



# Muhlenkamp Fund

Intelligent Investment Management

## SEMI - ANNUAL REPORT

June 30, 2000

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This report is not authorized for distribution to prospective investors unless preceded or accompanied by a currently effective prospectus of the Muhlenkamp Fund. Please call 1-800-860-3863 for a free prospectus. Read it carefully before you invest.

THE MUHLENKAMP FUND  
(A Portfolio of the Wexford Trust)

Dear Fellow Shareholders:

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

The past six months have seen big changes in the securities markets, some of which we have been anticipating for the better part of a year.

We have been saying for a year that the market's fear of inflation was driving up long-term interest rates and that the majority of stocks would have trouble doing well as long as long-term rates were rising. From late 1998 through January 2000, long-term Treasury rates rose from 4.8% to 6.7%. Since late January long-term rates have fallen from 6.7% to less than 6% even as the Fed continued to raise short-term rates. We judge this action in the bond market to indicate that the fear of rising inflation is dissipating. As a result, financial stocks (banks & brokers) particularly the biggest and the best, have demonstrated strong performance.

We have also been saying that as long as the popular speculative stocks were uniformly in up-trends, there would be little incentive for the public to look elsewhere for investment ideas. That momentum has now been broken. The "hype" stocks (internet, telecom, and biotech) peaked in March and suffered a severe correction. Since then, many other speculative stocks have joined the crowd on the downside. Momentum is now driving down the same stocks it drove up. Our suspicion is that it took a lot of "New Economy" believers by surprise and it will take a while to sort through the rubble.

Meanwhile, the economy (old and new) is doing just fine, thank you, exhibiting strong growth with modest inflation. We see no evidence that inflation is about to pick up substantially or that we are about to enter a recession. As investors, we monitor the risk of inflation and recession as the two big risks to our assets. In the past 18 months, economists, the Fed, and the markets have reacted to fears of both of these risks but neither has become reality. While a third shoe can always drop, only the fear of war carries the impact of recession or inflation, and it looks unlikely.

While the Fed has the capability of creating a recession, recent action in the markets suggest that they will take an even more gradual approach. To the extent that Mr. Greenspan and company have been battling "irrational exuberance" and the "wealth effect" their fears too should now be dissipating.

So where are we today? The American consumer and the American economy are in good shape. Fears of rising inflation and attendant long-term interest rates have peaked. The bubble in speculative stocks has popped. Most companies are doing quite well and are reasonably priced. We are finding more and better values than any time since late 1994. We think it's a good opportunity to put your money to work in those values.

