

Muhlenkamp & Company

Webcast August 22, 2017

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Muhlenkamp & Company, Inc.
Intelligent Investment Management

Welcome

- All participants are in a listen-only mode.
- We will conduct a question-and-response session after the presentation.
- This webcast is being recorded.



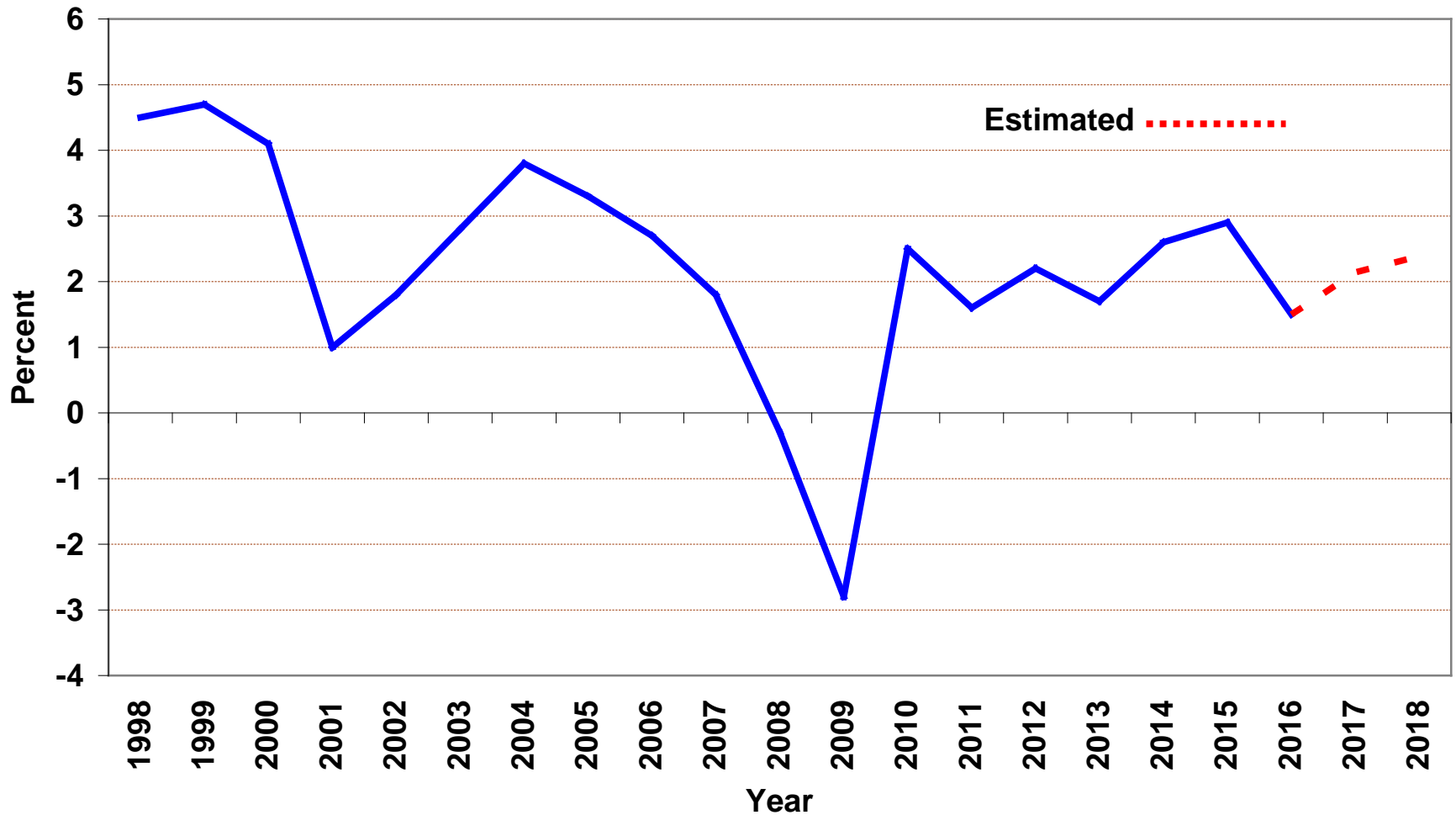
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Our Checklist:	What we observe as the Current State:	Future Outlook:
1. Consumer Spending	Slow	Slow
2. Business Investment	Slow	Slow
3. Credit Default/Bank Health	Good overall but showing Signs of weakness	Student & Auto loans stretched
4. Velocity of Money	Declining	Should Stabilize
5. Inflation	Low Inflation	Low
6. Federal Reserve and Treasury	Raising Short Term Rates	Balance sheet reduction
7. Taxes	Changes being discussed in DC	Key
8. Regulation	Slow improvement	Slow improvement
9. Europe & Japan	Banks & Politics – Less worrisome; Central Banks – Still worrisome	Mixed
10. China	Currency moves less concerning	Unclear

Source: Muhlenkamp & Company, Inc.



