Global Energy Fund Update
October 2016

REPORT HIGHLIGHTS

FUND NEWS • Fund size $47.5 million at end of September 2016

OIL

Brent and WTI range bound but ending stronger; OPEC announce production cut

Brent and West Texas Intermediate (WTI) oil were range bound during the quarter but ended the period stronger; WTI ended around $48/barrel (bbl) and Brent ended around $49/bbl. Organization of the Petroleum Exporting Countries (OPEC) concluded an extraordinary meeting on September 28th with an agreement to cut production levels. OPEC have opted for a new production limit of 32.5-33.0 million (m) barrels per day (b/day), representing the first action from the group since November 2014. Most recent OPEC production is around 33.5m b/day, so it appears to represent a cut of 0.5-1.0m b/day. The details of the cut remain to be agreed but this is clearly a positive step for near term oil prices, limiting the perceived downside risk and confirming OPEC's desire for higher prices.

NATURAL GAS

US gas price holding near $3 as gas market is now structurally undersupplied

Henry Hub prices remained steady in the quarter, averaging around $2.90/1000 cubic feet (mcf) aided by warmer weather in the United States and structural (i.e. weather adjusted) undersupply (c. 2-3 billion cubic feet (Bcf)/day) as onshore production declines. There remains a surplus of gas in storage, but this has fallen to 0.3 trillion cubic feet (Tcf) vs 1 Tcf at the start of the summer.

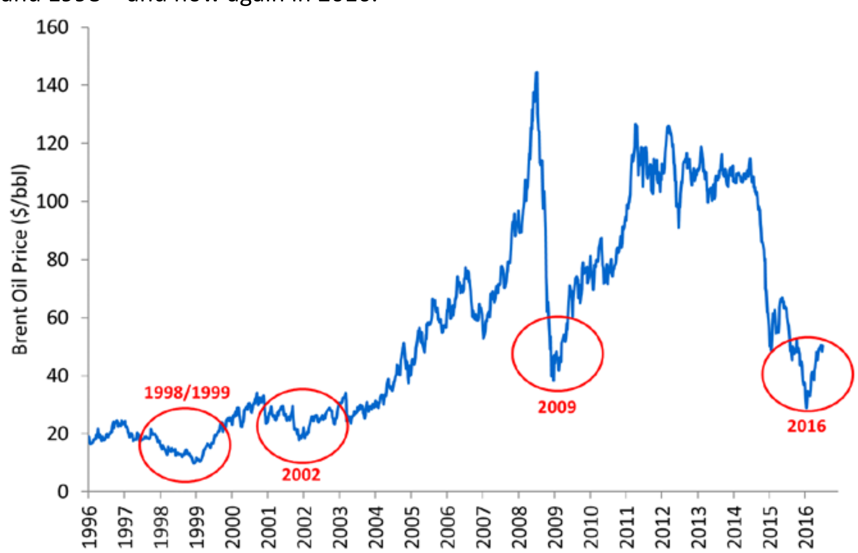
EQUITIES

Energy underperforms the broad market

The main index of oil and gas equities, the MSCI World Energy Index, was up by 1.61% in the third quarter of 2016. The S&P 500 Index was up by 3.85% over the same period.

CHART OF THE QUARTER - OPEC announce plans to cut their production

At the end of September, OPEC announced its intention to cut production to 32.5-33.0m b/day. This decision mirrors historically similar decisions at or near troughs in the oil price cycle. Nothing in the market in recent years has changed our view that OPEC have the ability to put a floor under the price – as they did in 2008, 2006, 2001 and 1998 – and now again in 2016.

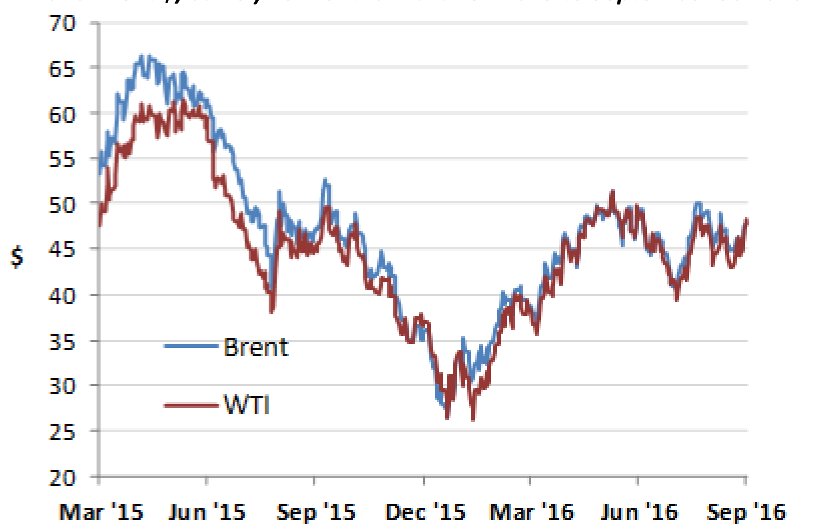


Third Quarter 2016 in Review
Manager's Comments
Performance: Guinness Atkinson Global Energy Fund
Portfolio: Guinness Atkinson Global Energy Fund
Outlook
Appendix: Oil and Gas Markets, Historical Context

1. Third quarter 2016 in review

i) Oil market

Figure 1: Oil price (WTI and Brent $/barrel) 18 months March 31 2015 to September 30 2016



Source: Bloomberg LP

The West Texas Intermediate (WTI) oil price started July at $44.3/bbl and traded range bound through the quarter before closing at $48.2/bbl. WTI has averaged $41.4/bbl so far in 2016, having averaged $48.7 in 2015 and $93.1 in 2014.

Brent oil traded in a similar way, opening July at $49.7/bbl and closing at $49.1/bbl. The gap between the WTI and Brent benchmark oil prices therefore narrowed at just under $1/bbl at the end of September. The WTI-Brent spread averaged $5.8/bbl during 2014, having been well over $20/bbl at times since 2011.