Sincerely,

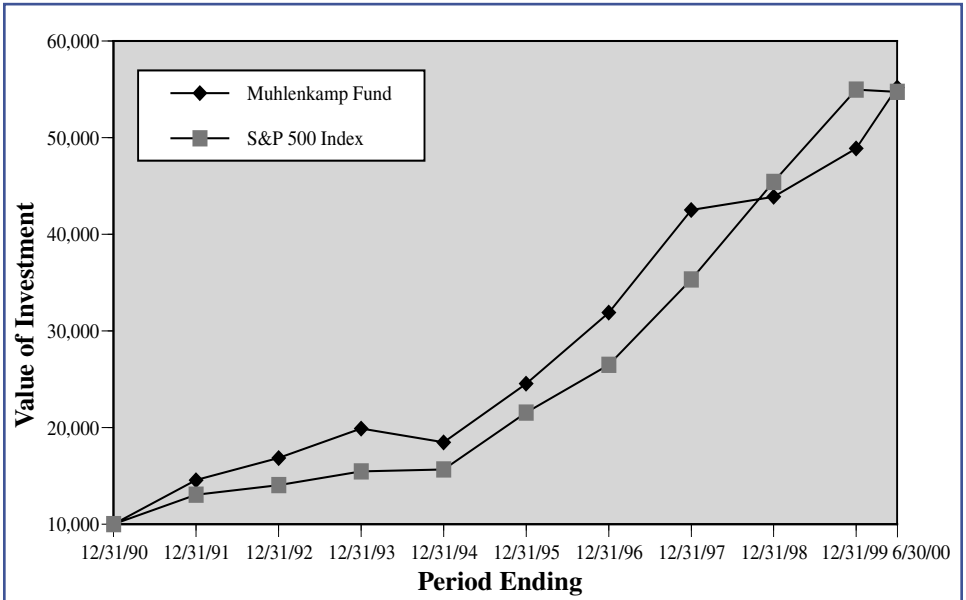


Ronald H. Muhlenkamp  
President  
August 25, 2000

**THE MUHLENKAMP FUND**  
(A Portfolio of the Wexford Trust)

Period Ending	Total Return %		Cumulative Return %	
	Muhlenkamp Fund	S&P 500	Muhlenkamp Fund	S&P 500
12/31/91	45.4	30.5	45.4	30.5
12/31/92	15.8	7.6	68.4	40.4
12/31/93	18.1	10.1	98.9	54.6
12/31/94	(7.2)	1.3	84.6	56.6
12/31/95	33.0	37.6	145.4	115.5
12/31/96	30.0	23.0	219.0	164.9
12/31/97	33.3	33.4	325.2	253.3
12/31/98	3.2	28.6	338.9	354.3
12/31/99	11.4	21.0	388.9	449.9
6/30/00	12.9	(0.4)	451.9	447.6

**A \$10,000 Investment in the Muhlenkamp Fund**



The Standard & Poor's 500 Stock Index (S&P 500) is a capital-weighted index, representing the aggregate market value of the common equity of 500 stocks primarily traded on the New York Stock Exchange. This chart assumes an initial gross investment of \$10,000 made on 12/31/90. Returns shown include the reinvestment of all dividends. The Fund's past performance is not necessarily an indication of its future performance. It may perform better or worse in the future.

**THE MUHLENKAMP FUND**  
(A Portfolio of the Wexford Trust)

**STATEMENT OF ASSETS & LIABILITIES**  
**June 30, 2000 (Unaudited)**

<b>ASSETS</b>	
INVESTMENTS, AT VALUE (Cost \$146,884,642)	\$204,096,639
RECEIVABLE FOR FUND SHARES SOLD	442,088
DIVIDENDS RECEIVABLE	105,769
INTEREST RECEIVABLE	57,524
OTHER ASSETS	78,189
Total assets	<u>204,788,209</u>
<b>LIABILITIES</b>	
OPTIONS WRITTEN, AT VALUE (Premiums received \$1,954,225)	1,719,250
PAYABLE FOR FUND SHARES PURCHASED	11,219
PAYABLE TO ADVISOR	163,259
ACCRUED EXPENSES AND OTHER LIABILITIES	438,355
Total liabilities	<u>2,332,083</u>
NET ASSETS	<u>\$202,448,126</u>
<b>NET ASSETS</b>	
PAID IN CAPITAL	\$130,289,406
ACCUMULATED NET REALIZED GAIN ON INVESTMENTS	14,711,748
NET UNREALIZED APPRECIATION OF:	
Investments	57,211,997
Written options	234,975
NET ASSETS	<u>\$202,448,126</u>
SHARES OF BENEFICIAL INTEREST OUTSTANDING (unlimited number of shares authorized, \$.001 par value)	4,361,871
NET ASSET VALUE PER SHARE	<u>\$ 46.41</u>

See notes to financial statements.

**THE MUHLENKAMP FUND**  
(A Portfolio of the Wexford Trust)

**STATEMENT OF OPERATIONS**  
**Six Months Ended June 30, 2000 (Unaudited)**

**INVESTMENT INCOME:**

Dividends	\$ 780,965
Interest	137,355
	<u>918,320</u>

**EXPENSES:**

Investment advisory fees	937,392
Shareholder servicing and accounting costs	221,970
Reports to shareholders	46,488
Federal & state registration fees	15,700
Custody fees	5,634
Administration fees	53,162
Directors' fees and expenses	2,026
Professional fees	8,546
Other	166
	<u>1,291,084</u>
Total operating expenses before expense reductions	1,291,084
Expense reductions (see Note 7)	<u>(54,410)</u>

Total expenses 1,236,674

**NET INVESTMENT LOSS**

(318,354)

**REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:**

Realized gain (loss) on:

Investments	15,011,659
Written options	<u>(310,803)</u>
Net realized gain	14,700,856

Change in unrealized appreciation (depreciation) on:

Investments	5,205,010
Written options	<u>2,623,245</u>
Net unrealized gain	<u>7,828,255</u>

Net realized and unrealized gain on investments 22,529,111

**NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS** \$22,210,757

See notes to financial statements.

