

# Global Resources Fund (PSPFX)

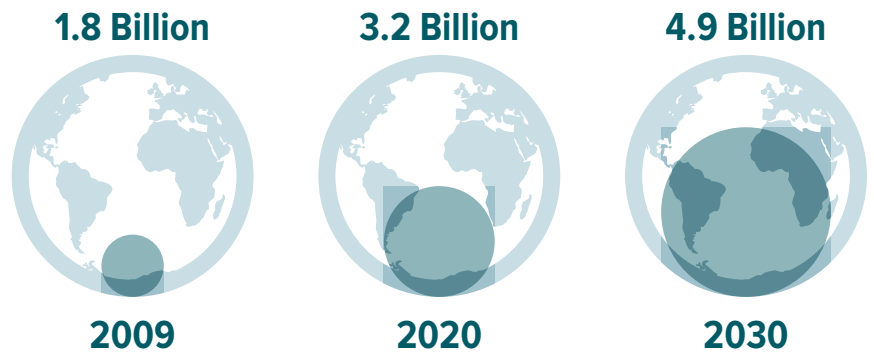


## Global Resources Are the Building Blocks of the World We Live in.

As the world's population grows and emerging regions develop a more vibrant infrastructure for commerce, the demand for and scarcity of these building blocks will increase.

### Why Global Resources?

- ➔ The world's population has grown to over 7 billion people, and over half of these now live in urban areas. At the same time, the global middle class is growing, and is expected to reach over 4 billion people by 2030 according to some estimates. As global citizens enter the middle class their demand for housing, technology, consumer goods and more all drives demand for resources.
- ➔ Emerging markets comprise nearly half of the world's population, but produce only about a quarter of the goods and services. As these countries strive to increase their economic presence, their gross domestic product (GDP) can grow, increasing the demand for commodities and natural resources.

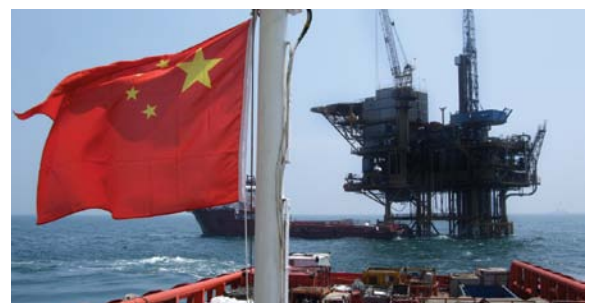


	Population (million)*	Nominal GDP (bn USD) 2014*		Population (million)*	Nominal GDP (bn USD) 2014*
<b>E-7</b>			<b>G-7</b>		
China	1356	10360	U.S.	319	17419
India	1236	2067	Japan	127	4601
Indonesia	254	889	Germany	81	3853
Brazil	203	2346	France	66	2829
Pakistan	196	247	U.K.	64	2942
Russia	142	1861	Italy	62	2144
Mexico	120	1283	Canada	35	1787
<b>Total</b>	<b>3507</b>	<b>19052</b>	<b>Total</b>	<b>754</b>	<b>35575</b>
	<b>50%</b> of world total	<b>25%</b> of world total		<b>11%</b> of world total	<b>47%</b> of world total

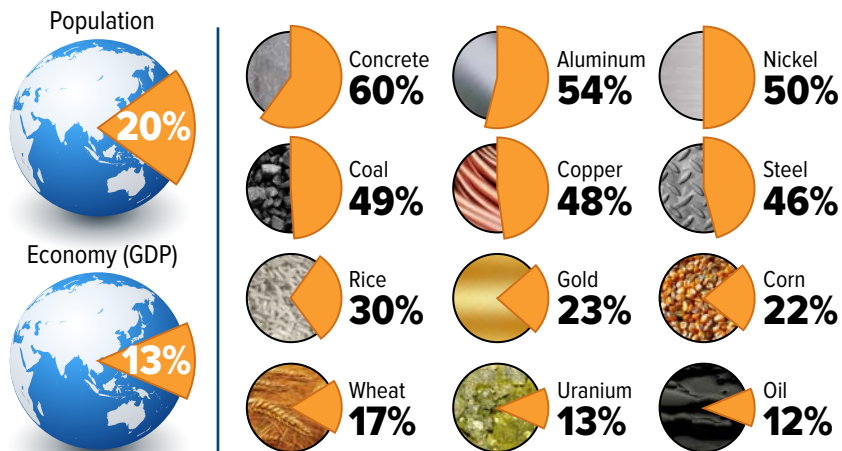
\*As of December 2014. Source: OECD, U.S. Global Research

### The China Factor

No single country is driving demand for global commodities more than China. To meet its still-growing consumer and industrial demand, China imports large quantities of gold, platinum, silver, nickel, oil, copper and iron ore. The country's need for large amounts of steel for constructing highways and building its infrastructure has led to increased demand for basic materials. A recent government effort to stimulate China's economy through government spending and infrastructure improvements has kept demand for many commodities high despite the global downturn.



