Wire & Cable Products	2.63%
Oil Companies - Integrated	2.52%

Top 10 Equity Holdings²

Newfoundland Capital Corp Ltd	7.51%
Cyberplex Inc	2.73%
General Cable Corp	2.63%
Bank of America Corp	2.59%
Petroleo Brasileiro SA	2.52%
Goldman Sachs Group Inc/The	2.48%
Shanda Interactive Entertainment Ltd	2.20%
Illumina Inc	2.18%
Amazon.com Inc	2.11%
Helmerich & Payne Inc	2.08%

Fund Composition³ as a percentage of total investments

Equities	84.22%
Cash Equivalents	15.78%
Bonds	0.00%

Tax Free Fund

Symbol: USUTX CUSIP: 911476-50-5 U.S. Global Investors Funds

Fund Objective

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

Fund Strategy

Management uses a combination of a top-down and bottom-up strategy. Some of the factors used to look at the top-down macro portion of the strategy include the strength of the economy, the forecast direction of interest rates and the outlook for income tax rates. When reviewing a bond from a bottom-up micro-perspective, management tends to look at such things as credit ratings and the financial strength of the issuer. When these two strategies are combined with an actively managed municipal bond fund, management should be able to achieve its goal of consistent superior performance in the municipal arena. The Tax Free Fund will invest in bonds that management believes will perform well in the long run, with a focus on providing a higher tax-free return.

Portfolio Team

Frank Holmes, Chief Investment Officer

Years of investment experience: 30

Education: BA, University of Western Ontario

John Derrick, CFA

Years of investment experience: 14

Education: BBA, University of Texas at Arlington

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

5 Lipper Leader
Total Return

Lipper ratings for Total Return reflect funds' historical total return performance relative to peers as of 6/30/09. Lipper ratings for Consistent Return

5 Lipper Rating
Consistent Return

reflect funds' historical risk adjusted returns, adjusted for volatility, relative to peers as of 6/30/09. Past performance is no guarantee of future results.

★★★★ Morningstar Overall, 3-year and 5-year Ratings™

Among 239, 239, 216 and 133 Municipal National Intermediate funds, the Tax Free Fund earned 4 stars, 4 stars, 4 stars and 3 stars for the overall, 3-, 5- and 10-year periods. Ratings are based on risk-adjusted return as of 6/30/09. The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating. Past performance does not guarantee future results.

Portfolio Statistics

Total Net Assets	\$18.8 Million
NAV	\$11.90
YTD Distributions (\$ per share)	\$0.226
Lipper Category	General Municipal Debt Funds

Year-End Fund Data Fund Calendar Year Total Return (%)

2004	2.14
2005	2.78
2006	4.51
2007	3.33
2008	0.54

¹The Barclays Capital 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. See page 2 for additional Morningstar disclosures. The Lipper ratings are subject to change every month and are based on an equal-weighted average of percentile ranks for the Total Return and Consistent Return 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: Total Return: 5 (218 funds), 5 (202 funds) and 4 (157 funds). Consistent Return: 5 (212 funds), 5 (196 funds) and 4 (151 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 2009, Reuters, All Rights Reserved.

Tax Free Fund

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (10/17/94)	Gross	Capped
Tax Free Fund	-1.00%	0.57%	3.47%	3.69%	3.79%	3.68%	4.18%	6.03%	1.92%	0.70%
Barclays Capital 10-Year Municipal Bond Index ¹	-1.41%	0.94%	4.38%	5.58%	5.01%	4.54%	5.32%	n/a	n/a	n/a

The Adviser for the Tax Free Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 0.70% on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus 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.

Top 10 Holdings²

State of California	4.25%
Kansas Development Finance Authority	4.07%
University of Kansas Hospital Authority	3.41%
Rhode Island Health & Educational Building Corp	3.05%
Utah State Building Ownership Authority/UT	3.02%
Duncanville Independent School District/TX	2.93%
County of Du Page IL	2.93%
City of Forney TX	2.70%
Atlanta Development Authority	2.69%
County of St Lucie FL	2.46%

Quality

AAA	38%
AA	29%
A	23%
BBB	9%
Other	0%

Top Sectors

General Obligation	24%
Medical	22%
School District	20%
General	10%
Water	4%
Higher Education	3%