**THE MUHLENKAMP FUND**  
(A Portfolio of the Wexford Trust)

**STATEMENT OF CHANGES IN NET ASSETS**

	<u>Six Months Ended</u> <u>June 30, 2000</u> (Unaudited)	<u>Year Ended</u> <u>December 31, 1999</u>
<b>OPERATIONS:</b>		
Net investment loss	\$ (318,354)	\$ (483,790)
Net realized gain on investments sold and option contracts expired or closed	14,700,856	3,671,407
Change in unrealized appreciation (depreciation) of investments and written options	<u>7,828,255</u>	<u>16,047,892</u>
Net increase in net assets resulting from operations	<u>22,210,757</u>	<u>19,235,509</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>		
<b>FROM NET REALIZED GAINS</b>	<u>—</u>	<u>(3,428,553)</u>
<b>CAPITAL SHARE TRANSACTIONS:</b>		
Proceeds from shares sold	36,655,522	54,891,294
Proceeds from shares issued to holders in reinvestment of dividends	—	3,348,810
Cost of shares redeemed	<u>(35,017,558)</u>	<u>(90,409,255)</u>
Net increase (decrease) in net assets resulting from capital share transactions	<u>1,637,964</u>	<u>(32,169,151)</u>
Total increase (decrease) in net assets	23,848,721	(16,362,195)
<b>NET ASSETS:</b>		
Beginning of period	<u>178,599,405</u>	<u>194,961,600</u>
End of period	<u>\$202,448,126</u>	<u>\$178,599,405</u>

See notes to financial statements.

**THE MUHLENKAMP FUND**  
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**FINANCIAL HIGHLIGHTS**

	Six Months Ended	Year Ended December 31,				
	June 30, 2000 (Unaudited)	1999	1998	1997	1996	1995
NET ASSET VALUE,						
BEGINNING OF YEAR	\$ 41.11	\$ 37.65	\$ 36.55	\$ 27.52	\$ 21.26	\$ 16.23
INCOME FROM						
INVESTMENT OPERATIONS:						
Net investment income (loss)	(0.07) <sup>(1)</sup>	(0.11)	0.08 <sup>(2)</sup>	0.18 <sup>(2)</sup>	0.14 <sup>(2)</sup>	0.21 <sup>(2)</sup>
Net realized and unrealized gains on investments	<u>5.37</u>	<u>4.37</u>	<u>1.10</u>	<u>8.98</u>	<u>6.23</u>	<u>5.14</u>
Total from investment operations	5.30	4.26	1.18	9.16	6.37	5.35
LESS DISTRIBUTIONS:						
From net investment income	0.00	0.00	(0.08)	(0.13)	(0.11)	(0.21)
From net realized gains	<u>0.00</u>	<u>(0.80)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(0.11)</u>
Total distributions	<u>0.00</u>	<u>(0.80)</u>	<u>(0.08)</u>	<u>(0.13)</u>	<u>(0.11)</u>	<u>(0.32)</u>
NET ASSET VALUE,						
END OF PERIOD	<u>\$ 46.41</u>	<u>\$ 41.11</u>	<u>\$ 37.65</u>	<u>\$ 36.55</u>	<u>\$ 27.52</u>	<u>\$ 21.26</u>
TOTAL RETURN	12.89%	11.40%	3.22%	33.28%	29.96%	32.96%
NET ASSETS, END OF PERIOD (in thousands)	\$202,448	\$178,599	\$194,962	\$125,461	\$42,039	\$23,571
RATIO OF OPERATING EXPENSES TO AVERAGE NET ASSETS	1.32% <sup>(3)(4)(5)</sup>	1.35% <sup>(4)</sup>	1.32% <sup>(4)</sup>	1.33% <sup>(4)</sup>	1.54% <sup>(4)</sup>	1.35% <sup>(4)</sup>
RATIO OF NET INVESTMENT INCOME (LOSS) TO AVERAGE NET ASSETS	(0.34%) <sup>(3)</sup>	(0.26%)	0.21%	0.53%	0.58%	1.10%
PORTFOLIO TURNOVER RATE	13.87%	14.52%	27.03%	13.89%	16.90%	22.70%

- (1) Net investment income per share is calculated using ending balances prior to consideration of adjustments for permanent book and tax differences.
- (2) Net investment income per share represents net investment income for the respective period divided by the monthly average shares of beneficial interest outstanding throughout each period.
- (3) Annualized.
- (4) The operating expense ratio includes expense reductions for soft dollar credits. The ratios excluding expense reductions for the six months ending June 30, 2000, and the years ended December 31, 1999, 1998, 1997, 1996 and 1995, were 1.35%, 1.38%, 1.36%, 1.44%, 1.56% and 1.40%, respectively.
- (5) The operating expense ratio includes expense reductions due to minimum account maintenance fees deposited into the Fund. The ratio excluding this expense reduction for the six months ended June 30, 2000 was 1.35%.

