

Muhlenkamp & Company

Webcast May 24, 2018

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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.



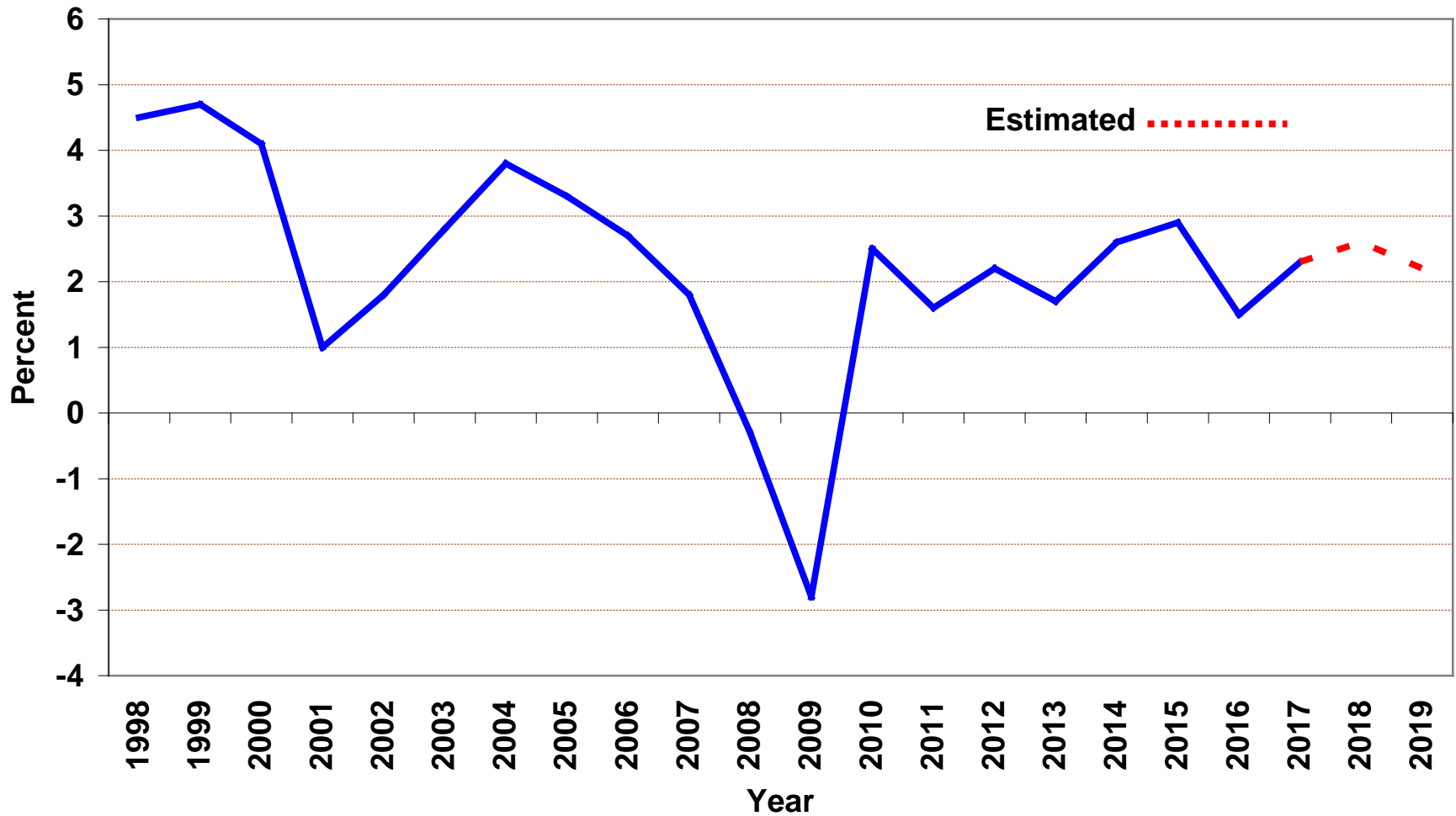
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Our Checklist:	What we observe as the Current State:	Future Outlook:
1. Consumer Spending	Good	Good
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4. Velocity of Money	Stabilizing?	Unsure
5. Inflation	Low Inflation	Unsure, but risk of higher inflation is rising
6. Federal Reserve and Treasury	Raising short-term rates and reducing balance sheet	Raising short-term rates and reducing balance sheet
7. Trade	Significant negotiations underway: China, NAFTA	Incremental change
8. Regulation	Slow improvement	Slow improvement
9. Europe & Japan	Less worrisome than 6 months ago	BOJ printing continues ECB printing slows, ends 4Q18?
10. China	Potentially disruptive	Potentially disruptive

Source: Muhlenkamp & Company, Inc.