Fund Composition³ as a percentage of total investments

Bonds	97.39%
Cash Equivalents	2.61%
Equities	0.00%

Top 5 States as a percentage of net assets

Texas	21.36%
California	10.38%
Illinois	8.59%
Kansas	7.48%
Alabama	7.12%

Maturity

<1 Year	5%
1-3 Years	17%
3-5 Years	16%
5-10 Years	36%
10-20 Years	16%
20+ Years	10%
Average Maturity	8.05
Average Duration	5.91

Near-Term Tax Free Fund

Symbol: NEARX CUSIP: 911476-85-1 U.S. Global Investors Funds

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

Management uses a combination of a top-down and bottom-up strategy. Some of the factors used to look at the top-down macroeconomic portion of the strategy include the strength of the economy, the forecasted direction of interest rates and the outlook for income tax rates. When reviewing a bond from a bottom-up micro perspective, management will look at such things as credit ratings and the financial strength of the issuer. When these two strategies are combined with an actively managed municipal bond portfolio, management expects to achieve consistent superior performance in the municipal arena. The Near-Term Tax Free Fund will invest so that its weighted average portfolio maturity will not exceed five years.

Portfolio Team

Frank Holmes, Chief Investment Officer

Years of investment experience: 30

Education: BA, University of Western Ontario

John Derrick, CFA

Years of investment experience: 14

Education: BBA, University of Texas at Arlington

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

5 Lipper Leader
Preservation

Lipper ratings for Preservation reflect funds' historical loss avoidance relative to other funds within the same asset class, as of 6/30/09. Preservation ratings

5 Lipper Rating
Expense

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 6/30/09. Past performance is no guarantee of future results.

★★★★★ Morningstar Overall, 3-year, 5-year and 10-year Ratings™

Among 121, 121, 118 and 65 Municipal National Short-term funds, the Near-Term Tax Free Fund earned 4 stars, 4 stars, 4 stars and 4 stars for the overall, 3-, 5- and 10-year periods. Ratings are based on risk-adjusted return as of 6/30/09. The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating. Past performance does not guarantee future results.

Portfolio Statistics

Total Net Assets	\$18.1 Million
NAV	\$2.18
YTD Distributions (\$ per share)	\$0.029
Lipper Category	Short/Intermediate Municipal Debt Funds

Year-End Fund Data Fund Calendar Year Total Return (%)

2004	1.75
2005	0.98
2006	2.89
2007	4.53
2008	3.25

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. See page 2 for additional Morningstar disclosures. 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 (4109 funds), 5 (3640) and 5 (2417). Expense: 5 (16 funds), 5 (16 funds) and 5 (10 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 2009, Reuters, All Rights Reserved.

Near-Term Tax Free Fund

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (12/4/90)	Gross	Capped
Near-Term Tax Free Fund	-0.23%	0.18%	2.27%	4.88%	4.26%	3.25%	3.77%	4.58%	1.87%	0.45%
Barclays Capital 3-Year Municipal Bond Index ¹	0.18%	0.61%	2.95%	6.72%	5.38%	3.90%	4.25%	n/a	n/a	n/a

The Adviser for the Near-Term Tax Free Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 0.45% on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus 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.

Top 10 Holdings²

City of New York NY	3.53%
State of Connecticut	2.71%
Florida State Board of Education	2.62%
City of San Antonio TX	2.25%
Illinois Finance Authority	2.22%
Indiana Finance Authority	2.03%
Virginia College Building Authority/VA	1.86%
Katy Independent School District/TX	1.86%
State of Utah	1.83%
Virginia Public Building Authority/VA	1.81%

Quality

AAA	28%
AA	43%
A	25%
BBB	3%
Other	0%

Top Sectors

General Obligation	26%
School District	20%
General	10%
Cash equivalents	9%
Transportation	6%
Medical	6%

Fund Composition³ as a percentage of total investments

Bonds	91.10%
Cash Equivalents	8.90%
Equities	0.00%

Top 5 States

as a percentage of net assets

Texas	16.39%
Illinois	7.74%
Indiana	6.71%
Florida	5.44%
Alabama	4.28%

Maturity

<1 Year	26%
1-3 Years	16%
3-5 Years	22%
5-10 Years	37%
10-20 Years	0%
20+ Years	0%
Average Maturity	3.42
Average Duration	3.05

U.S. Government Securities Savings Fund

Symbol: UGSXX CUSIP: 911476-88-5 U.S. Global Investors Funds

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Fund Objectives

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

The U.S. Treasury Securities Cash Fund's investment objective is to obtain a high level of current income while maintaining the highest degree of safety of principal and liquidity.

