

2009 Annual Report

All data as of December 31, 2009

RS S&P 500 Index Fund

Class A, B, C, and K Shares



NOT FDIC INSURED
MAY LOSE VALUE
NO BANK GUARANTEE

RS|investments

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RS Investments

Value | Growth | International | Fixed Income

RS Funds provide clients with access to four deep and experienced investment teams – each pursuing investment opportunities consistent with its particular style. The dedicated research team approach assures that our clients benefit from process consistency, investment excellence, and choice across disciplines.

RS Value Funds

RS Partners Fund*
 RS Value Fund
 RS Large Cap Alpha Fund
 RS Investors Fund
 RS Global Natural Resources Fund

RS Growth Funds

RS Small Cap Growth Fund
 RS Select Growth Fund
 RS Mid Cap Growth Fund
 RS Growth Fund
 RS Technology Fund
 RS Small Cap Equity Fund**

RS Fixed Income Funds

RS Investment Quality Bond Fund
 RS Low Duration Bond Fund
 RS High Yield Bond Fund
 RS Tax-Exempt Fund
 RS High Yield Municipal Bond Fund
 RS Floating Rate Fund
 RS Strategic Income Fund
 RS Money Market Fund

RS International Funds

RS International Growth Fund
 RS Emerging Markets Fund

Other RS Funds

RS S&P 500 Index Fund

* RS Partners Fund is currently offered (by purchase or exchange) only to investors purchasing shares through certain financial intermediaries. Please see the prospectus for more information.

** Closed to new investors.



Terry R. Otton
CEO, RS Investments

Dear Fellow Shareholder,

Thank you for your continued investment with RS Investments. We sincerely appreciate your choice of RS Investments as your trusted investment partner. As stewards of your capital, our goal of maintaining your confidence remains at the forefront of every decision we make.

Over the last 24 years — through all the economic ups and downs — RS Investments has remained committed to your long-term success and focused on deep fundamental research as the means to help you get there. We apply a long-term view to every investment we make — whether it's in a company in one of our mutual funds or in our people who work on your behalf.

Benefit from Our Strengths

Over the last three years, in particular, the financial markets have experienced periods of extreme volatility, the likes of which have not been seen in 70 years. Through this challenging time, our shareholders have benefited from the financial strength of our firm, which has allowed us to continue to reinvest in our most important resource, our people, and from our constant focus on aligning our interests with yours. Our history of results and continued investment in our core strengths serve as evidence that RS Investments is in a better position to meet our investors' needs than at any other time in our long history.

As we have grown our business over the years, we have worked hard to align our

own goals with yours. As evidence of this, directors, employees and portfolio managers at RS Investments have invested \$50 million in the investment strategies we manage, right alongside our shareholders and clients. RS employees have a significant ownership stake in our business, and our majority owner, The Guardian Life Insurance Company of America, a well-respected 150-year-old mutual insurance company, provides further stability and strategic long-term resources. We are all in this, together with you, for the long term.

Over the last several years, virtually every functional area of our firm has benefited from investments in people, technology, and training. Even last year, during a time when many other firms were unable or unwilling to hire, we further strengthened our research capabilities by hiring experienced professionals. Each of our new investment team members brings high quality of character and depth of experience, adding meaningfully to our already strong bench of investment talent.

“Best of the Decade” Honors

Recently, *The Wall Street Journal*¹ recognized RS Partners Fund as one of the “Best Funds of the Decade.” This recognition is particularly rewarding as it comes on the heels of one of the most challenging decades for investing in the history of modern capital markets. We credit the Fund's results to a durable and consistently applied investment philosophy, one that is predicated on diligent research, improving returns on invested capital, and downside risk awareness. The same investment approach — requiring patience and a long-term view — is applied across the entire suite of RS Value funds.

We invite you to review the long-term performance of our entire fund family — including growth, fixed income and international equity funds — in greater detail on our website and in the pages that follow.

New Wealth Planning Solutions from RS

In December, we introduced three new fixed income funds: RS Strategic Income Fund, RS Floating Rate Fund, and RS High Yield Municipal Bond Fund. These funds, supported by an experienced fixed income team, join an already broad stable of investment options that address a wide range of investor needs. Whether to address inflation, participate in the global growth of emerging and developed economies, generate retirement income, protect against a declining dollar or rising taxes, or to benefit from good old-fashioned long-term capital appreciation, the RS fund family offers a potential solution.

We have also enhanced the value we provide to you by implementing and/or enhancing expense caps on RS Value Fund, RS Investors Fund, RS Small Cap Growth Fund, and RS Select Growth Fund (Class A shares). These expense caps place each of these funds' fees for Class A shares within the least expensive one-third of their peers², providing a unique combination of strong value and premium investment management.

Looking Ahead

Today, our firm is well positioned for you:

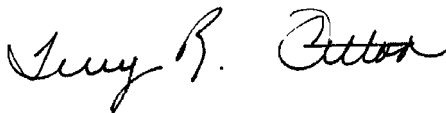
1. We are financially stable — our shareholders can rely on us to be here when they need us most.

2. We have the ability to attract and retain exceptional people — our people are focused on your long-term success.
3. We follow our durable investment approaches consistently across a wide variety of market environments.
4. We are committed to your long-term success — our interests are aligned with yours through ownership in our funds and in our business.

The term “trusted advisor” has never meant more than it does today. As a large segment of the financial services industry continues to reel from the challenges of the last several years, we have never wavered from our primary mission: do right by shareholders every day and deliver long-term results. We believe RS Investments is stronger than ever and well positioned to be your trusted advisor today and tomorrow.

We thank you again for the trust and confidence you've placed in RS Investments and look forward to our continued partnership.

Sincerely,



Terry R. Otton
CEO, RS Investments

- 1 The Wall Street Journal, “Best Stock Fund of the Decade,” December 31, 2009. Rankings were provided to the Wall Street Journal by Morningstar and include all diversified equity funds (excluding sector funds and leveraged funds). Rankings are based on the fund's total returns for the ten-year period ending December 29, 2009.
- 2 Source: Lipper Analytical Services

Important Information Concerning Fund Commentary and Performance

Except as otherwise specifically stated, all information and investment team commentary, including portfolio security positions, is as of December 31, 2009. The views expressed in the investment team letters are those of the Fund's portfolio manager(s) and are subject to change without notice. They do not necessarily represent the views of RS Investments. The letters contain some forward-looking statements providing current expectations or forecasts of future events; they do not necessarily relate to historical or current facts. There can be no guarantee that any forward-looking statement will be realized. We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events, or otherwise. Any discussions of specific securities should not be considered a recommendation to buy or sell those securities. Fund holdings will change.

Performance quoted represents past performance and does not guarantee future results. Investment return and principal value will fluctuate, so shares, when redeemed, may be worth more or less than their original cost. Please keep in mind that any high double digit returns are highly unusual and cannot be sustained. Class A performance quoted "with maximum sales charge" reflects the current maximum sales charge of 3.00%. Please read the Fund's prospectus carefully for more information on sales charges as they do not apply in all cases, and if applied, are reduced for larger purchases. Certain share classes are subject to lower maximum sales charges whether paid at the time of purchase or deferred. The Class B share performance quoted "with sales charge" reflects the maximum contingent deferred sales charge of 3.00%. The Class C share performance quoted "with sales charge" takes into account the applicable contingent deferred sales charge of 1%. There are no sales charges for Class K shares. Any sales charges are in addition to the Fund's fees and expenses as detailed in the "Financial Highlights" section of this report. Fees and expenses are factored into the net asset value of your shares and any performance numbers we release. Total return figures reflect an expense limitation in effect during the periods shown; without such limitation, the performance shown would have been lower. Performance results assume the reinvestment of dividends and capital gains. The return figures shown do not reflect the deduction of taxes that a shareholder may pay on Fund distributions or the redemption of Fund shares. Current and month-end performance and other information, which may be lower or higher than that cited, is available by contacting RS Investments at 800-766-3863 and is periodically updated on our Web site: www.RSInvestments.com.

RS S&P 500 Index Fund Commentary

Highlights

- After declining in the early months of 2009, equity markets rebounded strongly during the remainder of the year as investors welcomed signs of stabilizing economic and financial market conditions.
- RS S&P 500 Index Fund slightly underperformed its benchmark, the Standard & Poor's 500 Composite Index (the "S&P 500® Index")¹, for the twelve-month period ended December 31, 2009. The difference in performance is primarily due to the fact that, unlike the Fund, the index does not incur fees and expenses.
- In managing RS S&P 500 Index Fund, our goal is to attempt to track the investment performance of the S&P 500® Index, while remaining substantially fully invested in stocks and keeping trading costs to a minimum.

Investment Style			
	Value	Blend	Growth
Large			
Mid			
Small			

Market Overview

The bear market established in the fourth quarter of 2008 continued unabated in the early months of 2009, with the S&P 500® Index closing on March 9th at 676.53, a level not seen in over a decade. After reaching this low, the market almost immediately rebounded, aided by positive news from the banking sector and "less negative than expected" economic reports. The ensuing rally was the largest experienced by the S&P 500® Index since 1938, with the index advancing nearly 40% in just 67 trading days.

For the year 2009 overall, the S&P 500® Index recorded its largest annual point gain since 2006, as well as its biggest percentage gain since 2003. Moreover, between the low point on March 9 and December 31, the S&P 500® Index advanced a remarkable 67.80%. As dramatic as this rise was, at year-end the S&P 500® Index was still 28.75% below its peak closing level of October 9, 2007.

Technology was the leading sector driving S&P 500® Index performance in 2009; consumer discretionary and materials stocks also performed well. By contrast, the telecommunications and utilities sectors were weak on a relative basis.

Portfolio Review

RS S&P 500 Index Fund (Class A shares) returned 26.30% for the twelve-month period ended December 31, 2009. The Fund's index, the S&P 500® Index, returned 26.46% over the same period. The S&P 500® Index is a theoretical portfolio of 500 blue chip stocks, the return of which is computed as though the stocks were purchased and the index subsequently rebalanced without any trading costs or fund expenses.

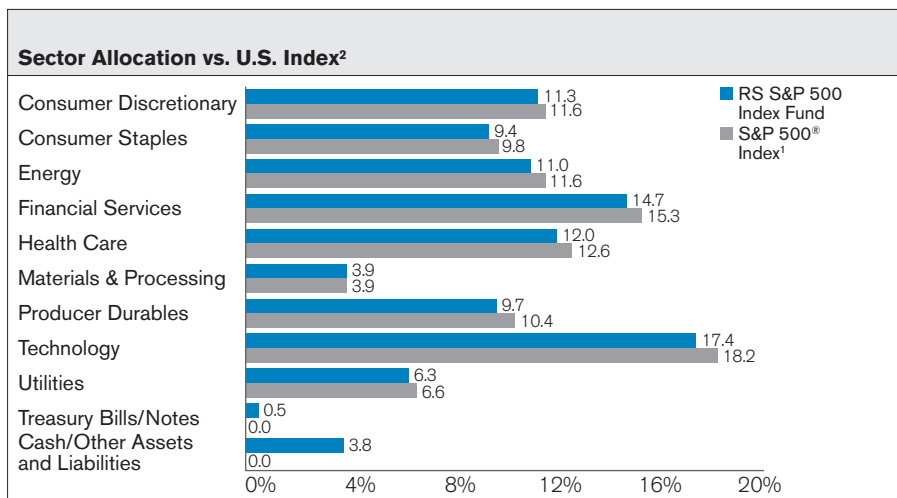
Outlook

As the year came to a close, investors appeared to focus on positive signs of economic growth, despite the continued weakness in the employment and housing markets. Nonetheless, given the various headwinds confronting the economy, including high unemployment and rising commodities prices, it remains to be seen whether the stock market rally can be sustained. We will continue to manage the portfolio to track the S&P 500® Index, while aiming to be fully invested in stocks and keeping trading costs to a minimum.

There is no assurance that the Fund will track the performance of the S&P 500® Index perfectly. As with all mutual funds, the value of an investment in the Fund could decline, so you could lose money. The Fund invests primarily in equity securities and therefore exposes you to the general risks of investing in stock markets. Derivative transactions can create leverage and may be highly volatile. It is possible that a derivative transaction will result in a loss greater than the principal amount invested and the Fund may not be able to close out a derivative transaction at a favorable time or price. Any discussion of specific securities should not be considered a recommendation to buy or sell those securities. Fund holdings will vary. Except as otherwise specifically stated, all information and portfolio manager commentary, including portfolio security positions, is as of December 31, 2009.

Characteristics

Total Net Assets: \$94,181,201



Top Ten Holdings³

Holding	% of Total Net Assets
Exxon Mobil Corp.	3.11%
Microsoft Corp.	2.27%
Apple, Inc.	1.83%
Johnson & Johnson	1.71%
The Procter & Gamble Co.	1.70%
International Business Machines Corp.	1.65%
AT&T, Inc.	1.59%
JPMorgan Chase & Co.	1.58%
General Electric Co.	1.55%
Chevron Corp.	1.50%
Total	18.49%

1 The S&P 500® Index is an unmanaged market-capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. Index results assume the reinvestment of dividends paid on the stocks constituting the index. You may not invest in the index, and, unlike the Fund, the index does not incur fees or expenses.

