



Fourth Quarter 2009 Commentary

Oberweis Asset Management, Inc. China Opportunities Fund (OBCHX) Fourth Quarter 2009 Commentary

We are pleased to report a banner year for equity returns in China. For the full year of 2009, The Oberweis China Opportunities Fund returned 131.54%. Similarly, the MSCI Zhong Hua Small Cap Growth Index¹ returned 133.78%.

Economic Highlights

During the fourth quarter, Chinese economic indicators remained quite positive. Retail sales continued to be strong, reflecting year-over-year growth of 15.5% for the full year. Consumer spending growth also benefited from government-sponsored programs to increase demand for home appliances such as “old for new,” as well as auto stimulus measures similar to the “cash for clunkers” program in the US. Most notably, throughout 2009 the volume of property sales increased substantially throughout China. Property sales were up 75.5% year-on-year. It seems the Chinese stimulus package has been successful thus far in preventing a slowdown in China as GDP growth came in at 8.7% for 2009.

Nevertheless, 2010 may be a bumpier ride for investors in China. We expect to see tighter economic policy intended to stem inflation and cool the red-hot property market. Already in the fourth quarter, we have seen evidence of food price inflation and regulators have noted concerns with the run up in property prices. While we believe that a government policy of tighter credit and higher interest rates may slow growth in the short-term, we still believe that the long-term case for investment in China remains compelling. Indeed, the most important question may be, “How can you afford NOT to have exposure to China?” The same reasons that brought us to China in the first place – a rising middle class of unprecedented proportions, a massive infrastructure build, consolidation of many fragmented industries into national powerhouses, and an unparalleled urban migration – remain alive and well. If tightening produces weakness in Chinese equities, long-term investors may well find reasonable buying opportunities.

As a result of increasing marginal spending by mainland Chinese, China is still early in the cycle of morphing into an economy driven by domestic consumption. We believe a rising middle class with increasing demand for higher living standards will drive the Chinese economy for the next decade or more, albeit with ebbs and flows along the way. Also in tandem with rising wealth, we expect to see better healthcare and expanded pension plans, especially in the rural areas where the central government is acutely worried about wealth disparities.

Lastly, even after a tremendous rebound in 2009, we believe there is a strong argument to be made that valuations are not exceptionally high. Bloomberg consensus estimates, at the time of the writing of this commentary, reflect an average P/E ratio of 15x 2010 estimates for the Hang Seng and the 20x for the CSI 300 Index. Among smaller-cap equities, and the Fund specifically, valuations are also fair and cheap when considering the higher growth rates our portfolio companies are experiencing compared to larger caps. The China Opportunities Fund has an average weighted forward P/E of 19.8x for estimated earnings growth of 27%, using IBES estimates. Generally, our internal estimates for Fund holdings may be higher than IBES (and thus P/Es lower). We believe plenty of opportunities still exist beyond the ranks of the fifty large-cap equities owned by nearly every China ETF.

Fund Highlights

For the full year 2009, the Oberweis China Opportunities Fund returned 131.54%, while the MSCI Zhong Hua Small Cap Growth Index returned 133.78%. In the fourth quarter, the Oberweis China Opportunities Fund returned 14.63%. The MSCI Zhong Hua Small Cap Growth Index returned 20.27%. Periodic deviation from the benchmark is normal and expected, given the relatively high tracking error of the Fund against virtually every benchmark. Note we believe that some of the best long-term values are found below the radar of mainstream institutional investors. Also, we have generally found better values among HK-listed and US-listed equities, while the benchmark index has approximately 9% invested in B-shares (mainland Chinese shares that are traded in a foreign currency and open to foreign investors). The FTSE Xinhua China B All Share Index² (an index tracking the mainland B-share market) gained over 27% for the quarter. Clearly, all things China performed well in 2009, but eventually valuations and fundamentals will play a more significant role and we believe we will be able to add value focusing on undiscovered fast growing China names that trade for more reasonable valuations. In comparison to most developed and emerging markets, China's equity market posted remarkable gains for the full year 2009. The CSI300 Index³ (an index tracking the mainland Chinese A-share market) returned 98.7%.

Since inception, we have positioned the China Opportunities Fund to benefit from rising domestic consumption in China. In 2009, this theme also became a priority for the government. We believe that innovative companies building strong market positions and recognizable brands today are likely to yield attractive returns to investors over time. Given this thesis, the Fund has been, and continues to be, heavily exposed to consumer-oriented equities. During the fourth quarter, nearly one-third of the Fund (31%) was invested in consumer discretionary and consumer staples stocks. We also believe that information technology and telecom firms will benefit from the rise of the middle class. In the near-term, we are seeing this play out as Chinese wireless companies upgrade their networks to provide 3G wireless data services. Technology companies supporting this rollout appear to be exhibiting rapid growth. Accordingly, the Fund was overweight technology, with a 25% average allocation. We also believe that there is still room for much of rural China to undergo significant infrastructure development, both in terms of technology as well as brick and mortar. With that in mind, industrials averaged 16% of the Fund during the quarter. We expect such infrastructure spending to last decades and believe that the recent Chinese government stimulus has served to enlarge and accelerate the potential spending.

