

Muhlenkamp Fund

Intelligent Investment Management

SEMI-ANNUAL REPORT

June 30, 1999

Phone: 1-800-860-3863

E-mail: [click here](#)

Web Site: www.muhlenkamp.com

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.

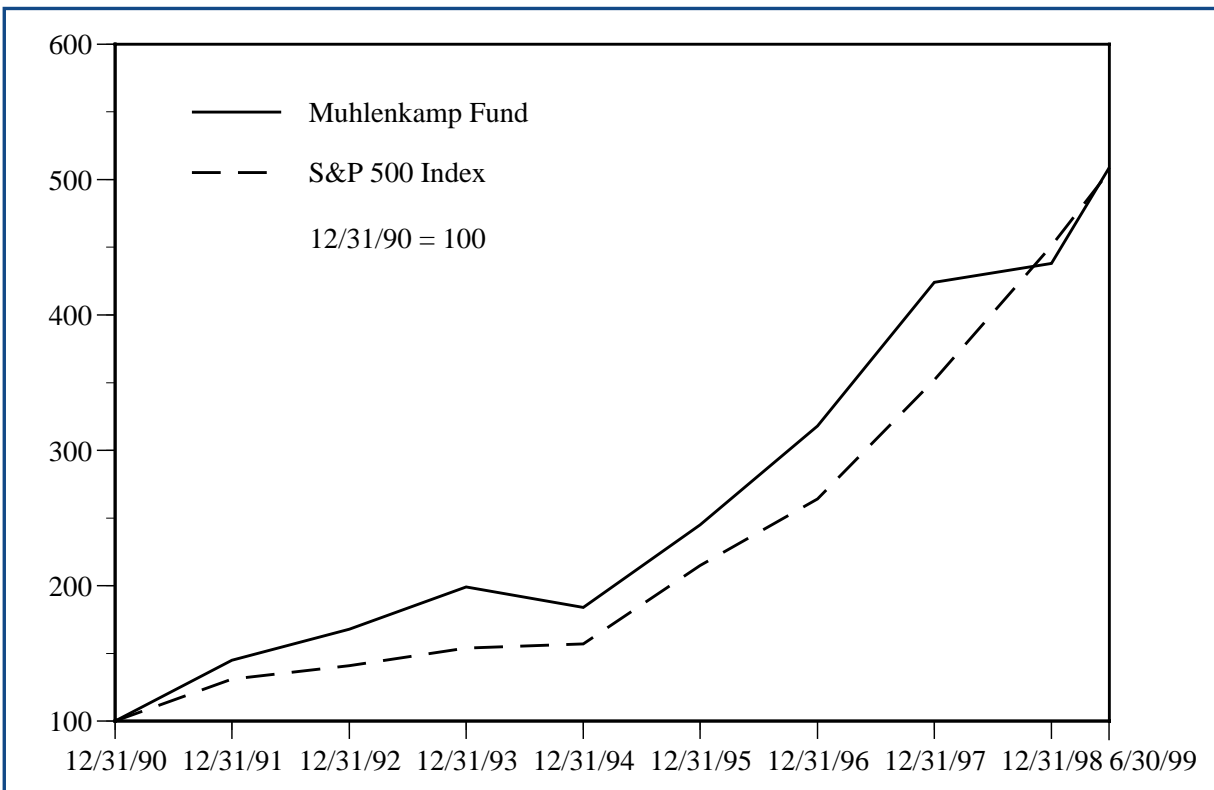
THE MUHLENKAMP FUND (A Portfolio of the Wexford Trust)

Dear Fellow Shareholders:

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

As of June 30, 1999, the Net Asset Value (NAV) of your Fund was \$43.72. The year-to-date return for your Fund as of June 30, 1999 was 16.12%.