2 The Fund's holdings are allocated to each sector based on their Russell Global Sector classification. If a holding is not classified by Russell, it is assigned a Russell designation by RS Investments. Cash includes short-term investments and net other assets and liabilities. Sector weighting differences between the portfolio and index exist due the presence of cash and other short term assets/liabilities (including futures) in the portfolio.

3 Portfolio holdings are subject to change and should not be considered a recommendation to buy or sell individual securities.

Performance Update

Average Annual Total Returns					
RS S&P 500 Index Fund	Inception Date	1 Year	3 Year	5 Year	Since Inception
Class A Shares	8/7/00				
without sales charge		26.30%	-5.98%	0.00%	-1.55%
with maximum sales charge		22.47%	-6.93%	-0.61%	-1.87%
Class B Shares	8/7/00				
without sales charge		25.32%	-6.67%	-0.72%	-2.21%
with sales charge		22.32%	-7.28%	-0.92%	-2.21%
Class C Shares	8/7/00				
without sales charge		25.21%	-6.69%	-0.74%	-2.35%
with sales charge		24.21%	-6.69%	-0.74%	-2.35%
Class K Shares	5/15/01				
without sales charge		25.78%	-6.36%	-0.39%	-0.64%
S&P 500® Index¹		26.46%	-5.63%	0.42%	-1.15%*

Results of a Hypothetical \$10,000 Investment	
\$15,000	— RS S&P 500 Index Fund, Class A (ending value of \$8,374)
	— S&P 500® Index¹ (ending value of \$8,966)

* Since Class A shares inception.

The chart above shows the performance of a hypothetical \$10,000 investment made on 8/7/00 in Class A shares of RS S&P 500 Index Fund and in the S&P 500® Index. The starting point of \$9,700 for Class A shares reflects the current maximum sales charge of 3.00%. Hypothetical \$10,000 investments made upon the inception of Class B shares (8/7/00), Class C shares (8/7/00), and Class K shares (5/15/01) would have the following values as of December 31, 2009: \$8,104 (Class B), \$7,999 (Class C), and \$9,463 (Class K). While Class B shares, Class C shares, and Class K shares have a higher starting value than Class A shares because they do not impose a sales charge on purchase, they have higher annual expenses and, therefore, day-to-day performance is lower than that of Class A shares.

Performance quoted represents past performance and does not guarantee future results. The Fund is the successor to The Guardian S&P 500 Index Fund; performance shown includes performance of the predecessor fund for periods prior to October 9, 2006.

As a shareholder of the Funds, you incur two types of costs: (1) transaction costs, including as applicable, sales charges (loads) on purchase payments; redemption fees; and exchange fees; and (2) ongoing costs, including investment advisory fees, distribution (12b-1) fees, and other Fund expenses. The examples below are intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

The examples are based on an investment of \$1,000 invested at the beginning of the period and held for the entire period indicated. The following tables show the Funds' expenses in two ways:

Expenses based on actual return

This table provides information about actual account values and actual expenses. You may use the information in this section, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the section under the heading entitled "Expenses Paid During Period" for your Fund to estimate the expenses you paid on your account during this period. A maintenance fee of \$12.00 that is charged once a year may apply for IRAs. This fee is not included in the table below. If it was, the estimate of expenses you paid during the period would be higher, and your ending account value lower, by this amount.

Expenses based on hypothetical 5% return for comparison purposes

This table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Funds with the costs of investing in other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. A maintenance fee of \$12.00 that is charged once a year may apply for IRAs. This fee is not included in the table below. If it was, the estimate of expenses you paid during the period would be higher, and your ending account value lower, by this amount.

Note that the expenses shown in the tables are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads) or exchange fees. Therefore the second table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. If these transactional costs were included, your costs would have been higher.

Based on Actual Return		Beginning Account Value 7/1/09	Ending Account Value 12/31/09	Expenses Paid During Period* 7/1/09-12/31/09	Expense Ratio During Period 7/1/09-12/31/09
RS S&P 500 Index Fund	Class A	\$1,000.00	\$1,222.70	\$2.13	0.38%
	Class B	\$1,000.00	\$1,221.90	\$6.33	1.13%
	Class C	\$1,000.00	\$1,221.89	\$6.32	1.13%
	Class K	\$1,000.00	\$1,221.50	\$4.37	0.78%

Based on Hypothetical Return (5% return before expenses)		Beginning Account Value 7/1/09	Ending Account Value 12/31/09	Expenses Paid During Period* 7/1/09-12/31/09	Expense Ratio During Period 7/1/09-12/31/09
RS S&P 500 Index Fund	Class A	\$1,000.00	\$1,023.29	\$1.94	0.38%
	Class B	\$1,000.00	\$1,019.51	\$5.75	1.13%
	Class C	\$1,000.00	\$1,019.51	\$5.75	1.13%
	Class K	\$1,000.00	\$1,021.27	\$3.97	0.78%

* Expenses are equal to the Fund's annualized expense ratio as indicated, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Financial Information

Year Ended December 31, 2009

December 31, 2009	Shares	Value
Common Stocks – 95.7%		
Advertising Agencies – 0.2%		
Omnicom Group, Inc.	2,875	\$ 112,556
The Interpublic Group of Companies, Inc. ⁽¹⁾	4,659	<u>34,384</u>
		146,940
Aerospace – 2.2%		
FLIR Systems, Inc. ⁽¹⁾	1,397	45,710
General Dynamics Corp.	3,524	240,231
Goodrich Corp.	1,147	73,695
L-3 Communications Holdings, Inc.	1,065	92,602
Lockheed Martin Corp.	2,801	211,055
Northrop Grumman Corp.	2,917	162,914
Raytheon Co.	3,370	173,622
Rockwell Collins, Inc.	1,440	79,718
Textron, Inc.	2,458	46,235
The Boeing Co.	6,637	359,261
United Technologies Corp.	8,455	<u>586,862</u>
		2,071,905
Air Transport – 0.3%		
FedEx Corp.	2,816	234,995
Southwest Airlines Co.	6,886	<u>78,707</u>
		313,702
Aluminum – 0.2%		
Alcoa, Inc.	8,932	<u>143,984</u>
		143,984
Asset Management & Custodian – 0.8%		
Federated Investors, Inc., Class B	748	20,570
Franklin Resources, Inc.	1,335	140,642
Invesco Ltd.	3,816	89,638
Janus Capital Group, Inc.	1,709	22,986
Legg Mason, Inc.	1,498	45,179
Northern Trust Corp.	2,292	120,101
State Street Corp.	4,470	194,624
T. Rowe Price Group, Inc.	2,336	<u>124,392</u>
		758,132
Auto Parts – 0.2%		
Genuine Parts Co.	1,469	55,763
Johnson Controls, Inc.	6,044	<u>164,639</u>
		220,402

December 31, 2009	Shares	Value
Auto Services – 0.0%		
The Goodyear Tire & Rubber Co. ⁽¹⁾	2,185	\$ 30,808
		30,808
Automobiles – 0.3%		
Ford Motor Co. ⁽¹⁾	29,919	299,190
		299,190
Back Office Support, HR, And Consulting – 0.4%		
Automatic Data Processing, Inc.	4,570	195,687
Iron Mountain, Inc. ⁽¹⁾	1,659	37,759
Monster Worldwide, Inc. ⁽¹⁾	1,114	19,384
Paychex, Inc.	2,935	89,928
Robert Half International, Inc.	1,347	36,005
		378,763
Banks: Diversified – 4.1%		
Bank of America Corp.	90,141	1,357,524
BB&T Corp.	6,248	158,512
Comerica, Inc.	1,348	39,860
Fifth Third Bancorp	7,181	70,015
First Horizon National Corp. ⁽¹⁾	1,862	24,957
Huntington Bancshares, Inc.	6,346	23,163
KeyCorp	8,017	44,494
M&T Bank Corp.	760	50,836
Marshall & Ilsley Corp.	4,688	25,550
PNC Financial Services Group, Inc.	4,215	222,510
Regions Financial Corp.	10,860	57,449
SunTrust Banks, Inc.	4,510	91,508
U.S. Bancorp	17,318	389,828
Wells Fargo & Co.	46,353	1,251,068
Zions Bancorporation	1,157	14,844
		3,822,118
Banks: Savings, Thrift & Mortgage Lending – 0.1%		
Hudson City Bancorp, Inc.	4,302	59,067
People's United Financial, Inc.	2,932	48,964
		108,031
Beverage: Brewers & Distillers – 0.2%		
Brown-Forman Corp., Class B	1,014	54,320
Constellation Brands, Inc., Class A ⁽¹⁾	1,836	29,248
Molson Coors Brewing Co., Class B	1,433	64,714
		148,282
Beverage: Soft Drinks – 2.4%		
Coca-Cola Enterprises, Inc.	2,894	61,353
Dr. Pepper Snapple Group, Inc.	2,340	66,222

December 31, 2009	Shares	Value
Beverage: Soft Drinks (continued)		
Pepsi Bottling Group, Inc.	1,318	\$ 49,425
PepsiCo, Inc.	14,227	865,001
The Coca-Cola Co.	20,932	<u>1,193,124</u>
		2,235,125
Biotechnology – 1.6%		
Amgen, Inc. ⁽¹⁾	9,337	528,194
Baxter International, Inc.	5,459	320,334
Biogen Idec, Inc. ⁽¹⁾	2,663	142,471
Celgene Corp. ⁽¹⁾	4,236	235,861
Cephalon, Inc. ⁽¹⁾	784	48,929
Genzyme Corp. ⁽¹⁾	2,290	112,233
Life Technologies Corp. ⁽¹⁾	1,621	84,665
Millipore Corp. ⁽¹⁾	567	<u>41,022</u>
		1,513,709
Building Materials – 0.1%		
Masco Corp.	3,248	44,855
Vulcan Materials Co.	1,140	<u>60,044</u>
		104,899
Cable Television Services – 0.9%		
Comcast Corp., Class A	25,752	434,179
DIRECTV, Class A ⁽¹⁾	8,596	286,676
Scripps Networks Interactive, Inc., Class A	814	33,781
Time Warner Cable, Inc.	3,220	<u>133,276</u>
		887,912
Casinos & Gambling – 0.1%		
International Game Technology	2,702	<u>50,716</u>
		50,716
Chemicals: Diversified – 0.9%		
Airgas, Inc.	700	33,320
E.I. du Pont de Nemours & Co.	8,149	274,377
Eastman Chemical Co.	662	39,879
Ecolab, Inc.	2,161	96,337
FMC Corp.	640	35,686
Sigma-Aldrich Corp.	1,115	56,341
The Dow Chemical Co.	10,355	<u>286,109</u>
		822,049
Chemicals: Speciality – 0.4%		
Air Products & Chemicals, Inc.	1,906	154,500
International Flavors & Fragrances, Inc.	662	27,235
Praxair, Inc.	2,816	<u>226,153</u>
		407,888

December 31, 2009	Shares	Value
Coal – 0.2%		
CONSOL Energy, Inc.	1,680	\$ 83,664
Massey Energy Co.	767	32,222
Peabody Energy Corp.	2,481	<u>112,166</u>
		228,052
Commercial Services: Rental & Leasing – 0.0%		
Ryder System, Inc.	513	<u>21,120</u>
		21,120
Commercial Vehicles & Parts – 0.1%		
PACCAR, Inc.	3,353	<u>121,613</u>
		121,613
Communications Technology – 2.3%		
Cisco Systems, Inc. ⁽¹⁾	52,056	1,246,221
Harris Corp.	1,212	57,630
JDS Uniphase Corp. ⁽¹⁾	2,019	16,657
Juniper Networks, Inc. ⁽¹⁾	4,699	125,322
QLogic Corp. ⁽¹⁾	1,024	19,323
QUALCOMM, Inc.	15,275	706,621
Tellabs, Inc. ⁽¹⁾	3,354	<u>19,051</u>
		2,190,825
Computer Services Software & Systems – 6.2%		
Adobe Systems, Inc. ⁽¹⁾	4,703	172,976
Affiliated Computer Services, Inc., Class A ⁽¹⁾	1,030	61,481
Akamai Technologies, Inc. ⁽¹⁾	1,529	38,730
Autodesk, Inc. ⁽¹⁾	2,095	53,234
BMC Software, Inc. ⁽¹⁾	1,796	72,020
CA, Inc.	3,634	81,620
Citrix Systems, Inc. ⁽¹⁾	1,674	69,655
Cognizant Technology Solutions Corp., Class A ⁽¹⁾	2,702	122,401
Computer Sciences Corp. ⁽¹⁾	1,384	79,622
Compuware Corp. ⁽¹⁾	2,083	15,060
Google, Inc., Class A ⁽¹⁾	2,184	1,354,036
Intuit, Inc. ⁽¹⁾	2,971	91,239
McAfee, Inc. ⁽¹⁾	1,442	58,502
Microsoft Corp.	70,017	2,134,818
Novell, Inc. ⁽¹⁾	2,927	12,147
Oracle Corp.	35,315	866,630
Red Hat, Inc. ⁽¹⁾	1,745	53,920
SAIC, Inc. ⁽¹⁾	2,800	53,032
Salesforce.com, Inc. ⁽¹⁾	995	73,401
Symantec Corp. ⁽¹⁾	7,765	138,916
Teradata Corp. ⁽¹⁾	1,568	49,282