See notes to financial statements.

**THE MUHLENKAMP FUND**  
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**SCHEDULE OF INVESTMENTS**  
**June 30, 2000 (Unaudited)**

Name of Issuer or Title of Issue	Shares	Value
<b>COMMON STOCK — 90.3%+</b>		
<b>Aerospace — 1.0%+</b>		
BE Aerospace, Inc.*	272,600	\$ 1,874,125
Teledyne Technologies Incorporated*	5,714	95,710
		<u>1,969,835</u>
<b>Airlines — 0.2%+</b>		
AMR Corporation	14,000	370,125
<b>Appliances — 1.5%+</b>		
Salton, Inc.*	84,200	3,104,875
<b>Autos and Recreational Vehicles — 5.4%+</b>		
Ford Motor Company	112,000	4,816,000
Monaco Coach Corporation*	45,000	613,125
National R. V. Holdings, Inc.*	224,500	2,357,250
Superior Industries International, Inc.	98,180	2,528,136
Visteon Corporation	14,664	177,807
Winnebago Industries, Inc.	40,000	522,500
		<u>11,014,818</u>
<b>Banks — 8.7%+</b>		
The Chase Manhattan Corporation	36,000	1,658,250
Citigroup Inc.	180,000	10,845,000
Mellon Financial Corporation	140,000	5,101,250
		<u>17,604,500</u>
<b>Brokerage — 10.5%+</b>		
Merrill Lynch & Co., Inc.	102,000	11,730,000
Southwest Securities Group, Inc.#	254,598	9,483,776
		<u>21,213,776</u>
<b>Building Products — 3.5%+</b>		
Owens Corning	34,000	314,500
Southdown, Inc.	60,000	3,465,000
Texas Industries, Inc.	111,900	3,231,113
		<u>7,010,613</u>
<b>Capital Goods — 2.3%+</b>		
Graco Inc.	105,825	3,439,313
IDEX Corporation	41,250	1,301,953
Water Pik Technologies, Inc.*	2,000	12,500
		<u>4,753,766</u>
<b>Finance — 9.2%+</b>		
Fannie Mae	74,400	3,882,750
Morgan Stanley Dean Witter & Co.	163,000	13,569,750
Washington Mutual, Inc.	41,125	1,187,484
		<u>18,639,984</u>



**THE MUHLENKAMP FUND**  
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**SCHEDULE OF INVESTMENTS (Continued)**  
**June 30, 2000 (Unaudited)**

Name of Issuer or Title of Issue	Shares	Value
<b>Furniture — 3.3%+</b>		
Stanley Furniture Company, Inc.*	305,500	\$ 6,721,000
<b>Homebuilding — 4.4%+</b>		
American Woodmark Corporation	112,200	2,300,100
Beazer Homes USA, Inc.*	27,400	500,050
Crossmann Communities, Inc.*	180,000	2,970,000
NVR, Inc.*	53,600	3,055,200
		<u>8,825,350</u>
<b>Industrial Equipment — 0.6%+</b>		
JLG Industries, Inc.	68,100	808,688
Parker-Hannifin Corporation	13,501	462,409
		<u>1,271,097</u>
<b>Insurance — 5.5%+</b>		
Conseco, Inc.	684,608	6,674,928
Fidelity National Financial, Inc.	238,881	4,374,508
Reliance Group Holdings, Inc.	52,500	39,375
		<u>11,088,811</u>
<b>Medical — 1.6%+</b>		
D & K Healthcare Resources, Inc.*	17,500	182,656
Eclipse Surgical Technologies, Inc.*	14,200	62,125
Orthodontic Centers of America, Inc.*	105,000	2,375,625
Scios Inc.*	120,000	675,000
		<u>3,295,406</u>
<b>Metal — 1.3%+</b>		
Allegheny Technologies Incorporated	20,000	360,000
RTI International Metals, Inc.*	204,200	2,322,775
		<u>2,682,775</u>
<b>Oils, Natural Gas and Energy Related — 11.8%+</b>		
Calpine Corporation*#	146,000	9,599,500
The Coastal Corporation	115,000	7,000,625
Conoco Inc. – Class A	200,000	4,400,000
The Houston Exploration Company*	20,000	502,500
OMNI Energy Services Corp.*	185,600	139,200
Union Pacific Resources Group Inc.	100,000	2,200,000
		<u>23,841,825</u>
<b>Retail Jewelry — 0.1%+</b>		
Piercing Pagoda, Inc.*	10,000	145,000