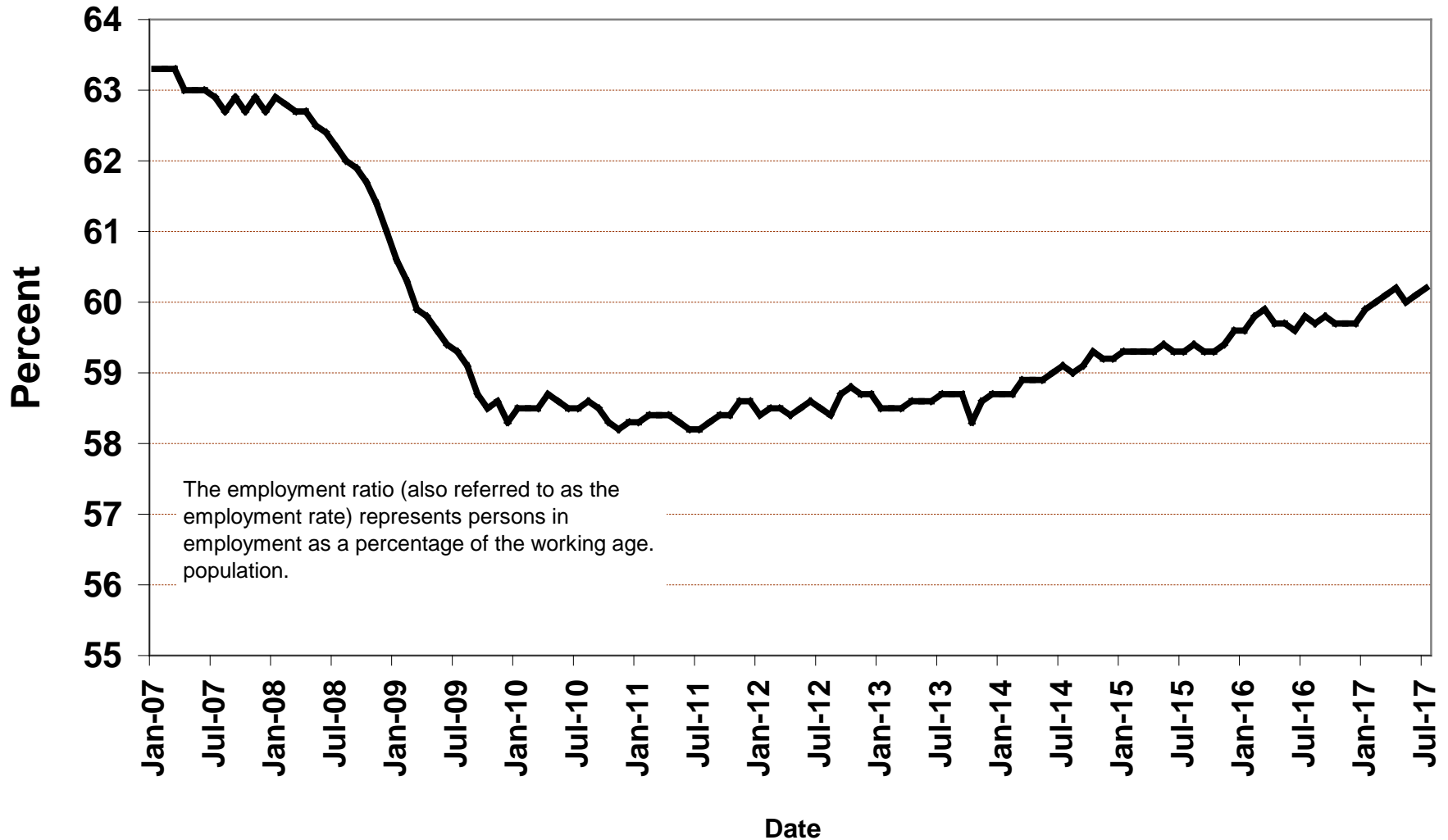
U.S. Real GDP (Annual YoY %) 1998-2018



Source: Bloomberg; Estimated data OECD



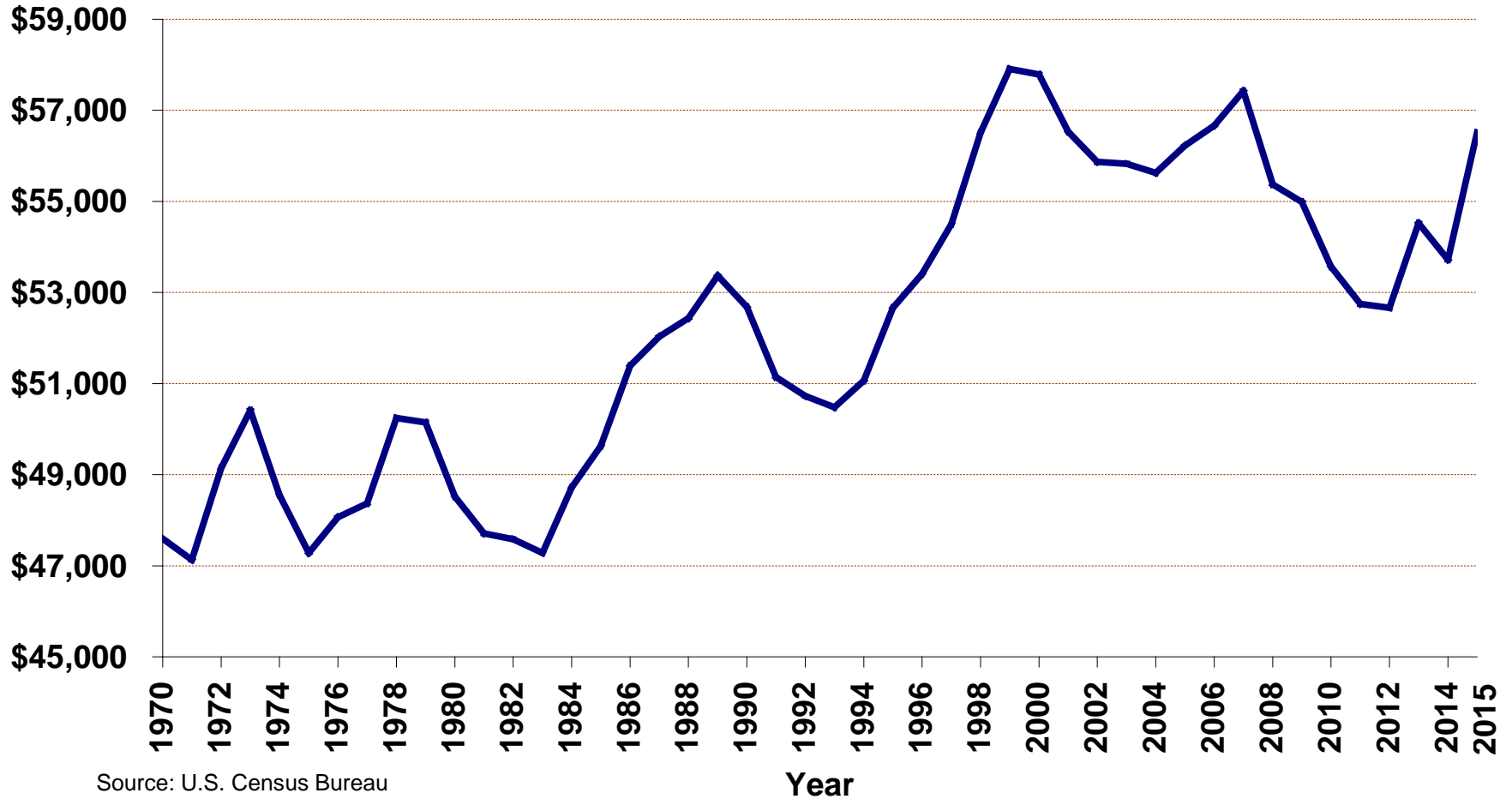
U.S. Employment Population Ratio Total in Labor Force (Seasonally Adjusted) Jan2007-Jul2017 (Monthly)



Source: Bloomberg



U.S. Household Median Income Real Chained 2015 Dollars 1970-2015 (Yearly)



