

A No-Load Fund

Muhlenkamp Fund

ANNUAL REPORT
December 31, 1992

P.O. Box 598, Wexford, Pennsylvania 15090-0598 (412) 935-5520

Letter to Shareholders

The Trustees and Management of the Muhlenkamp Fund are pleased to present this fifth annual report of your Fund.

Once again we did it right. Your Fund finished the year at a Net Asset Value (NAV) of \$15.20 after declaring a 14 cent dividend. Our total return for the year 1992 was 16%.

This performance continued to generate good publicity and new shareholders. As a result, total assets now exceed \$4.7 million and are climbing nicely. As noted last year, the increased size has enabled us to spread the fixed costs over a larger base thereby lowering our ratio of expenses to net assets.

Our results for 1992 stemmed from our continuing conviction that lower inflation and lower interest rates are finally affecting the borrowing and spending patterns of the American public. These changes - which we have discussed in recent newsletters - have resulted in a relatively slow rebound in the economy, and continued downward pressure on long-term interest rates. Our essays in recent newsletters explain why this has differed from prior economic rebounds. To date, we've seen little discussion of these changes from the professional economic community. Although we are somewhat disappointed in this lack of discussion, we suspect that this perception lag is helping us to earn good returns on your money. The economy is clearly expanding, albeit at a slow rate for the reasons given above. The media continues to look for negatives and is now focusing on the slow growth in jobs. They fail to mention that job growth always lags turns in the economy (which is why it's called a lagging indicator).

It is also normal for our politicians to lag both the public's and the professional's understanding of our economy. I'm writing this the day after President Clinton's State of the Union Address, in which he warned that we're all going to "contribute" more in taxes. If the American public takes his words to heart, I'd think the human response would be to spend less, not more. If we do spend less, the economic rebound will continue to be modest, and the pressure on long-term interest rates will continue downward.

We appreciate your continued interest in the Muhlenkamp Fund. We welcome your questions and comments, and ask that you spread the word of our Fund among your friends.

Ronald H. Muhlenkamp
President
February 1993

THE WEXFORD TRUST
(COMPRISED OF THE MUHLENKAMP FUND)

STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 1992

ASSETS

	<u>Muhlenkamp Fund</u>
INVESTMENTS, AT VALUE (Identified cost \$3,799,689)	\$ 4,667,393
CASH	40,783
RECEIVABLES	<u>8,560</u>
Total Assets	\$ 4,716,736

LIABILITIES

ADVISOR FEE PAYABLE	\$ <u>522</u>
Total Net Assets	\$ <u>4,716,214</u>

NET ASSETS

SHARES OF BENEFICIAL INTEREST OUTSTANDING (Cost)	\$ 3,875,784
ACCUMULATED UNDISTRIBUTED NET INVESTMENT LOSS	(27,274)
NET UNREALIZED APPRECIATION OF INVESTMENTS AS OF END OF YEAR	<u>867,704</u>
Total Net Assets	\$ <u>4,716,214</u>
No. OF SHARES OF BENEFICIAL INTEREST OUTSTANDING	310,217.732
NET ASSET VALUE PER SHARE (Net assets divided by shares outstanding at year end)	\$ <u>15.20</u>

See notes to financial statements.

THE WEXFORD TRUST
(COMPRISED OF THE MUHLENKAMP FUND)

PORTFOLIO OF INVESTMENTS
DECEMBER 31, 1992

	<u>Muhlenkamp Fund</u>	
	<u>Principal Amount or Shares</u>	<u>Value</u>
COMMON STOCK - 76.0%		
Aerospace - 3.9%		
BE Aerospace, Inc.	7,000	\$ 84,000
Thiokol Corp.	6,000	100,500
Airlines - 3.5%		
Air Express International Corp.	3,375	91,547
British Airways, PLC	1,500	69,750
Apparel - 2.2%		
Reebok International, Ltd.	3,000	102,000
Autos - 1.3%		
Superior Industries	2,120	59,890
Building - 1.3%		
Ryland Group	3,000	62,250
Banks - 7.4%		
Comerica, Inc.	1,425	91,200
Integra Financial	2,926	121,795
J.P. Morgan	2,000	131,500
Brokerage - 4.0%		
A. G. Edwards	3,000	70,875
Merrill Lynch	2,000	119,000
Capital Goods - 5.1%		
I dex Corp.	5,000	118,750
Kysor Industrial	3,000	54,750
Scotsman Industries, Inc.	7,000	65,625
Conglomerate - 8.7%		
Alleghany Corp.	408	54,570
Curtiss Wright	2,000	61,750
Figgie International, Class A	1,500	25,125
Loews Corp.	1,500	180,188
Westinghouse Corp.	6,000	80,250
Computers - 2.2%		
Compuware	100	2,575
Maxtor Corp.	4,000	57,500
Tseng Laboratories, Inc.	3,000	42,750
Finance - 9.0%		
Ambac, Inc.	2,700	116,100
Fidelity National Financial	4,853	129,211
Green Tree Acceptance, Inc.	3,600	<u>172,800</u>
Sub-Total		<u>\$2,266,251</u>