**THE MUHLENKAMP FUND**  
(A Portfolio of the Wexford Trust)

**SCHEDULE OF INVESTMENTS (Continued)**  
**June 30, 2000 (Unaudited)**

Name of Issuer or Title of Issue	Shares	Value
<b>Technology — 17.6%+</b>		
ATMI, Inc.*	160,100	\$ 7,444,650
Applied Materials, Inc.*#	140,000	12,687,500
Computer Associates International, Inc.	125,000	6,398,437
Intel Corporation	68,000	<u>9,090,750</u>
		<u>35,621,337</u>
<b>Tobacco — 0.5%+</b>		
Philip Morris Companies Inc.	35,280	<u>937,125</u>
<b>Transportation — 1.2%+</b>		
Arkansas Best Corporation*	230,300	2,288,606
Rush Enterprises, Inc.*	18,100	<u>100,681</u>
		<u>2,389,287</u>
<b>Travel Services — 0.1%+</b>		
Sabre Holdings Corporation*	10,117	<u>288,335</u>
Total Common Stocks (Cost \$125,991,345)		<u>182,789,640</u>
<b>Contracts</b>		
(100 shares per contract)		Value
<b>CALL OPTIONS PURCHASED — 0.0%+</b>		
Southwest Securities Group, Inc.		
Expiration September 2000, Exercise Price \$45.00	100	<u>21,250</u>
Total Call Options Purchased (Cost \$70,300)		<u>21,250</u>
<b>Principal Amount</b>		
		Value
<b>CORPORATE BONDS — 0.8%+</b>		
General Motors Acceptance Corporation		
0.000%, 6/15/2015, principal only	\$5,000,000	<u>1,587,655</u>
Total Corporate Bonds (Cost \$1,124,903)		<u>1,587,655</u>
<b>SHORT-TERM INVESTMENTS — 9.7%+</b>		
<b>MONEY MARKET MUTUAL FUNDS — 9.7%+</b>		
Firstar Stellar Treasury Fund	19,698,094	<u>19,698,094</u>
Total Short-Term Investments (Cost \$19,698,094)		<u>19,698,094</u>
<b>TOTAL INVESTMENTS — 100.8%+</b>		
(Cost \$146,884,642)		<u>\$204,096,639</u>

\* Non income producing security.

+ Investments are shown as a percentage of net assets at June 30, 2000.

# All or a portion of the shares have been committed as collateral for written option contracts.

**THE MUHLENKAMP FUND**  
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**SCHEDULE OF OPTIONS WRITTEN**  
**June 30, 2000 (Unaudited)**

	Contracts (100 Shares Per Contract)	Value
<b>CALL OPTIONS</b>		
Applied Materials, Inc.:		
Expiration July 2000, Exercise Price \$82.50	400	\$ 410,000
Expiration July 2000, Exercise Price \$90.00	200	102,500
Expiration July 2000, Exercise Price \$92.50	100	40,000
Expiration July 2000, Exercise Price \$95.00	200	53,750
Expiration January 2002, Exercise Price \$60.00	100	453,750
Asyst Technologies, Inc.		
Expiration December 2000, Exercise Price \$65.00	100	32,500
Calpine Corporation		
Expiration July 2000, Exercise Price \$47.50	40	93,000
Southwest Securities Group, Inc.		
Expiration January 2002, Exercise Price \$50.00	100	101,250
<b>PUT OPTIONS</b>		
Asyst Technologies, Inc.		
Expiration December 2000, Exercise Price \$55.00	100	241,250
Southwest Securities Group, Inc.		
Expiration January 2002, Exercise Price \$50.00	100	<u>191,250</u>
<b>TOTAL OPTIONS WRITTEN</b>		
(Premiums received \$1,954,225)		<u><u>\$1,719,250</u></u>

See notes to financial statements.