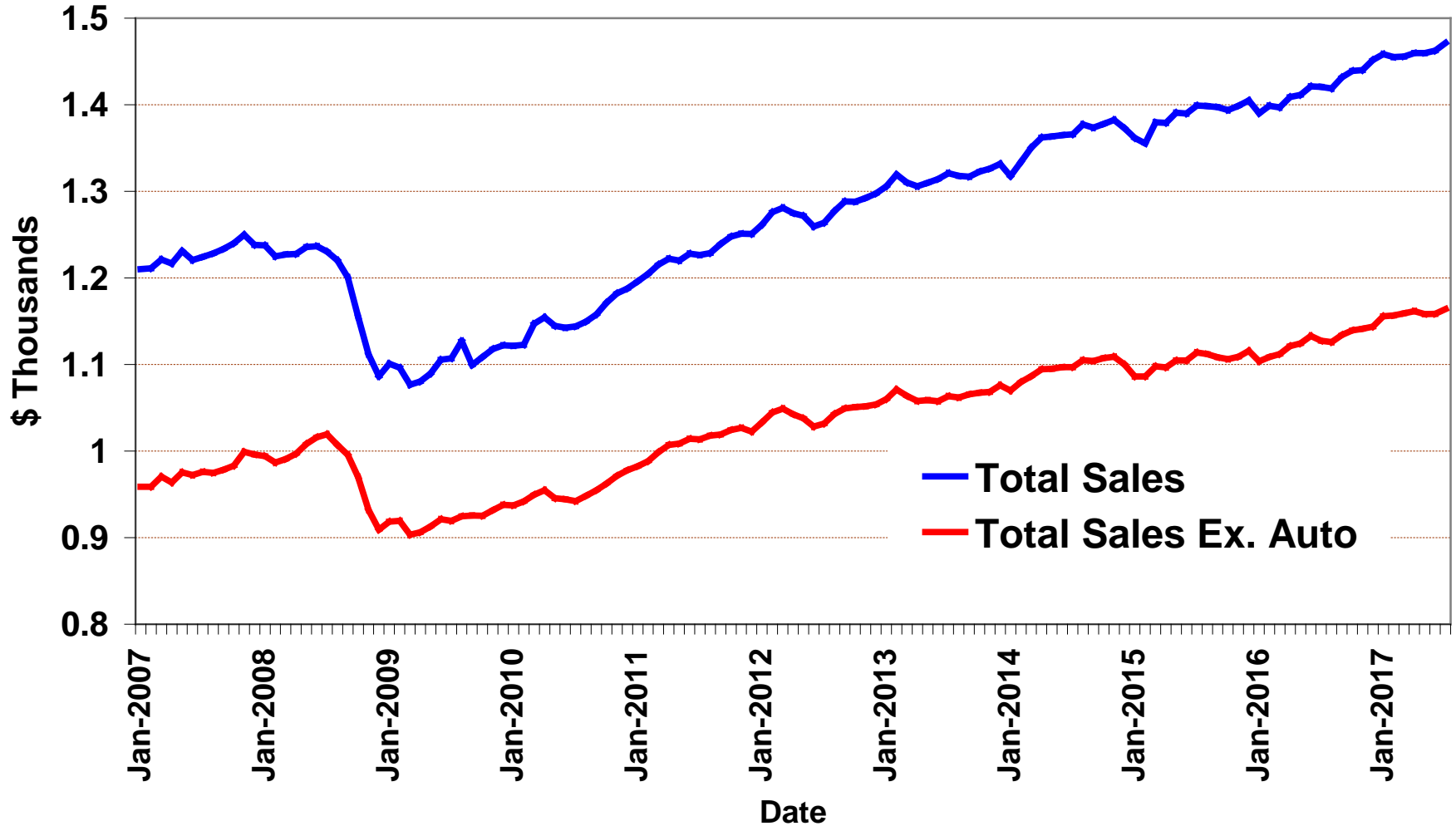
Source: U.S. Census Bureau



NOTE: In 1996, the U.S. Department of Commerce introduced the chained-dollar measure. The new measure is based on the average weights of goods and services in successive pairs of years. It is "chained" because the second year in each pair, with its weights, becomes the first year of the next pair. The advantage of using the chained-dollar measure is that it is more closely related to any given period covered and is therefore subject to less distortion over time.

Monthly Retail Sales per Capita

Retail Trade and Food Services: U.S. Total — Seasonally Adjusted Sales
2007-Jul2017

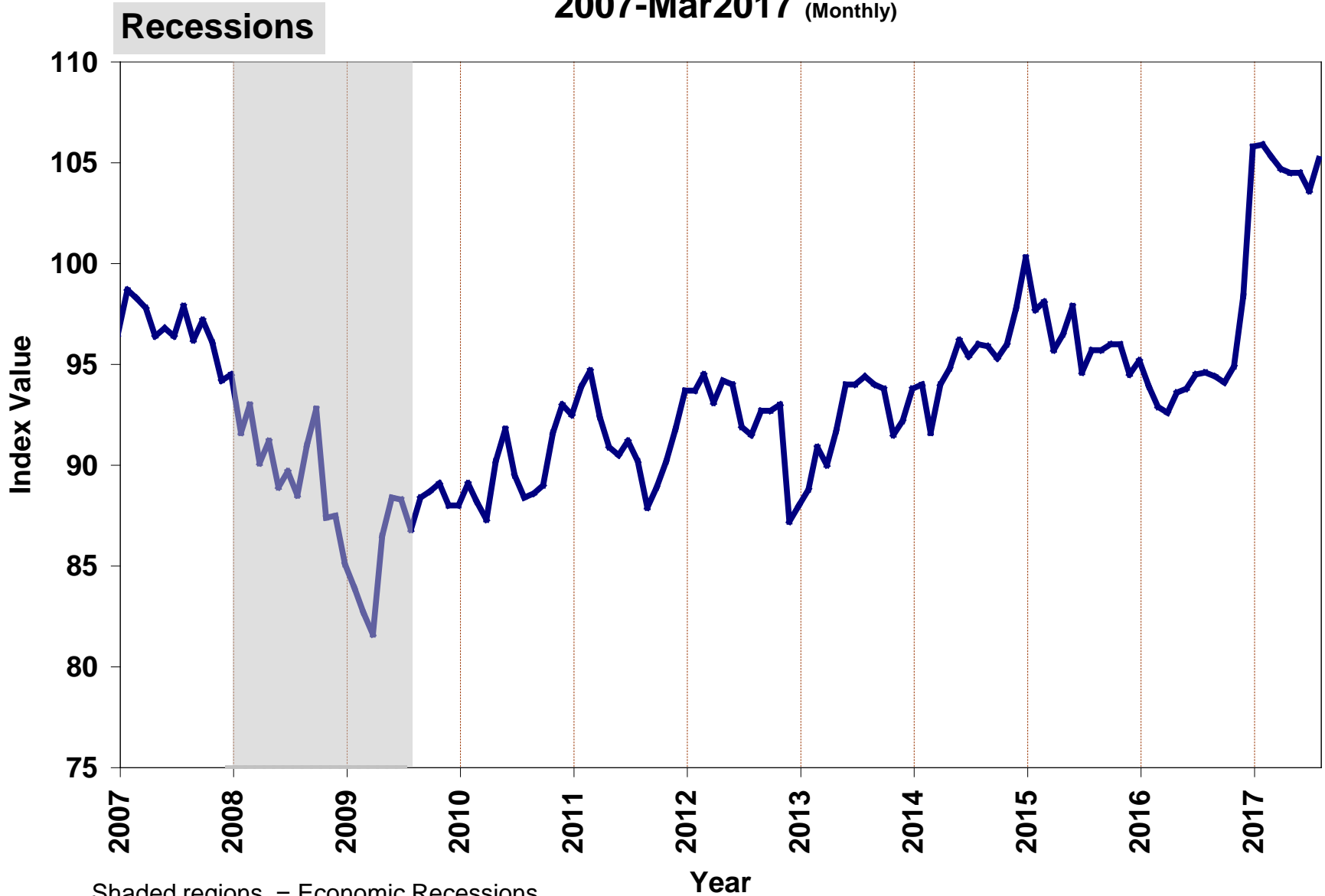


Source: Bloomberg



NFIB Small Business Optimism Index

2007-Mar2017 (Monthly)