Factors which strengthened WTI and Brent oil prices in the quarter:

- **Announcement of planned OPEC production cut**
  The most significant news of the month came on September 28th, when OPEC met in Algiers for an extraordinary meeting and announced plans to cut production levels. The details of the cut remain to be agreed but this is a very positive step for the oil market, as it demonstrates that OPEC would like to put a firm floor under the price. Clearly, OPEC economies have been under significant stress, which is the near-term driver for the decision to cut. There is also the growing concern that the oil industry will be unable to supply enough in the future to meet demand, leading to the next oil price spike, though that is probably a secondary concern to OPEC at present. The OPEC news caused an immediate rebound in oil prices, with Brent up from

around $46/bbl to $49/bbl between the announcement and the end of the month. OPEC are due to meet informally again in October, then formally in November to discuss ratifying the cuts.

- **Sharp draws in US crude and product inventories**
  September saw a significant draw in US crude oil and product (motor gasoline and distillate) inventories, declining over the month by 25m barrels, from 913m to 888m barrels. This compares to a seasonal average draw of around 1m barrels, and represents the largest September draw since 1990. Part of the monthly draw can be attributed to a shut-in of crude imports thanks to Hurricane Hermine in the Gulf of Mexico, but still represents a step towards a tighter market.

Factors which weakened WTI and Brent oil prices in the quarter:

- **Increase in OPEC supply**
  In the run-up to the September 28th announcement, OPEC members have been jostling for position, attempting to improve their negotiating position by ramping production (or at least reporting higher production). According to the latest Bloomberg report, oil supply from OPEC rose by 0.2m b/day between August and September to reach a new high of 33.7m b/day.

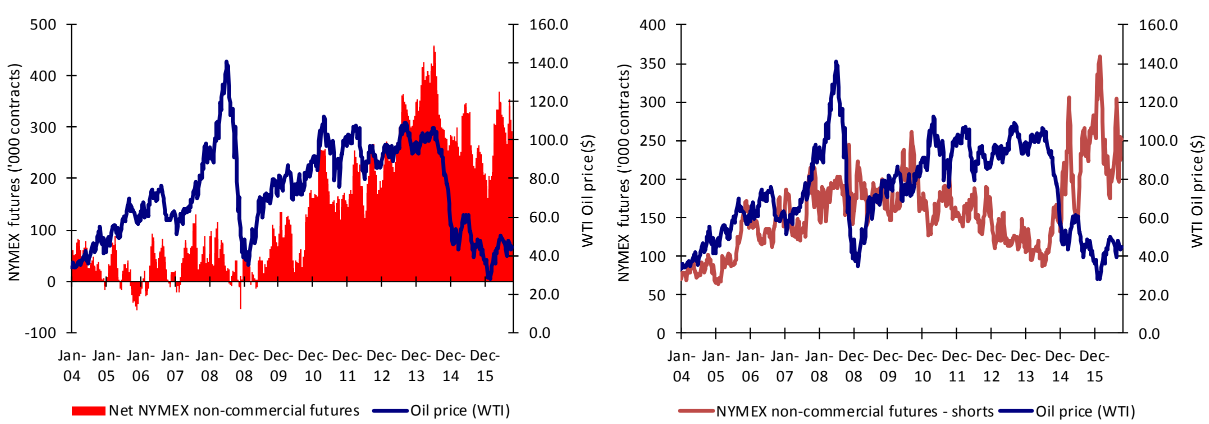
- **Shallower US oil production decline as the quarter progressed**
  US onshore oil production declined in July 2016 (latest data point) by just 5,000 b/day. This was lower than the declines reported for April – June, and leave onshore production down by around 1m b/day from the March 2015 peak. We expect US oil production to decline to the end of 2016 if oil prices remain at or around current levels, albeit flattening out compared to the last 12 months.

- **US oil drilling rig count starting to increase**
  The Baker Hughes oil directed rig count continued its recovery during the quarter, increasing from 341 at the end of June to 425 at the end of September, up by a total of 84 rigs over the quarter. The rig count reached a low of 316 rigs in May 2016, having peaked in October 2014 at 1,609 rigs.

Speculative and investment flows

The New York Mercantile Exchange (NYMEX) net non-commercial crude oil futures open position (WTI) increased slightly during the quarter, ending September at 292,000 contracts long versus 304,000 contracts long at the end of June. The current net long position is down from its peak of 460,000 contracts in June 2014. The net short position grew from 206,000 contracts to 252,000 contracts.

Figure 2: NYMEX Non-commercial net and short futures contracts: WTI January 2004 – September 2016

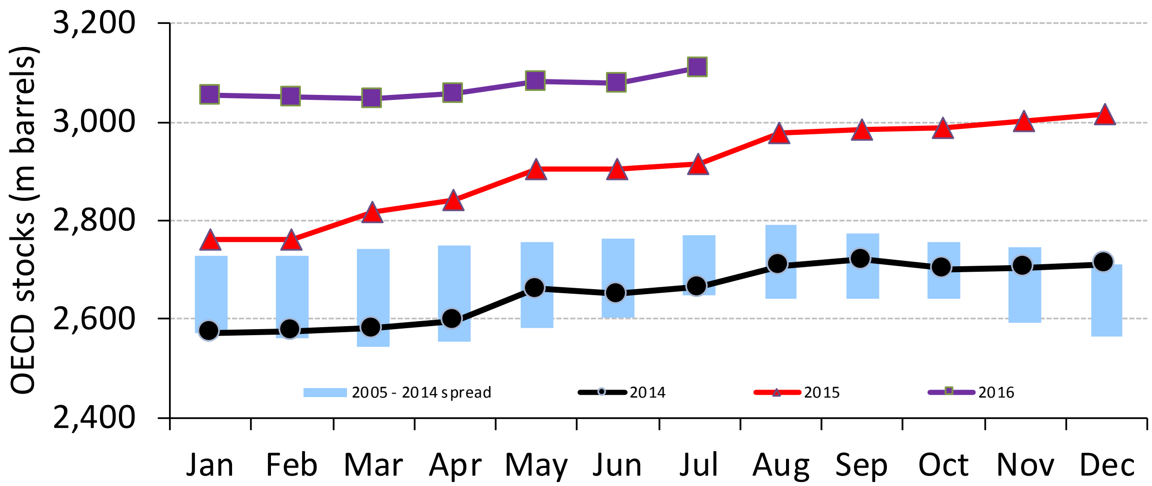


Source: Bloomberg LP/NYMEX/ICE (2016)

OECD stocks

OECD total product and crude inventories at the end of July (the latest data point available) were estimated by the IEA to be 3,111m barrels, up by 32m barrels versus the previous month. The increase compares to an average 19 million barrel increase that has been witnessed over the last ten years. The three month rolling average for changes to inventories indicates that oversupply has fallen to close to zero, though this has been assisted by temporary disruptions. Despite the tightening of the market, inventories are still considerably above the top of the 10 year historic range.

