

# Muhlenkamp & Company

**Webcast November 15, 2018**

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**Tony Muhlenkamp, President**



**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.



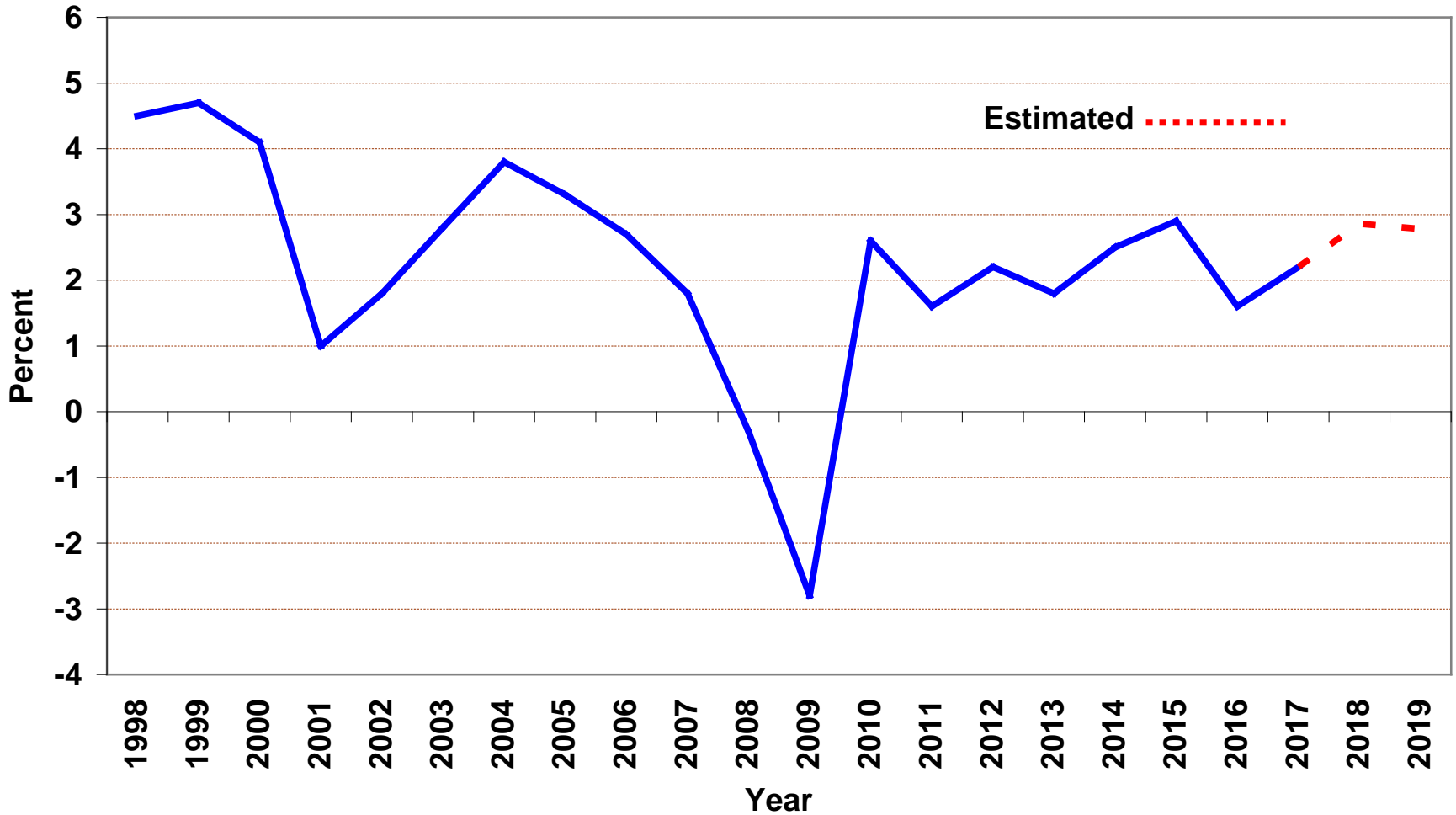
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<b>Our Checklist:</b>	<b>What we observe as the Current State:</b>	<b>Future Outlook:</b>
1. Consumer Spending	Slowdown in home buying	Slowdown continues
2. Business Investment	Good	Good
3. Credit Default/Bank Health	Good except auto loans	Good except auto loans
4. Velocity of Money	Ticking up	Unsure
5. Inflation	2-3%	Unsure
6. Federal Reserve and Treasury	Raising short-term rates and reducing balance sheet	Raising short-term rates and reducing balance sheet
7. Trade	Tariffs and counter-tariffs: China, NAFTA, EU	Unclear
8. Regulation	Slow improvement	Slow improvement
9. Europe & Japan	Turkey experiencing real problems, Italian gov't yields moving up	Turkey problems don't spread, Italy problems may worsen as ECB ends bond buying
10. China	Potentially disruptive	Potentially disruptive

Source: Muhlenkamp & Company, Inc.