Fund Strategies

The U.S. Government Securities Savings Fund invests in United States Treasury debt securities, which are protected by the full faith and credit of the U.S. Government, and obligations of agencies and instrumentalities of the United States. The fund may also invest in repurchase agreements collateralized with such obligations.

The U.S. Treasury Securities Cash Fund invests in United States Treasury debt securities, which are protected by the full faith and credit of the U.S. Government. The income from these obligations may be exempt from state and local income taxes. The fund also invests in repurchase agreements collateralized with such obligations.

Portfolio Team

Frank Holmes, Chief Investment Officer

Years of investment experience: 30

Education: BA, University of Western Ontario

John Derrick, CFA

Years of investment experience: 14

Education: BBA, University of Texas at Arlington

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

Portfolio Statistics U.S. Government Securities Savings Fund

Total Net Assets	\$293.0 Million
NAV	\$1.00
YTD Distributions (\$ per share)	\$0.001
Lipper Category	U.S. Government Money Market Funds

Portfolio Statistics U.S. Treasury Securities Cash Fund

Total Net Assets	\$110.0 Million
NAV	\$1.00
YTD Distributions (\$ per share)	\$0.000
Lipper Category	U.S. Treasury Money Market Funds

Year-End Fund Data U.S. Government Securities Savings Fund

Fund Calendar Year Total Return (%)

2004	0.92
2005	2.71
2006	4.51
2007	4.70
2008	1.87

Year-End Fund Data U.S. Treasury Securities Cash Fund

Fund Calendar Year Total Return (%)

2004	0.34
2005	2.10
2006	4.04
2007	3.96
2008	0.88

There is no guarantee that the investment objectives will be met.

U.S. Treasury Securities Cash Fund

Symbol: USTXX CUSIP: 911476-10-9 U.S. Global Investors Funds

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception	Gross	Capped
U.S. Government Securities Savings Fund	0.00%	0.01%	0.09%	0.76%	3.01%	2.89%	2.92%	3.87%*	0.72%	0.45%
U.S. Treasury Securities Cash Fund	0.00%	0.00%	0.01%	0.24%	2.33%	2.24%	2.24%	4.45%**	1.15%	1.00%

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

Yields

	7-Day Simple	7-Day Effective	Average Days to Maturity
U.S. Government Securities Savings Fund	0.01%	0.01%	43
U.S. Treasury Securities Cash Fund	0.01%	0.01%	29

Gross expense ratio as stated in the most recent prospectus. The Adviser has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 0.45% for the U.S. Government Securities Savings Fund and 1.00% for the U.S. Treasury Securities Cash Fund on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. In addition, the yields and returns for the U.S. Treasury Securities Cash Fund and the U.S. Government Securities Savings 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. The Adviser can modify or terminate this arrangement 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.

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

Our Company

Located in San Antonio, Texas, U.S. Global Investors, Inc. is a globally focused boutique investment advisor servicing retail and institutional clients. The company manages a comprehensive family of no-load mutual funds, encompassing major asset classes and markets including gold and natural resources, stocks, tax-free bonds and emerging markets.

U.S. Global was initially formed in 1968 to manage a growth fund that evolved into the Gold and Precious Metals Fund, the nation's first no-load precious metals fund. Since then, the company has grown, and our shareholders enjoy a widely diversified range of investments. In February 1994, we launched the China Region Fund, our first no-load fund dedicated to investing primarily in companies located in the China region. In October of 1994, we introduced the Bonnel Growth Fund (now the Holmes Growth Fund), designed for investors looking for dynamic growth opportunities in mid-cap markets. In March 1997, we launched the Eastern European Fund, with concentration on emerging market opportunities in that region. Additionally, in February 2005 the Global Emerging Markets Fund was launched, specializing in emerging markets.

The company manages approximately \$2 billion in mutual fund assets. As a public company, U.S. Global Investors' stock trades over the counter on the Nasdaq stock exchange (**Symbol: GROW**).

Webcast Schedule For Investment Professionals

For more information on upcoming webcasts and to view recent webcasts, please visit our website at www.usfunds.com.

You can also e-mail us at advisor@usfunds.com or call **1-800-873-8637**.