THE MUHLENKAMP FUND  
(A Portfolio of the Wexford Trust)

NOTES TO FINANCIAL STATEMENTS  
Six Months Ended June 30, 2000 (Unaudited)

**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. The Muhlenkamp Fund (the “Fund”) is a portfolio of the Trust and is currently the only fund in the Trust.

The Fund operates as a diversified open-end mutual fund that continuously offers its shares for sale to the public. The Fund will manage its assets to seek a maximum total return to its shareholders, primarily through a combination of interest and dividends and capital appreciation by holding a diversified list of publicly traded stocks. The Fund may acquire and hold fixed-income or debt investments as market conditions warrant and when, in the opinion of its advisor, it is deemed desirable or necessary in order to attempt to achieve its investment objective.

The primary focus of the Fund is long-term and the investment options diverse. This allows for greater flexibility in the daily management of Fund assets. However, with flexibility also comes the risk that assets will be invested in various classes of securities at the wrong time and price.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

- a. *Investment Valuations* — Stocks and Bonds are valued at the latest sales price on the last business day of the fiscal period as reported by the securities exchange on which the issue is traded. If no sale is reported, the security is valued at the last quoted bid price.
- b. *Investment Transactions and Related Investment Income* — Investment transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recorded daily on the yield to maturity basis. Discounts and premiums on securities are amortized over the life of the respective securities. The Fund uses the specific identification method in computing gain or loss on the sale of investment securities.
- c. *Federal 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 substantially all of its taxable income to its shareholders. Therefore, no federal tax provision is required. In addition, the Fund will make sufficient distributions of its income and realized gains, if any, to avoid the payment of any federal excise taxes. Generally accepted accounting principles require that permanent differences between financial reporting and tax reporting be reclassified between various components of net assets.

THE MUHLENKAMP FUND  
(A Portfolio of the Wexford Trust)

NOTES TO FINANCIAL STATEMENTS (Continued)  
Six Months Ended June 30, 2000 (Unaudited)

- d. *Dividends and Distributions to Shareholders of Beneficial Interest* — Dividends from net investment income, if any, are declared and paid annually. Distributions of net realized capital gains, if any, will be declared and paid at least annually.
- e. *Use of Estimates* — The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.
- f. *Options Transactions* — The Fund may write put and call options only if it (i) owns an offsetting position in the underlying security or (ii) maintains cash or other liquid assets in an amount equal to or greater than its obligation under the option.

When the Fund writes a call or put option, an amount equal to the premium received is included in the statement of assets and liabilities as a liability. The amount of the liability is subsequently marked-to-market to reflect the current market value of the option. If an option expires on its stipulated expiration date or if the Fund enters into a closing purchase transaction, a gain or loss is realized. If a written call option is exercised, a gain or loss is realized for the sale of the underlying security and the proceeds from the sale are increased by the premium originally received. If a written put option is exercised, the cost of the security acquired is decreased by the premium originally received. As writer of an option, the Fund has no control over whether the underlying securities are subsequently sold (call) or purchased (put) and, as a result, bears the market risk of an unfavorable change in the price of the security underlying the written option.

The Fund may purchase put and call options. When the Fund purchases a call or put option, an amount equal to the premium paid is included in the Fund's statement of assets and liabilities as an investment, and is subsequently marked-to-market to reflect the current market value of the option. If an option expires on the stipulated expiration date or if the Fund enters into a closing sale transaction, a gain or loss is realized. If the Fund exercises a call, the cost of the security acquired is increased by the premium paid for the call. If the Fund exercises a put option, a gain or loss is realized from the sale of the underlying security, and the proceeds from such a sale are decreased by the premium originally paid. Written and purchased options are non-income producing securities.

**THE MUHLENKAMP FUND**  
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**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**Six Months Ended June 30, 2000 (Unaudited)**

**3. INVESTMENT ADVISORY AND OTHER AGREEMENTS**

Muhlenkamp & Co., Inc. (the "Advisor"), an officer/stockholder of which 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. Firststar Mutual Fund Services, LLC serves as transfer agent, administrator and accounting services agent for the Fund. Firststar Bank, N.A. serves as custodian for the Fund.