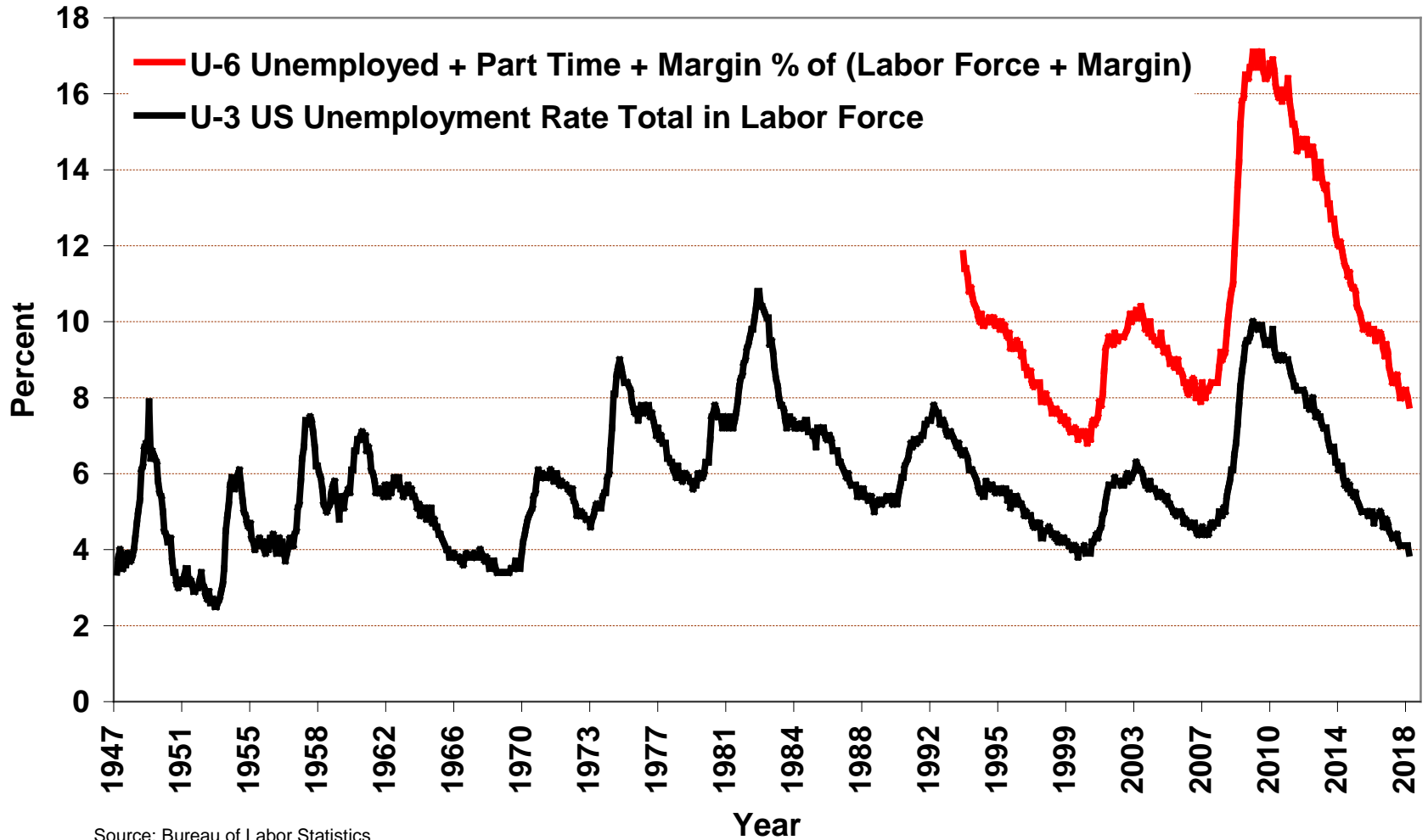
U.S. Real GDP (Annual YoY %) 1998-2019



Source: Bloomberg; Estimated data OECD



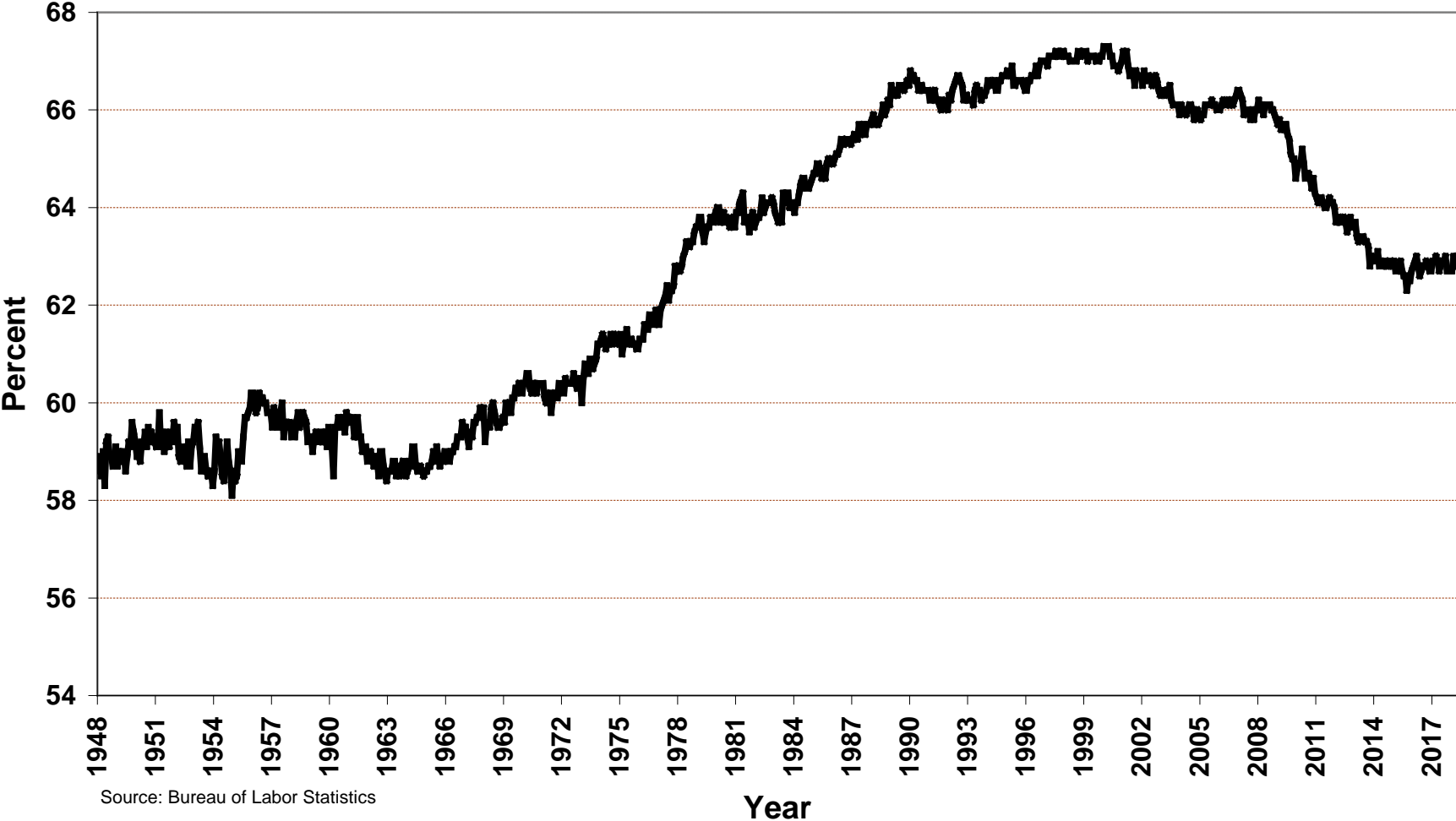
U.S. Unemployment Rate Seasonally Adjusted 1947-2018



Source: Bureau of Labor Statistics



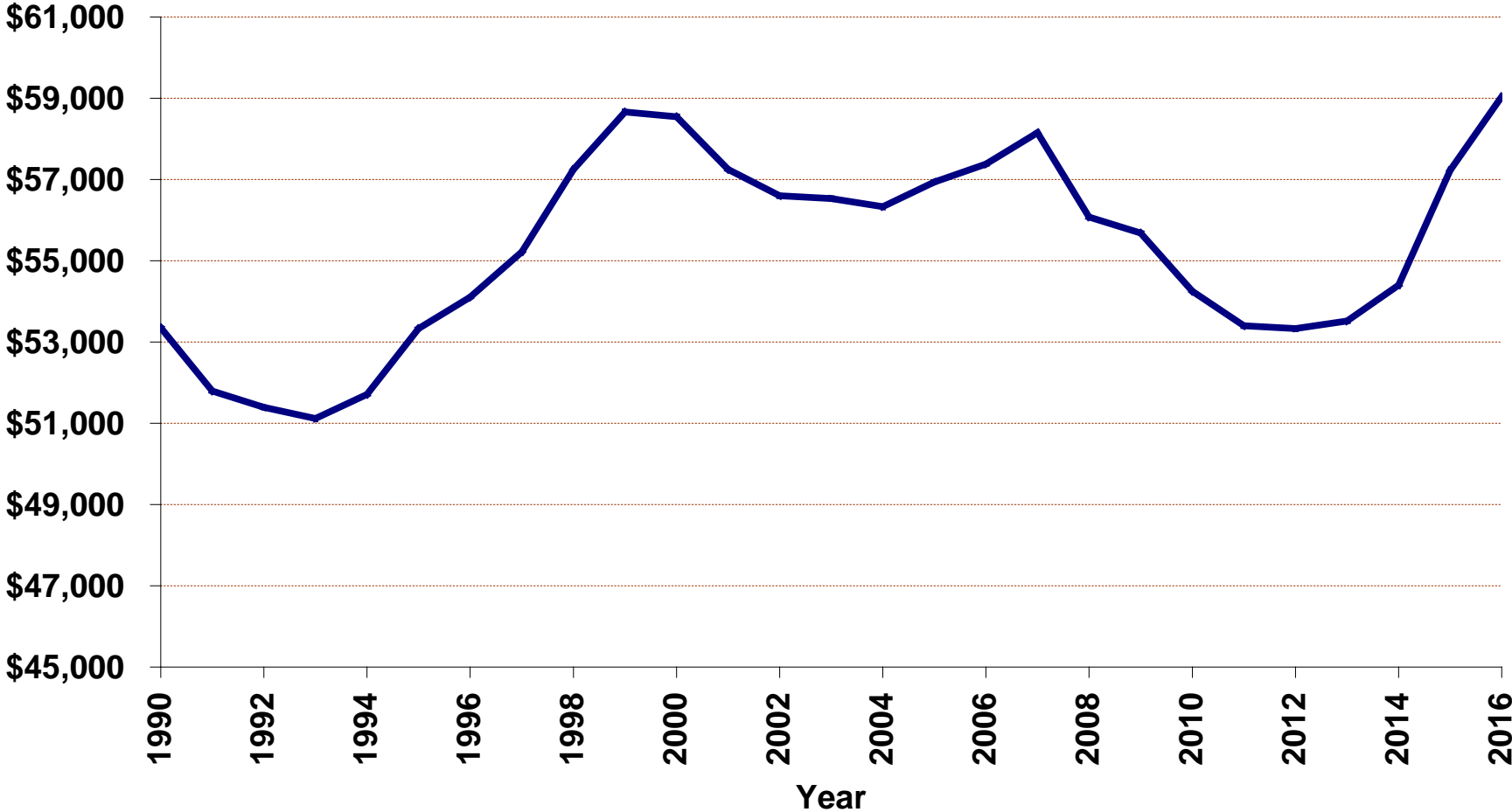
U.S. Labor Force Participation Rate 1948-Apr2018 Seasonally Adjusted