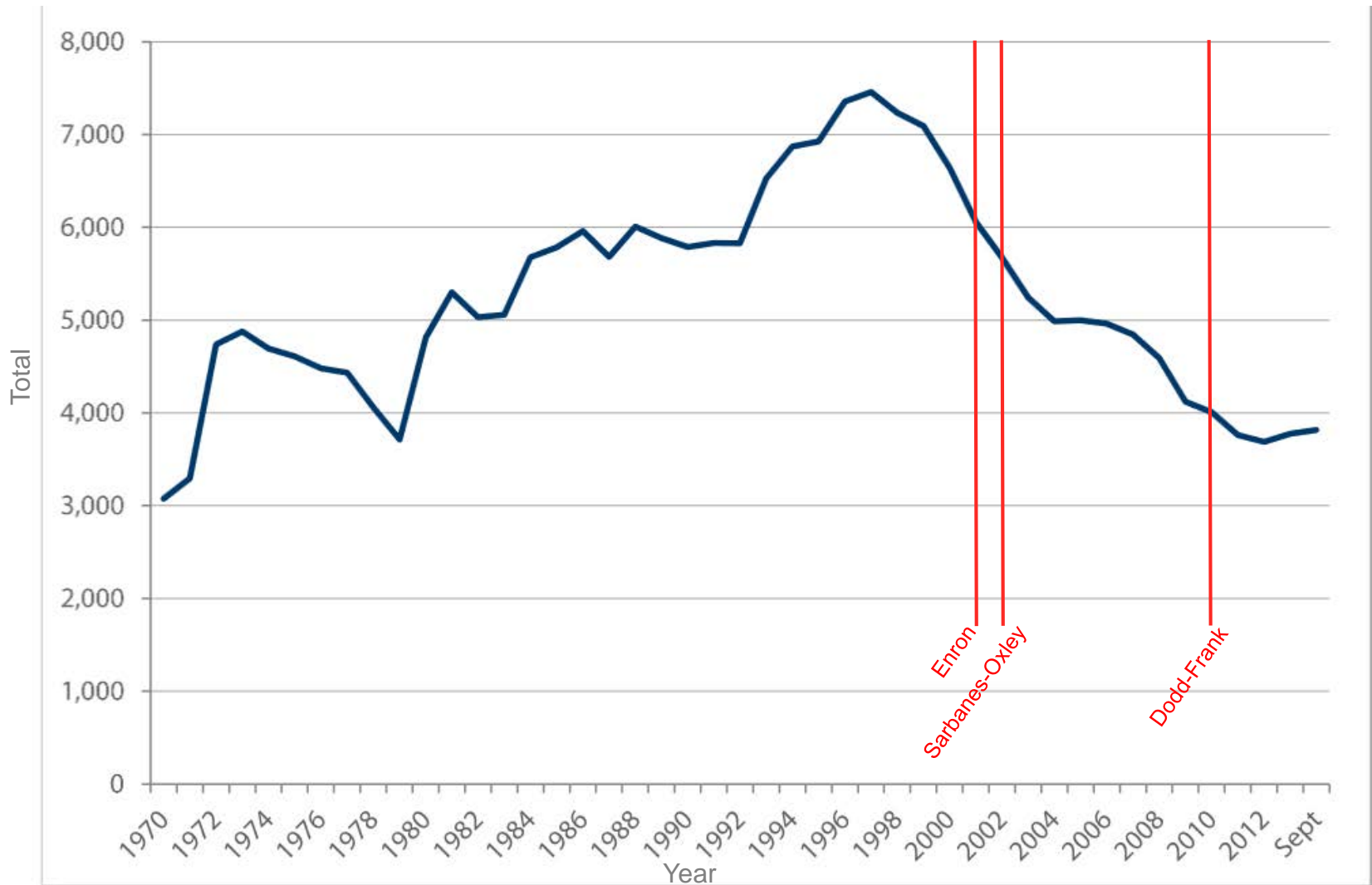


Shaded regions = Economic Recessions

Source: National Federation of Independent Business NFIB; Data Normalized 1986=100



Wilshire 5000 Year-End Membership Counts 1971-2014

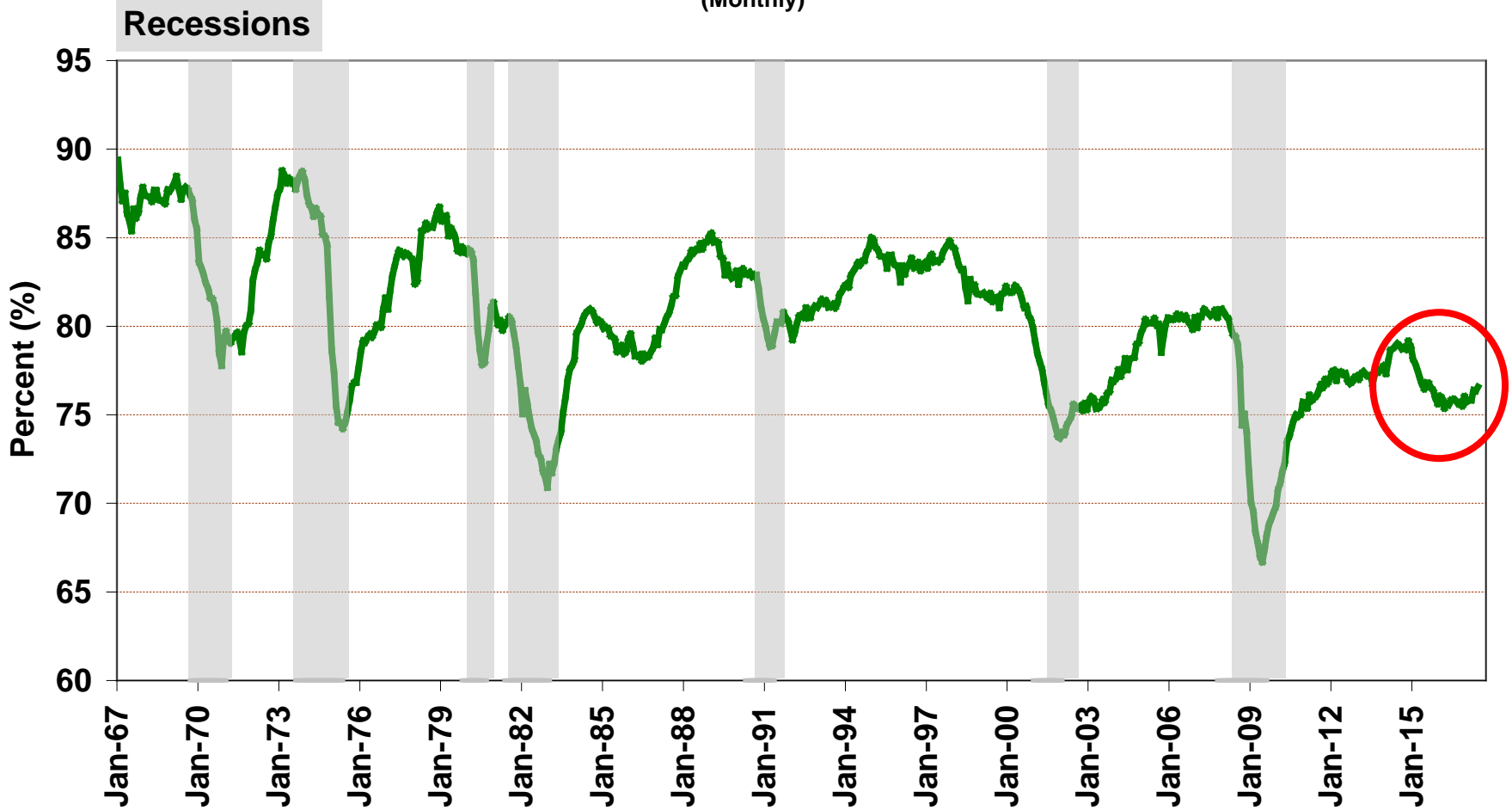


Source: Wilshire 5000



Capacity Utilization: Total Industry 1967-Jun2017

(Monthly)