**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 shares of the Fund were as follows:

	<u>Six Months Ended June 30, 2000</u>	<u>Year Ended December 31, 1999</u>
Shares outstanding, beginning of period . . . . .	4,344,743	5,178,767
Shares sold . . . . .	817,156	1,361,481
Shares issued to shareholders in reinvestment of dividends . . . . .	—	84,183
Shares redeemed . . . . .	(800,028)	(2,279,688)
Shares outstanding, end of period . . . . .	<u>4,361,871</u>	<u>4,344,743</u>

**5. OPTION CONTRACTS WRITTEN**

The number of option contracts written and the premiums received by the Muhlenkamp Fund during the six months ended June 30, 2000, were as follows:

	<u>Number of Contracts</u>	<u>Premiums Received</u>
Options outstanding, beginning of period . . . . .	1,000	\$ 589,480
Options written . . . . .	2,850	3,287,800
Options exercised . . . . .	(728)	(404,644)
Options expired . . . . .	(510)	(422,531)
Options closed . . . . .	(1,172)	(1,095,880)
Options outstanding, end of period . . . . .	<u>1,440</u>	<u>\$ 1,954,225</u>

**6. INVESTMENT TRANSACTIONS**

Purchases and sales of investment securities, excluding short-term securities, for the six months ended June 30, 2000 were as follows:

<u>Purchases</u>		<u>Sales</u>	
<u>U.S. Government</u>	<u>Other</u>	<u>U.S. Government</u>	<u>Other</u>
\$0	\$25,566,768	\$3,099,102	\$39,493,021

**THE MUHLENKAMP FUND**  
**(A Portfolio of the Wexford Trust)**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**Six Months Ended June 30, 2000 (Unaudited)**

The components of the net unrealized appreciation in the value of the investments held at June 30, 2000 for both financial reporting and tax purposes are as follows:

Gross unrealized appreciation of investments	\$79,850,184
Gross unrealized depreciation of investments	<u>(22,638,187)</u>
Net unrealized appreciation of investments	<u>\$57,211,997</u>

At June 30, 2000, the cost of investments for federal income tax purposes was \$146,884,642.

### **7. EXPENSE REDUCTIONS**

The Fund has a directed business arrangement with Capital Institution Services, Inc. ("CIS"). Upon the purchase and/or sale of investment securities at best price and execution, 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, such as performance measurements, pricing information, custodian and record keeping services, legal, accounting and other administrative costs. Shareholders benefit under this arrangement as the net expenses of the Muhlenkamp Fund do not include such fees. For the six months ended June 30, 2000, the Muhlenkamp Fund's expenses were reduced \$25,875 by utilizing directed brokerage credits resulting in a decrease in the expense ratio being charged to shareholders of 0.03%. In accordance with Securities and Exchange Commission requirements, such amount is required to be shown as an expense and has been included in each of the expenses in the Statement of Operations.

Expenses are also reduced through the deposit of minimum account maintenance fees into the Fund. By November 30th of each year, all accounts without net investments (purchases less redemptions) totaling \$1,500 or more; an account value greater than \$1,500, or having an account enrolled in the Automatic Investment Program, are charged a \$15 fee. These fees are used to lower the Fund's expense ratio. For the six months ended June 30, 2000, the Fund's expenses were reduced \$28,535 by utilizing minimum account maintenance fees, resulting in a decrease in the expense ratio being charged to shareholders of 0.03%.

### **8. CHANGE OF AUDITORS**

On June 9, 2000, the Board of Trustees ratified the termination of Deloitte and Touche LLP as the Fund's independent accountants. For the years ended December 31, 1995 and December 31, 1996, Schneider Downs & Co., Inc. expressed an unqualified opinion on the Fund's financial statements. For the years ended December 31, 1997 through December 31, 1999, Deloitte and Touche LLP expressed an unqualified opinion on the Fund's financial statements. There were no disagreements between Fund management and Deloitte and Touche LLP prior to their termination. The Board of Trustees approved the termination of Deloitte and Touche LLP and the appointment of PricewaterhouseCoopers LLP as the Fund's independent accountants.

**INVESTMENT ADVISOR**

Muhlenkamp & Company, Inc.  
12300 Perry Highway  
Wexford, PA 15090

**ADMINISTRATOR AND TRANSFER AGENT**

Firstar Mutual Fund Services, LLC  
615 E. Michigan Street  
Milwaukee, WI 53202

**CUSTODIAN**

Firstar Bank, N.A.  
425 Walnut Street  
Cincinnati, OH 45201

**AUDITORS**

PricewaterhouseCoopers LLP  
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Milwaukee, WI 53202