## China Consumes Mind-Boggling Amounts of Raw Materials



As of September 2015. **Source:** VisualCapitalist.com, U.S. Global Investors

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## How Global Resources Fits Into Your Portfolio

Financial advisors and investment experts recommend that investors have a diversified portfolio, including exposure to natural resources, as well as international investments, along with domestic stocks and bonds. Natural resource investments often provide a counterweight to other investment classes, which can be beneficial to a portfolio comprised of a combination of these classes.

## What Is Our Investment Process?

The Global Resources Fund is different because of its focus on a broad array of resources instead of a single commodity or industry. In addition to investments in energy and basic materials, the fund also invests in resource transportation, agriculture, forest and lumber and other individual areas to target areas of strength around the world. The fund's management looks for growth-oriented companies of all sizes.

- We recognize the wide range of disparity between different industries within natural resources. Over the past 10 years, the disparity between top and bottom performers has ranged from 49 to 370 percent in a given year. Our portfolio management team tracks and analyzes these movements to seek out attractive industries for investment.
- We monitor the global macroeconomic trends that have the ability to influence markets, such as governments' monetary and fiscal policies to gauge if the right policies are in place for growth going forward. We track market trends such as the purchasing managers' index, a forward-looking indicator of manufacturing activity. From geopolitical events to new mining technologies, our investment team carefully monitors the factors that impact the supply and demand of commodities.
- Our portfolio management team uses a set of fundamental stock-based factors to identify the strong companies out of the hundreds of resource companies. These companies are further screened to find those with the greatest potential for growth.

*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. Foreside Fund Services, LLC, Distributor. U.S. Global Investors is the investment adviser.*

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 specific industries, the fund may be subject to greater risks and fluctuations than a portfolio representing a broader range of industries.

Diversification does not protect an investor from market risks and does not assure a profit. The Purchasing Manager's Index is an indicator of the economic health of the manufacturing sector. The PMI index is based on five major indicators: new orders, inventory levels, production, supplier deliveries and the employment environment. 15-534

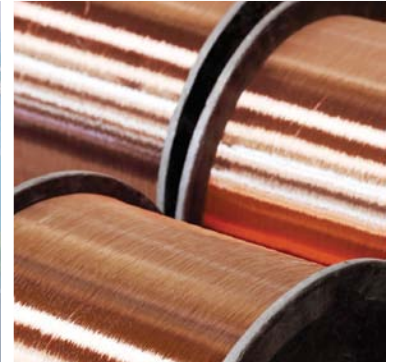
## Why Invest in U.S. Global Investors' Global Resources Fund?

The fund takes a multi-faceted approach to natural resources investing. The investment team looks for opportunities within a broad range of resources, from small- to large-capitalization companies, and in both developed and emerging markets. This broad spectrum allows for portfolio differentiation and selective equity evaluation.

## Our Fund:

The **Global Resources Fund (PSPFX)** seeks 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, coal, alternative energies, chemicals, mining, iron and steel, and paper and forest products around the globe.

➔ Visit us at [www.usfunds.com](http://www.usfunds.com) to read the latest insights from our portfolio management team about natural resources. While you are there, subscribe to our free, weekly Investor Alert electronic newsletter at [www.usfunds.com/subscribe](http://www.usfunds.com/subscribe).



### About the Cover:

Oil refineries are large sprawling industrial complexes with extensive piping running throughout, carrying streams of liquids between large chemical processing units. They transform crude oil into useful petroleum products such as gasoline, heating oil, diesel fuel, wax, tar and asphalt.

## Did You Know?

- The world's population doubled from 3 to 6 billion from the time we landed on the moon until the turn of the century. Now the world's population has surpassed 7 billion.
- If you collected all the gold ever mined the history of the world, it would fit into two Olympic-size swimming pools.
- Saudi Arabia sits on more than 25 percent of the world's known oil reserves and is capable of producing more than 10 million barrels per day.
- Every American born will need 3 million pounds of minerals, metals and fuels in their lifetime.
- New generations of automobiles require more copper wiring. Electric cars take three times as much copper as the typical gasoline car.
- Over 70 percent of Russian crude oil production is exported, most of that via pipeline to Asia and Western Europe.

## U.S. Global's Experience

U.S. Global Investors is an investment management firm specializing in gold, natural resources and emerging market opportunities around the world. The company's San Antonio, Texas, headquarters serves as home base for our portfolio managers who travel the earth researching opportunities and evaluating risk, all in the pursuit of exceptional performance for our funds. A specific set of qualities and skills is needed to appraise assets in the farthest corners of the world. U.S. Global's team of mining specialists, analysts and portfolio managers have built a reservoir of these skills and qualities through firsthand research.