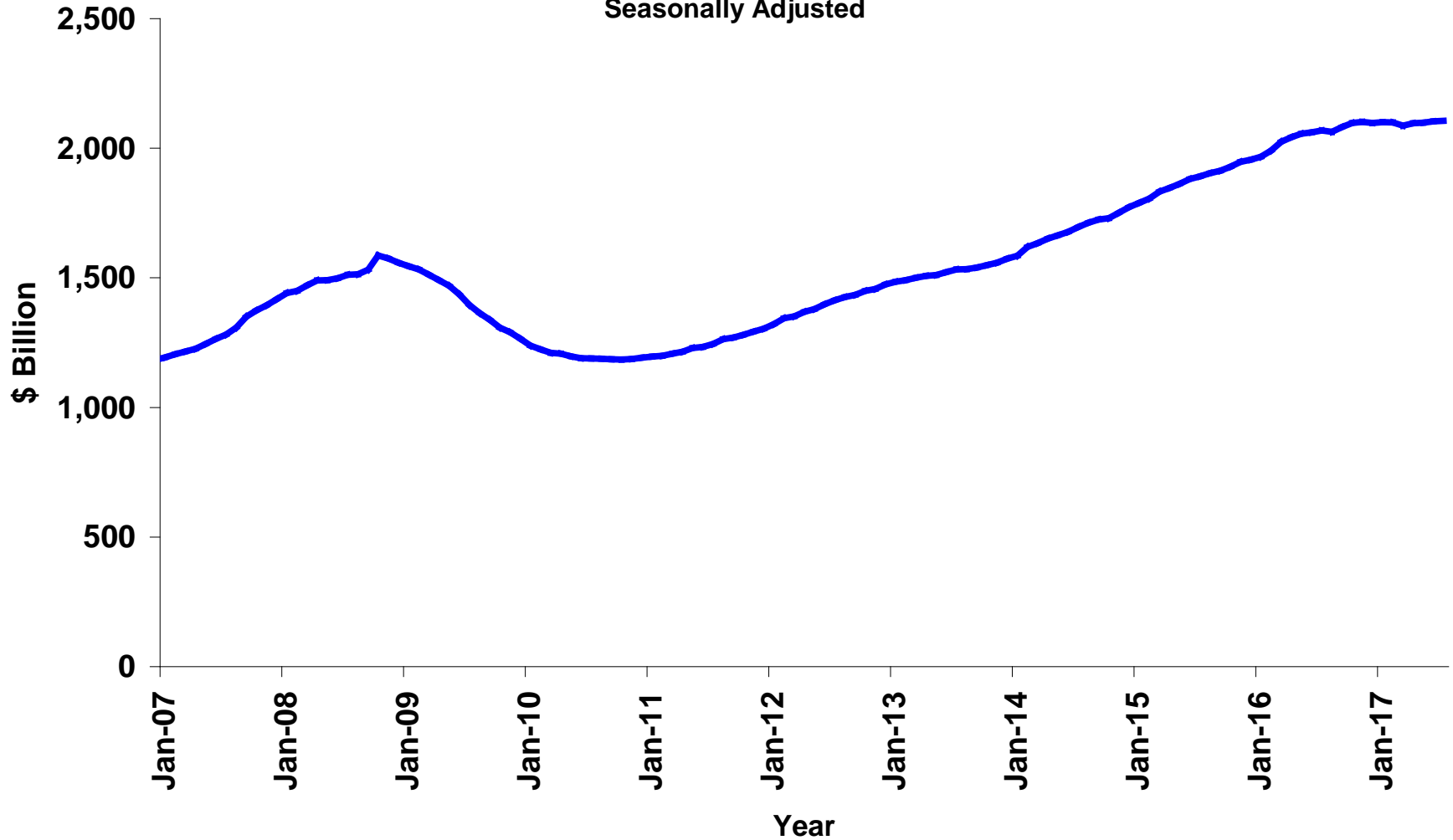
Shaded regions = Economic Recessions

Date

Source: Bloomberg



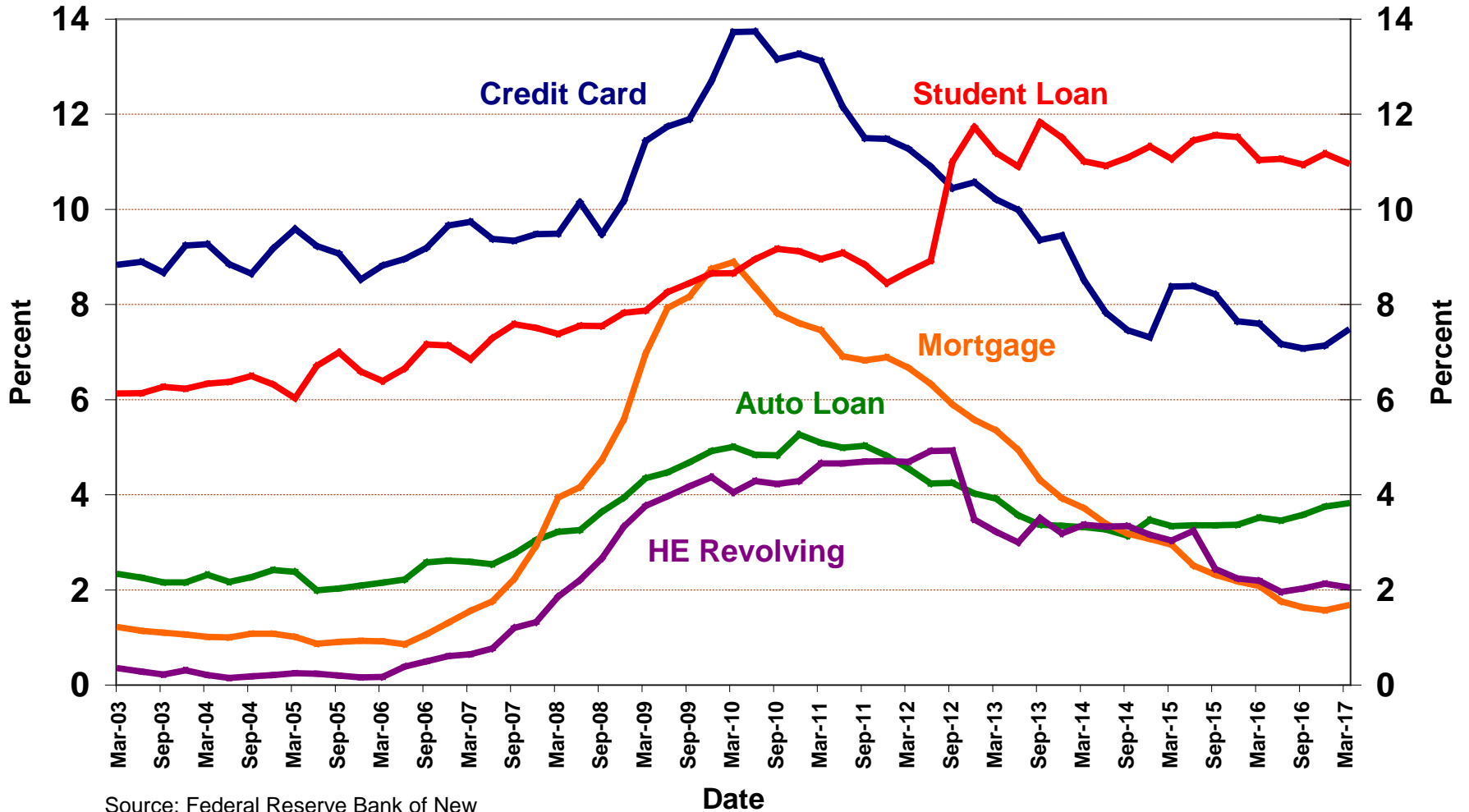
Commercial and Industrial Loans by Commercial Banks United States 2007-Jul2017 (Monthly) Seasonally Adjusted