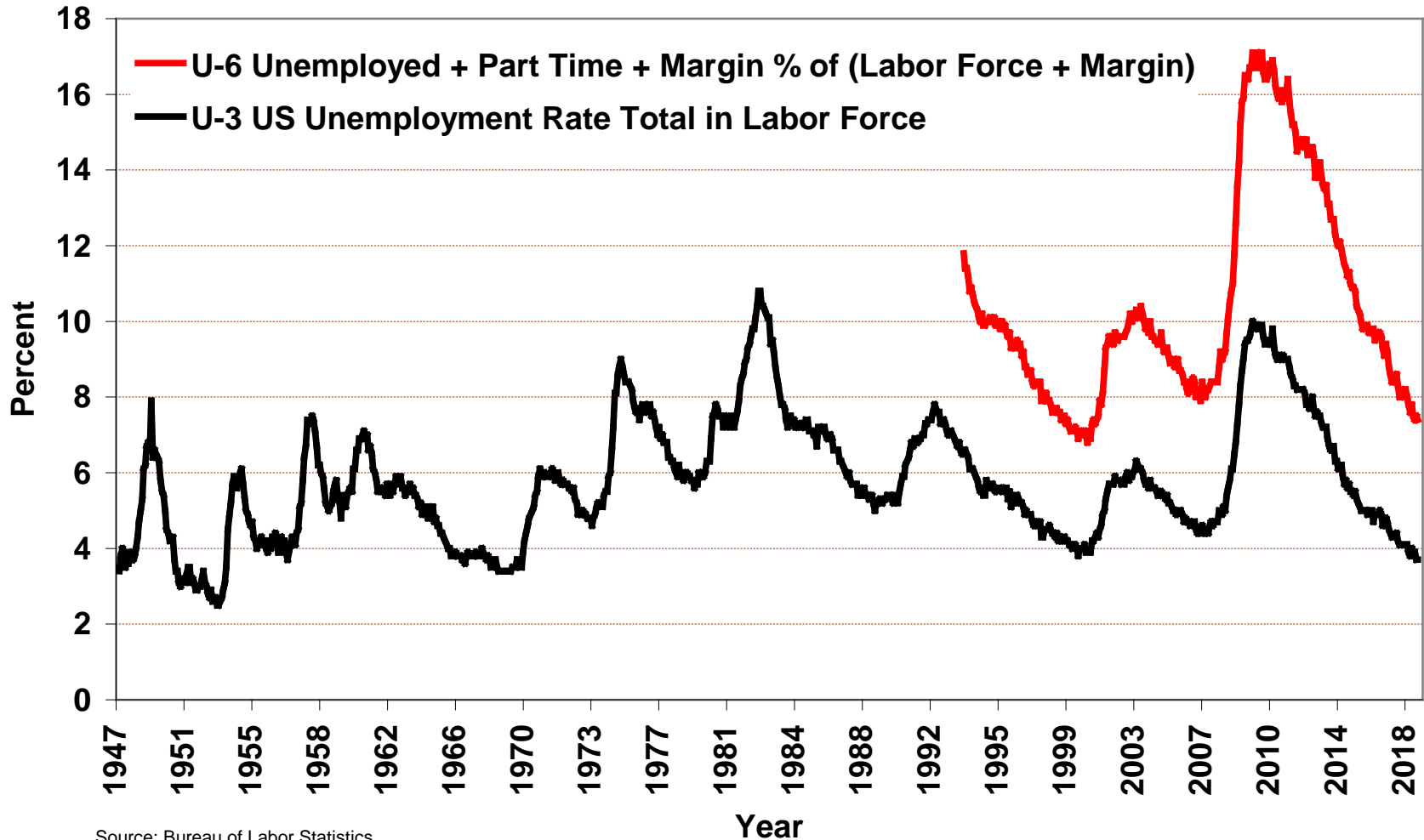
# U.S. Real GDP (Annual YoY %) 1998-2019



Source: Bloomberg; Estimated data OECD



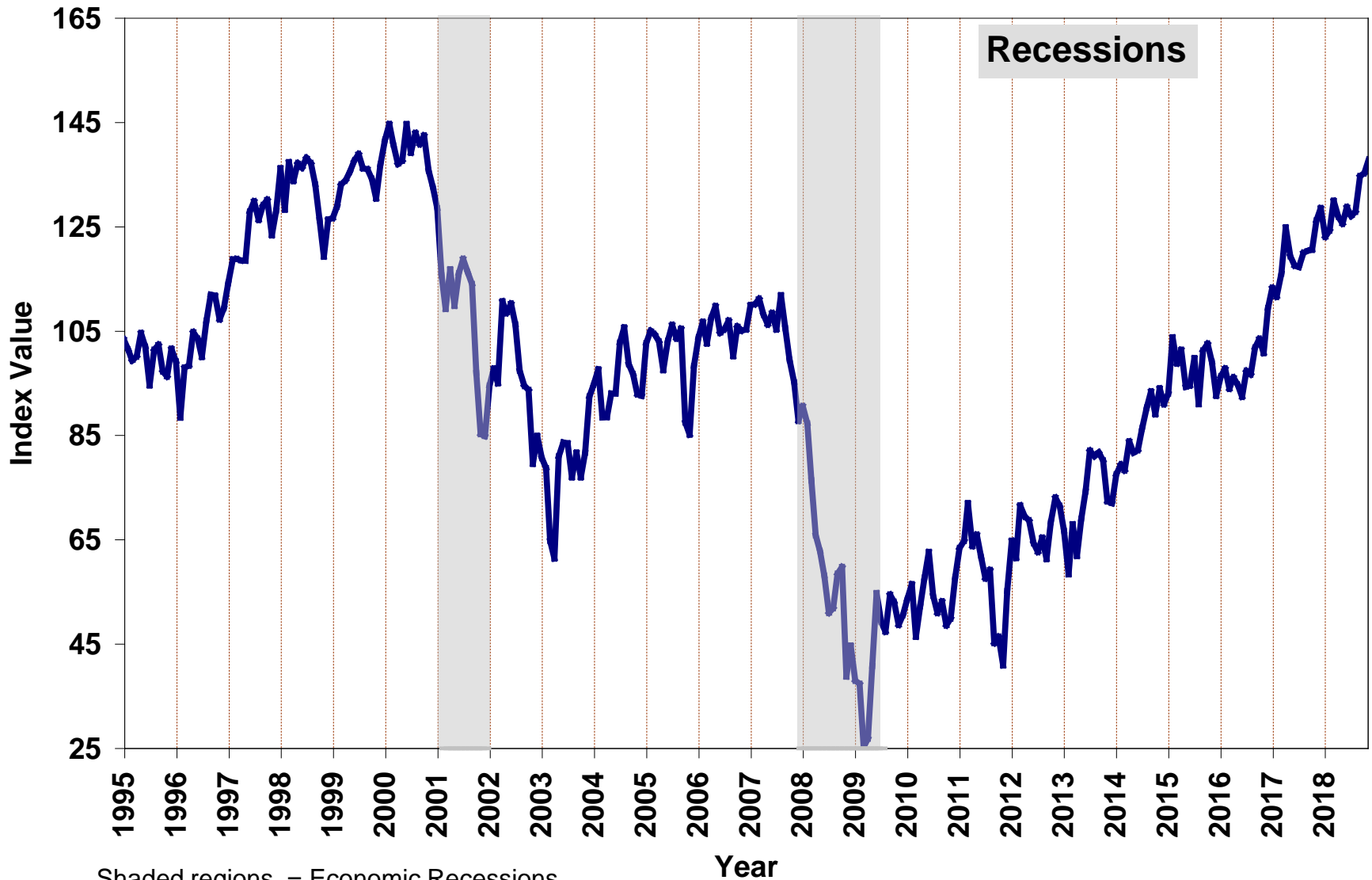
# U.S. Unemployment Rate Seasonally Adjusted 1947-October 2018