Source: Bureau of Labor Statistics



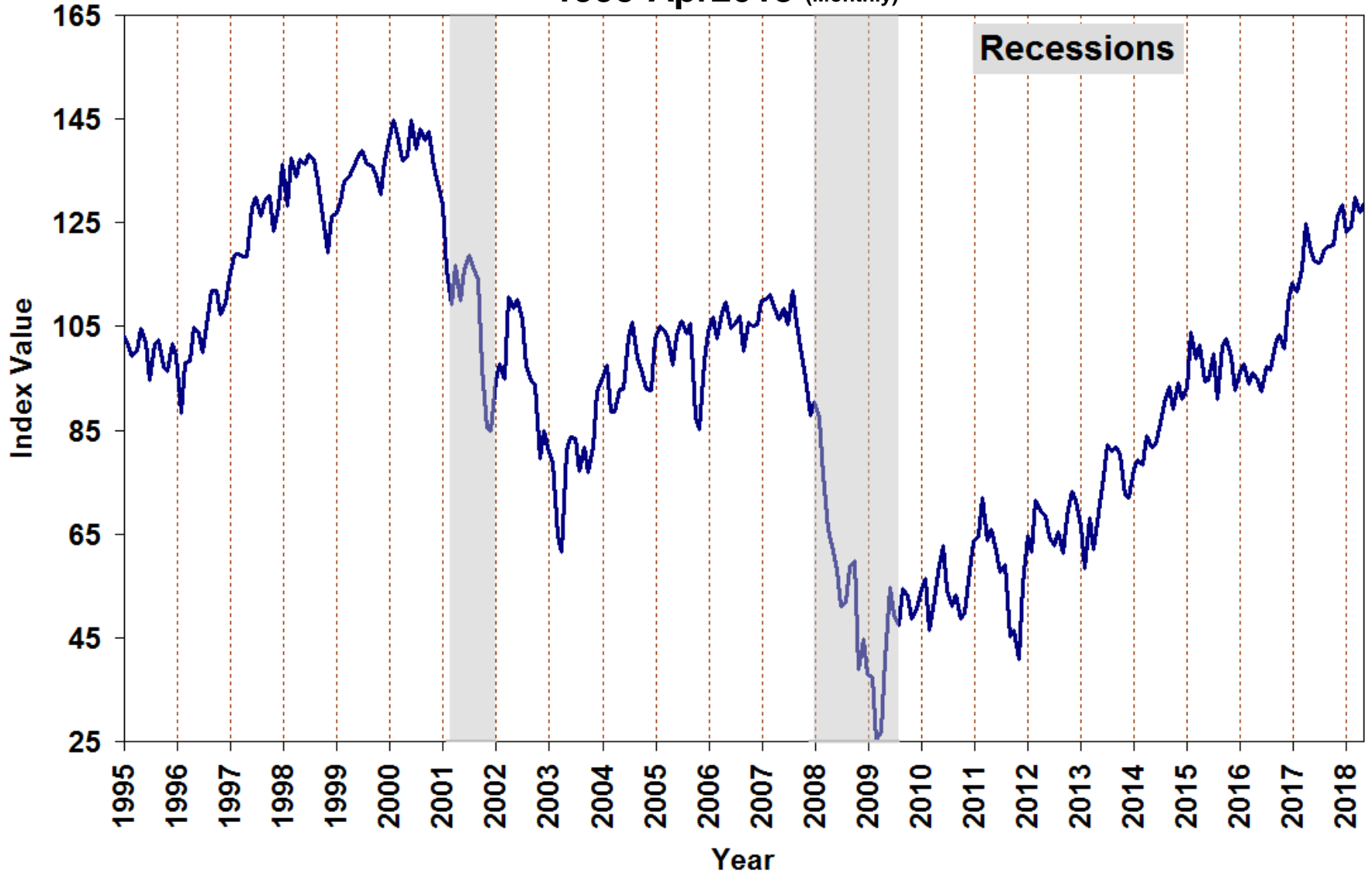
U.S. Household Median Income Real Chained 2015 Dollars 1990-2016 (Yearly)



Source: Bloomberg

U.S. Consumer Confidence

1995-Apr2018 (Monthly)