Source: Federal Reserve Bank of St. Louis



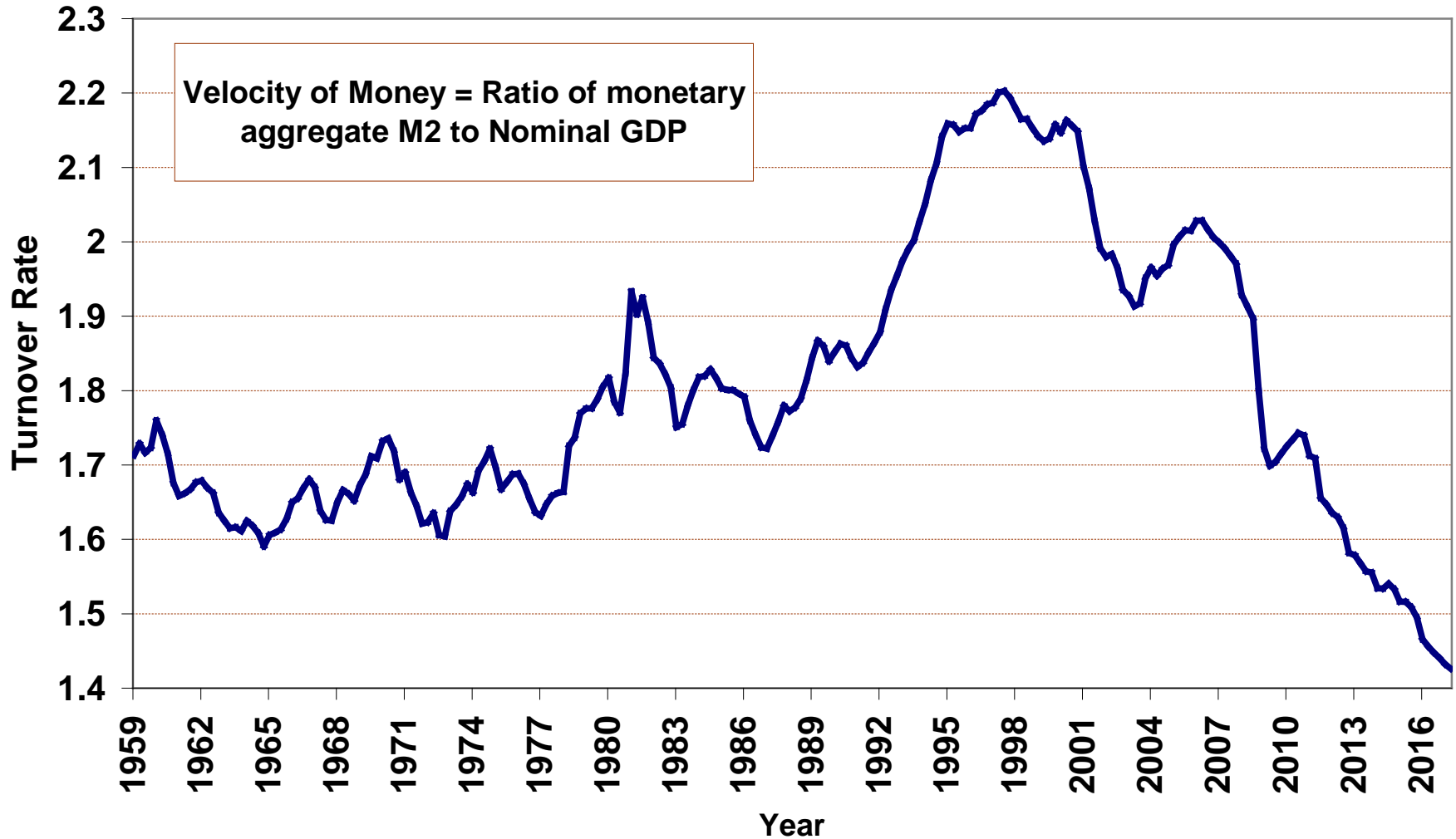
Percent of Balance 90+ Days Delinquent by Loan Type 2003-Jun2017 (Quarterly)



Source: Federal Reserve Bank of New



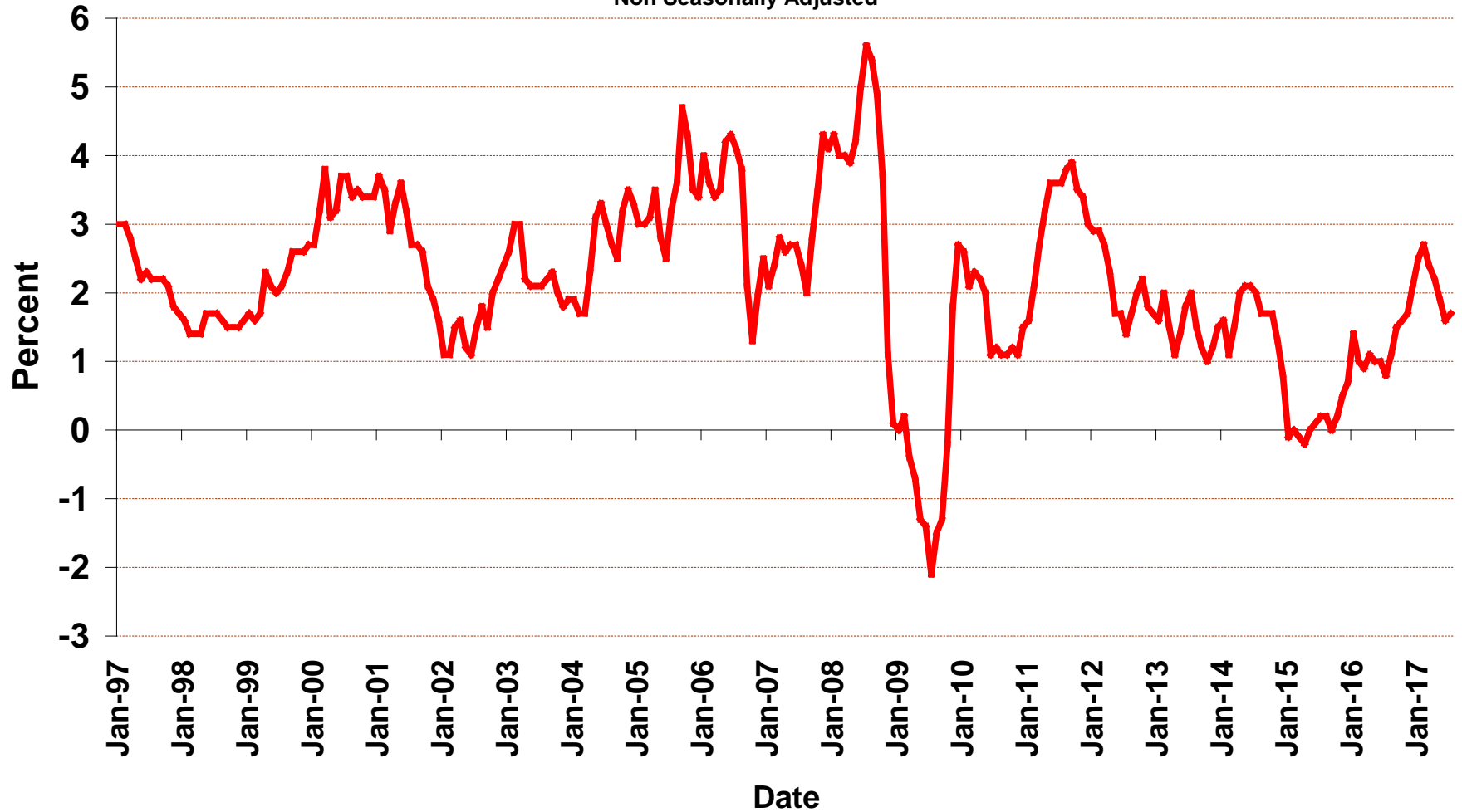
Velocity of Money - M2 Money Supply 1959-Jun2017 (Quarterly)