December 31, 2009	Shares	Value
Computer Services Software & Systems (continued)		
VeriSign, Inc. ⁽¹⁾	1,638	\$ 39,705
Yahoo! Inc. ⁽¹⁾	11,147	<u>187,047</u>
		5,879,474
Computer Technology – 5.7%		
Apple, Inc. ⁽¹⁾	8,166	1,721,883
Dell, Inc. ⁽¹⁾	15,816	227,118
EMC Corp. ⁽¹⁾	18,607	325,064
Hewlett-Packard Co.	21,482	1,106,538
International Business Machines Corp.	11,888	1,556,139
NetApp, Inc. ⁽¹⁾	3,077	105,818
NVIDIA Corp. ⁽¹⁾	4,994	93,288
SanDisk Corp. ⁽¹⁾	2,067	59,922
Sun Microsystems, Inc. ⁽¹⁾	6,974	65,346
Western Digital Corp. ⁽¹⁾	2,020	<u>89,183</u>
		5,350,299
Consumer Electronics – 0.0%		
Harman International Industries, Inc.	631	<u>22,262</u>
		22,262
Consumer Lending – 0.1%		
SLM Corp. ⁽¹⁾	4,221	<u>47,571</u>
		47,571
Consumer Services: Miscellaneous – 0.5%		
eBay, Inc. ⁽¹⁾	10,289	242,203
H & R Block, Inc.	3,085	69,783
Western Union Co.	6,156	<u>116,040</u>
		428,026
Containers & Packaging – 0.2%		
Ball Corp.	870	44,979
Bemis Co., Inc.	1,003	29,739
Owens-Illinois, Inc. ⁽¹⁾	1,540	50,620
Pactiv Corp. ⁽¹⁾	1,193	28,799
Sealed Air Corp.	1,456	<u>31,828</u>
		185,965
Copper – 0.3%		
Freeport-McMoran Copper & Gold, Inc., Class B ⁽¹⁾	3,885	<u>311,927</u>
		311,927
Cosmetics – 0.2%		
Avon Products, Inc.	3,893	122,629
Estee Lauder Companies, Inc., Class A	1,077	<u>52,084</u>
		174,713

December 31, 2009	Shares	Value
Diversified Financial Services – 4.1%		
Ameriprise Financial, Inc.	2,334	\$ 90,606
Bank of New York Mellon Corp.	11,003	307,754
Capital One Financial Corp.	4,063	155,775
Citigroup, Inc.	176,845	585,357
JPMorgan Chase & Co.	35,735	1,489,077
Leucadia National Corp. ⁽¹⁾	1,705	40,562
Morgan Stanley	12,290	363,784
The Goldman Sachs Group, Inc.	4,669	<u>788,314</u>
		3,821,229
Diversified Manufacturing Operations – 3.0%		
3M Co.	6,384	527,765
Danaher Corp.	2,359	177,397
Dover Corp.	1,669	69,447
Eaton Corp.	1,503	95,621
General Electric Co.	96,534	1,460,559
Honeywell International, Inc.	6,899	270,441
Illinois Tool Works, Inc.	3,527	169,261
ITT Corp.	1,648	<u>81,971</u>
		2,852,462
Diversified Media – 0.6%		
News Corp., Class A	20,582	281,767
Time Warner, Inc.	10,527	<u>306,757</u>
		588,524
Diversified Retail – 2.6%		
Amazon.com, Inc. ⁽¹⁾	3,010	404,905
Big Lots, Inc. ⁽¹⁾	695	20,141
Costco Wholesale Corp.	4,022	237,982
Family Dollar Stores, Inc.	1,200	33,396
J.C. Penney Co., Inc.	2,209	58,781
Kohl's Corp. ⁽¹⁾	2,833	152,784
Macy's, Inc.	3,760	63,018
Nordstrom, Inc.	1,504	56,520
Sears Holdings Corp. ⁽¹⁾	463	38,637
Target Corp.	6,880	332,786
Wal-Mart Stores, Inc.	19,043	<u>1,017,848</u>
		2,416,798
Drug & Grocery Store Chains – 1.1%		
CVS Caremark Corp.	12,725	409,872
Safeway, Inc.	3,619	77,048
SUPERVALU, Inc.	1,902	24,174
The Kroger Co.	6,322	129,791

December 31, 2009	Shares	Value
Drug & Grocery Store Chains (continued)		
Walgreen Co.	8,905	\$ 326,992
Whole Foods Market, Inc. ⁽¹⁾	1,279	<u>35,109</u>
		1,002,986
Education Services – 0.1%		
Apollo Group, Inc., Class A ⁽¹⁾	1,165	70,576
DeVry, Inc.	500	<u>28,365</u>
		98,941
Electronic Components – 0.4%		
Amphenol Corp., Class A	1,561	72,087
Corning, Inc.	13,999	270,321
Molex, Inc.	1,188	<u>25,601</u>
		368,009
Electronic Entertainment – 0.1%		
Electronic Arts, Inc. ⁽¹⁾	2,953	<u>52,416</u>
		52,416
Energy Equipment – 0.1%		
First Solar, Inc. ⁽¹⁾	432	<u>58,493</u>
		58,493
Engineering & Contracting Services – 0.2%		
Fluor Corp.	1,587	71,478
Jacobs Engineering Group, Inc. ⁽¹⁾	1,134	42,650
Quanta Services, Inc. ⁽¹⁾	1,814	<u>37,804</u>
		151,932
Entertainment – 0.8%		
The Walt Disney Co.	16,982	547,669
Viacom, Inc., Class B ⁽¹⁾	5,556	<u>165,180</u>
		712,849
Environmental, Maintenance, And Security Services – 0.0%		
Cintas Corp.	1,125	<u>29,306</u>
		29,306
Fertilizers – 0.5%		
CF Industries Holdings, Inc.	434	39,399
Monsanto Co.	4,943	<u>404,090</u>
		443,489
Financial Data & Systems – 1.5%		
American Express Co.	10,761	436,036
Discover Financial Services	4,893	71,976
Equifax, Inc.	1,067	32,960
Fidelity National Information Services, Inc.	3,012	70,601
Fiserv, Inc. ⁽¹⁾	1,389	<u>67,339</u>

December 31, 2009	Shares	Value
Financial Data & Systems (continued)		
MasterCard, Inc., Class A	883	\$ 226,030
Moody's Corp.	1,791	47,999
The Dun & Bradstreet Corp.	417	35,182
Total System Services, Inc.	1,683	29,065
Visa, Inc., Class A	4,041	<u>353,426</u>
		1,370,614
Foods – 1.6%		
Campbell Soup Co.	1,733	58,575
ConAgra Foods, Inc.	4,100	94,505
Dean Foods Co. ⁽¹⁾	1,666	30,055
General Mills, Inc.	3,034	214,838
H.J. Heinz Co.	3,008	128,622
Hormel Foods Corp.	600	23,070
Kellogg Co.	2,400	127,680
Kraft Foods, Inc., Class A	13,545	368,153
McCormick & Co., Inc.	755	27,278
Mead Johnson Nutrition Co., Class A	1,787	78,092
Sara Lee Corp.	6,331	77,112
Sysco Corp.	5,373	150,122
The Hershey Co.	1,542	55,188
The J.M. Smucker Co.	1,086	67,060
Tyson Foods, Inc., Class A	2,933	<u>35,988</u>
		1,536,338
Forest Products – 0.1%		
Weyerhaeuser Co.	1,921	<u>82,872</u>
		82,872
Forms And Bulk Printing Services – 0.0%		
R.R. Donnelley & Sons Co.	1,860	<u>41,422</u>
		41,422
Fruit & Grain Processing – 0.2%		
Archer-Daniels-Midland Co.	5,904	<u>184,854</u>
		184,854
Gas Pipeline – 0.2%		
El Paso Corp.	6,178	60,730
EQT Corp.	1,190	52,265
Spectra Energy Corp.	5,967	<u>122,383</u>
		235,378
Gold – 0.2%		
Newmont Mining Corp.	4,364	<u>206,461</u>
		206,461

December 31, 2009	Shares	Value
Health Care Facilities – 0.1%		
DaVita, Inc. ⁽¹⁾	900	\$ 52,866
Tenet Healthcare Corp. ⁽¹⁾	3,871	<u>20,865</u>
		73,731
Health Care Management Services – 0.9%		
Aetna, Inc.	4,029	127,719
CIGNA Corp.	2,483	87,576
Coventry Health Care, Inc. ⁽¹⁾	1,377	33,447
Humana, Inc. ⁽¹⁾	1,568	68,820
UnitedHealth Group, Inc.	10,611	323,423
WellPoint, Inc. ⁽¹⁾	4,120	<u>240,155</u>
		881,140
Health Care Services – 0.7%		
Express Scripts, Inc. ⁽¹⁾	2,457	212,408
IMS Health, Inc.	1,688	35,549
McKesson Corp.	2,453	153,313
Medco Health Solutions, Inc. ⁽¹⁾	4,351	<u>278,072</u>
		679,342
Home Building – 0.1%		
D.R. Horton, Inc.	2,518	27,371
Lennar Corp., Class A	1,360	17,367
Pulte Homes, Inc. ⁽¹⁾	2,848	<u>28,480</u>
		73,218
Hotel/Motel – 0.2%		
Marriott International, Inc., Class A	2,305	62,811
Starwood Hotels & Resorts Worldwide, Inc.	1,706	62,388
Wyndham Worldwide Corp.	1,627	32,817
Wynn Resorts Ltd.	624	<u>36,336</u>
		194,352
Household Appliances – 0.1%		
Whirlpool Corp.	673	<u>54,284</u>
		54,284
Household Equipment & Products – 0.2%		
Black & Decker Corp.	552	35,786
Fortune Brands, Inc.	1,362	58,839
Newell Rubbermaid, Inc.	2,463	36,970
Snap-On, Inc.	597	25,229
The Stanley Works	718	<u>36,984</u>
		193,808
Household Furnishings – 0.0%		
Leggett & Platt, Inc.	1,433	<u>29,233</u>
		29,233

December 31, 2009	Shares	Value
Insurance: Life – 0.7%		
AFLAC, Inc.	4,227	\$195,499
Lincoln National Corp.	2,769	68,892
Principal Financial Group, Inc.	2,909	69,932
Prudential Financial, Inc.	4,192	208,594
Torchmark Corp.	765	33,622
Unum Group	3,042	<u>59,380</u>
		635,919
Insurance: Multi-Line – 0.8%		
American International Group, Inc. ⁽¹⁾	1,222	36,636
Aon Corp.	2,527	96,885
Assurant, Inc.	1,050	30,954
Genworth Financial, Inc., Class A ⁽¹⁾	4,376	49,668
Loews Corp.	3,322	120,755
Marsh & McLennan Companies, Inc.	4,942	109,119
MetLife, Inc.	7,402	261,661
The Hartford Financial Services Group, Inc.	3,448	<u>80,200</u>
		785,878
Insurance: Property - Casualty – 0.8%		
Cincinnati Financial Corp.	1,490	39,098
The Allstate Corp.	4,896	147,076
The Chubb Corp.	3,175	156,146
The Progressive Corp. ⁽¹⁾	6,249	112,419
The Travelers Companies, Inc.	4,882	243,417
XL Capital Ltd., Class A	3,112	<u>57,043</u>
		755,199
Leisure Time – 0.3%		
Carnival Corp. ⁽¹⁾	3,993	126,538
Expedia, Inc. ⁽¹⁾	1,926	49,518
Priceline.com, Inc. ⁽¹⁾	400	<u>87,400</u>
		263,456
Luxury Items – 0.1%		
Tiffany & Co.	1,120	<u>48,160</u>
		48,160
Machinery: Agricultural – 0.2%		
Deere & Co.	3,885	<u>210,140</u>
		210,140
Machinery: Construction & Handling – 0.3%		
Caterpillar, Inc.	5,627	<u>320,683</u>
		320,683