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	7.7	68.4	40.6
12/31/93	18.1	9.9	98.8	54.5
12/31/94	(7.2)	1.3	84.5	56.5
12/31/95	33.0	37.1	145.4	114.5
12/31/96	30.0	22.9	219.1	163.7
12/31/97	33.3	33.4	325.3	251.7
12/31/98	3.2	28.1	339.0	350.6
6/30/99	16.1	12.4	409.0	407.0



THE MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

It's working, folks. The things we wrote about in April are happening. Inflation remains modest and economic growth remains strong. The U.S. worker/consumer remains in good shape. Anyone who wants a job can get a job. Anyone willing to learn can upgrade to a better job. Even some economists are starting to understand this.

The Asian economies are also improving. Fundamental changes in Japan are slow but positive. Other parts of Southeast Asia are improving. Those countries which have moved toward free markets, primarily South Korea and Thailand, are doing better than their neighbors. This is helping large international companies in businesses like oil, paper, chemicals, etc.

Business and investor confidence in this economy has also improved, which allowed the stocks of large international cyclical companies to bounce in April and May. So far, most of the strength is still in the well-known names like Royal Dutch, International Paper, Alcoa, and Dow Chemical.

Meanwhile the bloom has come off the Internet stocks and the "security blanket" stocks that were bid to high premiums after the scare in the 3rd quarter of 1998. Many of these stocks are off their recent highs by as much as 30-40%.

The change in market focus dates to mid-April, and is still in its early stages. Our portfolio holdings have participated nicely in this change.

As continued good economic and inflation numbers are reported, we expect the market's strength to continue to spread to those companies with attractive values and good earnings. We believe the stocks we hold represent such companies, and we continue to seek additions to our list.

Year 2000 Update

As we have been saying for over a year, our belief is that Y2K will have a minimal effect on the lives of most Americans. Yes, there will be some disruptions, but none beyond the normal disruptions caused by a winter storm. The Muhlenkamp Fund's service partners tell us their systems are Y2K compliant and ready to handle the upcoming non-event without interruption.

Ron Muhlenkamp
President
August 1999

THE MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

STATEMENT OF ASSETS & LIABILITIES
June 30, 1999 (Unaudited)

ASSETS	
INVESTMENTS, AT VALUE (Identified cost \$145,345,288)	\$210,193,337
CASH	19,110
RECEIVABLES:	
Dividends	142,814
Interest	8,623
Subscriptions	29,800
Total receivables	<u>181,237</u>
PREPAID EXPENSES	724
Total assets	<u>210,394,408</u>
LIABILITIES	
COVERED PUT AND CALL OPTIONS WRITTEN, AT VALUE (Premiums received \$474,009)	1,832,500
INVESTMENTS PURCHASED	213,750
ADVISOR FEE	161,837
ACCRUED EXPENSES	126,533
Total liabilities	<u>2,334,620</u>
NET ASSETS	<u>\$208,059,788</u>
NET ASSETS	
CAPITAL PAID IN ON SHARES OF BENEFICIAL INTEREST	\$146,059,921
UNDISTRIBUTED NET INVESTMENT LOSS	(206,798)
ACCUMULATED NET REALIZED LOSS ON INVESTMENTS	(1,282,893)
NET UNREALIZED APPRECIATION (DEPRECIATION) OF:	
Investments	64,848,049
Written options	<u>(1,358,491)</u>
NET ASSETS	<u>\$208,059,788</u>
SHARES OF BENEFICIAL INTEREST OUTSTANDING (unlimited number of shares authorized, \$.001 par value)	4,758,727
NET ASSET VALUE PER SHARE	<u>\$ 43.72</u>

See notes to financial statements.

THE MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

STATEMENT OF OPERATIONS
Six Months Ended June 30, 1999 (Unaudited)

INVESTMENT INCOME:		
Dividends		\$ 895,804
Interest		<u>164,050</u>
Total investment income		1,059,854
EXPENSES:		
Investment advisory fees	949,033	
Transfer agent fees & expenses	130,625	
Printing & mailing	66,603	
Federal & state registration	27,963	
Custody fees	22,473	
Fund accounting fees	20,798	
Administration fees	22,139	
Audit fees	23,326	
Legal fees	3,050	
Insurance	1,567	
Miscellaneous	<u>14,237</u>	
Total expenses	1,281,814	
Fees paid indirectly	<u>(15,700)</u>	
Net expenses		<u>1,266,114</u>
NET INVESTMENT LOSS		(206,260)
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS		
Net realized loss on investments		(1,050,914)
Change in unrealized appreciation or depreciation in value of :		
Investments		30,671,332
Written options		<u>(752,598)</u>
Net realized and unrealized gain on investments		<u>28,867,820</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS		<u><u>\$28,661,560</u></u>

See notes to financial statements.