Velocity of Money = Ratio of monetary aggregate M2 to Nominal GDP



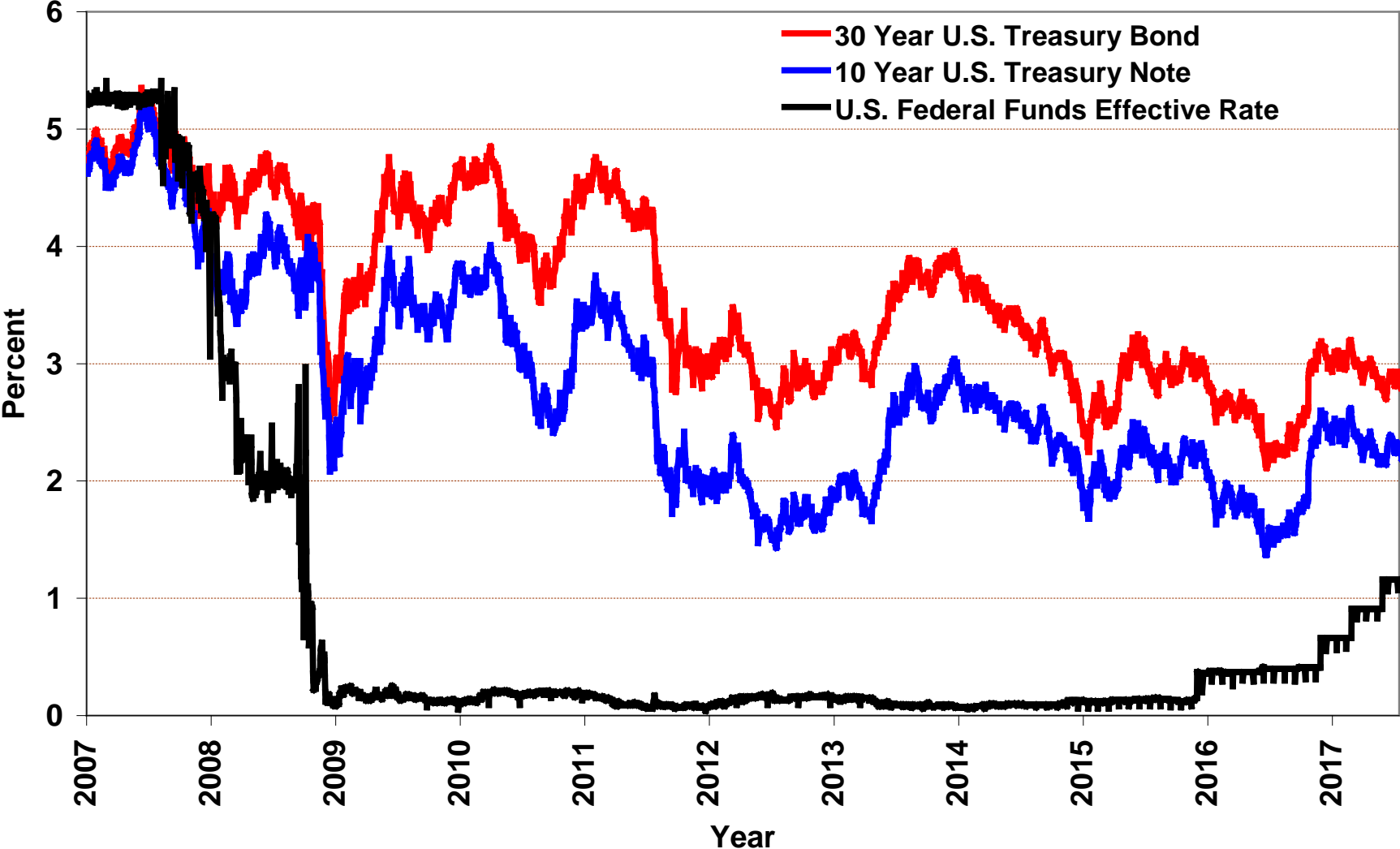
U.S. CPI Urban Consumers YoY % 1997-Jul2017 Non Seasonally Adjusted