Source: Bureau of Labor Statistics



# U.S. Consumer Confidence 1995-October 2018 (Monthly)



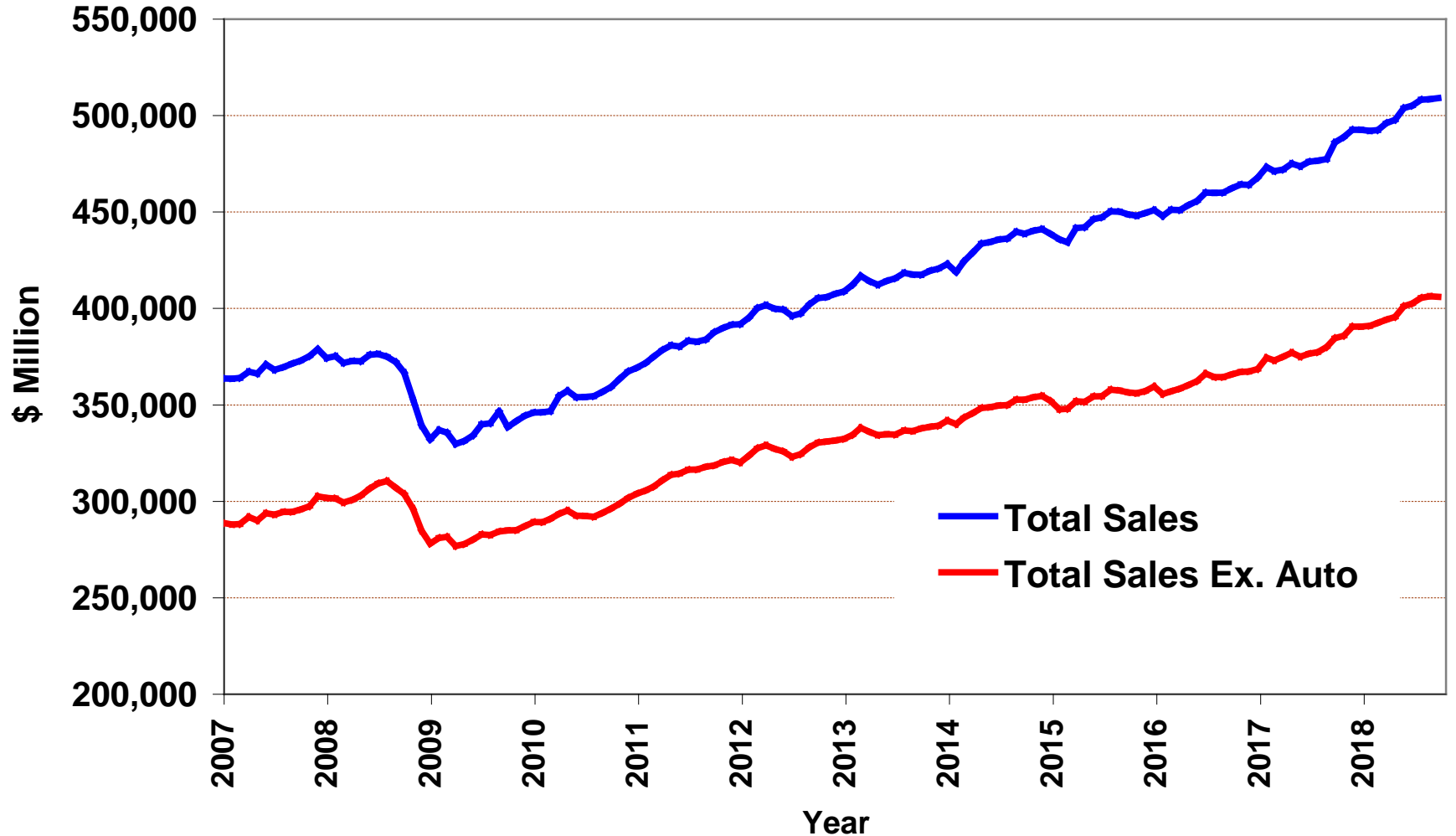
Shaded regions = Economic Recessions

Source: Conference Board; Data Normalized 1985=100



# Monthly Retail Sales

Retail Trade and Food Services: U.S. Total — Seasonally Adjusted Sales  
2007-September 2018