THE MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

STATEMENT OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 1999	Year Ended December 31, 1998
	(Unaudited)	
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS:		
Net investment income (loss)	\$ (206,260)	\$ 387,575
Net realized loss on investments	(1,050,914)	(104,365)
Change in unrealized appreciation or depreciation in value of investments and written options	29,918,734	(1,155,525)
Net increase(decrease) in net assets resulting from operations	28,661,560	(872,315)
DISTRIBUTIONS TO SHAREHOLDERS:		
Net investment income	—	(392,344)
CAPITAL SHARE TRANSACTIONS:		
Proceeds from sale of shares	24,067,586	120,046,067
Proceeds from shares issued to holders in reinvestment of dividends	—	381,937
Cost of shares redeemed	(39,630,958)	(49,662,383)
Net increase (decrease) in net assets resulting from capital share transactions	(15,563,372)	70,765,621
Total increase in net assets	13,098,188	69,500,962
NET ASSETS:		
Beginning of year	194,961,600	125,460,638
End of year (including undistributed net investment income of \$0 and distributions in excess of undistributed net investment income of (\$538), respectively)	\$208,059,788	\$194,961,600

See notes to financial statements.

THE MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

FINANCIAL HIGHLIGHTS

	Six Months Ended	Year Ended December 31,				
	June 30, 1999	1998	1997	1996	1995	1994
	(Unaudited)					
NET ASSET VALUE, BEGINNING OF YEAR	\$ 37.65	\$ 36.55	\$ 27.52	\$ 21.26	\$ 16.23	\$ 17.86
INCOME FROM INVESTMENT OPERATIONS						
Net investment income (1)	(0.04)	0.08	0.18	0.14	0.21	0.11
Net gains (losses) on securities	<u>6.11</u>	<u>1.10</u>	<u>8.98</u>	<u>6.23</u>	<u>5.14</u>	<u>(1.39)</u>
Total from investment operations	6.07	1.18	9.16	6.37	5.35	(1.28)
LESS DISTRIBUTIONS:						
From net investment income	0.00	(0.08)	(0.13)	(0.11)	(0.21)	(0.10)
From net realized gains	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(0.11)</u>	<u>(0.25)</u>
Total distributions	<u>0.00</u>	<u>(0.08)</u>	<u>(0.13)</u>	<u>(0.11)</u>	<u>(0.32)</u>	<u>(0.35)</u>
NET ASSET VALUE, END OF YEAR	<u>\$ 43.72</u>	<u>\$ 37.65</u>	<u>\$ 36.55</u>	<u>\$ 27.52</u>	<u>\$ 21.26</u>	<u>\$ 16.23</u>
TOTAL RETURN	16.12%	3.22%	33.28%	29.96%	32.90%	(7.20%)
NET ASSETS, END OF PERIOD (in thousands)	\$208,060	\$194,962	\$125,461	\$42,039	\$23,571	\$16,611
RATIO OF TOTAL EXPENSES TO AVERAGE NET ASSETS	1.35%	1.36%	1.44%	1.56%	1.40%	1.57%
RATIO OF NET EXPENSES TO AVERAGE NET ASSETS	1.33%	1.32%	1.33%	1.54%	1.35%	1.52%
RATIO OF NET INVESTMENT INCOME (LOSS) TO AVERAGE NET ASSETS	(0.22%)	0.21%	0.53%	0.58%	1.10%	0.70%
PORTFOLIO TURNOVER RATE	7.78%	27.03%	13.89%	16.90%	22.70%	25.60%

(1) Computed on weighted average number of shares outstanding for the years ended December 31, 1994 - 1998.

