



Eastern European Fund

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

2nd Quarter 2009

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

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.

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. 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.) There is no guarantee that the investment objectives will be met. 09-446

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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%