Source: Bloomberg

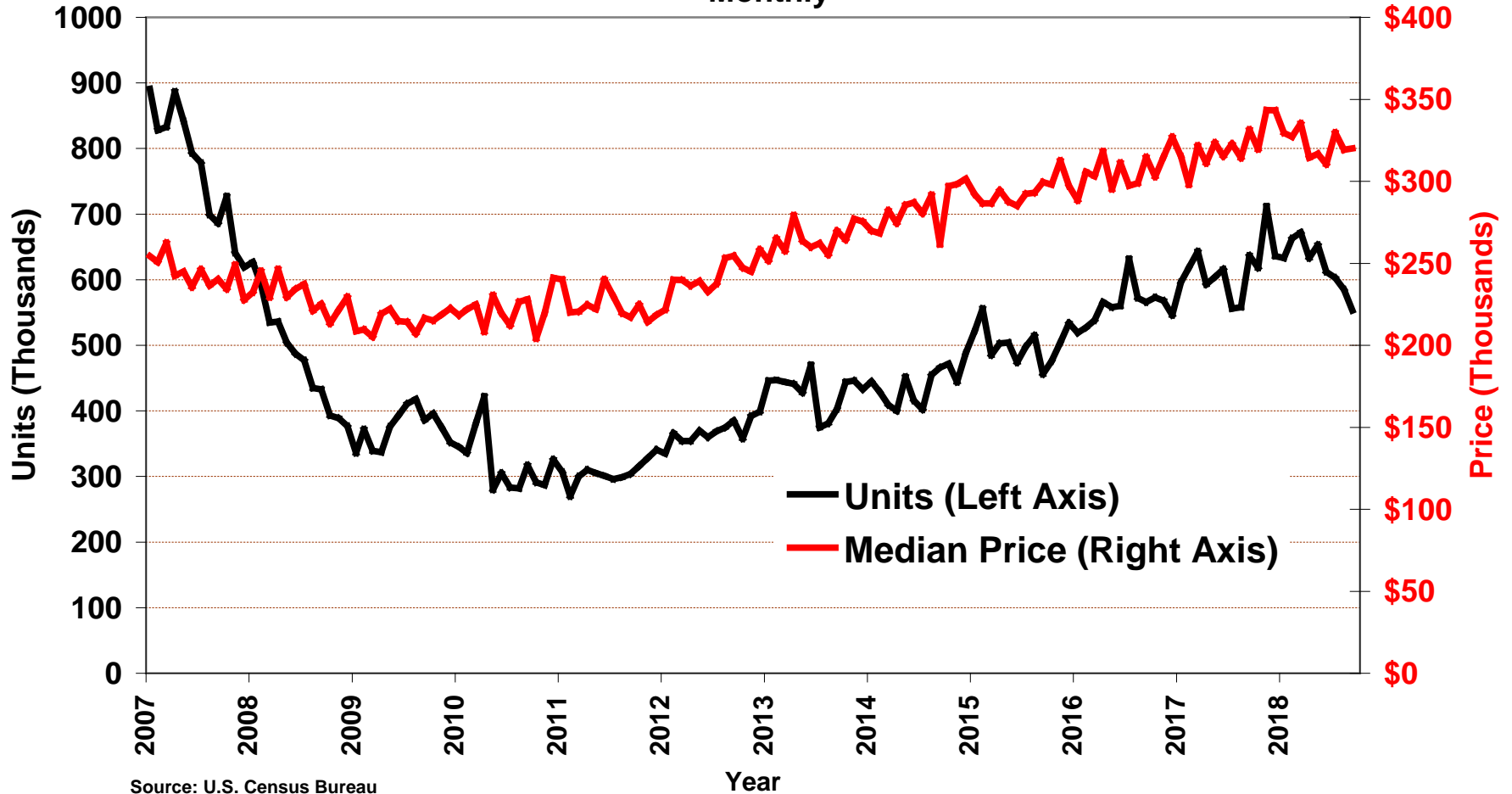


# New Single Family Homes Sales (SAARS)

## New Home Prices (NSA)

### 2007-October 2018

Monthly