See notes to financial statements.

THE MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

PORTFOLIO OF INVESTMENTS
June 30, 1999 (Unaudited)

Name of Issuer or Title of Issue	Number of Shares or Principal Amount	Value
COMMON STOCK — 98.0%+		
Aerospace — 3.7%+		
* BE Aerospace, Inc.	357,000	\$ 6,671,437
Lockheed Martin	28,000	1,043,000
		<u>7,714,437</u>
Airlines — 6.5%+		
AMR Corp.	100,000	6,825,000
Air Express International Corp.	32,343	820,704
* Alaska Air Group	140,000	5,845,000
		<u>13,490,704</u>
Autos — 7.5%+		
Dana Corp.	15,000	690,937
Ford Motor Company	112,000	6,321,000
* Monaco Coach Corp.	30,000	1,269,375
* National RV Holdings	204,500	4,959,125
Superior Industries	53,180	1,452,480
Winnebago Industries, Inc.	40,000	900,000
		<u>15,592,917</u>
Banks — 7.5%+		
Chase Manhattan	24,000	2,079,000
Citigroup Inc.	180,000	8,550,000
Mellon Bank Corp.	140,000	5,092,500
		<u>15,721,500</u>
Brokerage — 11.1%+		
A.G. Edwards	18,750	604,688
* Donaldson, Lufkin & Jenrette, Inc.	300	8,850
* Friedman Billings Ramsey	5,000	59,375
Merrill Lynch	102,000	8,153,625
Southwest Securities, Inc.	199,635	14,323,811
		<u>23,150,349</u>
Building Products — 4.8%+		
* Griffon Corp.	121,000	945,313
Owens Corning	100,000	3,437,500
Southdown Inc.	60,000	3,855,000
Texas Industries Inc.	47,400	1,836,750
		<u>10,074,563</u>

THE MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

PORTFOLIO OF INVESTMENTS (Continued)
June 30, 1999 (Unaudited)

Name of Issuer or Title of Issue	Number of Shares or Principal Amount	Value
Capital Goods — 3.6%+		
Commercial Intertech	183,400	\$ 2,922,937
Graco, Inc.	105,825	3,108,609
IDEX Corp.	41,250	1,356,094
		<u>7,387,640</u>
Diversified Operations — 0.4%+		
Loews Corp.	10,000	<u>791,250</u>
Electronics — 6.7%+		
* ATMI, Inc.	100,000	2,975,000
Computer Associates International, Inc.	105,000	5,775,000
Intel Corp.	88,000	5,236,000
		<u>13,986,000</u>
Finance — 8.0%+		
Federal National Mortgage Assoc.	74,400	5,087,100
# * Long Beach Financial Corp.	136,000	1,997,500
Morgan Stanley Dean Witter & Co.	81,500	8,353,750
National City Corp.	16,852	1,103,806
		<u>16,542,156</u>
Furniture — 5.1%+		
* Stanley Furniture, Inc.	305,500	6,873,750
* Winslow Furniture	109,600	3,685,300
		<u>10,559,050</u>
Homebuilding — 5.6%+		
American Woodmark Corp.	92,200	3,250,050
* Beazer Homes USA, Inc.	20,000	463,750
* Crossman Communities Inc.	180,000	5,231,250
* NVR, Inc.	52,000	2,713,750
		<u>11,658,800</u>
Industrial Equipment — 1.3%+		
JLG Industries, Inc.	128,100	<u>2,610,038</u>
Insurance — 8.8%+		
Conseco, Inc.	344,608	10,489,006
Fidelity National Financial	238,881	5,016,501
Frontier Insurance	64,737	995,331
Reliance Group Holdings Inc.	232,500	1,729,219
		<u>18,230,057</u>

THE MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

PORTFOLIO OF INVESTMENTS (Continued)
June 30, 1999 (Unaudited)