Figure 3: OECD total product and crude inventories, monthly, 2004 to 2016



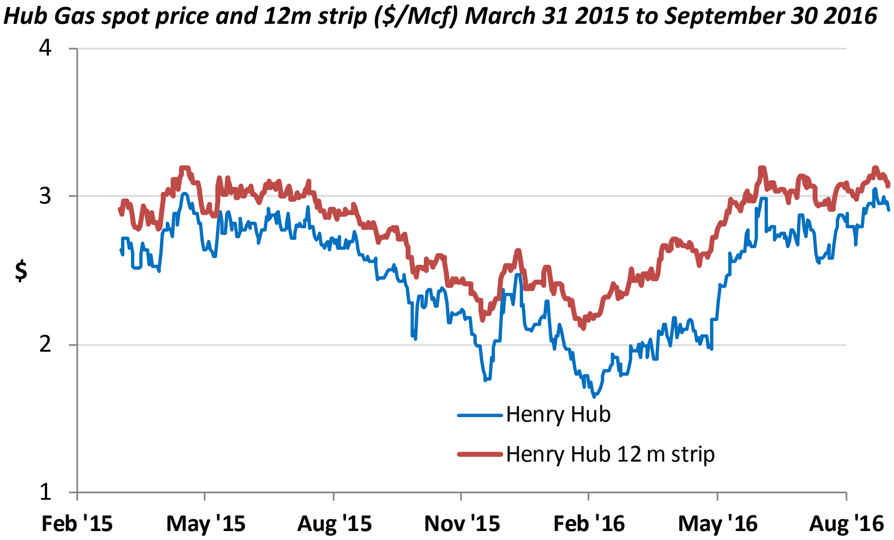
Source: IEA Oil Market Reports (September 2016 and older)

ii) Natural gas market

The US natural gas price (Henry Hub front month) opened July at $2.92 per Mcf (1,000 cubic feet) and closed September at $2.91. The spot gas price averaged $2.61/mcf in 2015, which compares to an average gas price in 2014 of $4.26 (assisted by a very cold 2013/14 US winter). The price averaged $3.72 over the preceding four years (2010-2013).

The 12-month gas strip price (a simple average of settlement prices for the next 12 months' futures prices) traded slightly lower in the quarter, down from $3.14 to $3.07. The strip price averaged $2.86 in 2015, having averaged $4.18 in 2014, $3.92 in 2013, $3.28 in 2012, $4.35 in 2011, $4.86 in 2010 and $5.25 in 2009.

Figure 4: Henry Hub Gas spot price and 12m strip ($/Mcf) March 31 2015 to September 30 2016

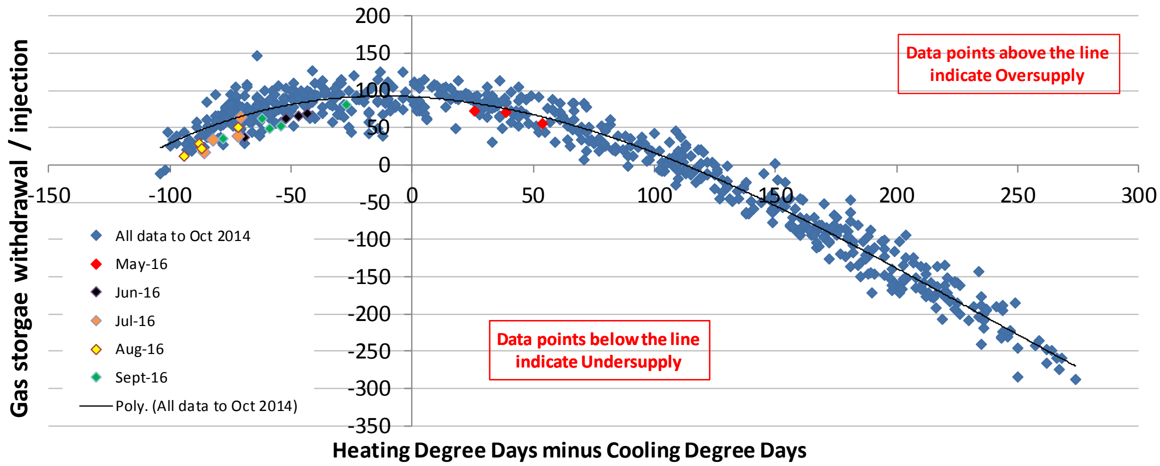


Source: Bloomberg LP

Factors which strengthened the US gas price in September included:

- **Structurally undersupplied market**
  Adjusting for the impact of weather in September, the most recent injections of gas into storage suggest the market is, on average, nearly 2.5 billion cubic feet (bcf)/day undersupplied (as indicated by the green dots on the graph below). The total injection of gas into storage in September was 243 Bcf, which compares to the 10 year average of 327 Bcf. The gas market shifted into structural undersupply in November 2015, but this was initially trumped in the winter by warmer weather, causing natural gas inventory levels to expand rapidly. That is now reversing with a warmer than average summer and declining supply.

Figure 5: Weather adjusted US natural gas inventory injections and withdrawals



Source: Bloomberg LP; Guinness Asset Management

- **Weakening US onshore natural gas production**
  Onshore US natural gas production averaged 76.5 Bcf/day in July 2016, down by 1.3 Bcf/day on the level reported for April 2016 and around 2.6bcf/day on the February 2016 peak. The effect of lower gas prices, lower gas-oriented drilling activity and lower associated-gas production from oil wells is now being seen in weaker overall US gas production.