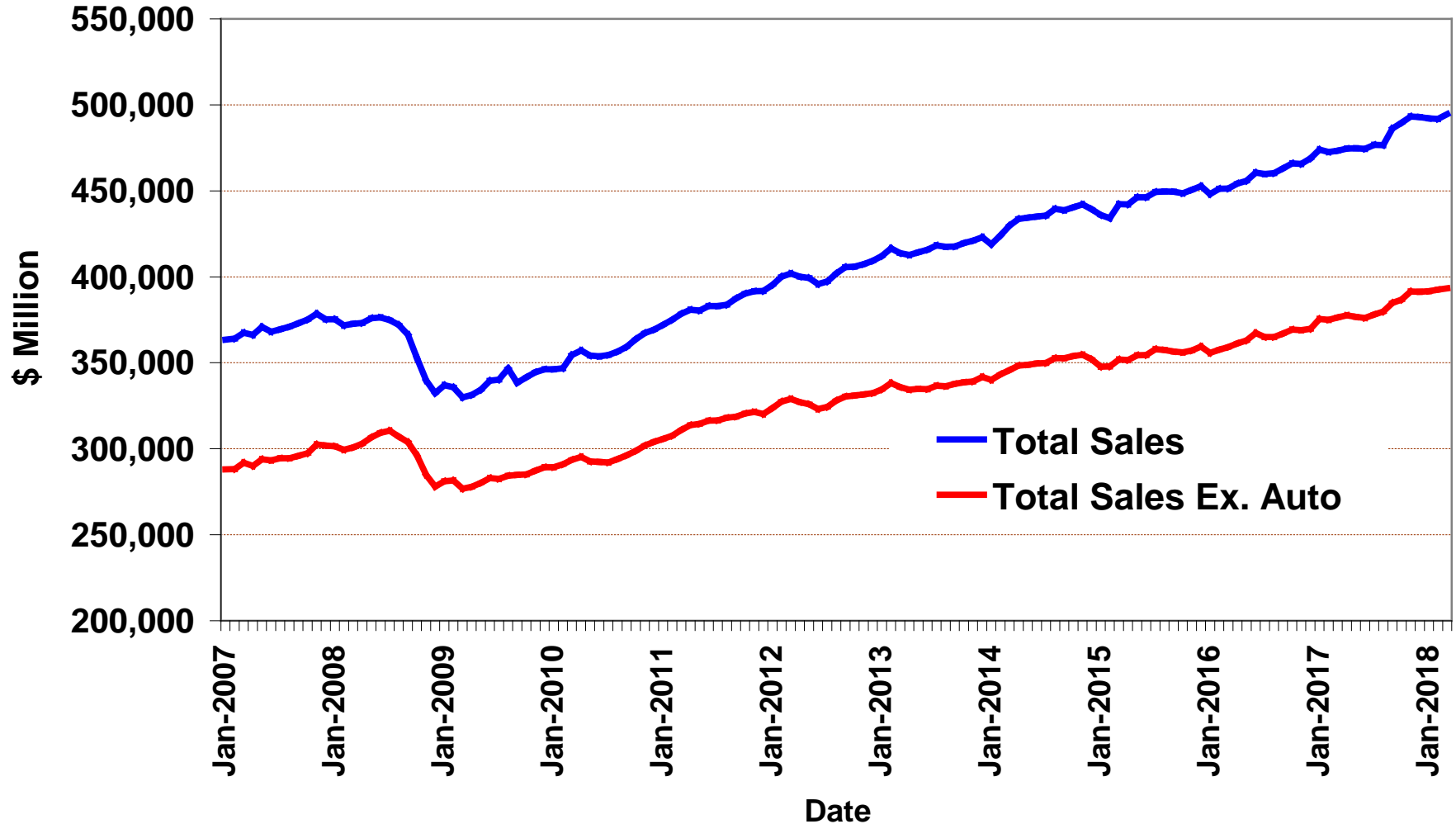
Shaded regions = Economic Recessions

Source: Conference Board; Data Normalized 1985=100



Monthly Retail Sales

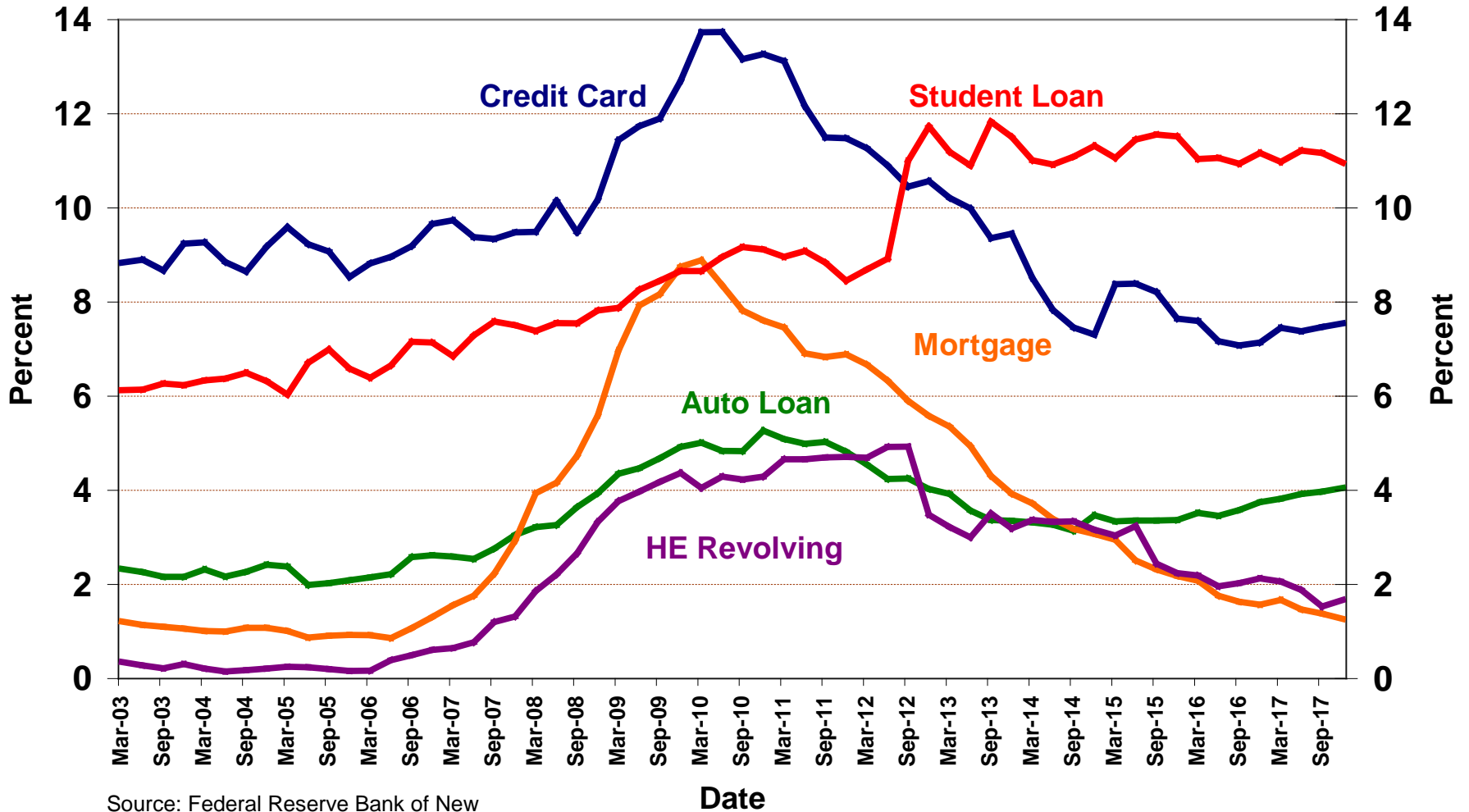
Retail Trade and Food Services: U.S. Total — Seasonally Adjusted Sales
2007-Mar2018



Source: Bloomberg



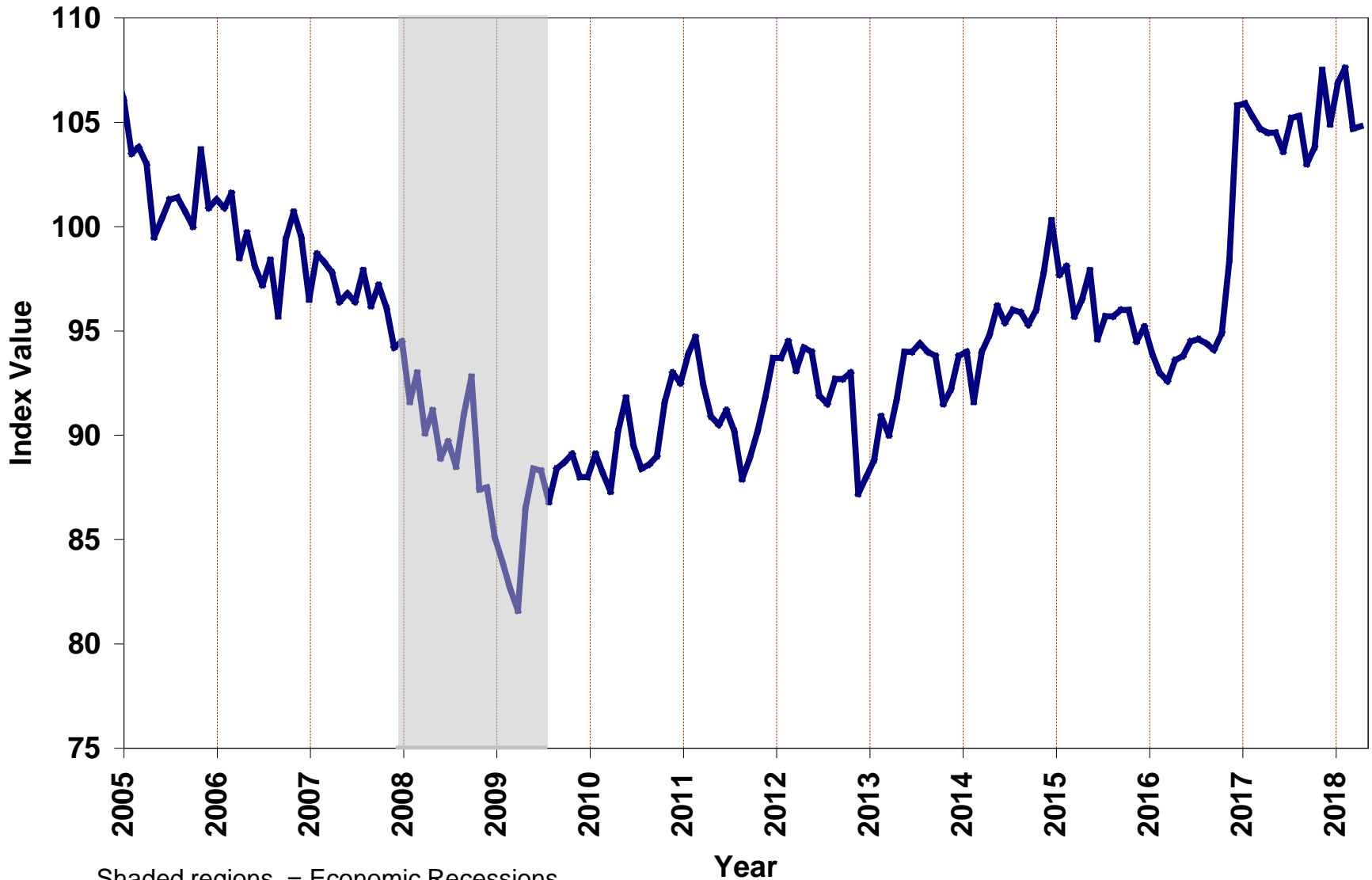
Percent of Balance 90+ Days Delinquent by Loan Type 2003-Dec2017 (Quarterly)



Source: Federal Reserve Bank of New



NFIB Small Business Optimism Index 2005-Apr2018 (Monthly)