Name of Issuer or Title of Issue	Number of Shares or Principal Amount	Value
Medical — 0.9%+		
* D & K Healthcare Resources, Inc.	17,500	\$ 417,812
* Eclipse Surgical Technologies, Inc.	20,000	216,250
* Orthodontic Centers of America, Inc.	60,000	847,500
* Scios, Inc.	140,000	455,000
		<u>1,936,562</u>
Metal — 1.7%+		
Allegheny Teledyne Inc.	40,000	905,000
* RTI International Metals	179,200	2,632,000
		<u>3,537,000</u>
Oils, Natural Gas and Energy Related — 5.0%+		
* Calpine Corp.	180,000	9,720,000
* OMNI Energy Services	198,000	693,000
		<u>10,413,000</u>
Retail Jewelry — 0.1%+		
* Piercing Pagoda, Inc.	10,000	126,250
Technology — 5.3%+		
# * Applied Materials	150,000	11,081,250
Telecommunication — 0.0%+		
* Korea Telecom Corp.	1,000	40,000
Tobacco — 1.6%+		
Phillip Morris	85,280	3,427,190
Transportation — 2.8%+		
* Arkansas Best Corp.	146,000	1,450,875
# * Coach USA	105,500	4,424,406
		<u>5,875,281</u>
Total Common Stocks (cost \$140,101,751)		<u>203,945,994</u>
BONDS AND NOTES — 2.2%+		
General Motors Acceptance Corp.		
-0-%, due 2015	\$5,000,000	1,566,275
U.S. Treasury Strip		
-0-%, due 2013	800,000	341,351
U.S. Treasury Strip		
-0-%, due 2024	12,880,000	2,735,957
Total Bonds and Notes (cost \$3,639,777)		<u>4,643,583</u>

THE MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

PORTFOLIO OF INVESTMENTS (Continued)
June 30, 1999 (Unaudited)

Name of Issuer or Title of Issue	Number of Shares or Principal Amount	Value
REGISTERED INVESTMENT COMPANY — 0.8%+		
Star Trust for U.S. Treasury	\$1,603,760	\$ 1,603,760
Total Registered Investment Companies (cost \$1,603,760)		<u>1,603,760</u>
TOTAL INVESTMENTS		
(identified and tax cost of \$145,345,288)		<u><u>\$210,193,337</u></u>

* Non income producing security.

+ Investments are shown as a percentage of net assets at June 30, 1999.

At June 30, 1999, the Fund's open covered put and call option contracts which are accounted for as a liability on the Statement of Assets and Liabilities were as follows:

Underlying Security/Expiration Date/Exercise Price:	Number of Contracts Written	Value
Applied Materials/January 2000/\$40	500	\$ 1,825,000
Coach USA/September 1999/\$30	250	6,250
Long Beach Financial Corp./December 1999/\$12.50	200	<u>1,250</u>
Total covered put and call options written (premiums received \$474,009)		<u><u>\$ 1,832,500</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, 1999 (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.
- d. *Dividends and Distributions to Shareholders of Beneficial Interest* — Dividends and distributions are recorded by the Fund on the record date.

THE MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

NOTES TO FINANCIAL STATEMENTS (Continued)
Six Months Ended June 30, 1999 (Unaudited)

- 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 such options are considered to be covered. A written call option is considered to be covered when the writer of the call option owns throughout the option period the security on which the option is written. A written put option is considered covered when the writer of the put has deposited and maintained amount equal to or greater than the exercise price of the put option.

When the Fund writes a covered 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 sales 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.