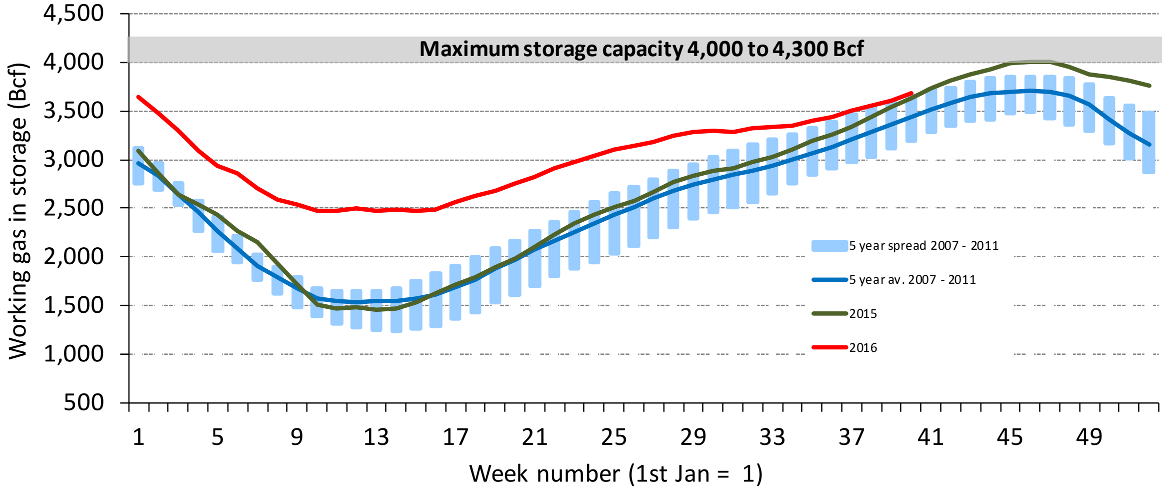
Factors which weakened the US gas price in September included:

- **High level of gas in inventories**
  Injections into inventories in the US were lower than then ten year average in September but still leaving inventories at an elevated level. Total inventories were reported at 3.7 trillion cubic feet (Tcf), 0.2 Tcf above the 10 year average of 3.5 Tcf.

Natural gas inventories

Swings in the supply/demand balance for US natural gas should, in theory, show up in movements in gas storage data. Natural gas inventories at the end of September were reported by the EIA to be 3,680 Bcf. The month on month build of 243 Bcf was less than the ten year average of 327 Bcf, indicating a tighter market, but still leaving inventories well above the top of the five year range.

Figure 6: Deviation from 5yr gas storage norm vs gas price 12 month strip (H. Hub $/Mcf)



Source: Bloomberg; EIA (September 2016)

Gas in storage in 2015 started at roughly average levels and stayed that way for the first half of the year, as a combination of rising Marcellus production, slowing 'associated' gas production (a by-product of shale oil production) and increase in coal to gas switching by electric utility companies, worked to keep the market in balance. Over the last few months of 2015, gas in storage expanded at a faster than average rate, as an extremely mild autumn and early winter dampened heating demand. This leaves storage levels in the first quarter of 2016 at well above average levels: assuming more normal weather, we expect this overhang to be worked off during the next few months. The overhang at the end of September 2016 was around 200bcf, well down on the c.900 Bcf overhang at the end of the 2015/16 winter.

1. MANAGER'S COMMENTS

Has OPEC just blinked?

OPEC concluded an extraordinary meeting on Wednesday 28th September 2016 with an agreement to cut production levels. The details of the cut remain to be agreed but we believe this is clearly a positive step for near term oil prices and it removes the perceived downside risk.

What has been announced?

OPEC have opted for a new production limit of 32.5-33.0m b/day, representing the first action from the group since November 2014. Most recent OPEC production is around 33.5m b/day, so that appears to represent a cut of 0.5-1.0m b/day (all numbers for OPEC-14 including Gabon).

It is not fully clear who will be cutting and when and we would expect these details to be ironed out at the next OPEC meeting on November 30th 2016. According to the Financial Times, the Saudi Oil Minister has announced that *"...three countries that had special conditions — namely Libya, Nigeria and Iran — that have been constrained for their own respective reasons will be permitted according to the terms of reference to produce at maximum levels that make sense and generally it would be the levels they have achieved recently."*

The announcement refers to co-operation from 'non-member countries' although there are no details. We could potentially see a number of non-OPEC countries join in with OPEC. On previous occasions, Russia, Norway and Mexico have joined OPEC action.

Within OPEC, we expect the lion's share of the production cut to be shouldered by Saudi (say 0.4-0.5m b/day), with support mainly from UAE and Kuwait. This seems only fair, since it is these three countries who have been overproducing relative to other members during the past four or five years.

Reasons for the announcement

OPEC's statement says *"In the last two years… Oil-exporting countries' and oil companies' revenues have dramatically declined, putting strains on their fiscal position and hindering their economic growth. The oil industry faced deep cuts in investment and massive layoffs, leading to a potential risk that oil supply may not meet demand in the future, with a detrimental effect on security of supply."*

Clearly, OPEC economies are under significant stress, which is the near-term driver for the decision to cut. There is also the growing concern that the oil industry will be unable to supply enough in the future, leading to the next oil price spike, though that is probably a secondary concern to OPEC at present.

Considering Saudi's position, we believe that Deputy Crown Prince bin Salman (the architect of Saudi's oil policy) has come under renewed pressure to put a firmer floor under the oil price, for the sake of Saudi's fiscal budget. In late September, Saudi announced 20% cuts to ministers' salaries, and curbs to state allowances, as part of their response to running the highest budget deficit among the world's 20 biggest economies. With this in mind, Saudi's actions at the head of OPEC appear designed to achieve an oil price that to some extent closes their fiscal deficit (though $80/bbl is needed to close the gap fully), whilst not spiking the oil price too high and over-stimulating non-OPEC supply.