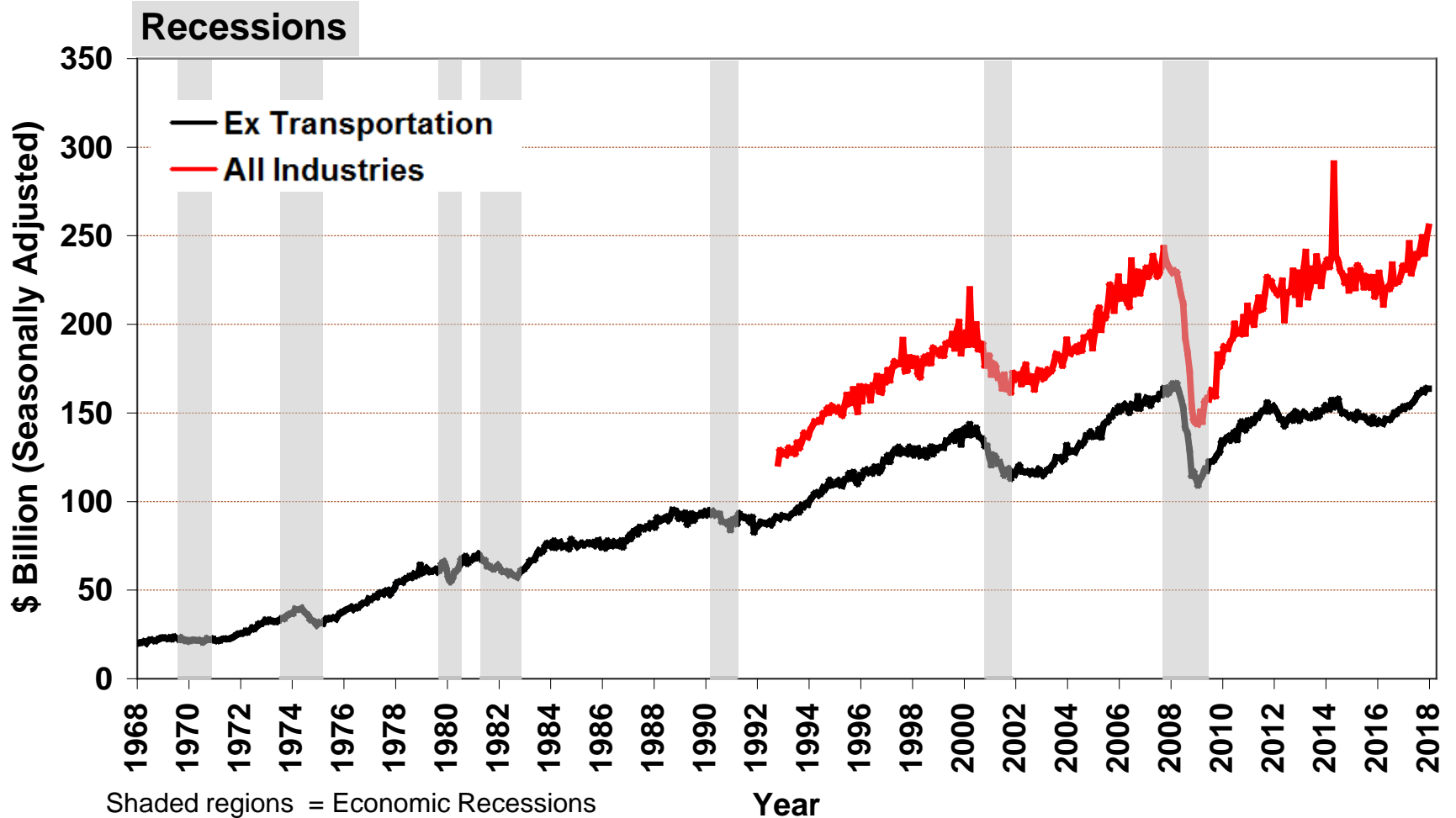


Shaded regions = Economic Recessions

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



New Orders for Durable Goods \$ Billion - Seasonally Adjusted 1968-Mar2018 (Monthly)



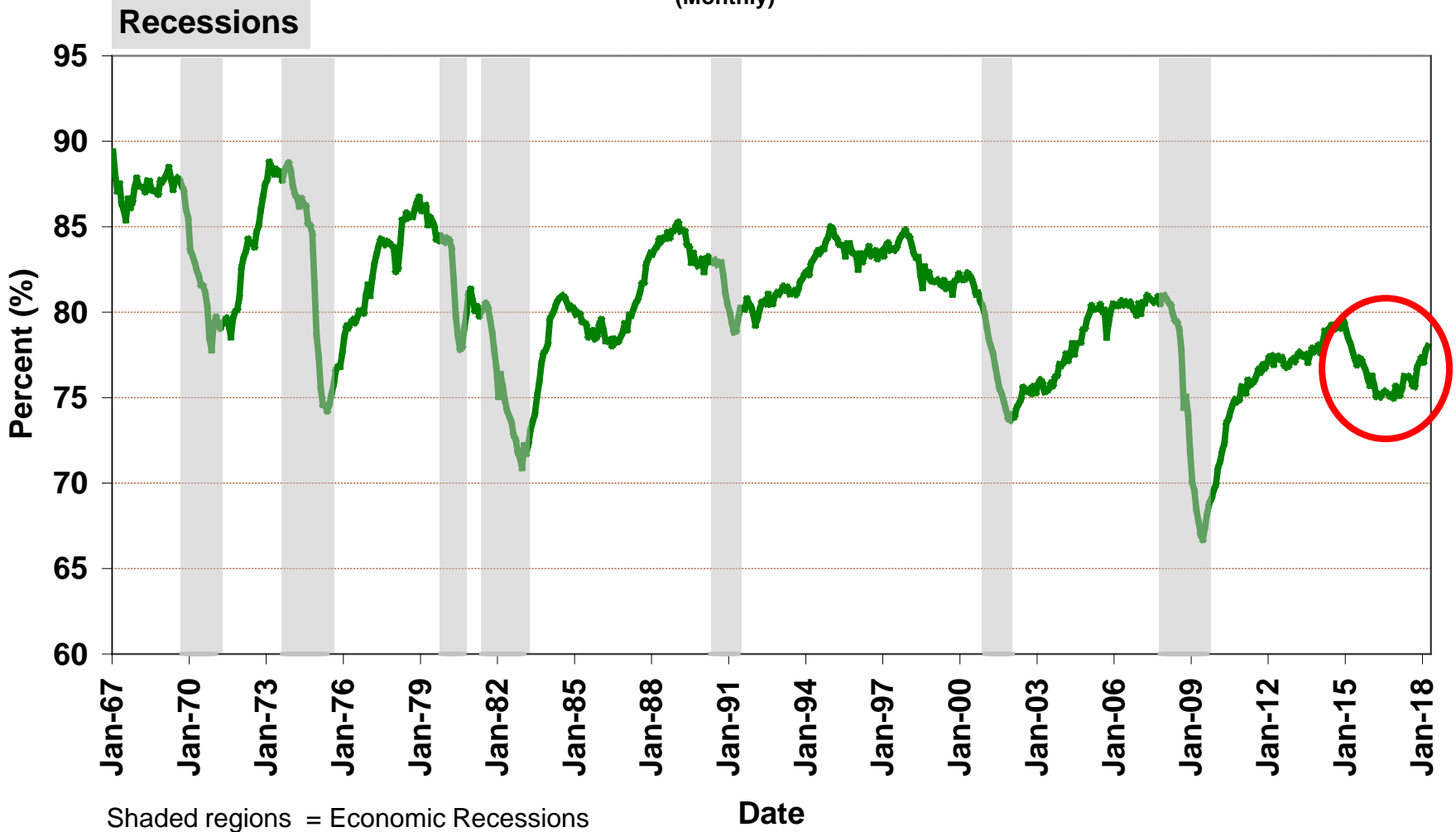
Shaded regions = Economic Recessions

Source: U.S. Census Bureau



Capacity Utilization: Total Industry 1967-Mar2018

(Monthly)