December 31, 2009	Shares	Value
Machinery: Engines – 0.1%		
Cummins, Inc.	1,844	\$ 84,566
		84,566
Medical & Dental Instruments & Supplies – 0.8%		
Becton, Dickinson and Co.	2,089	164,738
Boston Scientific Corp. ⁽¹⁾	13,977	125,793
C.R. Bard, Inc.	610	47,519
DENTSPLY International, Inc.	1,362	47,902
Patterson Companies, Inc. ⁽¹⁾	800	22,384
St. Jude Medical, Inc. ⁽¹⁾	3,162	116,298
Stryker Corp.	2,630	132,473
Zimmer Holdings, Inc. ⁽¹⁾	1,988	117,511
		774,618
Medical Equipment – 0.9%		
CareFusion Corp. ⁽¹⁾	1,518	37,965
Intuitive Surgical, Inc. ⁽¹⁾	349	105,859
Medtronic, Inc.	10,120	445,077
PerkinElmer, Inc.	998	20,549
Thermo Fisher Scientific, Inc. ⁽¹⁾	3,781	180,316
Varian Medical Systems, Inc. ⁽¹⁾	1,145	53,643
		843,409
Medical Services – 0.2%		
Laboratory Corp. of America Holdings ⁽¹⁾	983	73,568
Quest Diagnostics, Inc.	1,376	83,083
		156,651
Metal Fabricating – 0.2%		
Fastenal Co.	1,213	50,509
Precision Castparts Corp.	1,287	142,021
		192,530
Metals & Minerals: Diversified – 0.1%		
Cliffs Natural Resources, Inc.	1,163	53,603
Titanium Metals Corp. ⁽¹⁾	700	8,764
		62,367
Office Supplies & Equipment – 0.2%		
Avery Dennison Corp.	1,031	37,621
Lexmark International Group, Inc., Class A ⁽¹⁾	768	19,953
Pitney Bowes, Inc.	1,889	42,994
Xerox Corp.	7,773	65,759
		166,327
Offshore Drilling & Other Services – 0.1%		
Diamond Offshore Drilling, Inc.	631	62,103
		62,103

December 31, 2009	Shares	Value
Oil Well Equipment & Services – 1.7%		
Baker Hughes, Inc.	2,913	\$ 117,918
BJ Services Co.	2,623	48,788
Cameron International Corp. ⁽¹⁾	2,186	91,375
FMC Technologies, Inc. ⁽¹⁾	1,113	64,376
Halliburton Co.	8,123	244,421
Nabors Industries Ltd. ⁽¹⁾	2,581	56,498
National-Oilwell Varco, Inc.	3,845	169,526
Rowan Companies, Inc. ⁽¹⁾	1,040	23,546
Schlumberger Ltd.	10,855	706,552
Smith International, Inc.	2,127	<u>57,790</u>
		1,580,790
Oil: Crude Producers – 2.7%		
Anadarko Petroleum Corp.	4,476	279,392
Apache Corp.	3,069	316,629
Cabot Oil & Gas Corp.	900	39,231
Chesapeake Energy Corp.	5,896	152,588
Denbury Resources, Inc. ⁽¹⁾	2,390	35,372
Devon Energy Corp.	4,064	298,704
EOG Resources, Inc.	2,309	224,666
Noble Energy, Inc.	1,588	113,097
Occidental Petroleum Corp.	7,325	595,889
Pioneer Natural Resources Co.	1,047	50,434
Range Resources Corp.	1,383	68,943
Southwestern Energy Co. ⁽¹⁾	3,171	152,842
XTO Energy, Inc.	5,321	<u>247,586</u>
		2,575,373
Oil: Integrated – 5.9%		
Chevron Corp.	18,290	1,408,147
ConocoPhillips	13,395	684,083
Exxon Mobil Corp.	42,927	2,927,192
Hess Corp.	2,713	164,137
Marathon Oil Corp.	6,472	202,056
Murphy Oil Corp.	1,737	94,145
Williams Companies, Inc.	5,404	<u>113,916</u>
		5,593,676
Oil: Refining And Marketing – 0.1%		
Sunoco, Inc.	1,080	28,188
Tesoro Corp.	1,392	18,862
Valero Energy Corp.	5,284	<u>88,507</u>
		135,557

December 31, 2009	Shares	Value
Paints & Coatings – 0.2%		
PPG Industries, Inc.	1,519	\$ 88,922
The Sherwin-Williams Co.	865	<u>53,327</u>
		142,249
Paper – 0.2%		
International Paper Co.	3,903	104,522
MeadWestvaco Corp.	1,536	<u>43,976</u>
		148,498
Personal Care – 2.4%		
Clorox Co.	1,290	78,690
Colgate-Palmolive Co.	4,567	375,179
Kimberly-Clark Corp.	3,795	241,779
The Procter & Gamble Co.	26,377	<u>1,599,238</u>
		2,294,886
Pharmaceuticals – 6.8%		
Abbott Laboratories	14,127	762,717
Allergan, Inc.	2,833	178,507
AmerisourceBergen Corp.	2,616	68,199
Bristol-Myers Squibb Co.	15,155	382,664
Cardinal Health, Inc.	3,283	105,844
Eli Lilly & Co.	9,253	330,425
Forest Laboratories, Inc. ⁽¹⁾	2,690	86,376
Gilead Sciences, Inc. ⁽¹⁾	8,200	354,896
Hospira, Inc. ⁽¹⁾	1,470	74,970
Johnson & Johnson	25,040	1,612,826
King Pharmaceuticals, Inc. ⁽¹⁾	2,108	25,865
Merck & Co., Inc.	27,585	1,007,956
Mylan, Inc. ⁽¹⁾	2,782	51,272
Pfizer, Inc.	72,851	1,325,160
Watson Pharmaceuticals, Inc. ⁽¹⁾	978	<u>38,738</u>
		6,406,415
Photography – 0.0%		
Eastman Kodak Co. ⁽¹⁾	2,430	<u>10,255</u>
		10,255
Producer Durables: Miscellaneous – 0.1%		
W.W. Grainger, Inc.	544	<u>52,675</u>
		52,675
Production Technology Equipment – 0.3%		
Applied Materials, Inc.	11,831	164,924
KLA-Tencor Corp.	1,506	54,457

December 31, 2009	Shares	Value
Production Technology Equipment (continued)		
Novellus Systems, Inc. ⁽¹⁾	794	\$ 18,532
Teradyne, Inc. ⁽¹⁾	1,656	<u>17,769</u>
		255,682
Publishing – 0.2%		
Gannett Co., Inc.	2,149	31,913
Meredith Corp.	290	8,946
The McGraw-Hill Companies, Inc.	2,859	95,805
The New York Times Co., Class A ⁽¹⁾	1,019	12,595
The Washington Post Co., Class B	58	<u>25,497</u>
		174,756
Radio & Tv Broadcasters – 0.1%		
CBS Corp., Class B	6,083	<u>85,466</u>
		85,466
Railroads – 0.9%		
Burlington Northern Santa Fe Corp.	2,353	232,053
CSX Corp.	3,596	174,370
Norfolk Southern Corp.	3,367	176,498
Union Pacific Corp.	4,623	<u>295,410</u>
		878,331
Real Estate – 0.0%		
CB Richard Ellis Group, Inc., Class A ⁽¹⁾	2,360	<u>32,025</u>
		32,025
Real Estate Investment Trusts – 1.1%		
Apartment Investment & Management Co., Class A	1,061	16,891
AvalonBay Communities, Inc.	730	59,940
Boston Properties, Inc.	1,280	85,850
Equity Residential	2,535	85,632
HCP, Inc.	2,681	81,878
Health Care REIT, Inc.	1,075	47,644
Host Hotels & Resorts, Inc. ⁽¹⁾	5,703	66,554
Kimco Realty Corp.	3,404	46,056
Plum Creek Timber Co., Inc.	1,489	56,225
ProLogis	4,049	55,431
Public Storage, Inc.	1,263	102,871
Simon Property Group, Inc.	2,605	207,879
Ventas, Inc.	1,440	62,986
Vornado Realty Trust	1,441	<u>100,783</u>
		1,076,620
Recreational Vehicles & Boats – 0.1%		
Harley-Davidson, Inc.	2,135	<u>53,802</u>
		53,802

December 31, 2009	Shares	Value
Restaurants – 1.0%		
Darden Restaurants, Inc.	1,273	\$ 44,644
McDonald's Corp.	9,772	610,164
Starbucks Corp. ⁽¹⁾	6,745	155,540
Yum! Brands, Inc.	4,353	<u>152,224</u>
		962,572
Scientific Instruments: Control & Filter – 0.3%		
Flowserve Corp.	523	49,439
Pall Corp.	1,035	37,467
Parker Hannifin Corp.	1,487	80,119
Rockwell Automation, Inc.	1,313	61,685
Roper Industries, Inc.	800	41,896
Waters Corp. ⁽¹⁾	909	<u>56,322</u>
		326,928
Scientific Instruments: Electrical – 0.3%		
Emerson Electric Co.	6,756	<u>287,806</u>
		287,806
Scientific Instruments: Gauges & Meters – 0.1%		
Agilent Technologies, Inc. ⁽¹⁾	3,074	<u>95,509</u>
		95,509
Scientific Instruments: Pollution Control – 0.3%		
Republic Services, Inc.	2,867	81,165
Stericycle, Inc. ⁽¹⁾	872	48,108
Waste Management, Inc.	4,473	<u>151,232</u>
		280,505
Securities Brokerage & Services – 0.6%		
CME Group, Inc.	612	205,601
E*TRADE Financial Corp. ⁽¹⁾	13,798	24,147
IntercontinentalExchange, Inc. ⁽¹⁾	667	74,904
NYSE Euronext	2,403	60,796
The Charles Schwab Corp.	8,786	165,353
The NASDAQ OMX Group, Inc. ⁽¹⁾	1,303	<u>25,825</u>
		556,626
Semiconductors & Components – 2.1%		
Advanced Micro Devices, Inc. ⁽¹⁾	5,145	49,804
Altera Corp.	3,012	68,161
Analog Devices, Inc.	2,660	84,003
Broadcom Corp., Class A ⁽¹⁾	3,963	124,636
Intel Corp.	49,916	1,018,286
Linear Technology Corp.	2,040	62,301
LSI Corp. ⁽¹⁾	5,882	35,351

December 31, 2009	Shares	Value
Semiconductors & Components (continued)		
MEMC Electronic Materials, Inc. ⁽¹⁾	2,037	\$ 27,744
Microchip Technology, Inc.	1,680	48,821
Micron Technology, Inc. ⁽¹⁾	7,623	80,499
National Semiconductor Corp.	2,185	33,562
Texas Instruments, Inc.	11,246	293,071
Xilinx, Inc.	2,782	<u>69,717</u>
		1,995,956
Specialty Retail – 1.8%		
Abercrombie & Fitch Co., Class A	786	27,392
AutoNation, Inc. ⁽¹⁾	861	16,488
AutoZone, Inc. ⁽¹⁾	295	46,631
Bed, Bath & Beyond, Inc. ⁽¹⁾	2,421	93,523
Best Buy Co., Inc.	3,154	124,457
GameStop Corp., Class A ⁽¹⁾	1,514	33,217
Limited Brands, Inc.	2,472	47,561
Lowe's Companies, Inc.	13,218	309,169
O'Reilly Automotive, Inc. ⁽¹⁾	1,214	46,278
Office Depot, Inc. ⁽¹⁾	2,451	15,809
RadioShack Corp.	1,077	21,001
Ross Stores, Inc.	1,069	45,657
Staples, Inc.	6,564	161,409
The Gap, Inc.	4,439	92,997
The Home Depot, Inc.	15,635	452,321
The TJX Companies, Inc.	3,748	<u>136,989</u>
		1,670,899
Steel – 0.3%		
AK Steel Holding Corp.	955	20,389
Allegheny Technologies, Inc.	847	37,920
Nucor Corp.	2,956	137,898
United States Steel Corp.	1,286	<u>70,884</u>
		267,091
Technology: Miscellaneous – 0.0%		
Jabil Circuit, Inc.	1,688	<u>29,321</u>
		29,321
Telecommunications Equipment – 0.3%		
American Tower Corp., Class A ⁽¹⁾	3,746	161,864
Motorola, Inc. ⁽¹⁾	20,822	<u>161,579</u>
		323,443
Textiles Apparel & Shoes – 0.5%		
Coach, Inc.	2,922	106,741
NIKE, Inc., Class B	3,577	236,333