Overall, we believe that Saudi's long-term objective remains to maintain an oil price that is suitable for all market participants. We belive that price is significantly higher than current levels, and their action was an important step on that journey.

Immediate implications

A line has been drawn in the sand: OPEC is not willing to tolerate oil prices at these low levels for a sustained period. We expect higher oil prices as a result.

Whilst this announcement is a very important one and we view it in a positive light, we of course await OPEC's actual actions so that we can assess the impact on global oil supply/demand dynamics.

Excluding the Canadian wildfires and other transitory production outages, we estimate that the world oil market has been around 0.5m b/day oversupplied this year. If OPEC removes 0.5-1.0m b/day, we believe it would bring the market into short term deficit and commence a period of oil inventory drawdowns.

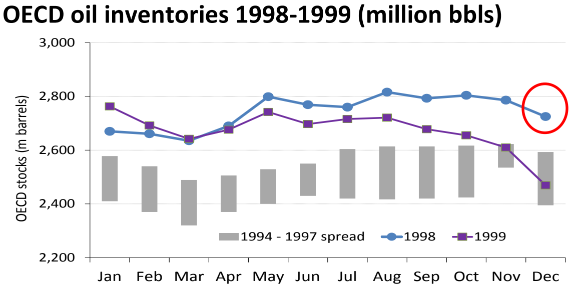
The supply reaction is unlikely to happen immediately as it still needs to be fully sanctioned (we believe) at the November 30th OPEC meeting. Expected increases in production from Libya and Nigeria could keep the market oversupplied for a short period yet, and to some extent will offset cuts from other OPEC members.
Longer term, we expect oil prices to find a happy medium where OPEC economics are better satisfied, the world economy is stable and US oil production grows in a controlled manner. We think that the oil price which achieves this is around $70 per barrel.

Is there a conspiracy theory to all of this?

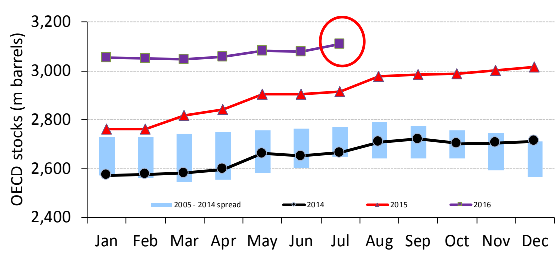
Saudi production (and Middle East production in general) peaks in the summer as electricity demand for air conditioning is met by burning crude oil. Over the last three years, Saudi's production has fallen by between 200k b/day and 400k b/day in the second half of the year. Saudi's own reported oil inventory data give credence to the fact that Saudi's peak production rates have been supported by drawdowns from domestic inventories, rather than solely from current supply. We have been expecting a seasonal fall in Saudi's production again in the second half of this year, so this announcement may only be sanctioning a production fall that was going to come anyway. Either way, Saudi's actions are very likely to have the desired effect of putting a floor under the price.
What is the historical precedent?

The historical precedent is a positive one and that is why this announcement by OPEC is particularly relevant.
In early 1998, OPEC announced its intention to cut its production quota by 1.25m b/day to reduce oversupply which had caused global oil inventories to swell by around 300m barrels (as shown in the chart below). Oil prices troughed in late 1998 at around $10/bbl (some time lag after the initial announcement) and then recovered as the market tightened with global oil inventories returning to their normal operating levels by the end of 1999. The oil price subsequently averaged just under $30/bbl in 2000.

OECD oil inventories 1998-1999 (million bbls)



OECD oil inventories – current (million bbls)

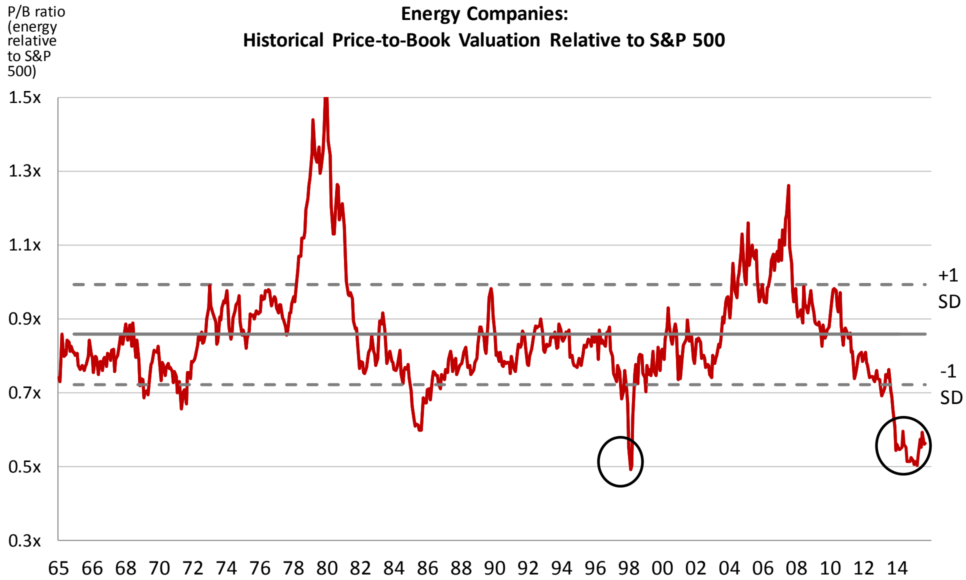


Source: IEA Oil Market Reports; Guinness Atkinson Asset Management

How will energy equities be affected?

We believe that this announcement effectively removes the downside risk in crude oil prices and therefore forms a significant positive for sentiment towards energy equities. The weight of energy equities within the S&P 500 still close to multi-decade lows and relative price/book valuation versus the S&P 500 is still close to 65 year lows, shown below, is bouncing off a similar level to 1998/99.