Source: Bloomberg

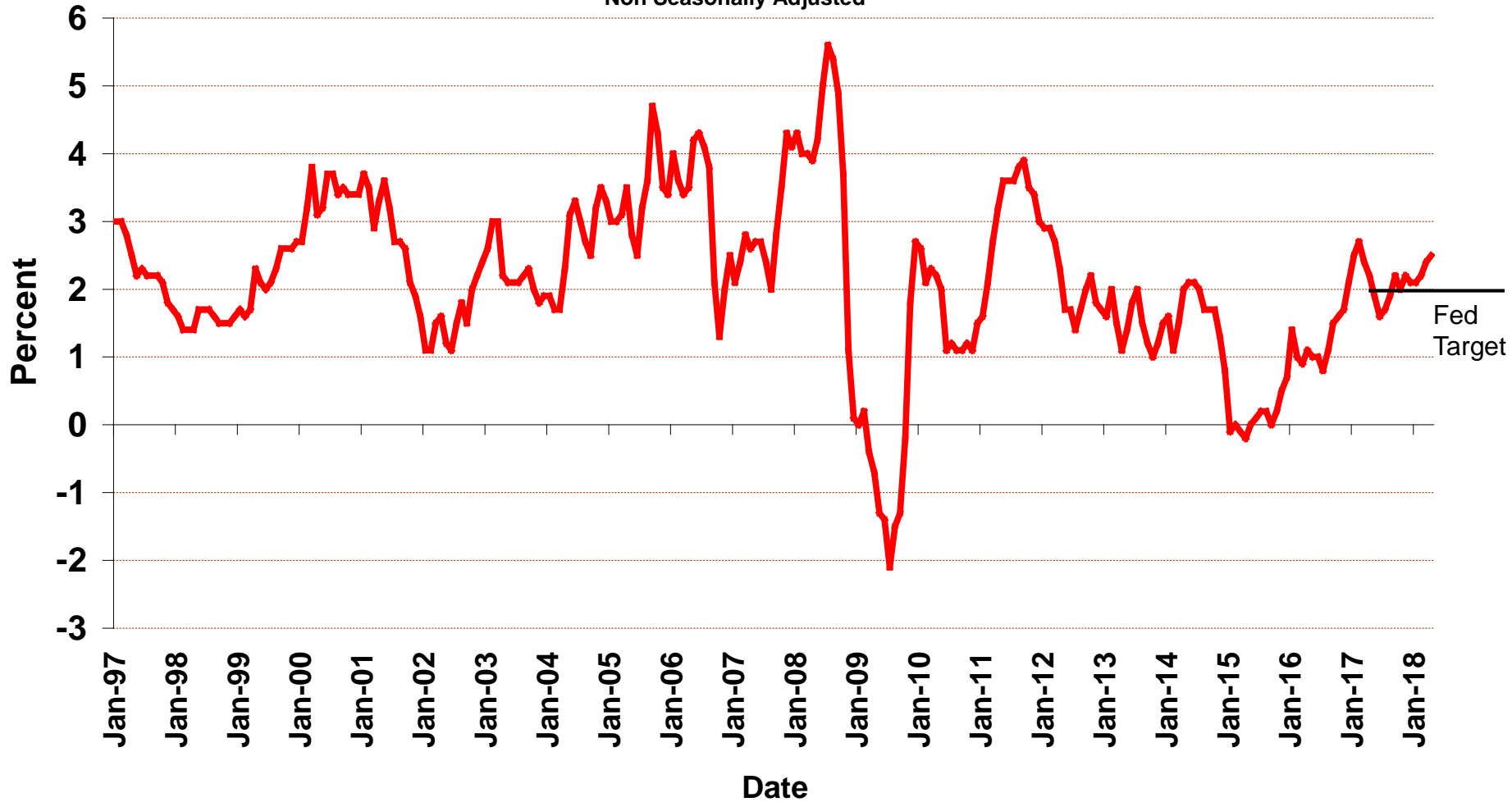


U.S. CPI Urban Consumers

YoY %

1997-Apr2018

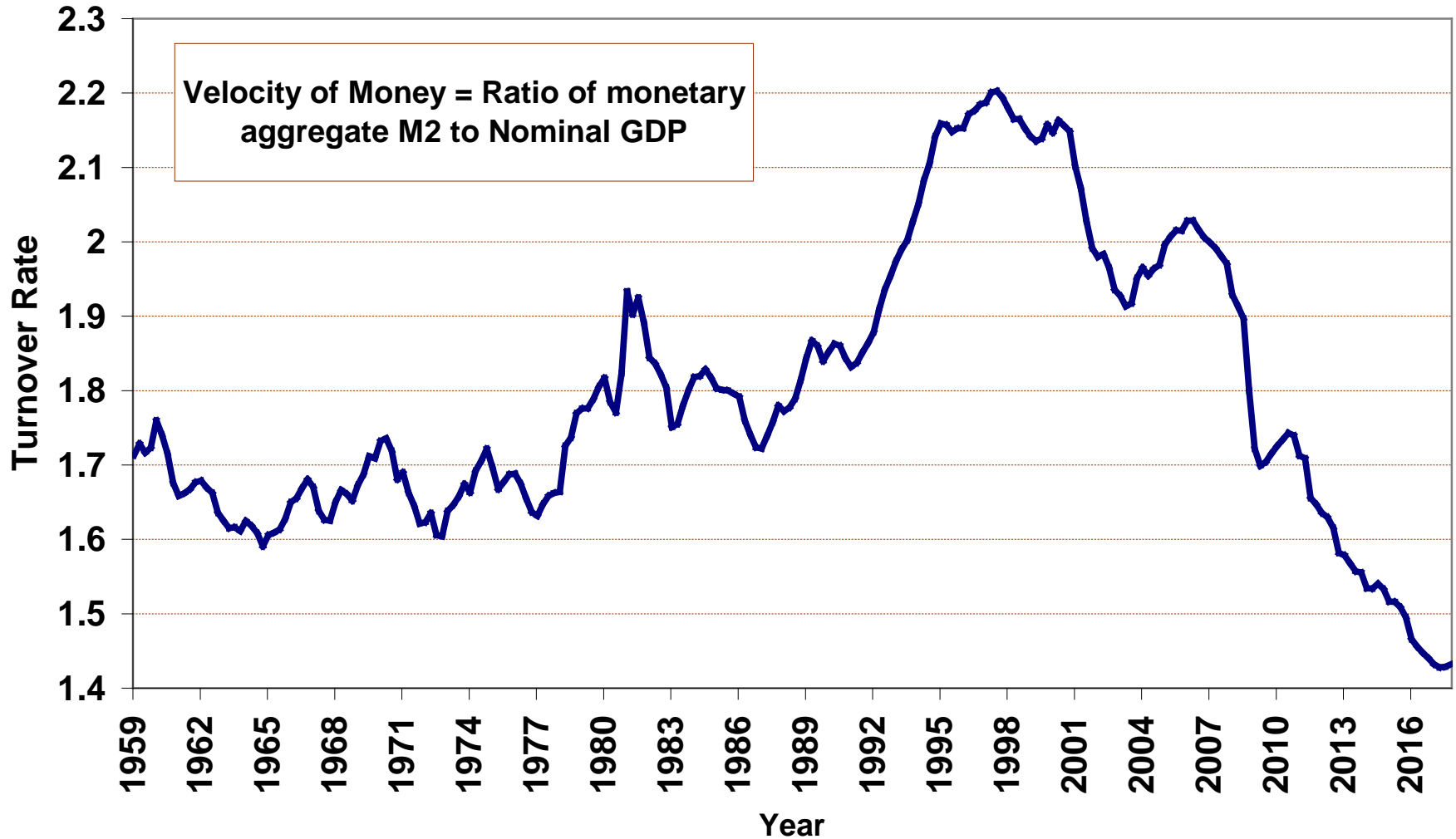
Non Seasonally Adjusted



Source: Bloomberg



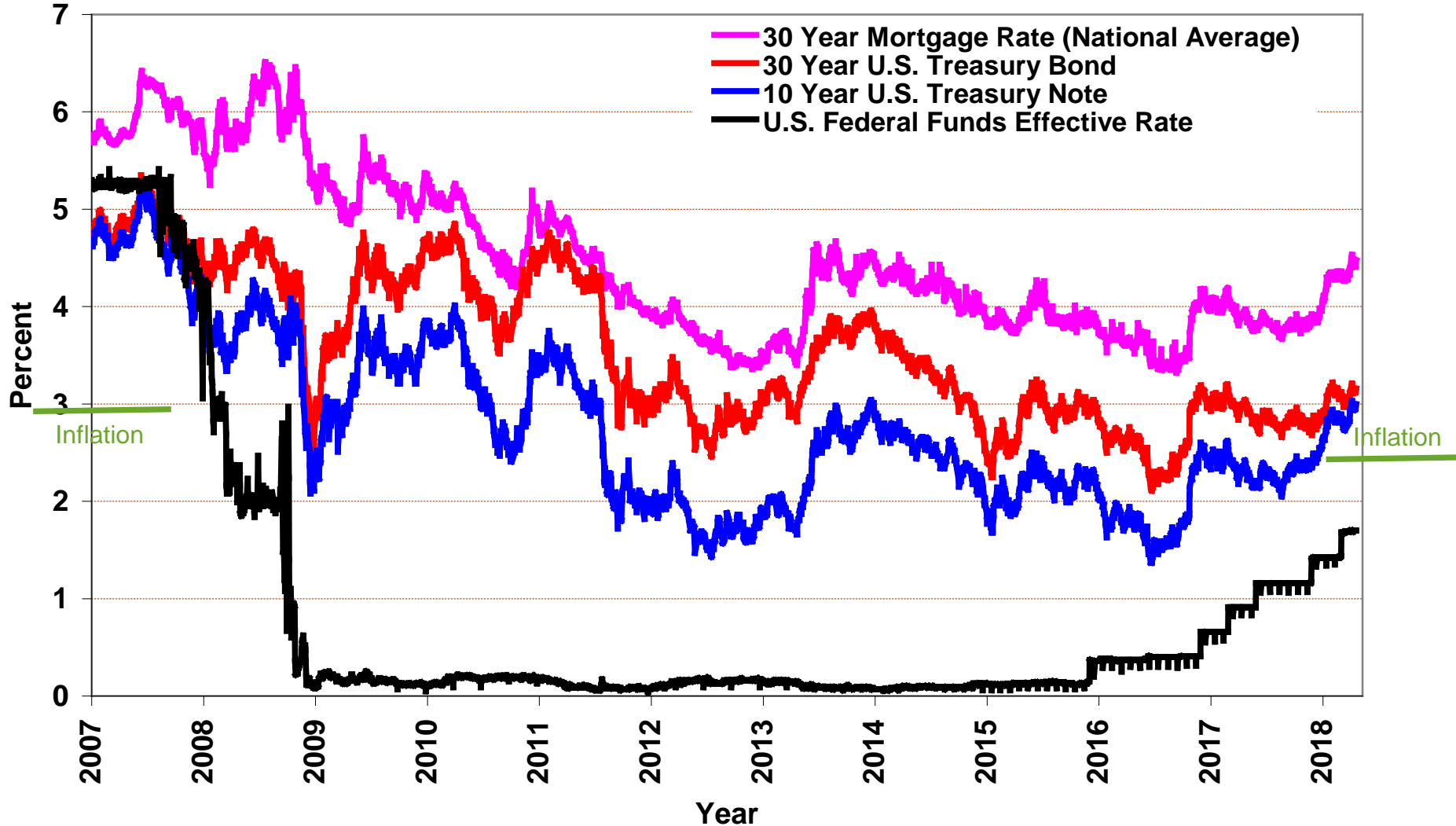
Velocity of Money - M2 Money Supply 1959-Dec2017 (Quarterly)



