

A No-Load Fund

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**Muhlenkamp Fund**

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**SEMI-ANNUAL REPORT**

June 30, 1991

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## LETTER TO SHAREHOLDERS

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The Trustees and management of the Muhlenkamp Fund are pleased to present this semi-annual report of your fund. Net assets of the Fund are approaching the \$1.5 million mark. As of June 30, 1991 the Net Asset value of your shares is \$11.24 (unaudited), up 22 percent from year end 1990.

The stock market made a full recovery from war and recession fears during the first quarter of 1991 and generally held its gains through the first half. Bond prices were flat to up slightly for the period, as a weak U.S. economy was offset by heavy borrowing by the U.S. Treasury and the Federal Republic of Germany. Meanwhile, the public had a chance to return to routine living after the emotional trauma of the war.

Economists are now concluding that the recession is probably over. Their focus has shifted from "How deep the recession?" to "What shape the recovery?" Some fear that any strength in GNP will result in higher inflation. Others fear that economic recovery will be aborted by a combination of still high inflation and modest growth in the money supply. The economists expressing these fears were saying the same thing in 1982, and they were wrong. At that time, modest money growth resulted in a dramatic decline in inflation, even as the economy recovered into 1983.

Today, the monetary circumstances are similar to 1982 - 83. We see nothing that implies an increase in inflation. In fact, we see a significant decrease as likely once again. High real interest rates and a cautious consumer may make the recovery less robust than that of 1983, but the longer rates remain well above inflation the greater the likelihood they'll decline over time. Renewed strength in stock and bond prices is awaiting this decline, but we don't know when it will begin.

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  
July 17, 1991

**THE WEXFORD TRUST**

**STATEMENT OF OPERATIONS**

**FROM JANUARY 1, 1991 TO JUNE 30, 1991**

(UNAUDITED)

	<u>Muhlenkamp Fund</u>	
INVESTMENT INCOME		
Dividends	\$ 15,681	
Interest	<u>4,563</u>	
Total Income		\$ 20,244
EXPENSES		
Advisor fee	\$ 7,000	
Auditor fee	6,875	
Custodian fee	<u>2,000</u>	
Total Expenses		<u>15,875</u>
Net Investment Income		\$ 4,369
REALIZED AND UNREALIZED GAIN ON INVESTMENTS		
Net realized gain on investments		\$ 54,872
Unrealized appreciation in value of investments during the period		<u>206,196</u>
Increase in Net Assets Resulting From Operations		\$ 265,437

**STATEMENT OF ASSETS AND LIABILITIES**

**JUNE 30, 1991**

(UNAUDITED)

ASSETS

Muhlenkamp Fund

INVESTMENT IN SECURITIES AT VALUE - IDENTIFIED COST \$1,198,940	\$1,292,567
CASH	151,814
RECEIVABLES	<u>56,640</u>
Total Assets	\$1,501,021

LIABILITIES

PAYABLES	
Advisory Fee Payable	<u>3,600</u>
Total Net Assets	<u>\$1,497,421</u>

NET ASSETS	
Shares of beneficial interest outstanding	\$1,406,506
Accumulated undistributed income:	
Accumulated undistributed net investment loss	(2,712)
Net unrealized appreciation in value of investments at end of period	<u>93,627</u>
Net Assets	<u>\$1,497,421</u>

NET ASSET VALUE PER SHARE (Net assets divided by shares outstanding)	\$ 11.24
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**PORTFOLIO OF INVESTMENTS**

**JUNE 30, 1991**

(UNAUDITED)