See notes to financial statements.

THE WEXFORD TRUST
(COMPRISED OF THE MUHLENKAMP FUND)

PORTFOLIO OF INVESTMENTS
DECEMBER 31, 1992

	<u>Muhlenkamp Fund</u>	
	Principal	
	<u>Amount or</u>	
	<u>Shares</u>	<u>Value</u>
BALANCE BROUGHT FORWARD		\$2,266,251
Closed End Investment Funds - 2.2%		
Gemini II capital shares	7,000	104,125
Financial Services - 1.0%		
Arbor National Holdings, Inc.	5,000	47,500
Insurance - 8.2%		
Capital Holding Corp.	1,800	130,050
Conseco, Inc.	2,000	93,000
Frontier Insurance	2,274	98,919
Guaranty National Corp.	3,000	59,250
Med Service - 3.6%		
Medrad, Inc.	3,000	64,875
Mid Atlantic Medical Services	5,000	102,500
Rails - 1.4%		
Burlington Northern Industries, Inc.	1,500	65,250
Savings and Loan 4.8%		
Federal National Mortgage Assoc.	2,100	160,388
Glenfed	6,000	15,750
Golden West Financial	1,200	52,050
Metals - .7%		
Cyprus Minerals	1,000	31,500
Tobacco - 3.1%		
Philip Morris	1,860	143,452
Textile - 2.4%		
Burlington Industries, Inc.	8,000	<u>112,000</u>
Total Common Stocks (Cost \$2,724,506)		3,546,860
FIXED INCOME - 23.2%		
General Motors Acceptance Corporation - 0% , deferred debentures, due 2015	1,200,000	148,800
Treasury Bonds - 7.25% due 2016	500,000	488,906
U.S. Treasury, stripped interest - 0%, due 2013	800,000	168,000
Trust for U.S. Treasury obligations	278,077	<u>278,077</u>
Total Fixed Income (Cost \$1,028,649)		1,083,783
PREFERRED STOCK - .8%		
Pioneer Financial - exchangeable	2,000	<u>36,750</u>
Total Preferred Stock (Cost \$46,534)		<u>36,750</u>
 Total (Cost \$3,799,689)		 <u>\$4,667,393</u>

See notes to financial statements.

THE WEXFORD TRUST
(COMPRISED OF THE MUHLENKAMP FUND)

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 1992

Muhlenkamp Fund

INVESTMENT INCOME		
Dividends		\$ 40,216
Interest		<u>47,475</u>
Total Investment Income		\$ 87,691
EXPENSES		
Investment advisor fee	\$30,499	
Professional fee	9,840	
Custodian fee	6,268	
Data processing	1,000	
Commission credits	<u>(4,240)</u>	<u>43,367</u>
Net Investment Income		44,324
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS		
Net realized loss on investments		(22,761)
Unrealized appreciation in value of investments for the year		<u>491,242</u>
Net Gain on Investments		<u>468,481</u>
Net Increase in Net Assets Resulting From Operations		<u>\$512,805</u>

See notes to financial statements.

THE WEXFORD TRUST
(COMPRISED OF THE MUHLENKAMP FUND)

STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 1992 AND 1991

	<u>1992</u>	<u>1991</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Net investment income	\$ 44,324	\$ 18,194
Net realized (loss) gain on investments	(22,761)	22,106
Unrealized appreciation in value of investments	<u>491,242</u>	<u>524,035</u>
Net Increase in Net Assets Resulting From Operations	512,805	564,335
DISTRIBUTIONS TO SHAREHOLDERS		
Net investment income	(44,253)	(16,895)
Return of capital	<u>-</u>	<u>(3,838)</u>
	(44,253)	(20,733)
CAPITAL SHARE TRANSACTIONS		
Net proceeds from sale of 175,630 shares in 1992 and 26,224 in 1991	2,466,112	314,272
Net asset value of 4,471 shares in 1992 and 2,578 shares in 1991 issued to shareholders on reinvestment of dividends	64,986	23,767
Cost of 17,979 shares in 1992 and 9,174 shares in 1991, redeemed	<u>(245,965)</u>	<u>(102,302)</u>
	<u>2,285,133</u>	<u>235,737</u>
Total Increase in Net Assets	2,753,685	779,339
NET ASSETS		
Beginning of year	<u>1,962,529</u>	<u>1,183,190</u>
End of year (including undistributed investment income of \$71 and undistributed net realized losses of \$27,345 in 1992 and undistributed net realized losses of \$4,584 in 1991)	<u>\$4,716,214</u>	<u>\$1,962,529</u>

See notes to financial statements.

THE WEXFORD TRUST
(COMPRISED OF THE MUHLENKAMP FUND)

SELECTED PER SHARE DATA AND RATIOS
FOR EACH OF THE YEARS ENDED DECEMBER 31, 1988 THROUGH 1992

	<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>	<u>1988*</u>
PER SHARE DATA					
Investment income(1)	\$0.40	\$0.33	\$ 0.37	\$0.59	\$0.18
Expenses(1)	<u>0.20</u>	<u>0.20</u>	<u>0.18</u>	<u>0.20</u>	<u>0.03</u>
Net investment income(1)	0.20	0.13	0.19	0.39	0.15
Net realized and unrealized gain (loss) on investments	1.89	4.05	(1.83)	0.86	0.03
Distributions from net investment income	(0.14)	(0.11)	(0.19)	(0.25)	(0.14)
Return of capital	<u>-</u>	<u>(0.03)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Net Asset Value	1.95	4.04	(1.83)	1.00	0.04
NET ASSET VALUE					
Beginning of period	13.25	9.21	11.04	10.04	10.00
End of period	<u>\$15.20</u>	<u>\$13.25</u>	<u>\$ 9.21</u>	<u>\$11.04</u>	<u>\$10.04</u>
RATIOS					
Expenses to average net assets	1.41%	1.71%	1.76%	1.54%	.33%
Net investment income to average to net asset	1.44%	1.17%	1.95%	3.04%	1.42%
Portfolio turnover rate	20.1%	52.50%	47.47%	34.46%	
NUMBER OF SHARES OUTSTANDING AT END OF YEAR					
	310,217.732	148,095.816	128,468.205	100,017.561	10,248.016

1) Computed on weighted average number of shares outstanding during year.

*Reflects operations for the period from November 1, 1988 (the date operations commenced) to December 31, 1988.

See notes to financial statements.

THE WEXFORD TRUST
(COMPRISED OF THE MUHLENKAMP FUND)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

NOTE 1 - ORGANIZATION

The Wexford Trust (the Trust) was organized as a Massachusetts Business Trust on September 21, 1987 and operations commenced on November 1, 1988. The Trust is registered under the Investment Company Act of 1940, as amended, as a diversified open-end mutual fund. The Muhlenkamp Fund (the Fund) is a series of the Wexford Trust and is currently the only fund in the Trust.

The Fund is exposed to credit risk on the amount invested in marketable securities. The maximum amount of loss the Fund would incur is limited to the amount recorded in the 1992 financial statements. The Fund does not hold any type of collateral on the marketable securities. This exposure to credit risk is customary for all entities which have invested in financial instruments.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies applied by management in the preparation of the accompanying financial statements follows.

Investment valuations - Each stock and bond is valued at the latest sales price thereof on the last business day of the fiscal period as reported by the securities exchange on which the issued is traded. If no sale is reported, the security is valued at the last quoted bid price.

Investment transactions and related investment income - Investment transactions are accounted for on the trade date (date the order to buy or sell is executed). Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. The Fund uses the specific identification method in computing gain or loss on the sale of investment securities.

Federal income taxes - It is the Fund's policy to comply with the requirements of the Internal Revenue Code that are applicable to regulated investment companies and to distribute all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

Dividends and distributions to shareholders of beneficial interest - Dividends and distributions are recorded by the Trust on the record date.