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



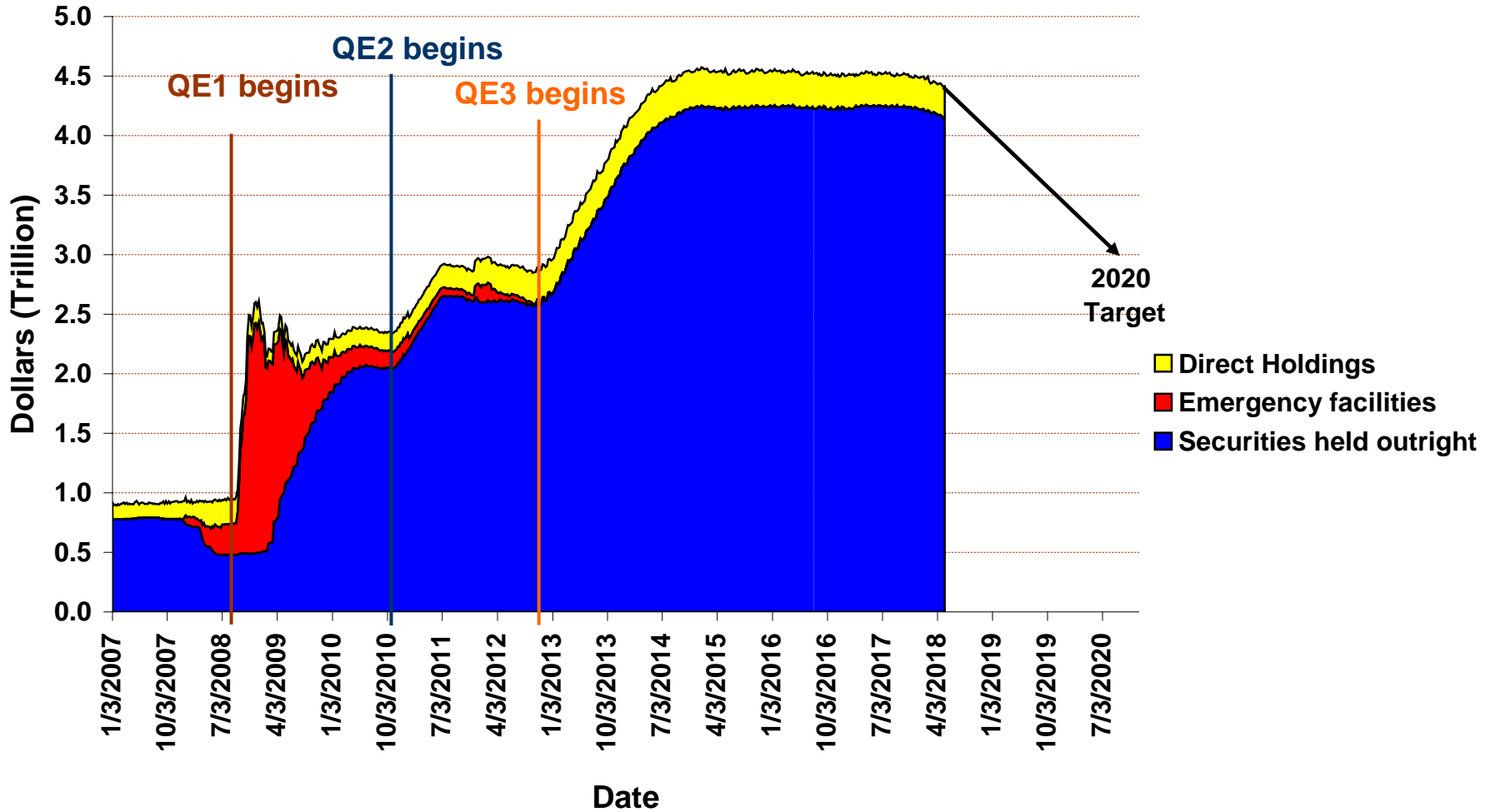
Interest Rates 2007-May 9, 2018



Source: Bloomberg



Assets on the Federal Reserve's Balance Sheet 2007-May 9, 2018

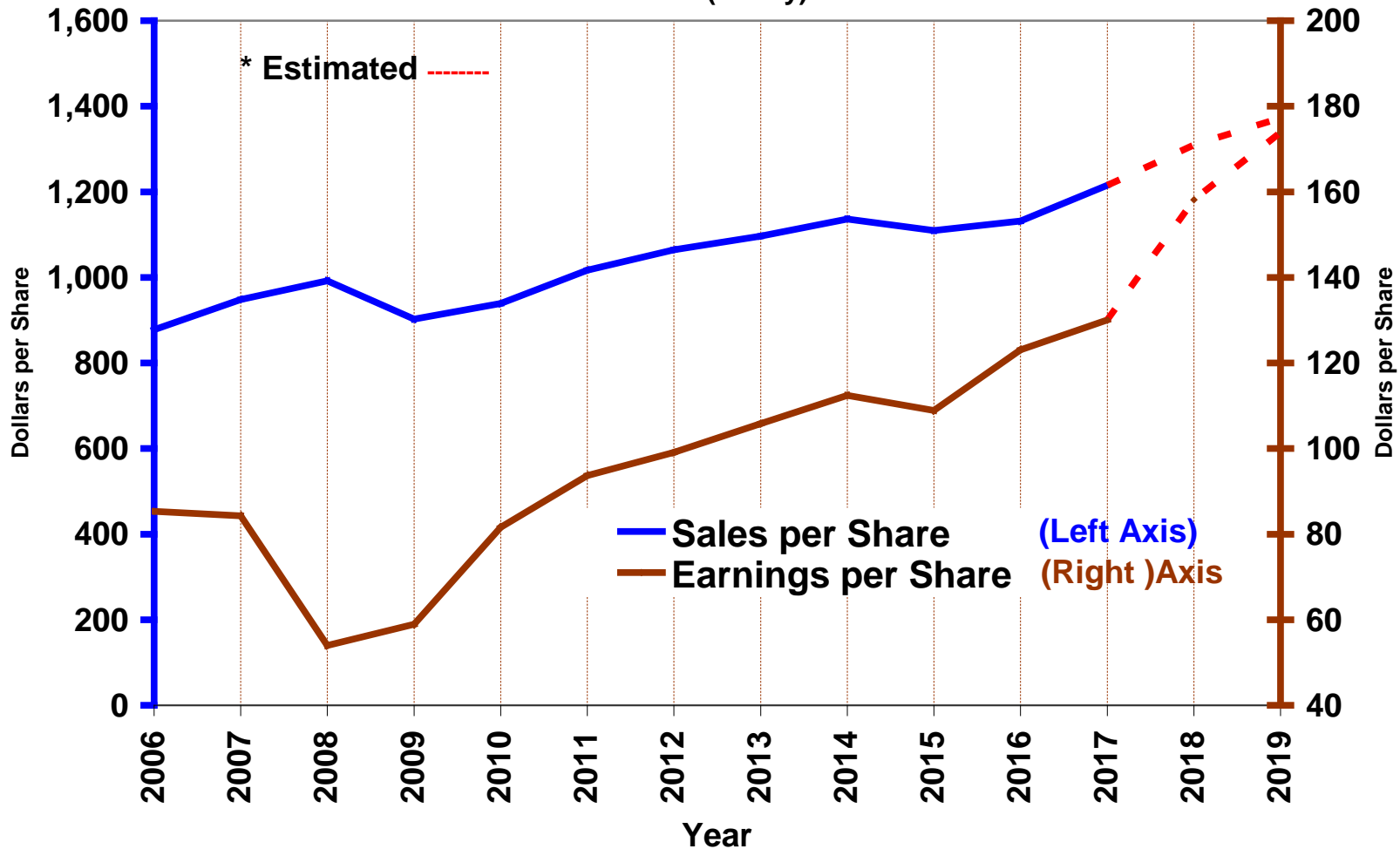


S&P 500 Index

Sales and Earnings per Share*

2006-2019

(Yearly)

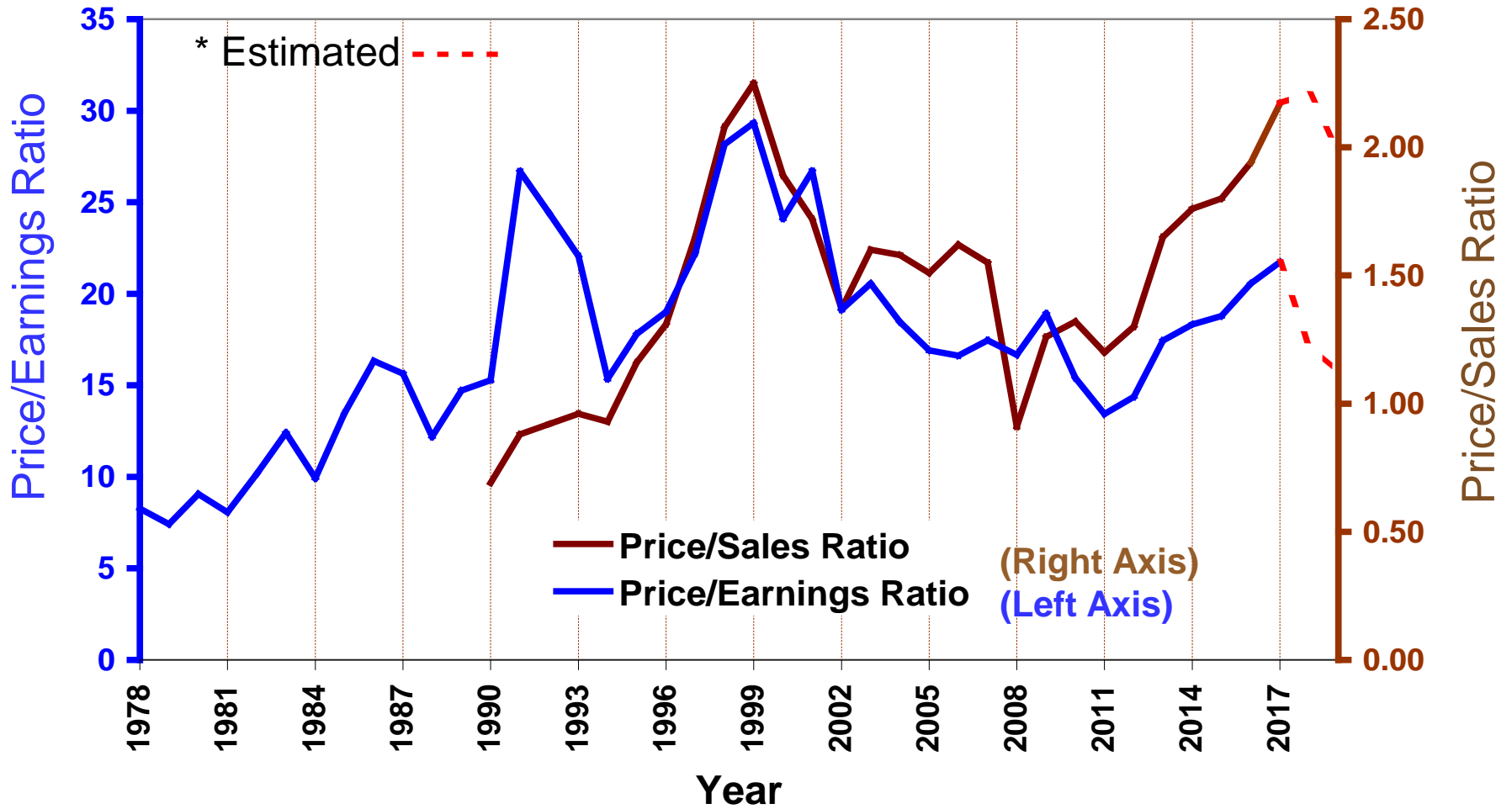


NOTE: The S&P 500 Index is a widely recognized, unmanaged index of common stock prices. You cannot invest directly in an index. Past performance of EPS growth is not an indicator of future earnings growth.

* Source: Bloomberg: 2017-2019 forward estimates



S&P 500 Index 1978-2019 (Yearly)



NOTE: The S&P 500 Index is a widely recognized, unmanaged index of common stock prices. You cannot invest directly in an index. Past performance of EPS growth is not an indicator of future earnings growth.