Muhlenkamp Fund

Principal  
Amount or  
Shares      Value

COMMON STOCKS

Air Express International Corp.	1500	\$ 40,125
Alleghany Corp.	408	40,290
Allegheny Ludlum	1,450	36,431
Blair Corp.	1,000	42,500
Calfed	3,500	20,562
Comerica	1425	55,041
A.G. Edwards	800	25,400
Federal National Mortgage	1500	74,250
Fidelity National Financial Inc.	2400	34,500
Figgie International	1500	24,750
Frontier Insurance	1450	35,888
GATX	1000	32,000
Glenfed	3000	16,125
Golden West Financial	800	28,300
Green Tree Acceptance Inc.	1700	45,475
JWP Inc.	1000	16,500
King World Productions	1050	30,712
Landmark Savings	8500	39,312
Loews Corp.	700	70,088
Mark IV Inds. Inc.	1280	16,480
Mellon Bank	1000	29,875
PNC Financial	600	21,675
Penn Central	1600	36,000
Philip Morris	760	48,260
Radius, Inc.	800	4,100
Ryland Group	1800	34,650
Standard Pacific, LTD	2100	18,375
Superior Ind.	1328	35,524
Tenneco	500	20,000
United Federal Bancorp PA	1200	13,200
Western Digital	2400	9,600
Westinghouse	800	22,300
Xilinx	200	4,200

Total Common Stocks (cost \$939,497) \$1,022,488

PREFERRED STOCKS

Pioneer Financial Preferred (cost \$20,000) 800 12,700

CLOSED-END INVESTMENT FUNDS

Gemini Fund - Capital Shares (cost \$36,900) 4000 51,000

BONDS

General Motors Acceptance Corporation - 0% deferred  
debentures, due 2015 (cost \$36,723) 350000 36,925

U.S. Treasury Bonds (cost \$129,797) 150000 130,312

U.S. Treasury Strips (cost \$36,024) 250000 39,141

TOTAL INVESTMENTS (cost \$1,198,940) \$1,292,567

**STATEMENT OF CHANGES IN NET ASSETS**  
**FROM JANUARY 1, 1991 TO JUNE 30, 1991**  
(UNAUDITED)

	<u>Muhlenkamp Fund</u>
<b>INCREASE (DECREASE) IN CASH AND NET ASSETS</b>	
Operations:	
Net investment income	\$ 4,369
Net realized gain on investments	54,872
Unrealized appreciation	<u>206,196</u>
Net Increase Resulting from Operations	265,437
<b>FROM CAPITAL SHARE TRANSACTIONS</b>	
Proceeds from sale of 10,885.492 shares	114,209
Cost of 6,130.325 shares repurchased	(65,416)
Total Increase	\$ 314,230
<b>NET ASSETS</b>	
Beginning of Period	<u>1,183,190</u>
End of Period (including undistributed investment loss of \$2,712)	<u>\$1,497,421</u>

See notes to financial statements.

**THE WEXFORD TRUST**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 1991**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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 a diversified open-end management investment company.

The following is a summary of significant accounting policies consistently followed by the Trust in the preparation of its financial statements. The policies are in conformity with generally accepted accounting principles.

Security 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 principal securities exchange on which the issue is traded.

Security transactions and related investment income - Security 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.

Cash flow information - The Trust issues and redeems its shares, invests in securities, earns income and distributes dividends from net investment income. Dividends are either reinvested in the fund or paid in cash upon the written direction of the holder of beneficial interest. These activities are reported on the accrual basis in the statement of changes in net assets.

Federal income taxes - The Trust's policy is to comply with requirements of the Internal Revenue Code that are applicable to regulated investment companies and to distribute substantially all its taxable income to its holders of beneficial interest. Therefore, each year no provision for federal income taxes is required.

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

**THE WEXFORD TRUST**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 1991**

**NOTE 2 - INVESTMENT MANAGEMENT AND PAYMENTS  
TO AFFILIATED PERSONS**

Muhlenkamp & Co., Inc., a Pennsylvania Corporation, principally owned by Ronald H. Muhlenkamp, 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. Certain trustees are also officers of the investment advisor. At June 30, 1991 certain affiliated persons held in aggregate 4,012.422 shares with a net asset value of \$45,099.62.

**NOTE 3 - SHARES OF BENEFICIAL INTEREST**

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. For the period January 1, 1991 to June 30, 1991, transactions in Trust shares were as follows:

	<u>Shares</u>	<u>Amount</u>
Shares Sold	10,885.492	\$114,209
Shares Redeemed	6,130.325	\$ (65,416)