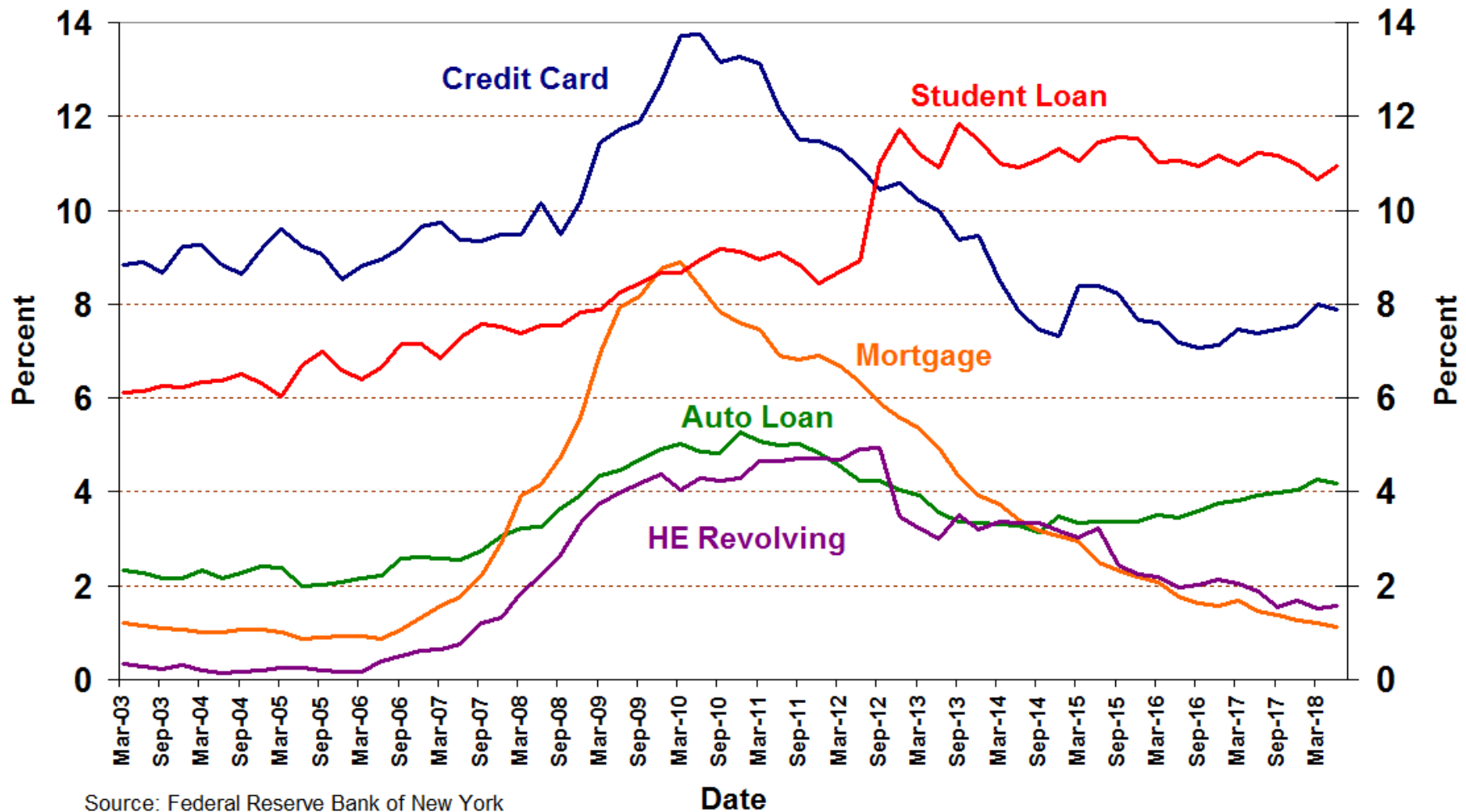


Source: U.S. Census Bureau





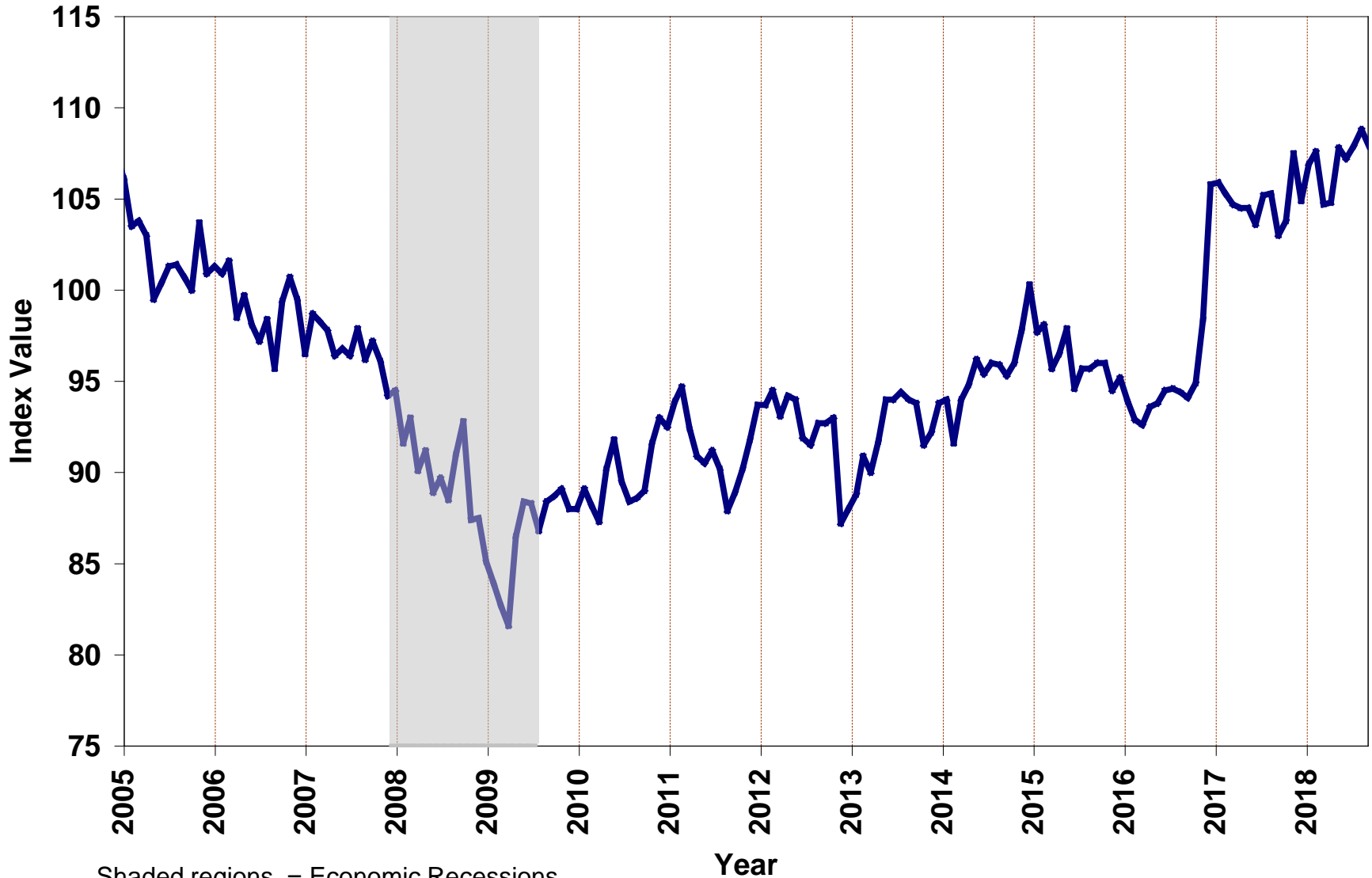
## Percent of Balance 90+ Days Delinquent by Loan Type 2003-June 2018 (Quarterly)