December 31, 2009	Shares	Value
Textiles Apparel & Shoes (continued)		
Polo Ralph Lauren Corp.	533	\$ 43,162
VF Corp.	814	<u>59,617</u>
		445,853
Tobacco — 1.5%		
Altria Group, Inc.	18,995	372,872
Lorillard, Inc.	1,442	115,692
Philip Morris International, Inc.	17,138	825,880
Reynolds American, Inc.	1,527	<u>80,885</u>
		1,395,329
Toys — 0.1%		
Hasbro, Inc.	1,178	37,766
Mattel, Inc.	3,313	<u>66,194</u>
		103,960
Transportation Miscellaneous — 0.6%		
Expeditors International of Washington, Inc.	1,800	62,514
United Parcel Service, Inc., Class B	9,092	<u>521,608</u>
		584,122
Truckers — 0.1%		
C.H. Robinson Worldwide, Inc.	1,562	<u>91,736</u>
		91,736
Utilities: Electrical — 3.1%		
Allegheny Energy, Inc.	1,551	36,417
Ameren Corp.	2,162	60,428
American Electric Power, Inc.	4,471	155,546
CMS Energy Corp.	1,914	29,973
Consolidated Edison, Inc.	2,507	113,893
Constellation Energy Group	1,821	64,045
Dominion Resources, Inc.	5,581	217,213
DTE Energy Co.	1,491	64,993
Duke Energy Corp.	11,899	204,782
Edison International	3,037	105,627
Entergy Corp.	1,659	135,773
Exelon Corp.	6,103	298,254
FirstEnergy Corp.	2,871	133,358
FPL Group, Inc.	3,862	203,991
Northeast Utilities	1,500	38,685
Pepco Holdings, Inc.	2,018	34,003
PG&E Corp.	3,385	151,140
Pinnacle West Capital Corp.	856	31,312
PPL Corp.	3,424	110,629
Progress Energy, Inc.	2,635	108,061

December 31, 2009	Shares	Value
Utilities: Electrical (continued)		
Public Service Enterprise Group, Inc.	4,451	\$ 147,996
SCANA Corp.	1,000	37,680
Southern Co.	7,345	244,735
TECO Energy, Inc.	2,145	34,792
The AES Corp. ⁽¹⁾	6,112	81,351
Wisconsin Energy Corp.	673	33,536
Xcel Energy, Inc.	3,174	<u>67,352</u>
		2,945,565
Utilities: Gas Distributors – 0.3%		
CenterPoint Energy, Inc.	3,529	51,206
Nicor, Inc.	382	16,082
NiSource, Inc.	2,509	38,588
Questar Corp.	1,582	65,764
Sempra Energy	2,226	<u>124,612</u>
		296,252
Utilities: Miscellaneous – 0.0%		
Integrus Energy Group, Inc.	698	<u>29,309</u>
		29,309
Utilities: Telecommunications – 2.9%		
AT&T, Inc.	53,261	1,492,906
CenturyTel, Inc.	2,775	100,483
Frontier Communications Corp.	2,871	22,422
MetroPCS Communications, Inc. ⁽¹⁾	2,421	18,472
Qwest Communications International, Inc.	14,081	59,281
Sprint Nextel Corp. ⁽¹⁾	26,371	96,518
Verizon Communications, Inc.	26,005	861,546
Windstream Corp.	4,007	<u>44,037</u>
		2,695,665
Total Common Stocks (Cost \$96,067,533)		90,104,392

	Principal Amount	Value
U.S. Government Securities – 0.5%		
U.S. Treasury Notes – 0.5%		
U.S. Treasury Notes		
1.00% due 7/31/2011 - 9/30/2011 ⁽²⁾	\$430,000	\$ 430,104
3.125% due 5/15/2019 ⁽²⁾	10,000	<u>9,470</u>
		439,574
Total U.S. Government Securities (Cost \$440,353)		439,574

December 31, 2009	Principal Amount	Value
Repurchase Agreements – 2.2%		
State Street Bank and Trust Co. Repurchase Agreement, 0.00% dated 12/31/2009, maturity value of \$2,107,000, due 1/4/2010 ⁽³⁾	\$2,107,000	\$ 2,107,000
Total Repurchase Agreements (Cost \$2,107,000)		2,107,000
Total Investments - 98.4% (Cost \$98,614,886)		92,650,966
Other Assets, Net - 1.6%		1,530,235
Total Net Assets - 100.0%		\$94,181,201

⁽¹⁾ Non-income producing security.

⁽²⁾ Security is segregated as collateral to cover margin requirements on open futures contracts.

⁽³⁾ The table below presents collateral for repurchase agreements.

Security	Coupon	Maturity Date	Value
FHLMC	4.375%	7/17/2015	\$2,153,725

The table below presents futures contracts as of December 31, 2009.

Description	Number of Contracts	Expiration	Face Value (000s)	Unrealized Appreciation
Purchased Futures Contracts				
S&P 500 E Mini Index	44	3/19/2010	\$2,444	\$51,379

The following is a summary of the inputs used as of December 31, 2009 in valuing the Fund's investments. For more information on valuation inputs, please refer to Note 1a of the accompanying Notes to Financial Statements.

————— *Valuation Inputs* —————

Investments in Securities	Level 1	Level 2	Level 3	Total
Common Stocks	\$90,104,392	\$ —	\$—	\$90,104,392
U.S. Government Securities	—	439,574	—	439,574
Repurchase Agreements	—	2,107,000	—	2,107,000
Other Financial Instruments				
Financial Futures Contracts	51,379	—	—	51,379
Total	\$ 90,155,771	\$ 2,546,574	\$—	\$ 92,702,345

Statement of Assets and Liabilities As of December 31, 2009	RS S&P 500 Index
Assets	
Investments, at value	\$ 92,650,966
Cash and cash equivalents	521
Receivable for fund shares subscribed	2,318,567
Dividends/interest receivable	126,779
Receivable for investments sold	93,781
Due from distributor	6,558
Total Assets	95,197,172
Liabilities	
Payable for fund shares redeemed	793,119
Payable for investments purchased	96,380
Payable for variation margin	25,080
Payable to adviser	19,567
Accrued trustees' fees	1,361
Accrued expenses/other liabilities	80,464
Total Liabilities	1,015,971
Total Net Assets	\$ 94,181,201
Net Assets Consist of:	
Paid-in capital	\$193,753,202
Accumulated undistributed net investment income	798
Accumulated net realized loss from investments and futures contracts	(93,660,258)
Net unrealized depreciation on investments and futures contracts	(5,912,541)
Total Net Assets	\$ 94,181,201
Investments, at Cost	\$ 98,614,886

Statement of Assets and Liabilities (Continued)	RS S&P 500
As of December 31, 2009	Index
Pricing of Shares	
Net Assets:	
Class A	\$56,619,466
Class B	2,159,991
Class C	12,659,138
Class K	22,742,606
Shares of Beneficial Interest Outstanding with no Par Value:	
Class A	7,496,814
Class B	277,985
Class C	1,687,317
Class K	3,024,487
Net Asset Value Per Share:	
Class A	\$ 7.55
Class B	7.77
Class C	7.50
Class K	7.52
Sales Charge Class A (Load)	3.00%
Maximum Offering Price Per Class A Share	\$ 7.78

Statement of Operations For the Year Ended December 31, 2009	RS S&P 500 Index
Investment Income	
Dividends	\$ 1,716,781
Interest	3,636
Withholding taxes on foreign dividends	(62)
Total Investment Income	<u>1,720,355</u>
Expenses	
Distribution fees	334,362
Investment advisory fees	189,617
Transfer agent fees	161,004
Custodian fees	76,228
Professional fees	37,914
Shareholder reports	25,172
Administrative service fees	14,588
Trustees' fees	4,597
Other expenses	54,027
Total Expenses	<u>897,509</u>
Less: Fee/Expense waiver by distributor	(464,515)
Less: Custody credits	(43)
Total Expenses, Net	<u>432,951</u>
Net Investment Income	<u>1,287,404</u>
Realized Gain/(Loss) and Change in Unrealized Appreciation/Depreciation on Investments and Futures Contracts	
Net realized loss from investments	(1,861,707)
Net realized gain from futures contracts	1,013,809
Net change in unrealized appreciation/depreciation on investments	18,362,421
Net change in unrealized appreciation/depreciation on futures contracts	13,009
Net Gain on Investments and Futures Contracts	<u>17,527,532</u>
Net Increase in Net Assets Resulting from Operations	<u>\$ 18,814,936</u>

Statement of Changes in Net Assets		RS S&P 500 Index	
	For the Year Ended 12/31/09	For the Year Ended 12/31/08	
Operations			
Net investment income	\$ 1,287,404	\$ 2,264,521	
Net realized loss from investments and futures contracts	(847,898)	(10,791,896)	
Net change in unrealized appreciation/depreciation on investments and futures contracts	18,375,430	(55,715,843)	
Net Increase/(Decrease) in Net Assets Resulting from Operations	18,814,936	(64,243,218)	
Distributions to Shareholders			
Net investment income			
Class A	(811,021)	(1,713,235)	
Class B	(12,886)	(1,236)	
Class C	(143,694)	(180,725)	
Class K	(307,632)	(409,911)	
Total Distributions	(1,275,233)	(2,305,107)	
Capital Share Transactions			
Proceeds from sales of shares	22,020,164	47,086,133	
Reinvestment of distributions	1,208,146	2,200,651	
Cost of shares redeemed	(16,411,227)	(84,172,049)	
Net Increase/(Decrease) in Net Assets Resulting from Capital Share Transactions	6,817,083	(34,885,265)	
Net Increase/(Decrease) in Net Assets	24,356,786	(101,433,590)	
Net Assets			
Beginning of year	69,824,415	171,258,005	
End of year	\$ 94,181,201	\$ 69,824,415	
Distributions in Excess of Net Investment Income Included in Net Assets	\$ —	\$ (10,375)	
Accumulated Undistributed Net Investment Income Included in Net Assets	\$ 798	\$ —	
Other Information:			
Shares			
Sold	3,331,044	6,893,841	
Reinvested	162,994	369,394	
Redeemed	(2,506,108)	(12,853,643)	
Net Increase/(Decrease)	987,930	(5,590,408)	

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The financial highlights table is intended to help you understand each Fund's financial performance for the past five years. Certain information reflects financial results for a single Fund share. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in each Fund (assuming reinvestment of all distributions).

Financial Highlights						
	Net Asset Value, Beginning of Period	Net Investment Income	Net Realized and Unrealized Gain/(Loss)	Total Operations	Distributions From Net Investment Income	Distributions From Net Realized Capital Gains
RS S&P 500 Index Fund						
Class A						
Year Ended 12/31/09	\$ 6.07	\$0.13	\$ 1.46	\$ 1.59	\$(0.11)	\$—
Year Ended 12/31/08	10.03	0.24	(3.98)	(3.74)	(0.22)	—
Year Ended 12/31/07	9.72	0.16	0.31	0.47	(0.16)	—
Year Ended 12/31/06	8.55	0.14	1.16	1.30	(0.13)	—
Year Ended 12/31/05	8.30	0.11	0.25	0.36	(0.11)	—
Class B						
Year Ended 12/31/09	\$ 6.24	\$0.11	\$ 1.47	\$ 1.58	\$(0.05)	\$—
Year Ended 12/31/08	10.01	0.20	(3.97)	(3.77)	(0.00) ³	—
Year Ended 12/31/07	9.70	0.07	0.32	0.39	(0.08)	—
Year Ended 12/31/06	8.54	0.06	1.16	1.22	(0.06)	—
Year Ended 12/31/05	8.28	0.05	0.26	0.31	(0.05)	—
Class C						
Year Ended 12/31/09	\$ 6.06	\$0.09	\$ 1.44	\$ 1.53	\$(0.09)	\$—
Year Ended 12/31/08	9.99	0.09	(3.85)	(3.76)	(0.17)	—
Year Ended 12/31/07	9.68	0.07	0.32	0.39	(0.08)	—
Year Ended 12/31/06	8.53	0.06	1.16	1.22	(0.07)	—
Year Ended 12/31/05	8.27	0.05	0.26	0.31	(0.05)	—
Class K						
Year Ended 12/31/09	\$ 6.06	\$0.11	\$ 1.45	\$ 1.56	\$(0.10)	\$—
Year Ended 12/31/08	10.02	0.12	(3.88)	(3.76)	(0.20)	—
Year Ended 12/31/07	9.70	0.11	0.32	0.43	(0.11)	—
Year Ended 12/31/06	8.55	0.09	1.17	1.26	(0.11)	—
Year Ended 12/31/05	8.29	0.07	0.26	0.33	(0.07)	—

Total Distributions	Net Asset Value, End of Period	Total Return ¹	Net Assets, End of Period (000s)	Net Ratio of Expenses to Average Net Assets ²	Gross Ratio of Expenses to Average Net Assets	Net Ratio of Net Investment Income to Average Net Assets ²	Gross Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
\$(0.11)	\$ 7.55	26.30%	\$ 56,619	0.38%	1.00%	1.90%	1.28%	9%
(0.22)	6.07	(37.25)%	48,363	0.49%	0.74%	1.79%	1.54%	5%
(0.16)	10.03	4.86%	129,211	0.53%	0.72%	1.45%	1.26%	3%
(0.13)	9.72	15.27%	142,260	0.53%	0.71%	1.44%	1.26%	4%
(0.11)	8.55	4.40%	149,719	0.53%	0.71%	1.36%	1.18%	4%
\$(0.05)	\$ 7.77	25.32%	\$ 2,160	1.13%	1.89%	1.16%	0.40%	9%
(0.00) ³	6.24	(37.62)%	1,925	1.27%	1.61%	0.85%	0.51%	5%
(0.08)	10.01	4.00%	11,976	1.28%	1.53%	0.70%	0.45%	3%
(0.06)	9.70	14.33%	12,664	1.28%	1.72%	0.69%	0.25%	4%
(0.05)	8.54	3.75%	12,913	1.28%	1.71%	0.60%	0.17%	4%
\$(0.09)	\$ 7.50	25.21%	\$ 12,659	1.13%	1.66%	1.11%	0.58%	9%
(0.17)	6.06	(37.63)%	6,730	1.24%	1.56%	1.07%	0.75%	5%
(0.08)	9.99	4.02%	10,618	1.28%	1.55%	0.71%	0.44%	3%
(0.07)	9.68	14.31%	10,472	1.28%	1.75%	0.70%	0.23%	4%
(0.05)	8.53	3.76%	9,370	1.28%	1.76%	0.61%	0.13%	4%
\$(0.10)	\$ 7.52	25.78%	\$ 22,743	0.78%	1.40%	1.46%	0.84%	9%
(0.20)	6.06	(37.48)%	12,806	0.89%	1.14%	1.41%	1.16%	5%
(0.11)	10.02	4.40%	19,453	0.93%	1.30%	1.06%	0.69%	3%
(0.11)	9.70	14.76%	17,304	0.93%	1.15%	1.05%	0.83%	4%
(0.07)	8.55	4.05%	13,074	0.93%	1.12%	0.96%	0.77%	4%

Distributions reflect actual per-share amounts distributed for the period.