Organization Update

There were no organizational changes during the fourth quarter.

Oberweis Asset Management's Investment Philosophy

We believe that investing in small growth-oriented companies at the inflection point of change results in superior investment performance over long periods of time. We believe that innovation is the key to economic growth and wealth creation and are committed to investing in companies at the forefront of innovation – smaller company stocks that offer the potential for extraordinary revenue and earnings growth. We believe that there are opportunities to discover such companies around the world and are committed to a global investment approach.

¹ The MSCI Zhong Hua Small Cap Growth Index is a free float-adjusted, market capitalization weighted index that is designed to measure the performance of small cap stocks in the developed markets and emerging markets of China and Hong Kong excluding China A shares, with dividends reinvested net of withholding tax.

² The FTSE Xinhua China B All Share Index is designed to represent the performance of B share companies incorporated and with core operations in China and includes 99% of the eligible B share market listed on the Shanghai and Shenzhen stock exchanges.

³ The CSI 300 Index is a cap-weighted index that tracks the daily price performance of the 300 most representative A-share stocks listed on the Shanghai or Shenzhen Stock Exchanges.

Growth Equity Investing

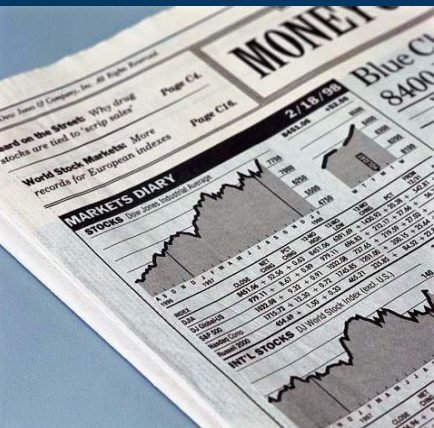
James W. Oberweis, CFA
President, Co-Portfolio
Manager

Vanessa Shiu
Director of China Research,
Co-Portfolio Manager



Oberweis China Opportunities Fund (OBCHX) Fourth Quarter 2009

Oberweis Asset Management, Inc.



The Oberweis China Opportunities Fund invests at least 80% of its net assets in China securities. Currently, China securities include equity securities of companies that are organized under the laws of The People's Republic of China, Hong Kong, Taiwan or Singapore. Companies that have at least 50% of their assets in China or derive at least 50% of their revenues from business activities in China are also included in China equity securities. Companies normally meet the Oberweis Octagon investment criteria prior to investing. Oberweis Asset Management was among the first to focus on smaller growth Chinese companies.

The key benefits of the China Opportunities Fund are:

- Participate in China's transformation from an emerging market to an economic power
- Benefit from the anticipated above-average growth of China's GDP over the next decade
- Take advantage of the powerful impact that China's emerging consumer class will have on the global demand for goods and services, as China continues to evolve from that of a rural to an urban-based society
- Access to attractive but lesser-known companies that lack formal institutional coverage but possess above-average growth potential
- Achieve a more effective asset allocation, and greater long-term diversification through investments in Chinese and Pacific Rim equities
- Low correlation to major foreign and U.S. markets

Minimum Investment: \$1,000

The Oberweis Funds invest in rapidly growing smaller and medium sized companies which may offer greater return potential. However, these investments often involve greater risks and volatility. Investing in the regional markets of China involves risks and considerations not present when investing in more-established securities markets. Investing in regionally concentrated investment funds should be considered speculative and thus not appropriate for all investors. There is no guarantee that the portfolios can achieve their objectives.

For more information
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Oberweis Asset Management, Inc. – Advisor to The Oberweis Funds

Recognized as a leading small-cap stock specialist, Oberweis has been helping institutional investors manage their assets prudently and effectively for many years. Our highly skilled investment management team includes:

James W. Oberweis, CFA
President, Co-Portfolio Manager



- Holder of the Chartered Financial Analyst (CFA) designation
- MBA, University of Chicago
- Over 14 years of investment experience

Vanessa Shiu
Director of China Research,
Co-Portfolio Manager



- MBA, University of Chicago
- MA and BS, Stanford University
- Based in Hong Kong

Jeff N. Papp, CFA
Senior Analyst



- Holder of the Chartered Financial Analyst (CFA) designation
- BS, Finance, University of Illinois