How to Contact Us

Investment Professionals:

Website: www.usfunds.com/advisor

Telephone: 1-800-873-8637

Email: advisor@usfunds.com

Monday through Friday – 8:00 a.m. to 5:00 p.m. CT

Individual Investors:

Website: www.usfunds.com

Telephone: 1-800-US-FUNDS

Email: shsvc@usfunds.com

Monday through Friday – 7:30 a.m. to 7:00 p.m. CT

Fax: 1-210-308-1217

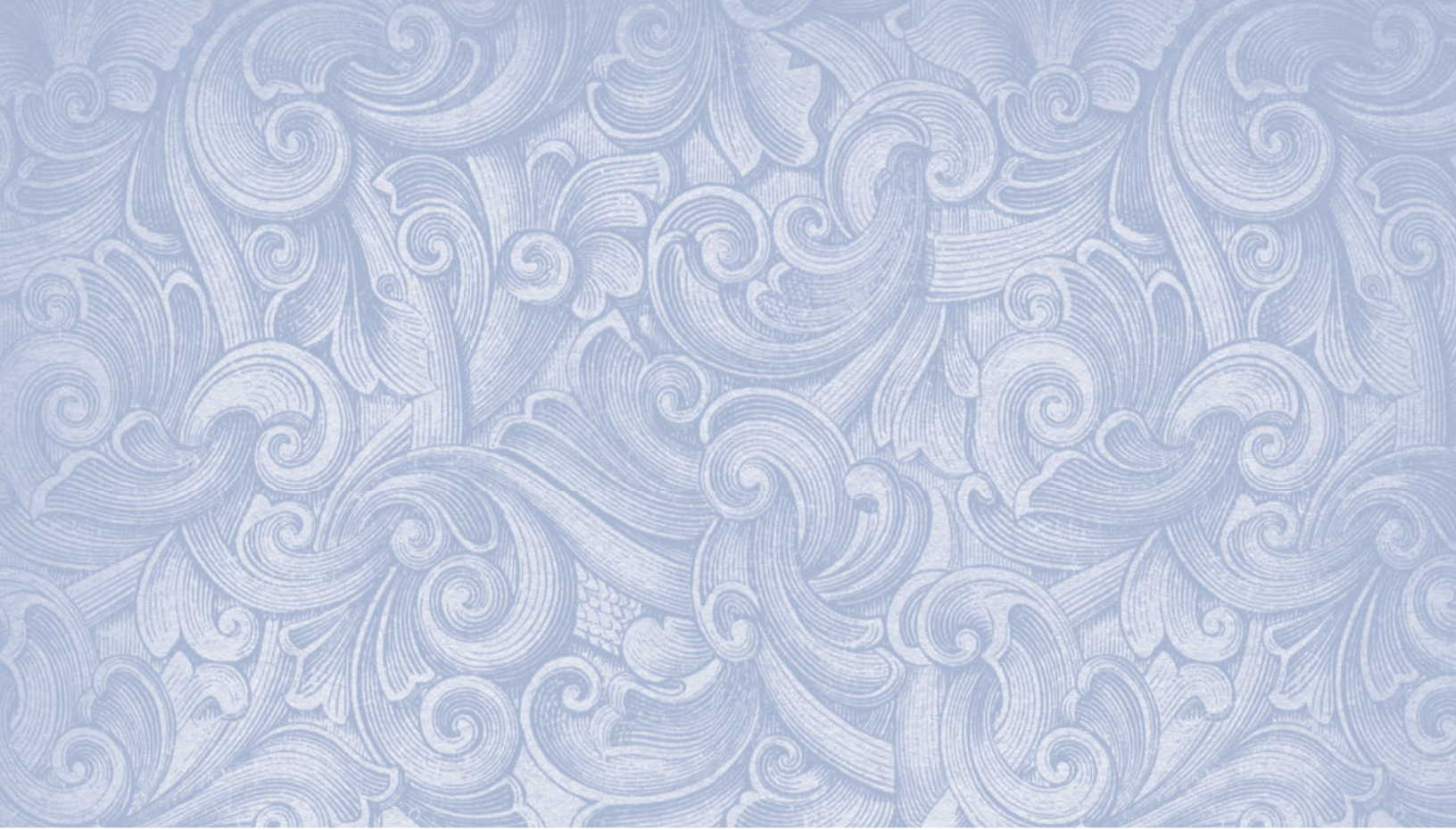
Text-Telephone Service for the Hearing-Impaired:

1-800-677-1212 Through our Text-Telephone Service, you can access closing prices and yield information.

We pride ourselves on providing quality service. Inquiries via email will be responded to within one business day.

Address:

P.O. Box 781234, San Antonio, TX 78278-1234



www.usfunds.com • 1.800.US.FUNDS