Source: Federal Reserve Bank of New York



# NFIB Small Business Optimism Index 2005-September 2018 (Monthly)



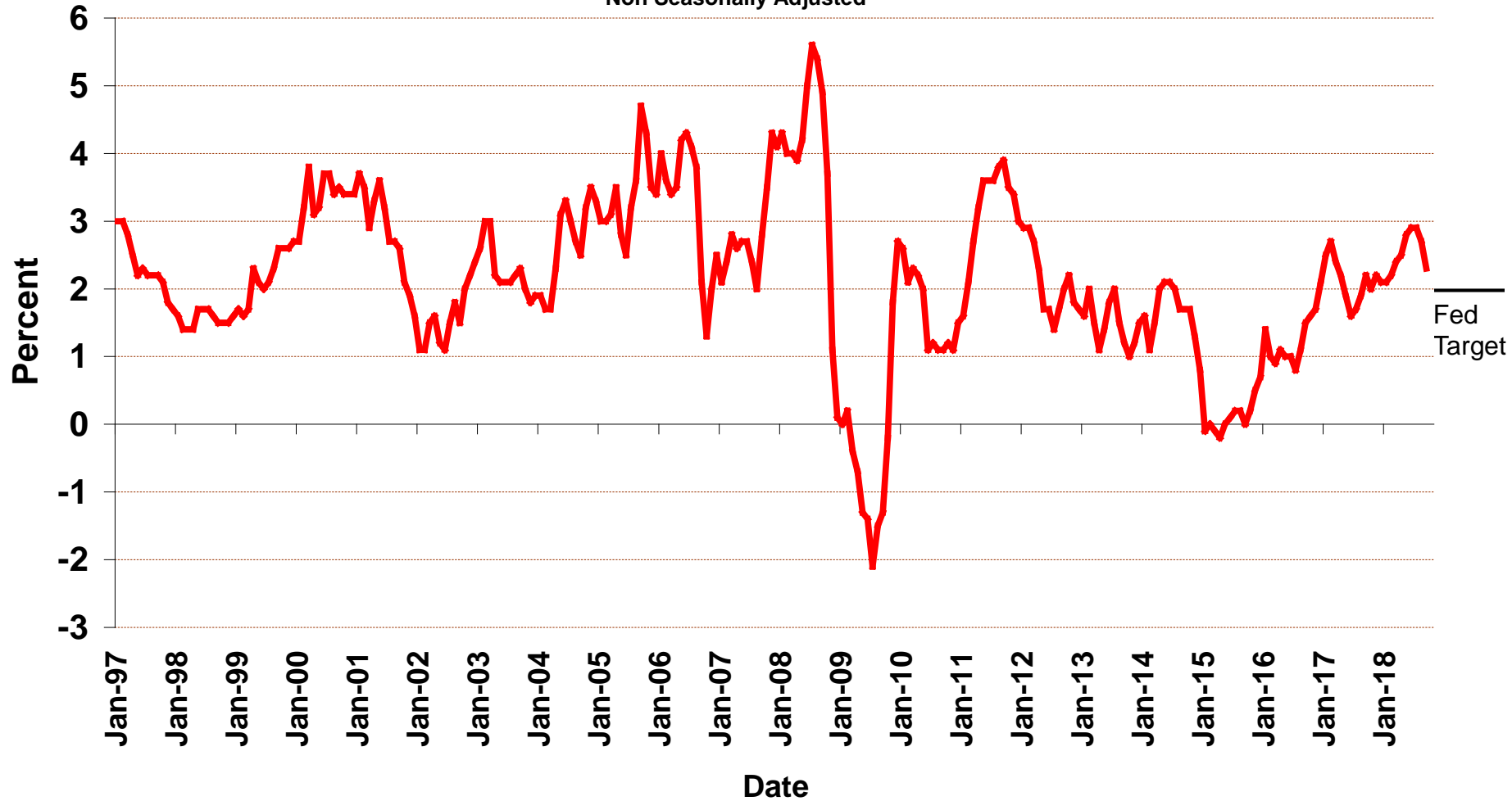
Shaded regions = Economic Recessions

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