¹ Initial sales charges or contingent deferred sales charges are not reflected in the calculation of total return.

² Net Ratio of Expenses to Average Net Assets and Net Ratio of Net Investment Income to Average Net Assets include the effect of fee waivers, expense limitations, and custody credits, if applicable.

³ Rounds to \$0.00 per share.

Notes to Financial Statements

December 31, 2009

RS Investment Trust (the "Trust"), a Massachusetts business trust organized on May 11, 1987, is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company. RS S&P 500 Index Fund (the "Fund") is a series of the Trust. The Fund is a diversified fund. The financial statements for the other remaining series of the Trust are presented in separate reports.

The Fund offers Class A, B, C and K shares. The classes differ principally in their respective sales charges, transfer agent expenses, and other expenses. In general, all classes of shares have identical rights to earnings, assets and voting privileges, and differ only as to class-specific expenses and voting rights with respect to matters affecting fewer than all classes.

The Fund has an unlimited number of shares of beneficial interest with no par value. Shares are bought and sold at closing net asset value ("NAV"), which is the price for all outstanding shares of the Fund, as applicable.

Note 1 Significant Accounting Policies

The following policies are in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

a. Investment Valuations Marketable securities are valued at the last reported sale price on the principal exchange or market on which they are traded; or, if there were no sales that day, at the mean between the closing bid and asked prices. Securities traded on the NASDAQ Stock Market, LLC ("NASDAQ") are generally valued at the NASDAQ official closing price, which may not be the last sale price. If the NASDAQ official closing price is not available for a security, that security is generally valued using the last reported sale price, or, if no sales are reported, at the mean between the closing bid and asked prices. Short-term investments that will mature in 60 days or less are valued at amortized cost, which approximates market value. Repurchase agreements are carried at cost, which approximates market value (See Note 5b). Foreign securities are valued in the currencies of the markets in which they trade and then converted to U.S. dollars using the prevailing exchange rates at the close of the New York Stock Exchange ("NYSE"). Future contracts shall be valued at the settlement prices established each day by the boards of trade or exchanges on which they are traded.

Securities for which market quotations are not readily available or for which market quotations may be considered unreliable are valued at their fair values as determined in accordance with guidelines and procedures adopted by the Trust's Board of Trustees.

Securities whose values have been materially affected by events occurring before the Fund's valuation time but after the close of the securities' principal exchange or market

may be fair valued using methods approved by the Board of Trustees. In addition, if there has been a movement in the U.S. markets that exceeds a specified threshold, the values of the Fund's investments in foreign securities are generally determined by a pricing service using pricing models designed to estimate likely changes in the values of those securities.

The Fund has adopted the authoritative guidance under GAAP on determining fair value when the volume and level of activity for an asset or liability have significantly decreased and for identifying transactions that are not orderly. Accordingly, if the Fund determines that either the volume and/or level of activity for an asset or liability has significantly decreased (from normal conditions for that asset or liability) or price quotations or observable inputs are not associated with orderly transactions, increased analysis and management judgment will be required to estimate fair value.

In accordance with Financial Accounting Standards Board Codification Topic 820 ("ASC Topic 820"), fair value is defined as the price that the Fund would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market for the investment. ASC Topic 820 established a hierarchy to establish classification of fair value measurements for disclosure purposes. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy of inputs is summarized in the three broad levels listed below.

- **Level 1** — unadjusted quoted prices in active markets for identical investments
- **Level 2** — inputs other than unadjusted quoted prices that are observable either directly or indirectly (including adjusted quoted prices for similar investments, interest rates, prepayment speeds, credit risks, etc.)
- **Level 3** — significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A security's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Trust. The Trust considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, and provided by independent sources that are actively involved in the relevant market. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Changes in valuation techniques may result in transfers in, to or out of an investment's assigned level within the hierarchy.

In determining a security's placement within the hierarchy, the Trust separates the Fund's investment portfolio into two categories: investments and financial instruments (e.g. futures).

Investments. Investments whose values are based on quoted market prices in active markets, and are therefore classified within level 1, include active listed equities, and certain fixed income securities. The Trust does not adjust the quoted price for such instruments, even in situations where the Fund holds a large position and a sale could reasonably impact the quoted price.

Investments that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include certain U.S. government and sovereign obligations, most government agency securities, investment-grade corporate bonds, certain mortgage products, state, municipal and provincial obligations, and certain foreign equity securities.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently or not at all. Level 3 investments include, among other things, private placement securities. When observable prices are not available for these securities, the Trust uses one or more valuation techniques for which sufficient and reliable data is available. The inputs used by the Trust in estimating the value of level 3 investments include the original transaction price, recent transactions in the same or similar instruments, completed or pending third-party transactions in the underlying investment or comparable issuers, subsequent rounds of financing, recapitalizations, and other transactions across the capital structure. Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Trust in the absence of market information. Assumptions used by the Trust due to the lack of observable inputs may significantly impact the resulting fair value and therefore the Fund's results of operations.

Financial Instruments. Exchange-traded derivatives, such as futures contracts and exchange traded option contracts, are typically classified within level 1 or level 2 of the fair value hierarchy depending on whether or not they are deemed to be actively traded. Certain derivatives, such as generic forwards, swaps and options, have inputs which can generally be corroborated by market data and are therefore classified within level 2.

b. Federal Income Taxes The Fund intends to continue complying with the requirements of the Internal Revenue Code to qualify as a regulated investment company and to distribute substantially all net investment income and realized net capital gains, if any, to shareholders. Therefore, the Fund does not expect to be subject to income tax, and no provision for such tax has been made.

From time to time, however, the Fund may choose to pay an excise tax if the cost of making the required distribution exceeds the amount of the excise tax.

As of December 31, 2009, the Trust has reviewed the tax positions for open periods, as applicable to the Fund, and has determined that no provision for income tax is required in the Fund's financial statements. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the year ended December 31, 2009, the Fund did not incur any interest or penalties. The Fund is not subject to examination by U.S. federal tax authorities for tax years before 2006 and by state authorities for tax years before 2005.

c. Securities Transactions Securities transactions are accounted for on the date securities are purchased or sold (trade date). Realized gains or losses on securities transactions are determined on the basis of specific identification.

d. Futures Contracts The Fund may enter into financial futures contracts. In entering into such contracts, the Fund is required to deposit with the broker, either in cash or securities, an amount equal to a certain percentage of the notional value of the contract. Subsequent payments are received or made by the Fund each day, depending on the daily fluctuations in the values of the contracts, and are recorded for financial statement purposes as variation margin received or paid by the Fund. Daily changes in variation margin are recognized as unrealized gains or losses by the Fund. The Fund may not achieve the anticipated benefits of the financial futures contracts and may realize a loss.

e. Derivative Instruments and Hedging Activities The Fund adopted Financial Accounting Standards Board Codification Topic 815, effective January 1, 2009. FAS 161 requires enhanced disclosures about the Fund's derivative and hedging activities.

The following is a summary of the fair valuation of the Fund's derivative instruments categorized by risk exposure at December 31, 2009.

Derivative Instrument Type	Statement of Assets and Liabilities Location	Value
Financial Futures Contracts	Net unrealized appreciation on investments and futures contracts*	\$51,379

* The cumulative appreciation of financial futures contracts is reported in the notes to the Schedule of Investments. Only the daily change in variation margin as of the reporting date is presented in the Statement of Assets and Liabilities. See Note 1d for additional information on futures contracts.

The following is a summary of the effect of the Fund's derivative instruments on the Statement of Operations for the year ended December 31, 2009.

Derivative Instrument Type	Location of Gain/(Loss) on Derivatives Recognized in Income	Amount
Financial Futures Contracts	Net realized gain from futures contracts	\$1,013,809
	Net change in unrealized appreciation/depreciation on futures contracts	\$ 13,009

The Fund held an average face value of \$2,673,000 S&P 500 E Mini Futures Contracts for the year ended December 31, 2009.

The Fund may, but will not necessarily, enter into derivative transactions, such as financial futures contracts, as a substitute for the purchase or sale of securities or when there is significant cash received from fund shares sold.

f. Investment Income Dividend income is generally recorded on the ex-dividend date. Interest income, which includes amortization/accretion of premium/discount, is accrued and recorded daily.

In calculating net asset value per share for each class, investment income, realized and unrealized gains and losses and expenses other than class specific expenses, are allocated daily to each class of shares based upon the proportion of net assets of each class at the beginning of the day.

g. Expenses Many expenses of the Trust can be directly attributed to a specific Fund. Expenses that cannot be directly attributed to a specific Fund are generally apportioned among all the series in the Trust, based on relative net assets.

h. Custody Credits The Fund has entered into an arrangement with its custodian, State Street Bank and Trust Company, whereby credits realized as a result of uninvested cash balances are used to reduce the Fund's custodian expenses. The Fund's custody credits, if any, are shown in the accompanying Statement of Operations.

i. Distributions to Shareholders The Fund intends to declare and distribute substantially all net investment income, if any, at least once a year. Distributions of net realized capital gains, if any, are declared and paid at least once a year. Distributions to shareholders are recorded on the ex-dividend date.

j. Capital Accounts Due to the timing of dividend distributions and the differences in accounting for income and realized gains/(losses) for financial statement purposes versus federal income tax purposes, the fiscal year in which amounts are distributed may differ from the year in which the income and realized gains/(losses) were recorded by the Fund.

k. Temporary Borrowings The Fund, with other funds managed by the same adviser, shares in a \$75 million committed revolving credit/overdraft protection facility from State Street Bank and Trust Company for temporary purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. Interest is calculated based on market rates at the time of borrowing; all the funds that are parties to the facility share in a commitment fee that is allocated among the funds on the basis of their respective net assets. The Fund may borrow up to the lesser of one-third of its total assets (including amounts borrowed) or any lower limit specified in the Fund's Statement of Additional Information or Prospectus.

For the year ended December 31, 2009, the Fund did not borrow from the facility.

Note 2 Transactions with Affiliates

a. Advisory Fee and Expense Limitation Under the terms of the advisory agreement, which is reviewed and approved annually by the Board of Trustees, the Fund pays an investment advisory fee to RS Investment Management Co. LLC ("RS Investments"). Guardian Investor Services LLC ("GIS"), a subsidiary of The Guardian Life Insurance Company of America, holds a majority interest in RS Investments. RS Investments receives an investment advisory fee based on the average daily net assets of the Fund at an annual rate of 0.25%.

RS Investments has entered into a Sub-Advisory Services Agreement with GIS. GIS is responsible for providing day-to-day investment advisory services to the Fund, subject to the supervision and direction of the Board of Trustees of the Trust and review by RS Investments. As compensation for GIS's services, RS Investments pays fees to GIS at an annual rate of 0.2375% of the average daily net assets of the Fund. Payment of the sub-investment advisory fee does not represent a separate or additional expense to the Fund.

Pursuant to a written agreement in effect through April 30, 2010, expense limitations have been imposed whereby RS Investments and certain affiliates including GIS have agreed to limit the Fund's total annual fund operating expenses to the following rates:

Expense Limitation			
Class A	Class B	Class C	Class K
0.38%	1.13%	1.13%	0.78%

RS Investments and GIS do not intend to recoup any reimbursed expenses or waived advisory fees from a prior year under expense limitations then in effect for the Fund.

b. Compensation of Trustees and Officers Trustees and officers of the Trust who are interested persons of RS Investments, as defined in the 1940 Act, receive no compensation from the Fund for acting as such. Trustees of the Trust who are not interested persons of RS Investments receive compensation and reimbursement of expenses.

c. Distribution Fees GIS serves as the principal underwriter for shares of the Fund. The Fund has entered into an agreement with GIS for distribution services with respect to its shares and has adopted a distribution plan pursuant to Rule 12b-1 under the 1940 Act, whose continuance is reviewed annually by the Trust's Board of Trustees. Under the plan, GIS is compensated for services in such capacity, including its expenses in connection with the promotion and distribution of shares of the Fund.