Energy companies: historic price to book (P/B) valuation relative to S&P 500 to September 30, 2016



Source: Bernstein; Guinness Atkinson Asset Management, SD = Standard Deviation
Past Performance is not a guarantee of future results

If you believe, as we do, that yesterday's news helps on the path to a recovery in the oil price to $70+/bbl, the case for accumulating energy equities at this level looks good, with upside across the energy complex of around 50%.

2. Performance – Guinness Atkinson Global Energy Fund

The main index of oil and gas equities, the MSCI World Energy Index, was up by 1.61% in the third quarter of 2016. The S&P 500 Index was up by 3.85% over the same period. The Guinness Atkinson fund was up by 1.31% over this period (all in US dollar terms).

Within the portfolio, the strongest performers were generally US-oriented service and Exploration and Production companies (especially those with more stretched balance sheets) and a number of companies that benefited from individual positive news during the quarter. Devon Energy, Helix Energy Solutions, Unit Corp, Apache and Carrizo all benefitted from the stable oil price environment and increasing confidence that the businesses were sustainable at $50 oil prices while Apache also benefited from announcing a new shale play in the Permian, called the Alpine High. Other individual strong performers included Cluff Natural Resources (a Research Portfolio holding) which was up over 250% in the quarter and Trina Solar, which performed well as a result of a 'take private' offer for the company made during the quarter.

Weaker performers included our solar holdings (Sunpower -42%; JA Solar -12%) and Hess which delivered a poor earnings release early in the quarter. EnQuest and Western Zagros (Research portfolio holdings) were also weak.

Performance as of September 30, 2016

Inception date 6/30/04	Full Year 2009	Full Year 2010	Full Year 2011	Full Year 2012	Full Year 2013	Full Year 2014	Full Year 2015	YTD 2016	1 year (annualized)	Last 5 years (annualized)	Since Inception (annualized)
Global Energy Fund	**63.27%**	**16.63%**	**-13.16%**	**3.45%**	**24.58%**	**-19.62%**	**-26.99%**	**16.50%**	**16.13%**	**-0.20%**	**6.79%**
MSCI World Energy Index	**26.98%**	**12.73%**	**0.71%**	**2.54%**	**18.98%**	**-10.93%**	**-22.02%**	**18.65%**	**18.07%**	**3.18%**	**6.30%**
S&P 500 Index	**26.47%**	**15.06%**	**2.09%**	**15.99%**	**32.36%**	**13.66%**	**1.38%**	**7.84%**	**15.42%**	**16.34%**	**7.72%**

Source: Bloomberg
Expense ratio: 1.41%

Performance data quoted represent past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. For most recent month-end and quarter-end performance, visit www.gafunds.com/performance.asp or call (800) 915-6566.

4. Portfolio – Guinness Atkinson Global Energy Fund

In September we sold Bankers Petroleum. Bankers Petroleum was acquired by Geo-Jade (a private Chinese Exploration and production company) in 3Q 2016, for Canadian$2.20/share. The acquisition was first announced in early 2016 and we held the stock through the entire period while approvals were achieved from various government institutions. Bankers Petroleum operated a heavy oil field in Albania, called Patos Marinza, applying horizontal drilling technology and enhanced oil recovery techniques to recover additional oil from this very large mature oil field.

Sector Breakdown

The following table shows the asset allocation of the Fund at **September 30, 2016**.

(%)	31 Dec 2008	31 Dec 2009	31 Dec 2010	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	31 Dec 2015	30 Sep 2016	*Change YTD*
Oil & Gas	**96.4**	**96.1**	**93.2**	**98.5**	**98.6**	**95.6**	**95.3**	**94.4**	**95.2**	***0.8***
Integrated	53.7	47.2	41.2	39.6	39.1	39.6	37.5	40.5	43.1	*2.6*
Exploration and production	28.7	32.0	36.9	41.5	41.6	36.8	38.1	37.0	37.8	*0.8*
Drilling	5.2	8.4	6.3	6.0	7.4	6.8	3.1	1.7	2.5	*0.8*
Equipment and services	6.4	5.4	5.3	6.6	7.1	9.0	13.1	11.1	8.9	*-2.2*
Refining and marketing	2.4	3.1	3.5	4.8	3.4	3.4	3.5	4.1	2.9	*-1.2*
Coal and consumables	**2.3**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Solar	**0.0**	**0.0**	**3.2**	**1.2**	**1.2**	**2.8**	**3.5**	**4.9**	**2.6**	**2.1**
Construction and engineering	**0.4**	**0.4**	**0.4**	**0.4**	**0.6**	**0.9**	**0.0**	**0.0**	**0.0**	**-0.9**
Cash	**0.9**	**3.5**	**3.2**	**-0.1**	**-0.4**	**0.7**	**1.2**	**0.7**	**2.2**	**0.0**
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**2.0**

Source: Guinness Atkinson Asset Management
Basis: Global Industry Classification Standard (GICS)

Guinness Atkinson Global Energy Fund Portfolio

The table below shows the fund valuation in terms of historical and forward (analyst consensus estimates) price/earnings (P/E) ratios versus the S&P500 Index.

	2009	2010	2011	2012	2013	2014	2015	2016
Fund P/E	12.7	8.2	7.5	7.6	8.5	9.2	19.3	34.5
S&P 500 P/E	36.9	25.9	22.5	22.4	20.2	19.2	21.6	19.7
Premium (+) / Discount (-)	-66%	-68%	-67%	-66%	-58%	-52%	-11%	75%
Average oil price (WTI $)	$61.9/bbl	$79.5/bbl	$95/bbl	$94/bbl	$98/bbl	$100/bbl	$48/bbl	

Source: Standard and Poor's; Guinness Atkinson Asset Management Ltd

Portfolio Holdings

Our integrated and similar stock exposure (c.43%) is comprised of a mix of mid cap, mid/large cap and large cap stocks. Our five large caps are Exxon, Chevron, BP, Royal Dutch Shell and Total. Mid/large and mid-caps are ENI, Statoil, Hess and OMV. At September 30 2016 the median P/E ratios of this group were 22.8x/37.7x 2015/2016 earnings. We also have two Canadian integrated holdings, Suncor and Imperial Oil. Both companies have significant exposure to oil sands in addition to downstream assets.