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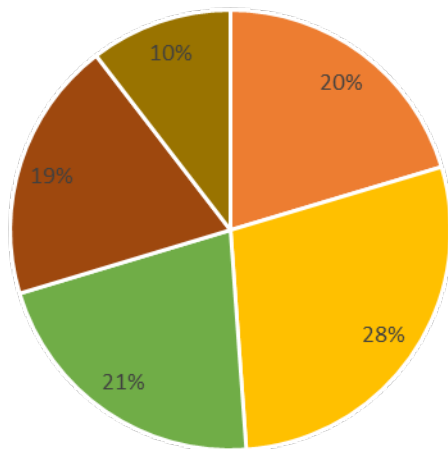


Pensions: size and composition

Total US pension assets ~ \$19.8trn¹

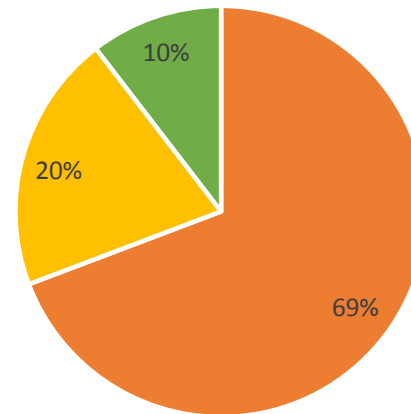
Total US equity market value ~ \$27.8trn²

Private and Public Pension Fund Composition²



- debt securities
- Mutual fund shares
- Miscellaneous/other
- Corporate equities
- Claims of pension on fund sponsor

Pension equity assets as a percentage of US market value



- equity assets not owned by pensions
- Pension fund corporate equities
- Pension fund mutual fund shares adjusted by % of equities in mutual funds



¹ Page L.117 Financial Accounts of the United States – Z.1 March 8 2018

² <https://www.gurufocus.com/stock-market-valuations.php>

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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