3. INVESTMENT ADVISORY AND OTHER AGREEMENTS

Muhlenkamp & Co., Inc. (the "Advisor"), an affiliate of which an officer-stockbroker 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 Advisor is permitted to charge the Fund for some or all of its routine

THE MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

NOTES TO FINANCIAL STATEMENTS (Continued)
Six Months Ended June 30, 1999 (Unaudited)

administration costs which totaled \$82,034 for the six months ended June 30, 1999. The reimbursement consists of the following:

Federal & state registration	\$42,491
Printing & mailing	28,701
Legal & audit	578
Insurance	713
Miscellaneous	9,551
Total	<u>\$82,034</u>

Effective April 1, 1999, Firststar Mutual Funds Services, LLC ("Firststar") began providing administration services to the Fund. Effective May 1, 1999, the accounting and transfer agent services previously provided by American Data Services, Inc. are also provided by Firststar. Firststar Bank Cincinnati, NA 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</u> <u>June 30, 1999</u>	<u>Year Ended</u> <u>December 31, 1998</u>
Shares outstanding, beginning of year	5,178,767	3,432,778
Shares sold	603,061	3,066,602
Shares issued to shareholders in reinvestment of dividends	0	10,376
Shares redeemed	<u>(1,023,101)</u>	<u>(1,330,989)</u>
Shares outstanding, end of year	<u>4,758,727</u>	<u>5,178,767</u>

5. CAPITAL LOSS CARRYFORWARD

As of December 31, 1998, the Fund had available for federal income tax purposes a capital loss carryforward of \$231,979 which expires as follows:

December 31, 2004	\$127,614
December 31, 2006	104,365

6. COVERED PUT AND CALL OPTIONS

The Fund's activity in written options for the six months ended June 30, 1999 was as follows:

	<u>Number of Contracts</u>	<u>Premiums Received</u>
Options outstanding at beginning of period	1,300	\$ 551,082
Options written	450	231,767
Options expired	(300)	(66,598)
Options closed	<u>(500)</u>	<u>(242,242)</u>
Options outstanding at end of period	<u>950</u>	<u>\$ 474,009</u>

THE MUHLENKAMP FUND
(A Portfolio of the Wexford Trust)

NOTES TO FINANCIAL STATEMENTS (Continued)
Six Months Ended June 30, 1999 (Unaudited)

7. INVESTMENT TRANSACTIONS

Purchases and sales of investment securities, excluding short-term securities, for the six months ended June 30, 1999 were as follows:

Purchases		Sales	
U.S. Government	Other	U.S. Government	Other
\$0	\$14,900,010	\$8,726,427	\$24,749,574

The components of the net unrealized appreciation in the value of the investments held at June 30, 1999 for both financial reporting and tax purposes are as follows:

Gross unrealized appreciation of investments	\$74,735,567
Gross unrealized depreciation of investments	<u>(9,887,518)</u>
Net unrealized appreciation of investments	<u>\$64,848,049</u>

At June 30, 1999, the cost of investments for federal income tax purposes was \$145,345,288.

8. 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, such as performance measurements, pricing information, custodian and record keeping services, legal, accounting and other administrative costs. The commission credits redeemed during the year were utilized by the Fund to pay accounting fees due to the Independent Auditors, transfer agent fees and fund accounting.

The following is an analysis of commissions credits generated, utilized and available to pay future expenses of the Fund:

Balance, January 1, 1999	\$ 13,850
Commission credits generated in 1999	35,164
Commission credits utilized:	
Auditor fees	<u>(15,700)</u>
Balance, June 30, 1999	<u>\$ 33,314</u>

For the six months ended June 30, 1999, total Fund operating expenses, as a percentage of average net assets were 1.35% without the commission credits. With the commission credits, net Fund operating expenses as a percentage of average net assets were 1.33% for the same period.

INVESTMENT ADVISOR

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

ADMINISTRATOR AND TRANSFER AGENT

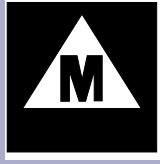
Firststar Mutual Fund Services, LLC
615 E. Michigan Street
Milwaukee, WI 53202

CUSTODIAN

Firststar Bank Cincinnati, NA
425 Walnut Street
Cincinnati, OH 45201

AUDITORS

Deloitte & Touche LLP
2500 1 PPG Place
Pittsburgh, PA 15222



Muhlenkamp Fund

Intelligent Investment Management

SEMI-ANNUAL REPORT

June 30, 1999

Phone: 1-800-860-3863

E-mail: [click here](#)

Web Site: www.muhlenkamp.com

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.