Our exploration and production holdings (c.38%) give us exposure most directly to rising oil and natural gas prices. We include in this category non-integrated oil sands companies, as this is the GICS approach. The stock here with oil sands exposure is Canadian Natural Resources. The pure E&P (exploration & production) stocks have a bias towards the US (Newfield, Devon, Carrizo and QEP Resources), with four other names (Apache, Occidental, ConocoPhillips, Noble) having significant international production and one (Tullow) which is African focused. One of the key metrics behind a number of the E&P stocks held is low enterprise value / proven reserves. Almost all of the US E&P stocks held also provide exposure to North American natural gas.

We have exposure to four (pure) emerging market stocks in the main portfolio, though one is a half-position, and in total represent 11% of the portfolio. Two are classified as integrateds (Gazprom and PetroChina) and two as E&P companies (CNOOC and SOCO International). Gazprom is the Russian national oil and gas company which produces approximately a quarter of the European Union gas demand and trades on 3.4x 2016 earnings. PetroChina is one of the world's largest integrated oil and gas companies and has significant growth potential and, alongside CNOOC, enjoys advantages as a Chinese national champion. SOCO International is an E&P company with production in Vietnam.

We have useful exposure to oil service stocks, which comprise around 9% of the portfolio. The stocks we own are split between those which focus their activities in North America (land driller Unit Corp) and those which operate in the US and internationally (Helix, Halliburton and Schlumberger).

Our independent refining exposure is currently in the US in Valero, the largest of the US refiners. Valero has a reasonably large presence on the US Gulf Coast and has benefited from the rise in US exports of refined products seen in recent times.

Our alternative energy exposure is currently one position of the fund split equally between across three companies: JA Solar, Trina Solar and Sunpower. JA Solar and Trina are both Chinese solar cell and module manufacturers, whilst Sunpower is a more diversified US solar developer. We see them as well placed to benefit from the expansion in the solar market we expect to continue for a number of years.

Portfolio at September 30 2016

Guinness Atkinson Global Energy Fund 30 September 2016														
Stock	ID_ISIN	Curr.	Country	% of NAV	2007 B'berg mean PER	2008 B'berg mean PER	2009 B'berg mean PER	2010 B'berg mean PER	2011 B'berg mean PER	2012 B'berg mean PER	2013 B'berg mean PER	2014 B'berg mean PER	2015 B'berg mean PER	2016 B'berg mean PER
Integrated Oil & Gas														
Exxon Mobil Corp	US30231G1022	USD	US	3.11	11.99	10.3	22.4	14.6	10.4	11.1	11.8	11.9	22.8	nm
Chevron	US1667641005	USD	US	3.40	11.72	9.0	20.1	11.0	7.7	8.3	9.3	10.7	28.3	83.2
Royal Dutch Shell PLC	GB00B03MLX29	EUR	NL	3.53	5.0	5.8	11.4	8.1	6.0	5.9	7.8	6.9	14.7	25.3
BP PLC	GB0007980591	GBP	GB	3.27	5.3	4.2	7.4	5.1	5.1	6.3	7.9	9.3	16.5	28.1
Total SA	FR0000120271	EUR	FR	3.18	5.7	4.6	11.8	9.2	8.2	7.8	8.8	8.9	11.4	14.5
ENI SpA	IT0003132476	EUR	IT	3.01	5.0	4.6	9.0	6.8	6.5	6.4	10.2	11.9	55.5	92.9
Statoil ASA	NO0010096985	NOK	NO	3.58	7.1	5.1	9.6	7.3	6.4	5.6	6.9	9.6	23.6	45.3
Hess Corp	US42809H1077	USD	US	3.32	9.0	7.3	28.0	10.4	8.9	9.1	9.4	12.9	nm	nm
OMV AG	AT0000743059	EUR	AT	3.30	4.9	4.0	10.3	6.4	8.0	5.6	6.9	8.5	7.6	13.6
				29.69										
Integrated Oil & Gas - Canada														
Suncor Energy Inc	CA8672241079	CAD	CA	3.30	15.3	11.4	34.5	23.0	10.2	11.3	11.4	11.4	32.3	nm
Canadian Natural Resources Ltd	CA1363851017	CAD	CA	3.57	19.9	12.8	17.4	17.3	18.1	26.4	18.7	12.2	301.7	nm
Imperial Oil	CA4530384086	CAD	CA	3.37	12.7	10.0	20.7	17.9	11.1	9.9	12.8	10.8	23.2	112.1
				10.24										
Integrated Oil & Gas - Emerging market														
PetroChina Co Ltd	CNE1000003W8	HKD	HK	3.29	5.5	7.0	7.5	6.0	5.9	6.8	7.5	7.5	23.1	88.7
Gazprom OAO	US3682872078	USD	RU	3.58	nm	nm	4.7	3.7	2.5	2.6	2.5	3.8	2.7	3.4
				6.87										
Oil & Gas E&P														
Apache Corp	US0374111054	USD	US	4.00	7.4	5.7	11.5	6.9	5.4	6.7	7.9	11.4	nm	nm
Occidental Petroleum Corp	US6745991058	USD	US	3.22	13.9	8.1	19.6	12.9	8.8	10.5	10.5	12.5	439.3	nm
ConocoPhillips	US20825C1045	USD	US	3.37	4.5	4.1	12.0	7.3	5.1	7.6	7.7	8.2	nm	nm
QEP Resources Inc	US74733V1008	USD	US	2.58	nm	nm	nm	14.1	11.9	15.7	14.0	13.9	nm	nm
Devon Energy Corp	US25179M1036	USD	US	3.60	6.3	4.5	13.5	7.4	7.3	13.7	10.4	8.6	17.9	nm
Noble Energy Inc	US6550441058	USD	US	3.37	13.1	10.1	21.1	17.3	13.6	15.6	11.6	15.3	627.0	nm
Newfield Exploration Co	US6512901082	USD	US	3.40	13.5	13.8	8.5	9.4	10.7	17.9	24.2	23.6	59.9	54.1
Carrizo Oil & Gas Inc	US1445771033	USD	US	2.56	58.0	22.6	27.6	31.9	39.5	27.9	18.3	18.3	42.4	38.2
				26.10										
International E&P														
CNOOC Ltd	HK0883013259	HKD	HK	3.77	11.7	8.5	12.4	7.2	5.4	5.8	5.9	7.1	21.1	nm
Tullow Oil PLC	GB0001500809	GBP	GB	1.37	10.1	6.6	42.7	20.7	4.7	4.2	31.8	nm	nm	65.0
Soco International PLC	GB00B572ZV91	GBP	GB	0.92	15.2	16.3	10.2	14.0	9.0	2.5	2.7	4.1	nm	nm
				6.06										
Drilling														
Unit Corp	US9092181091	USD	US	2.47	3.3	2.7	7.1	6.1	4.5	4.5	5.0	4.4	nm	nm
				2.47										
Equipment & Services														
Halliburton Co	US4062161017	USD	US	3.62	17.7	20.7	34.3	22.3	13.4	15.1	14.5	11.4	30.4	nm
Helix Energy Solutions Group Inc	US42330P1075	USD	US	1.77	2.4	3.3	14.0	15.4	5.4	4.4	7.6	4.2	48.1	nm
Schlumberger	AN8068571086	USD	US	3.37	18.8	17.5	28.9	28.5	21.7	18.8	16.5	14.2	23.5	70.3
				8.76										
Solar														
Trina Solar Ltd	US89628E1047	USD	US	1.36	14.1	8.5	6.3	3.1	379.3	nm	nm	12.7	9.6	10.8
JA Solar Holdings Co Ltd	US4660902069	USD	US	0.80	8.2	3.4	nm	0.9	nm	nm	nm	6.9	3.5	9.5
SunPower Corp	US8676524064	USD	US	0.47	18.2	7.9	10.0	8.0	139.6	76.3	8.1	8.7	5.8	68.5
				2.63										
Oil & Gas Refining & Marketing														
Valero Energy Corp	US91913Y1001	USD	US	2.88	6.8	9.8	nm	33.4	13.3	10.8	12.9	8.7	6.0	15.8
				2.88										
Research portfolio														
Cluff Natural Resources PLC	GB00B6SYKF01	GBP	GB	0.54	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
EnQuest PLC	GB00B635TG28	GBP	GB	0.72	nm	nm	nm	3.6	4.1	1.2	1.4	2.5	22.9	3.2
JKX Oil & Gas PLC	GB0004697420	GBP	GB	0.28	0.4	0.5	0.5	0.5	0.6	0.9	1.7	4.6	nm	nm
Ophir Energy PLC	GB00B24CT194	GBP	GB	0.10	nm	nm	nm	nm	nm	nm	nm	1.8	nm	nm
Shandong Molong Petroleum Machinery Co L	CNE1000001N1	HKD	HK	0.17	9.5	6.3	17.5	6.8	9.5	nm	nm	nm	nm	nm
Sino Gas & Energy Holdings Ltd	AU000000SEH2	AUD	AU	0.29	nm	nm	nm	nm	nm	96.4	nm	96.4	nm	nm
WesternZagros Resources Ltd	CA9600081009	CAD	CA	0.03	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
				2.13										
			Cash	2.17										
			Total	100										
			PER		8.1	7.1	12.7	8.2	7.5	7.6	8.5	9.2	19.3	34.5
			Med. PER		9.5	7.3	12.2	8.6	8.2	8.1	9.3	9.5	23.1	38.2
			Ex-gas PER		7.6	6.8	12.4	8.0	7.3	7.1	8.1	8.7	17.3	30.3