	Annual Rate	Distribution Fees
Class A	0.25%	\$122,630
Class B	1.00%	18,972
Class C	1.00%	88,358
Class K	0.65%	104,402

RS Investments may perform certain services and incur certain expenses in respect of the promotion of the Fund's shares and the servicing of shareholder accounts. GIS makes payments from the amounts it receives from the Fund pursuant to the distribution plan to RS Investments, GIS, or third parties, with respect to the marketing, distribution, or promotion of the Fund or the servicing of shareholder accounts. In addition to payments under the distribution plan, the Fund reimburses GIS for payments GIS makes to financial intermediaries that provide certain administrative, recordkeeping, and account maintenance services. The amount of the reimbursement is calculated in a manner approved by the Board of Trustees and is reviewed by the Board of Trustees periodically. Such amounts are included in the Statement of Operations under the caption "Transfer agent fees".

Park Avenue Securities LLC ("PAS"), a wholly-owned subsidiary of The Guardian Insurance & Annuity Company, Inc. ("GIAC") and an affiliate of GIS, distributes the Fund's shares as a retail broker-dealer. For the year ended December 31, 2009, PAS informed the Trust it received \$2,192,311 directly or indirectly from GIS as continuing compensation for its services on behalf of all series in the Trust.

For the year ended December 31, 2009, aggregate front-end sales charges for the sale of Class A shares paid to GIS were \$3,364

GIS is entitled to retain any contingent deferred sales load (“CDSL”) imposed on certain share redemptions. For the year ended December 31, 2009, GIS received CDSL charges of \$1,438

Note 3 Federal Income Taxes

a. Distributions to Shareholders The tax character of distributions paid during the years ended December 31, 2009 and December 31, 2008, was as follows:

Ordinary Income		Long-Term Capital Gain		Return of Capital	
2009	2008	2009	2008	2009	2008
\$1,275,233	\$2,305,107	\$ —	\$ —	\$ —	\$ —

Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences, and differing characterizations of distributions made by the Fund. Permanent book and tax basis differences will result in reclassifications to paid-in capital, undistributed net investment income and accumulated undistributed net realized gain/(loss) on investments and foreign currency transactions. Undistributed net investment income and accumulated undistributed net realized gain/(loss) on investments and foreign currency transactions may include temporary book and tax differences, which will reverse in a subsequent period.

As of December 31, 2009, the Fund made the following reclassifications of permanent book and tax basis differences:

Paid-in-Capital	Accumulated Net Investment Income	Accumulated Net Realized Gain/(Loss)
\$1,882	\$(998)	\$(884)

The tax basis of distributable earnings as of December 31, 2009 were as follows:

Undistributed Ordinary Income	Undistributed Long-Term Capital gains
\$798	\$ —

During any particular year, net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed and, therefore, are normally distributed to shareholders annually.

During the year ended December 31, 2009, the Fund did not utilize capital loss carryovers. Capital loss carryovers available to the Fund at December 31, 2009 were as follows:

<i>Expiring</i>						
2009	2010	2011	2014	2016	2017	Total
\$ —	\$81,678,566	\$155,054	\$103,184	\$1,325,598	\$9,579,258	\$92,841,660

In determining its taxable income, current tax law permits the Fund to elect to treat all or a portion of any net capital or currency loss realized after October 31 as occurring on the first day of the following fiscal year. For the year ended December 31, 2009, the Fund elected to defer net capital and currency losses of \$53,311.

b. Tax Basis of Investments The cost of investments for federal income tax purposes at December 31, 2009, was \$99,328,794. The gross unrealized appreciation and depreciation on investments, on a tax basis, at December 31, 2009, aggregated \$17,821,728 and \$(24,499,556), respectively, resulting in net unrealized appreciation/depreciation of \$(6,677,828).

Note 4 Capital Shares

a. Transactions The Fund has authorized an unlimited number of shares of beneficial interest with no par value. Transactions in capital shares for the Fund were as follows:

Transactions in Capital Shares

RS S&P 500 Index Fund				
	For the Year Ended 12/31/09		For the Year Ended 12/31/08	
	Shares	Amount	Shares	Amount
Class A				
Shares sold	1,225,483	\$ 8,071,035	6,270,656	\$ 42,100,324
Shares reinvested	103,304	767,387	272,056	1,621,458
Shares redeemed	(1,797,278)	(11,701,515)	(11,466,061)	(72,336,226)
Net decrease	(468,491)	\$ (2,863,093)	(4,923,349)	\$ (28,614,444)
Class B				
Shares sold	27,700	\$ 194,770	25,798	\$ 191,082
Shares reinvested	1,636	12,485	196	1,201
Shares redeemed	(60,006)	(400,385)	(913,684)	(8,001,128)
Net decrease	(30,670)	\$ (193,130)	(887,690)	\$ (7,808,845)
Class C				
Shares sold	633,227	\$ 4,155,663	101,752	\$ 770,568
Shares reinvested	16,369	120,642	28,249	168,082
Shares redeemed	(73,704)	(459,137)	(81,197)	(624,386)
Net increase	575,892	\$ 3,817,168	48,804	\$ 314,264
Class K				
Shares sold	1,444,634	\$ 9,598,696	495,635	\$ 4,024,159
Shares reinvested	41,685	307,632	68,893	409,910
Shares redeemed	(575,120)	(3,850,190)	(392,701)	(3,210,309)
Net increase	911,199	\$ 6,056,138	171,827	\$ 1,223,760

b. Shareholder Concentration As of December 31, 2009, the number of shareholders and/or omnibus shareholder accounts (which are comprised of individual shareholders) who owned of record 5% or more of the Net Assets of any class of a Fund is summarized in the following table:

	Number of Shareholders	Percentage of Net Assets
	1	22.09%

Note 5 Investments

a. Investment Purchases and Sales The cost of investments purchased and the proceeds from investments sold (excluding short-term investments) amounted to \$13,385,554 and \$6,806,701, respectively, for the year ended December 31, 2009.

b. Repurchase Agreements The collateral for repurchase agreements is either cash or fully negotiable U.S. government securities (including U.S. government agency securities). Repurchase agreements are fully collateralized (including the interest accrued thereon) and such collateral is marked-to-market daily while the agreements remain in force. If the value of the collateral falls below the repurchase price plus accrued interest, the Fund will typically require the seller to deposit additional collateral by the next business day. If the request for additional collateral is not met, or the seller defaults, the Fund maintains the right to sell the collateral and may claim any resulting loss against the seller.

Note 6 Review for Subsequent Events

The Trust evaluated the possibility of subsequent events existing in the Fund's financial statements through February 19, 2010, the date the financial statements were available to be issued. The Trust determined that there are no material events that would require disclosure in the Fund's financial statements through this date.

Note 7 Indemnifications

Under the Trust's organizational documents, its officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund. In addition, in the normal course of business, the Fund enters into contracts with its vendors and others that provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund. However, based on experience, the Fund expects the risk of loss to be remote.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of: RS S&P 500 Index Fund

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of RS S&P 500 Index Fund (one of the portfolios constituting RS Investment Trust, and hereafter referred to as the "Fund") at December 31, 2009, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the four years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2009 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

The financial highlights for the year ended December 31, 2005 were audited by other auditors whose report dated February 8, 2006 expressed an unqualified opinion on those financial highlights.

PricewaterhouseCoopers LLP
San Francisco, California
February 19, 2010

Tax Designation (unaudited)

As required by the Internal Revenue Code, the following percentages of ordinary income distributions paid for the year ended December 31, 2009 have been designated as: 1) qualified for the reduced tax rate under The Job and Growth Tax Relief Reconciliation Act of 2003, and 2) eligible for the dividend received deduction for corporate shareholders:

Qualifying Dividend Income:

RS S&P 500 Index Fund	100%
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Dividend Received Deduction:

RS S&P 500 Index Fund	100%
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Supplemental Information (unaudited)

Approval of the Investment Advisory Agreements for RS Investment Trust

The Board of Trustees of the RS Investment Trust, including all the disinterested Trustees, met in person on August 11 - 12, 2009, to consider the continuation of the Advisory Agreements for the one-year period commencing August 31, 2009. During the previous several weeks, the Trustees met with the independent Trustees' counsel and independent consultants in preparation for this meeting. In an executive session immediately prior to the meeting, the disinterested Trustees (i) had confirmed their receipt of all the information they had requested from RS Investments, (ii) had reviewed again the memorandum prepared by counsel regarding the fiduciary duties of the disinterested Trustees, and (iii) had reviewed the conclusions they had reached relating to annual renewal matters. The independent Trustees' counsel stated that at this time the disinterested Trustees had no further requests for information from RS Investments. The Chair of the Board of Trustees, who is an independent Trustee, thanked RS Investments for providing complete responses to all of the Trustees' questions in connection with their consideration of the annual continuation of the Advisory Agreements.

The independent Trustees' counsel summarized for the Trustees the steps the Trustees had taken in connection with consideration of the annual continuation of the Funds' investment advisory arrangements, including the materials they had reviewed. He noted that the review had encompassed the Advisory Agreements for all of the Funds, and the distribution agreements and Rule 12b-1 plans for all of the Funds. In the discussion, the Chair stated that the Trustees had found the assistance of independent consultants helpful in their review of the written materials relating to Fund performance and expenses.

The independent Trustees' counsel noted that the Trustees had been assisted in their review by the Chief Compliance Officer of the Trust, who reviewed all of the information presented to the Trustees and, with the independent Trustees' counsel's assistance, prepared a written report on the key factors for the Trustees to consider in determining whether to continue the Advisory Agreements. The independent Trustees' counsel noted that the Chief Compliance Officer had concluded in the written report that the information that RS Investments had provided to the Trustees provided a reasonable basis for the Trustees to conclude that the advisory fees proposed in connection with the continuation of the Advisory Agreements were reasonable with respect to each Fund.

The independent Trustees' counsel reported that the Trustees had considered the nature, extent, and quality of the services provided by RS Investments. He said that, in this regard, the Trustees had taken into account the experience of the Funds' portfolio management teams and of RS Investments' senior management, and the time and attention devoted by each to the Funds. He said that the Trustees had considered RS Investments' significant responsibilities in monitoring the services provided by the Funds' sub-advisers.

The independent Trustees' counsel noted that RS Investments had reported that the fees charged by RS Investments to the Funds reflect a number of factors, such as, for example, the generally high quality of the investment management teams at RS Investments, the high levels of compensation that are required to retain the firm's investment professionals, and the alternative employment opportunities available to many of those professionals. The independent Trustees' counsel stated that RS Investments had reported that, in the case of sub-advised Funds, RS Investments pays the majority, in most cases the large majority, of the fees it receives to the Funds' sub-advisers.

The independent Trustees' counsel noted in this regard that the Trustees had reviewed information compiled by the independent Lipper organization showing a comparison of RS Investments' fee rate for each Fund compared to peer mutual funds having similar objectives and strategies, and within the same broad range of asset sizes. He said that the Trustees had been aided by an analysis prepared by an independent consultant retained by the independent Trustees to compare the Funds' advisory fees, expenses and performance to the Funds' peers. He noted that, in his report, the Chief Compliance Officer had stated that the data showed RS Investments' fees to be within the range of comparable mutual funds, even though the fees with respect to some of the Funds tended to be at the higher end of the range.

The independent Trustees' counsel said that the Trustees had reviewed information from the Lipper report showing total expenses for the Funds in comparison to peer funds. He said that the Trustees had considered the total expense ratios of the Funds and noted that the Funds' renegotiated custodial arrangements had resulted in savings for several of the Funds in the prior year. The independent Trustees' counsel said that the outside consultant's report noted that, for a number of the Funds that had been identified as having high expense issues because of limited assets, RS Investments was considering proposing that those Funds be reorganized into another Fund or liquidated.

The independent Trustees' counsel said that the Trustees had considered information provided by RS Investments as to the fees charged by RS Investments to clients other than the Funds, including for institutional separate accounts and for mutual funds for which RS Investments serves as sub-adviser. He said that the Chief Compliance Officer had noted that RS Investments generally charges lower fees to those accounts. He said that the Chief Compliance Officer had noted that, in a number of cases, such an account pays fees at the same rate as the comparable Fund on assets up to a specified level, and then at lower rates on additional assets; in some cases, an account's fee rate will be lower at all levels than that of the comparable Fund. The independent Trustees' counsel noted that RS Investments had reported that administrative, compliance, reporting, and other legal burdens of providing investment advice to mutual funds exceed those required to provide advisory services to non-mutual fund clients such as institutional accounts for retirement or pension plans. The independent Trustees' counsel also noted that RS Investments had explained that there is substantially greater legal and other risk to RS Investments in managing public mutual funds than in managing private accounts or in sub-advising mutual funds sponsored by others, and that the services and resources required of RS Investments where it sub-advises mutual funds sponsored by others are substantially less than in the case of the

Funds, since many of the administrative and compliance responsibilities related to the management function are retained by the primary adviser.

