



# China Region Fund

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

2nd Quarter 2009

## 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](http://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

<sup>1</sup>The Hang Seng Composite Index is a market capitalization-weighted index that comprises the top 200 companies listed on Stock Exchange of Hong Kong, based on average market cap for the 12 months. <sup>2</sup>Portfolio holdings will change. <sup>3</sup>Fund 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. <sup>4</sup>Regional 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. 09-446

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 <sup>1</sup>	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.

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.

## 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 Holdings<sup>2</sup>

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 Composition<sup>3</sup> as a percentage of total investments

Equities	89.16%
Cash Equivalents	10.84%
Bonds	0.00%

## Regional Breakdown<sup>4</sup>

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%