The Fund's portfolio may change significantly over a short period of time; no recommendation is made for the purchase or sale of any particular stock.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectuses contain this and other important information and can be obtained by calling 800- 915-6565 or visiting www.gafunds.com. Read and consider it carefully before investing.

The Fund’s holdings, industry sector weightings and geographic weightings may change at any time due to ongoing portfolio management. References to specific investments and weightings should not be construed as a recommendation by the Fund or Guinness Atkinson Asset Management, Inc. to buy or sell the securities. Current and future portfolio holdings are subject to risk.

Mutual fund investing involves risk and loss of principal is possible. The Fund invests in foreign securities which will involve greater volatility, political, economic and currency risks and differences in accounting methods. The Fund is non-diversified meaning it concentrates its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. The Fund also invests in smaller companies, which involve additional risks such as limited liquidity and greater volatility. The Fund’s focus on the energy sector to the exclusion of other sectors exposes the Fund to greater market risk and potential monetary losses than if the Fund’s assets were diversified among various sectors. The decline in the prices of energy (oil, gas, electricity) or alternative energy supplies would likely have a negative effect on the funds holdings.

MSCI World Energy Index is the energy sector of the MSCI World Index (an unmanaged index composed of more than 1400 stocks listed in the US, Europe, Canada, Australia, New Zealand, and the Far East) and as such can be used as a broad measurement of the performance of energy stocks.

MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets.

The S&P 500 Index is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general.

One cannot invest directly in an index.

Price to earnings (P/E) ratio (PER) reflects the multiple of earnings at which a stock sells and is calculated by dividing current price of the stock by the company’s trailing 12 months’ earnings per share

The New York Mercantile Exchange is the world’s largest physical commodity futures exchange.

Enterprise Value, or EV for short, is a measure of a company’s total value, often used as a more comprehensive alternative to equity market capitalization

Standard Deviation (SD) is applied to the annual rate of return of an investment to measure the investment’s volatility. Standard deviation is also known as historical volatility and is used by investors as a gauge for the amount of expected volatility.

Price to book ratio (P/B Ratio) is a ratio used to compare a stock’s market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter’s book value per share.

Debt/EBITDA is a measure of a company’s ability to pay off its incurred debt. This ratio gives the investor the approximate amount of time that would be needed to pay off all debt, ignoring the factors of interest, taxes, depreciation and amortization.

Opinions expressed are subject to change, are not guaranteed and should not be considered investment advice.

Distributed by Foreside Fund Services, LLC