

# MegaTrends Fund (MEGAX)

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

Institutional Class Symbol: MEGIX  
CUSIP: 911476-78-6  
Inception Date: 03/01/10

Lipper Category: Global Multi-Cap Growth

## About the Fund

Megatrends are often created by government policies, technological innovations, significant changes in supply/demand dynamics, or other formerly slow-evolving patterns. The MegaTrends Fund uses a "go anywhere" approach to seek out growth opportunities. The fund identifies sectors that have this kind of megatrend potential, and dynamically adapts to current trends, supported by company-specific criteria such as revenue, cash flow and earnings growth.

## Fund Objective

The MegaTrends Fund's primary objective is to seek long-term capital appreciation and its secondary objective is earning income.

## Fund Strategy

Under normal market conditions, the MegaTrends Fund will invest in equity and equity-related securities of companies of all sizes. These securities primarily include common stocks, preferred stocks, 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: 18

**Brian K. Hicks, CFA**  
Years of Experience: 19

**Evan Smith, CFA**  
Years of Experience: 17

## Potential Risk/Reward

Low  High



7900 Callaghan Road  
San Antonio, TX  
78229-2327  
1-800-US-FUNDS  
(1-800-873-8637)  
www.usfunds.com  
shsvc@usfunds.com

## December 2012 Fund Fact Sheet

### Growth of \$10,000 from 12/31/2002 to 12/31/2012



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.

### Risk Measures & Statistics (3-Year)

Sharpe Ratio	0.07	R-squared vs. Benchmark	68.89
Alpha vs. Benchmark	-4.83	Standard Deviation	16.98%
Beta vs. Benchmark	0.92	Benchmark Standard Deviation	15.28%

### Returns

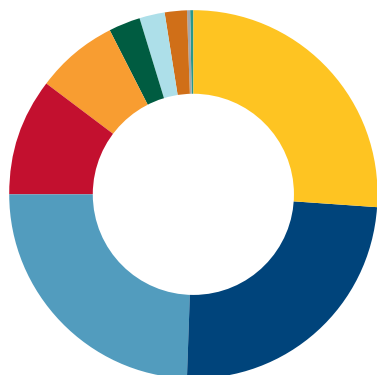
	Average Annual						Expense Ratio		
	1 Month	Year to Date	1-year	3-year	5-year	10-year	Since Inception	After Waivers	
MegaTrends Fund (as of 12/31/12)	1.32%	5.67%	5.67%	-0.11%	-7.44%	4.47%	4.25%*	2.56%	2.35%
MegaTrends Fund Inst. Class (as of 12/31/12)	1.43%	6.23%	6.23%	n/a	n/a	n/a	1.64%**	2.81%	1.81%
S&P 500 Stock Index (as of 12/31/12)	0.91%	16.00%	16.00%	10.86%	1.66%	7.09%	n/a	n/a	n/a

Expense ratios as stated in the most recent prospectus. The expense ratio after waivers for Investor Class shares 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, which may lower a fund's yield or return. The expense ratio after waivers for Institutional Class shares is a voluntary arrangement pursuant to which U.S. Global Investors, Inc. has agreed to waive all class specific expenses of each fund. The expense waiver is exclusive of performance fees, acquired fund fees and expenses, extraordinary expenses, taxes, brokerage commissions and interest, and can be modified or terminated 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. Performance quoted for periods of one year or less is cumulative and not annualized. Obtain performance data current to the most recent month-end at [www.usfunds.com](http://www.usfunds.com) or 1-800-US-FUNDS. Since Inception \*(10/21/91), \*\*(03/01/10).



## Industry Breakdown

Health Care	26.88%
Financials	26.54%
Consumer Discretionary	25.04%
Materials	9.43%
Industrials	4.38%
Energy	3.93%
Utilities	1.94%
Information Technology	1.11%
Other	0.34%
Cash Equivalents	0.05%



## Top 10 Holdings

Pacific Stone Tech Inc	4.92%
Pacific Infrastructure	3.09%
Toyota Motor Corp	2.65%
McKesson Corp	2.57%
Biogen Idec Inc	2.55%
VF Corp	2.53%
Bank of America Corp	2.52%
Royal Bank of Scotland Group PLC	2.45%
ICON PLC	2.43%
InterContinental Hotels Group PLC	2.42%

<b>Percentage of total net assets in top 20 holdings</b>	<b>51.61%</b>
<b>Total number of holdings</b>	<b>49</b>
<b>Total Net Assets</b>	<b>\$10.58 Million</b>
<b>P/E Ratio</b>	<b>15.27</b>

## Market Capitalization Breakdown

Large Cap (over \$10 Billion)	69.32%
Mid Cap (\$1–\$10 Billion)	28.35%
Small Cap (under \$1 Billion)	2.33%
<b>Average Weighted Market Capitalization</b>	<b>\$36.0 Billion</b>

## Regional Breakdown

United States	68.25%
Colombia	12.78%
United Kingdom	7.32%
Japan	2.65%
Ireland	2.43%
India	2.27%
France	2.24%
Canada	1.64%
Cash Equivalents	0.50%

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](http://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. The S&P 500 Stock Index is a widely recognized capitalization-weighted index of 500 common stock prices in U.S. companies. All information is unaudited and, unless otherwise indicated, is as of 12/31/2012. Fund composition data provided is calculated as a percentage of net assets. No single sector or country in the "other" category is over 1% of the fund. Sharpe ratio is a measure of risk-adjusted performance calculated by subtracting the risk-free rate from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns. Alpha is a measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index. The excess return of the fund relative to the return of the benchmark index is a fund's alpha. Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. R-squared is a statistical measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. R-squared values range from 0 to 100. An R-squared of 100 means that all movements of a security are completely explained by movements in the index. 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. 12-761