Pauline Huang
Analyst



- Chartered Financial Analyst (CFA) Level III Candidate
- MBA, Hong Kong University of Science and Technology
- Based in Hong Kong

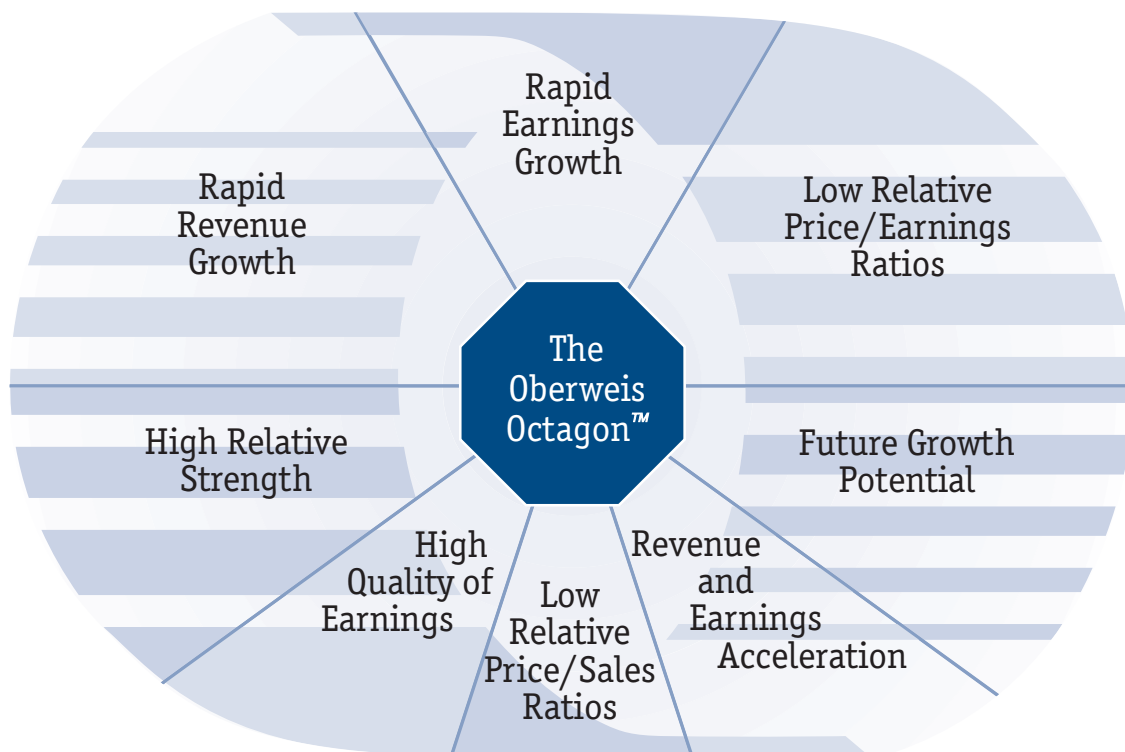


The Oberweis Octagon™

A unique blueprint for success

Our unique, highly disciplined investment approach includes a series of eight criteria to focus our research efforts. Beginning with a universe of approximately 3,000 companies, we select only those with the potential for exceptional growth. These companies must be profitable in the most recently reported quarter and have:

1. Rapid Revenue growth
2. Rapid Earnings growth
3. Price/earnings ratio of less than half the company's rate of growth
4. Products or services offering the potential for extraordinarily rapid and sustained growth
5. Ideally, the company should be experiencing revenue and earnings acceleration
6. Reasonable price/sales ratio
7. High quality of earnings
8. High relative strength



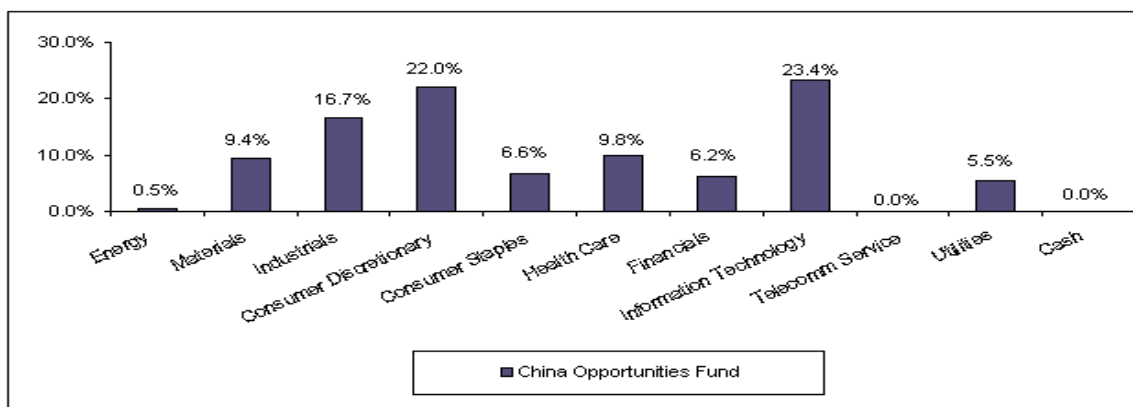


Oberweis China Opportunities Fund Sector Weightings

(as of December 31, 2009)