## U.S. CPI Urban Consumers YoY % 1997-September 2018

Non Seasonally Adjusted

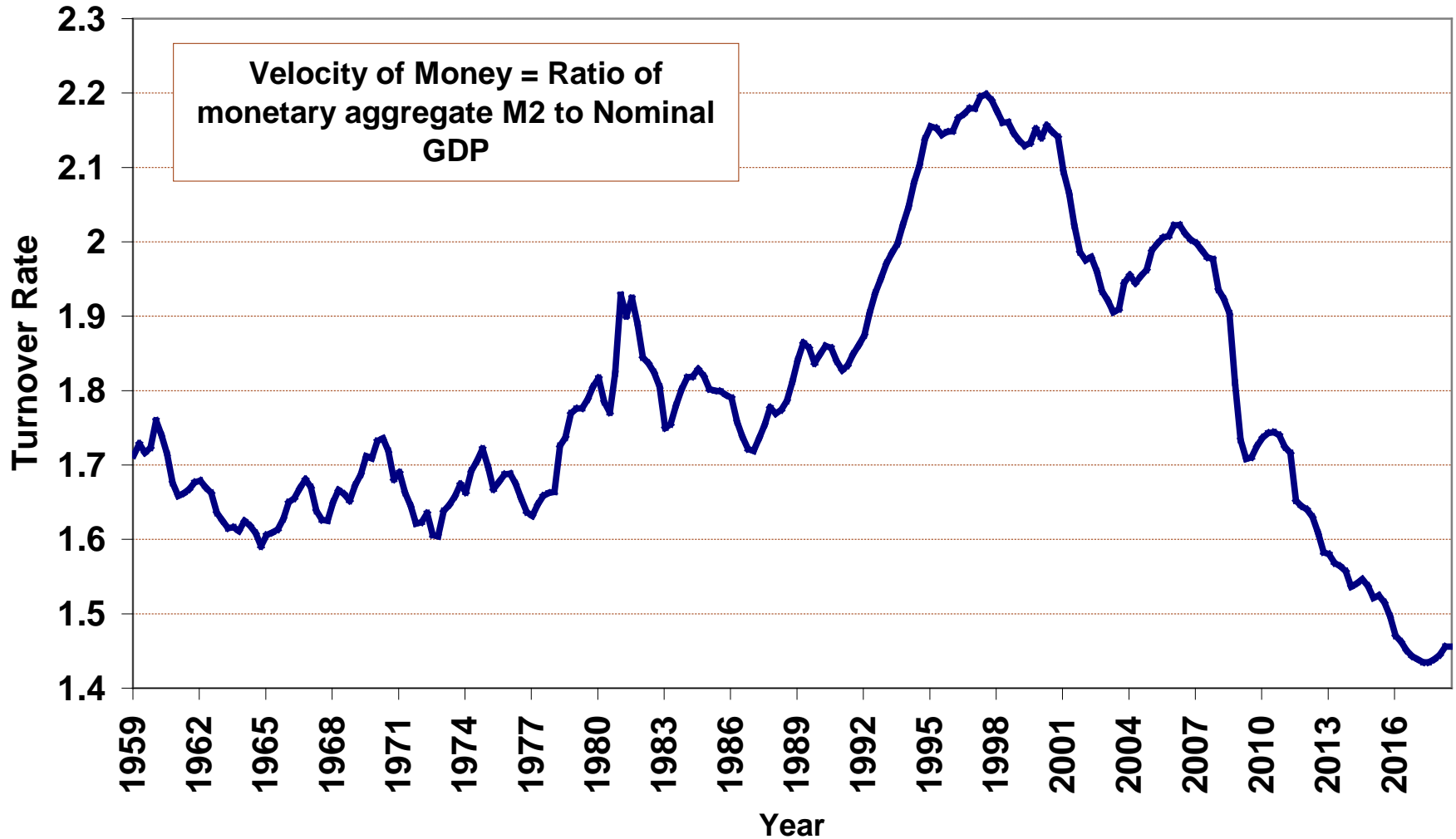


Source: Bloomberg



# Velocity of Money - M2 Money Supply

1959-September 2018 (Quarterly)