The independent Trustees' counsel said that the Trustees had reviewed performance information for each Fund for various periods. He said that their review had included an examination of comparisons of the performance of the Funds to relevant securities indexes and various peer groups of mutual funds prepared by the Lipper and Morningstar organizations with respect to various periods, and relative rankings of the Funds compared to peer funds during various periods. He said that the Trustees noted that, in his report, the Chief Compliance Officer had found that no Fund appeared to have substantially lagged all peer mutual funds and indexes for all relevant periods, except for those Funds for which action has been taken or is proposed, such as changes to portfolio management, reorganization, or liquidation (such as the RS Large Cap Value VIP Series), or where the discipline associated with the strategy explains a Fund's underperformance (such as the RS Global Natural Resources Fund's lower commodity exposure compared to peer funds, and the high-quality strategy of the RS Money Market Fund).

The independent Trustees' counsel noted that the Trustees had reviewed the detailed financial information provided to them by RS Investments, showing the substantial costs to RS Investments of providing services to the Funds. He said that the Trustees had considered the Chief Compliance Officer's statement, in his report, that he had discussed with RS Investments the basis for the allocation of RS Investments' general or common expenses to the cost analysis for the Funds and that he believed the allocation methodology and resulting allocations were reasonable. The independent Trustees' counsel said that the Trustees had also considered RS Investments' detailed profitability analysis with respect to each Fund for the year ended December 31, 2008, and for the five months ended May 31, 2009. He said that the Trustees had considered the statements of the Chief Compliance Officer, in his report, to the effect that the Value Funds had generally been more profitable over the periods covered than Funds in other investment disciplines, and that the VIP Funds had been less profitable generally than the retail Funds. The independent Trustees' counsel said that the Trustees had also noted the statement in the Chief Compliance Officer's report that the profitability from the Funds to RS Investments had declined in 2008 and that the trend had continued so far in 2009, but that RS Investments has stated that it remains committed to providing high-quality services to the Funds. He said that the Trustees had also noted that RS Investments' sub-advisory business had a lower profit margin due to the reduced fees it receives in respect of that business. He said that the Trustees had also taken into account that the Chief Compliance Officer had noted in his report that a comparable or higher profit margin relating to RS Investments' services to the Funds appeared justifiable by the higher risk and responsibilities associated with the mutual fund business. As to the profitability of the Funds' sub-advisers, he said that the Trustees had considered information provided by RS Investments that had been requested and collected from those sub-advisers, which shows that the profitability of the Funds to GIS, an affiliate of RS Investments, is within the range of profitability for RS Investments, and generally lower.

The independent Trustees' counsel noted that the Trustees had discussed with RS Investments whether economies of scale would likely be realized as the Funds grow and

whether a reduction in the advisory fees paid by the Funds by means of breakpoints would be appropriate. The Trustees reviewed various information provided by RS Investments and considered the conclusions of the Chief Compliance Officer in this regard, noting that the following factors raised by RS Investments and the Chief Compliance Officer had been taken into account: (1) that the profits from the Funds enable RS Investments to devote greater resources to the management of the Funds, including organizational enhancements and financial incentives for the portfolio managers, analysts, and other personnel who in many cases have lucrative alternative employment and business opportunities available to them; (2) that RS Investments is committed to achieving consistently superior investment performance as shown by RS Investments' reinvestment of its resources in an effort to improve its investment processes and in an effort to recruit and retain the best professionals available to it; (3) that RS Investments maintains that one of its strengths generally is the tenure of its investment management teams; and (4) that certain investment styles, such as small-cap and some mid-cap strategies, do not as readily benefit from economies of scale because of the limited ability to increase the size of a Fund's investment in certain portfolio holdings. The independent Trustees' counsel said that the Trustees had taken into account specifically the substantial decline in asset levels of the Funds and the concomitant reduction in revenues and profitability to RS Investments in recent periods, and had determined that, although it may be appropriate to consider breakpoints in the future for certain RS Funds, such a step would not be appropriate at this time.

The independent Trustees' counsel reported that the Trustees had considered the research and other similar services RS Investments receives from many of the broker-dealers with which it places the Funds' (as well as other RS Investments clients') portfolio transactions and from third parties with which these broker-dealers have arrangements. He said that the Trustees had considered the benefit to RS Investments and its affiliates from such services including that (1) the services are of value to RS Investments and its affiliates in advising RS Investments' clients (including the Funds) and (2) RS Investments might otherwise be required to purchase some of these services for cash. He said that, on the basis of the information provided to the Trustees at the meeting and throughout the year, the Trustees had concluded that the benefit to RS Investments of these "soft dollar" relationships did not appear unreasonable and that the Funds appeared to benefit from them.

The independent Trustees' counsel said that the Trustees had reviewed the detailed information provided to them regarding the various sub-advisers to the Funds, including information as to compliance with federal securities laws, capabilities and experience of portfolio management personnel and any changes in such personnel in the past year, certain financial information as to the sub-advisers, information as to their trading practices, and general information as to the pricing of the sub-advisers' services. He said that, on the basis of that information, information provided to them throughout the year, and their periodic meetings with representatives of the sub-advisers, the services provided by them to the Funds was generally acceptable.

The independent Trustees' counsel said that the Trustees had considered generally the nature and quality of the administrative services provided to the Funds by RS Investments and by GIS, including, among other things, their performance during the course of the preceding year and the responsiveness of senior management to the

Trustees' requests. He said that the Trustees had considered generally the continuing favorable interaction of the legacy investment teams at RS Investments and GIS, improvements in control functions between the two firms over the past year, and RS Investments' increased role in providing administrative services to the Funds and were generally satisfied with the services currently being provided by the two firms.

The independent Trustees' counsel then said that the Trustees had considered specifically a number of additional factors cited by the Chief Compliance Officer in his report:

RS Investments continues to integrate the respective RS Investments and GIS organizations. Most of the changes have strengthened the organization and its ability to devote greater resources to the services provided to the Funds. RS is continuing its integration work in this regard.

RS Investments has been responsive to concerns raised by the Trustees with respect to the performance of various Funds and the interaction of members across portfolio management teams. RS Investments acted decisively and effectively to avoid potentially serious problems and disruptions when a key portfolio manager and his team departed in New York.

RS Investments has recommended, discussed, and sought approval from the Boards of Trustees as needed to implement various significant changes affecting the Funds, including liquidations, reorganizations, and expense limitations, both in response to its internal review of various Funds or to concerns expressed by the Boards. In most cases, RS Investments has anticipated issues and addressed them actively with the Boards.

RS Investments has provided all necessary staffing, training, and other compliance resources necessary for the Chief Compliance Officer to perform his responsibilities as the Chief Compliance Officer.

Overall, the independent Trustees noted evidence presented by RS Investments and statements from the Chief Compliance Officer that RS Investments provides (and is committed to providing) very high quality advisory and related services to the Funds.

After considering all of the information described above, including the Chief Compliance Officer's written report, the Trustees voted unanimously to approve the continuation of the various Advisory Agreements, including the advisory fees proposed in connection with that continuation, for the one-year period commencing August 31, 2009.

Portfolio Holdings and Proxy Voting Procedures

The Funds file their complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The Funds' Form N-Q is available on the Securities and Exchange Commission's Web site at <http://www.sec.gov>. The Funds' Form N-Q may be reviewed and copied at the Commission's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330. This information is also available, without charge, upon request, by calling toll-free 800-766-3863.

A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities, and information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 will be available (i) without charge, upon request, by calling toll-free 800-766-3863; (ii) on RS Investments' Web site at <http://www.RSinvestments.com>; and (iii) on the Securities and Exchange Commission's Web site at <http://www.sec.gov>.

Trustees and Officers Information Table

Name, Address,* and Month and Year of Birth	Position(s) Held with Trust	Term of Office and Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee**
Disinterested Trustees					
Judson Bergman, February 1957	Trustee	Since May 2006	Founder and CEO, Envestnet Asset Management, a provider of back-office solutions for financial advisors and the wealth management industry.	34	None
Kenneth R. Fitzsimmons, Jr., October 1945	Trustee	Since May 2007	Retired since September 2002; formerly, Managing Director, Robertson Stephens, an investment banking firm.	34	None
Anne M. Goggin, November 1948	Trustee, Chairman of the Board	Since August 2006	Attorney; Retired, Chief Counsel, Metropolitan Life Insurance Company, an insurance company.	34	None
Christopher C. Melvin, Jr., September 1954	Trustee	Since November 2007	Chairman & CEO, Melvin & Company, LLC, a brokerage firm.	34	None
Gloria S. Nelund, May 1961	Trustee	Since November 2007	CEO and Co-Founder, TriLine Global, an investment firm; formerly, President, Titus Development Group, LLC, a consulting firm; formerly, Head of U.S. Private Wealth Management, Deutsche Bank.	34	None

Name, Address,* and Month and Year of Birth	Position(s) Held with Trust	Term of Office and Length of Time Served†	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee**
Disinterested Trustees (continued)					
John P. Rohal, April 1947	Trustee	Since February 2008; Also from December 2006 to March 2007	Member, Makena Capital Management LLC, an investment management firm; formerly Chairman of EGM Capital, LLC, an investment management firm.	34	None
Interested Trustees and Principal Officers					
Dennis J. Manning,** January 1947	Trustee	Since August 2006	Chairman, RS Investments; President and CEO, The Guardian Life Insurance Company of America, an insurance company ("Guardian Life"); Director, Life Insurance Council of New York, Inc., a life insurance trade association.	34	None
Terry R. Otton,*** March 1954	Trustee; President and Principal Executive Officer	Trustee since December 2006; President and Principal Executive Officer since September 2005; Co-President and Co-Principal Executive Officer November 2004 through September 2005; Treasurer and Principal Financial and Accounting Officer May 2004 through September 2006	CEO (prior to September 2005, co-CEO, COO, and CFO and prior to August 2006, CEO and CFO), RS Investments.	34	None
James E. Klescewski, November 1955	Treasurer and Principal Financial and Accounting Officer	Since September 2006	CFO, RS Investments; formerly, CFO, JCM Partners, LLC, an investment management firm; formerly, CFO, Private Wealth Partners, LLC, an investment management firm.	N/A	N/A

Name, Address,* and Month and Year of Birth	Position(s) Held with Trust	Term of Office and Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee**
Interested Trustees and Principal Officers (continued)					
Benjamin L. Douglas, January 1967	Vice President, Secretary, and Chief Legal Officer	Vice President and Secretary since February 2004; Chief Legal Officer since August 2004	General Counsel, RS Investments.	N/A	N/A
John J. Sanders, Jr., August 1945	Senior Vice President, Chief Compliance Officer, and Anti- Money Laundering Compliance Officer	Senior Vice President since November 2004; Chief Compliance Officer since August 2004; Anti-Money Laundering Compliance Officer since May 2004	Chief Compliance Officer, RS Investments.	N/A	N/A

- + Under the Trust's Agreement and Declaration of Trust, a Trustee serves until his or her successor is elected or qualified, or until he or she sooner dies, resigns, is removed or becomes disqualified. Under the Trust's By-Laws, officers hold office at the pleasure of the Trustees. In addition, the Trustees have designated a mandatory retirement age of 72, which can be deferred annually by unanimous vote of all members of the Board, excluding the member who has reached the retirement age.
- ++ Directorships or trusteeships of companies required to report to the SEC (i.e., "public companies").
* c/o RS Investments, 388 Market Street, 17th Floor, San Francisco, CA 94111.
- ** Mr. Manning is an "interested person" under the 1940 Act by virtue of his position with Guardian Life, the parent of Guardian Investor Services LLC, which owns a majority of the ownership interest in RS Investments, the Trust's investment adviser, and by virtue of his position as Chairman of RS Investments.
- *** Mr. Otton is an "interested person" under the 1940 Act by virtue of his position with RS Investments.

The Statement of Additional Information includes additional information about the Trust's Trustees and Officers and is available, without charge, upon request by calling toll-free 800-766-3863.

This report is transmitted to shareholders only. It is not authorized for use as an offer of sale or a solicitation of an offer to buy shares of a Fund unless accompanied or preceded by that Fund's current prospectus. Past performance results shown in this report should not be considered a representation of future performance. Investment returns and principal value of shares will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Statements and other information herein are as dated and are subject to change.



388 Market Street San Francisco CA 94111
www.RSinvestments.com | 800-766-3863



Six-time winner of Dalbar Service Award

EB 015642 (1/2/09)



Mixed Sources

Product group from well-managed
forests and other controlled sources
recycled wood or fiber
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