NOTE 3 - INVESTMENT MANAGEMENT AND OTHER TRANSACTIONS WITH AFFILIATES

Muhlenkamp and Co., Inc., an affiliate of which an officer-stockholder is a trustee of the Trust, receives a fee for investment management. The fee is computed and accrued daily based on the net asset value at the close of business and is equal to 1% per annum. The fee totaled \$30,499 for the year ended December 31, 1992. The investment advisory agreement provides for the reimbursement of expenses excluding auditor fees, fidelity bonding, and brokerage commissions until the net assets of the Muhlenkamp Fund (the Fund) equal or exceed \$1,000,000. Since the Fund's net assets exceed this amount, the advisor is permitted to charge the fund for some or all of its routine administration costs which totaled approximately \$4,875 for the year ended December 31, 1992. An expense reimbursement was not requested for the year ended December 31, 1992.

Certain affiliated persons held in the aggregate 18,277 shares with a net asset value of \$277,807 in the Muhlenkamp Fund at December 31, 1992. In addition, the Muhlenkamp & Co., Inc. Pension & Trust Fund held 8,571 shares with a net asset value of \$130,279 at December 31, 1992.

NOTE 4 - CAPITAL SHARE TRANSACTIONS

The Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional shares of beneficial interest with a par value of \$.001 per share. Transactions in capital stock were as follows:

	<u>Shares</u>	
	<u>1992</u>	<u>1991</u>
Shares outstanding, beginning of period	148,096	128,468
Shares sold	175,630	26,224
Shares issued to shareholders in reinvestment of dividend	4,471	2,578
Shares redeemed	(17,979)	(9,174)
Shares outstanding, end of period	<u>310,218</u>	<u>148,096</u>

THE WEXFORD TRUST
(COMPRISED ON THE MUHLENKAMP FUND)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

NOTES 5 DIVIDENDS AND DISTRIBUTIONS

On December 31, 1992, the Trustees declared and recorded a distribution of \$.14 per outstanding share. The distribution was comprised of a dividend of \$.14 per share outstanding which represented all but \$71 of the Trust's net investment income for year.

NOTE 6 - INVESTMENT TRANSACTIONS

Purchases and sales of investment securities were \$2,705,058 and \$560,634, respectively in 1992. Purchases of U.S. Government obligations were \$383,141 in 1992.

The components of the net realized loss on investments of \$(22,761) recognized during the year ended December 31, 1992 are as follows:

Proceeds from sale of securities	\$ 537,874
Cost of securities sold	<u>560,635</u>
Net Realized Loss	\$ <u>(22,761)</u>

Accumulated undistributed net realized losses on investment transactions totaled \$27,346 as of December 31, 1992.

The components of the net unrealized appreciation in value of the investments held at December 31, 1992 are as follows:

Unrealized appreciation of investments	\$ 930,266
Unrealized depreciation of investments	<u>(62,562)</u>
Net Unrealized Appreciation of Investments	\$ <u>867,704</u>

The unrealized appreciation of securities recognized during the year ended December 31, 1992 is \$491,242.

NOTE 7 - DIRECTED BUSINESS ARRANGEMENT

The Fund has a directed business arrangement with Capital Institution Services, Inc. (CIS). Upon the purchase and/or sale of investment securities, the Fund pays a brokerage commission to CIS. These commission payments generate nonrefundable cumulative credits which are available to pay certain expenses of the Fund.

The following is an analysis of current year expenses paid by CIS on behalf of the Fund from the commission credits:

Computer processing	\$ 1,000
Professional fees	<u>3,240</u>
	\$ <u>4,240</u>

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Trustees of the Wexford Trust (Comprised of the Muhlenkamp Fund)

We have audited the accompanying statement of assets and liabilities of the Wexford Trust (comprised of the Muhlenkamp Fund), including the portfolio of investments as of December 31, 1992, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the selected per share data and ratios for each of the five years in the period then ended. These financial statements and selected per share data and ratios are the responsibility of the Trustees. Our responsibility is to express an opinion on these financial statements and selected per share data and ratios based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and selected per share data and ratios are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 1992 by correspondence with the custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements and selected per share data and ratios referred to above present fairly, in all material respects the financial position of the Wexford Trust as of December 31, 1992, the results of its operations for the year then ended, the changes in net assets for each of the two years in the period then ended, and the selected per share data and ratios for each of the five years in the period then ended, in conformity with generally accepted accounting principles.

Schneider, Downs & Co., Inc.

Pittsburgh, Pennsylvania
January 15, 1993

Member of

100% No-Load[™]
Mutual Fund
Council

Investment Advisor

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A No-Load Fund

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ANNUAL REPORT

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