Source: Thomson Portfolio Analytics

Oberweis China Opportunities Fund (OBCHX)	
Energy	0.5%
Materials	9.4%
Industrials	16.7%
Consumer Discretionary	22.0%
Consumer Staples	6.6%
Health Care	9.8%
Financials	6.2%
Information Technology	23.4%
Telecomm Services	0.0%
Utilities	5.5%
Cash	0.0%
	100.0%



Sector Weightings as a % of Total Net Assets

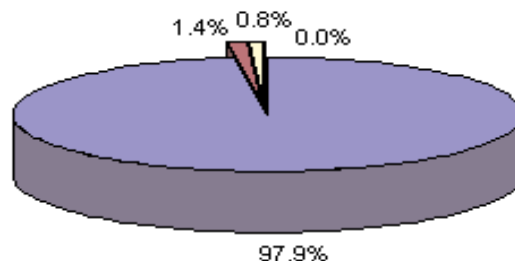


Oberweis China Opportunities Fund Country Allocation*

(as of December 31, 2009)

Source: Thomson Portfolio Analytics

Oberweis China Opportunities Fund (OBCHX)	
China (includes The People's Republic of China and Hong Kong)	97.9%
Singapore	1.4%
Other Countries	0.8%
Cash	0.0%
	100.0%



Country Allocation as a % of Total Net Assets

*Country Allocation is defined by the Country of Operating Risk.



Company Name	Percentage	Line of Business
1. Comba Telecom Systems Holdings, Ltd.	3.8%	Leading telecom equipment provider whose products focus on enhancing the quality of 2G and 3G services
2. E -House (China) Holdings, Ltd.	2.9%	Leading real-estate services company in China
3. Zhuzhou CSR Times Electric Co. Ltd.	2.5%	Leading provider of electrical systems used primarily in rail transportation
4. Longtop Financial Technologies Ltd.	2.4%	Leading software development & solutions provider for financial services industry in China.
5. Wasion Group Holdings, Ltd.	2.4%	Develos, manufactures & sells electronic power meters
6. Home Inns & Hotel Management, Inc.	2.4%	Leading provider of economy hotels in China
7. China Automation Group, Ltd.	2.2%	Largest provider of safety & critical control systems in China
8. New Oriental Education & Tech Group	2.2%	China's largest provider of private educational services in China
9. AsiaInfo Holdings, Inc.	2.2%	Provider of high quality telecom software solutions and IT security services in China
10. Perfect World Co., Ltd.	2.1%	Leading online game developer and operator in China

Top 10 Holdings as a % of Total Net Assets

Portfolio Holdings are subject to change at any time. References to specific securities should not be construed as a recommendation to buy or sell and should not be assumed profitable.

Oberweis China Opportunities Fund Ten Largest Equity Holdings

(as of September 30, 2009)

Source: Thomson Portfolio Analytics

Oberweis China Opportunities Fund Total Returns

(as of December 31, 2009)

	Annualized			
	Quarter	1-Year	3-Year	Inception (10/1/05)
Oberweis China Opportunities Fund (OBCHX)	14.63%	131.54%	9.56%	24.84%

Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate, so that you may have gain or loss when shares are sold. Current performance may be higher or lower than quoted. Visit us online at oberweisfunds.com for most recent month-end performance. Foreign investments involve greater risks than U.S. investments, including political and economic risks and the risk of currency fluctuations.

Before investing, consider the fund's investment objectives, risks, charges, and expenses. To obtain a copy of the prospectus please visit our website at oberweisfunds.com or call 800-323-6166. Read it carefully.

The Oberweis Funds are distributed by Oberweis Securities, Inc. Member: FINRA & SIPC.

Oberweis Asset Management (Asia) Limited ("OAMA"), a company organized under the laws of Hong Kong, is a wholly owned subsidiary of Oberweis Asset Management, Inc. ("OAM") and is a registered investment adviser and licensed by the Hong Kong Securities and Futures Commission to conduct asset management activities. OAMA has entered into a services agreement with OAM to provide portfolio management, research and trading services to OAM's clients.



Growth of \$10,000 invested

10/1/05 (with income reinvested)