Source: Bloomberg



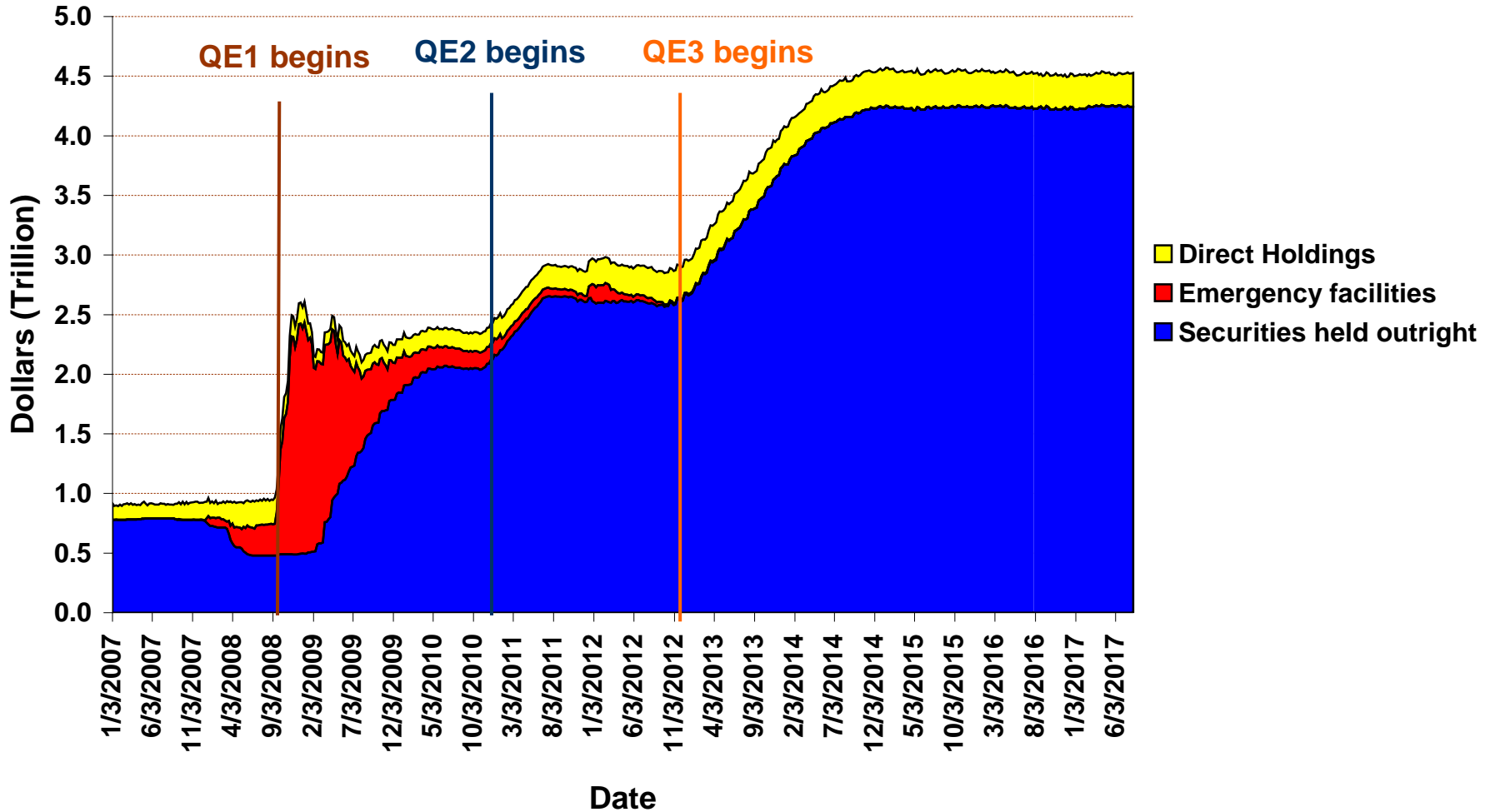
Interest Rates 2007-Aug2017



Source: Bloomberg



Assets on the Federal Reserve's Balance Sheet 2007-Aug2017



Changing the rules: which rules, how much change?

Political Promises

- Repeal Obamacare
- Roll back regulations
- Tax Cuts
 - Business
 - Personal
- Renegotiate trade deals
 - NAFTA
 - Trans-Pacific Partnership (TPP)
 - Relations with Germany and China

Progress so far

- Died in Senate
- House committee approved roll back of much of Dodd-Frank. House has killed some other regulations.
- No real movement on tax cuts
- TPP dead, administration appears to be backtracking on NAFTA re-write and big changes in trade relations with China and Germany.

So far change has been limited to reduced regulations. Movement on Legislation slow. Potential for big changes in trade relationships less than it appeared 3 months ago.



Muhlenkamp & Company

40th Anniversary

We are pleased, proud, and grateful that we have been able to serve our clients and the community for the last forty years.

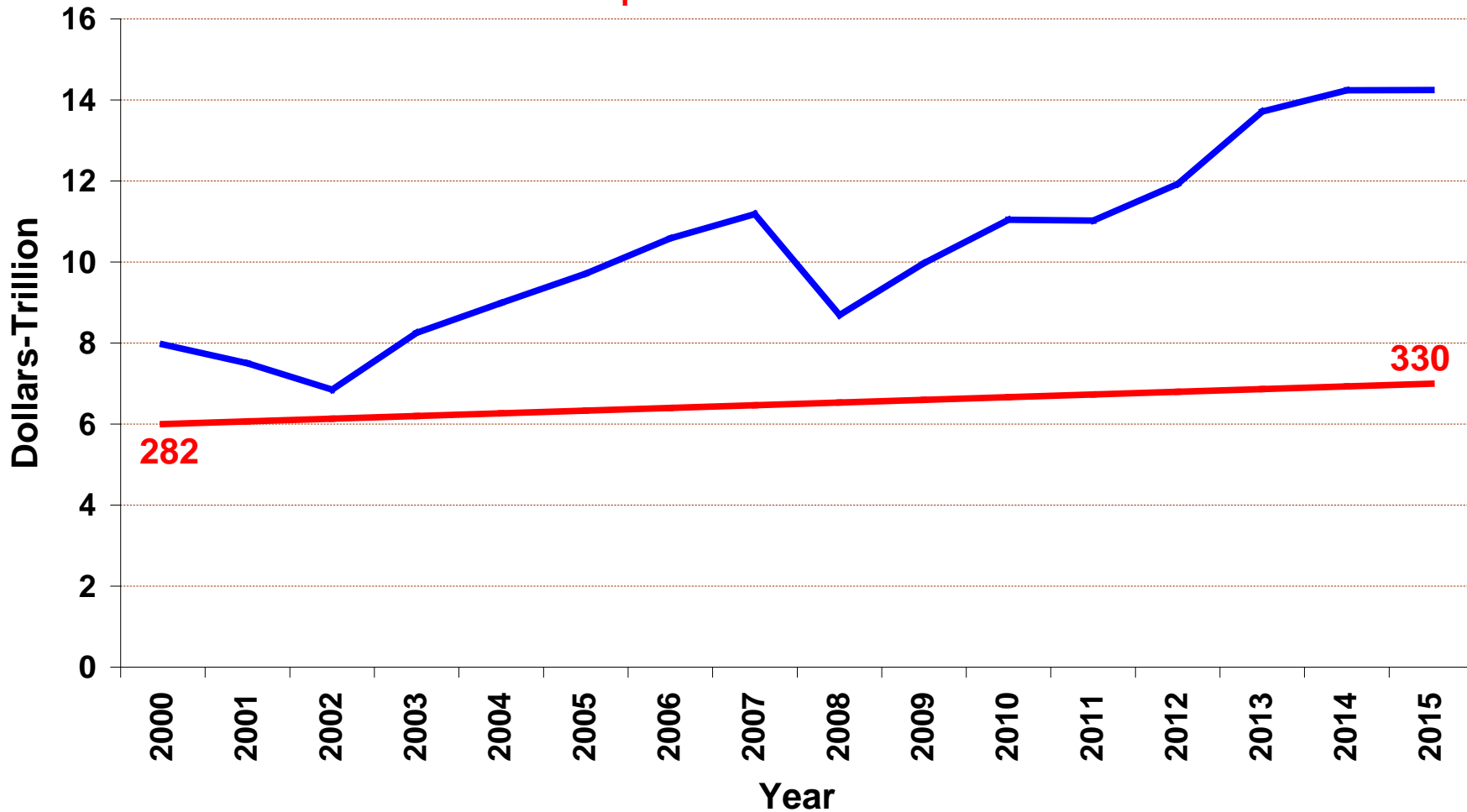
Ron will speak about:

- Lessons learned;
- Changes over the years; and
- M&C going forward.



U.S. Total Pension Fund Assets 2000-2015

Population - Millions



Source: OECD



Questions and Responses

Click on the orange arrow in the upper right-hand corner of your screen to open the control panel where you may submit questions.

For some devices, look for the question mark at the top or bottom of your screen.

We will contact you if we did not have time to respond to your question during the event.



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The comments made during this webcast are opinions and are not intended to be investment advice or a forecast of future events.



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