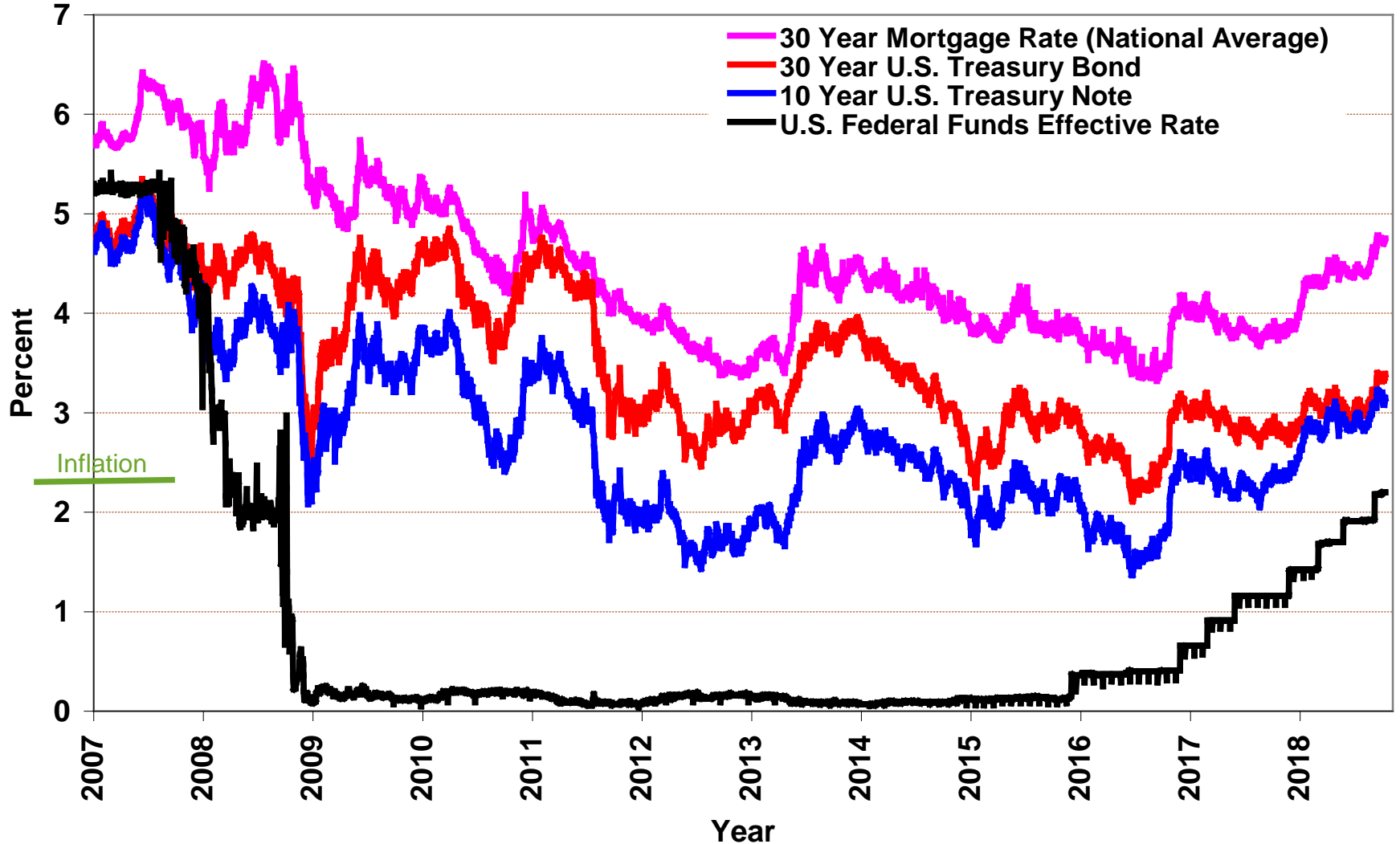


Source: Bloomberg



# Interest Rates

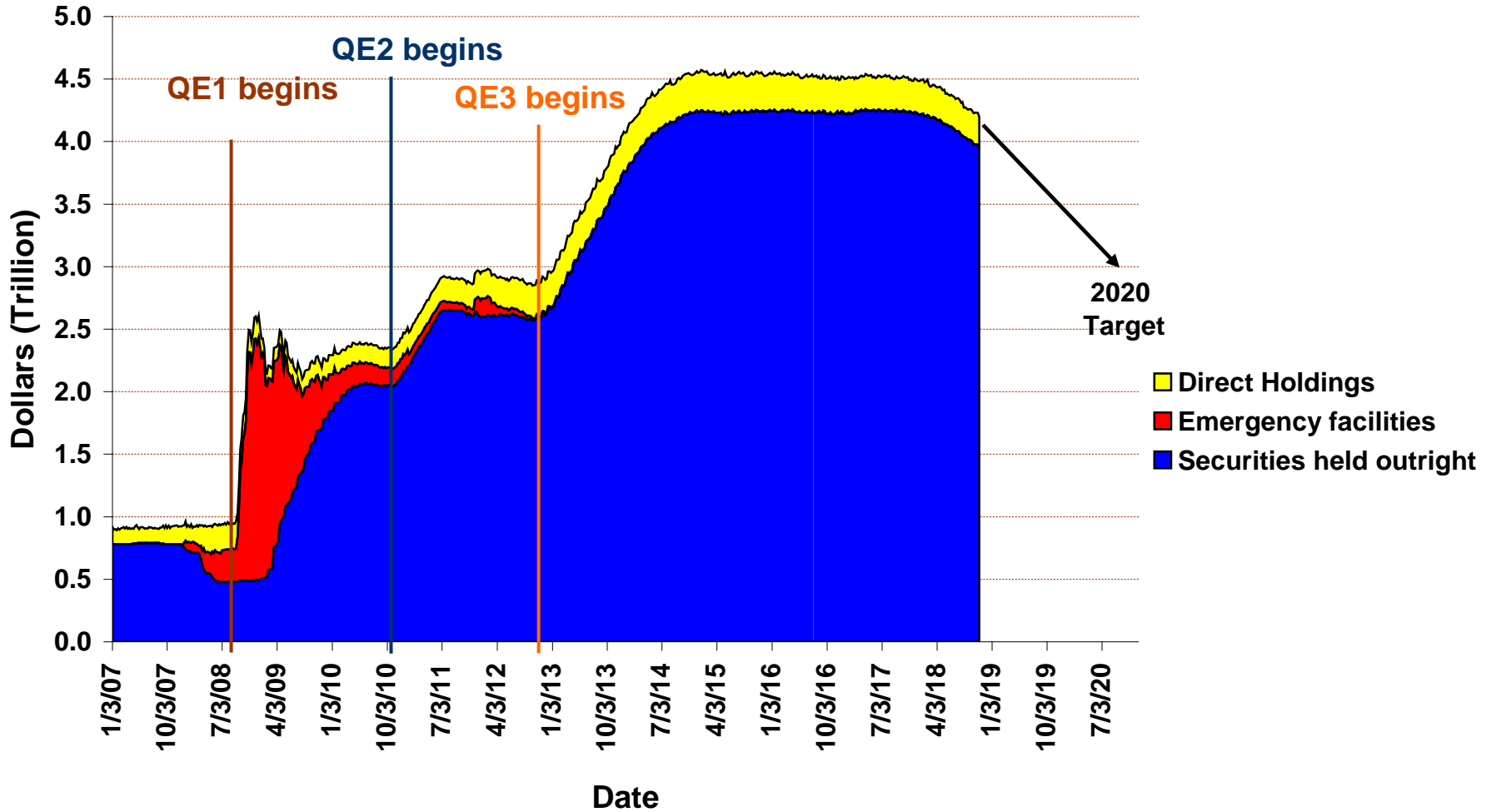
## 2007-November 1, 2018



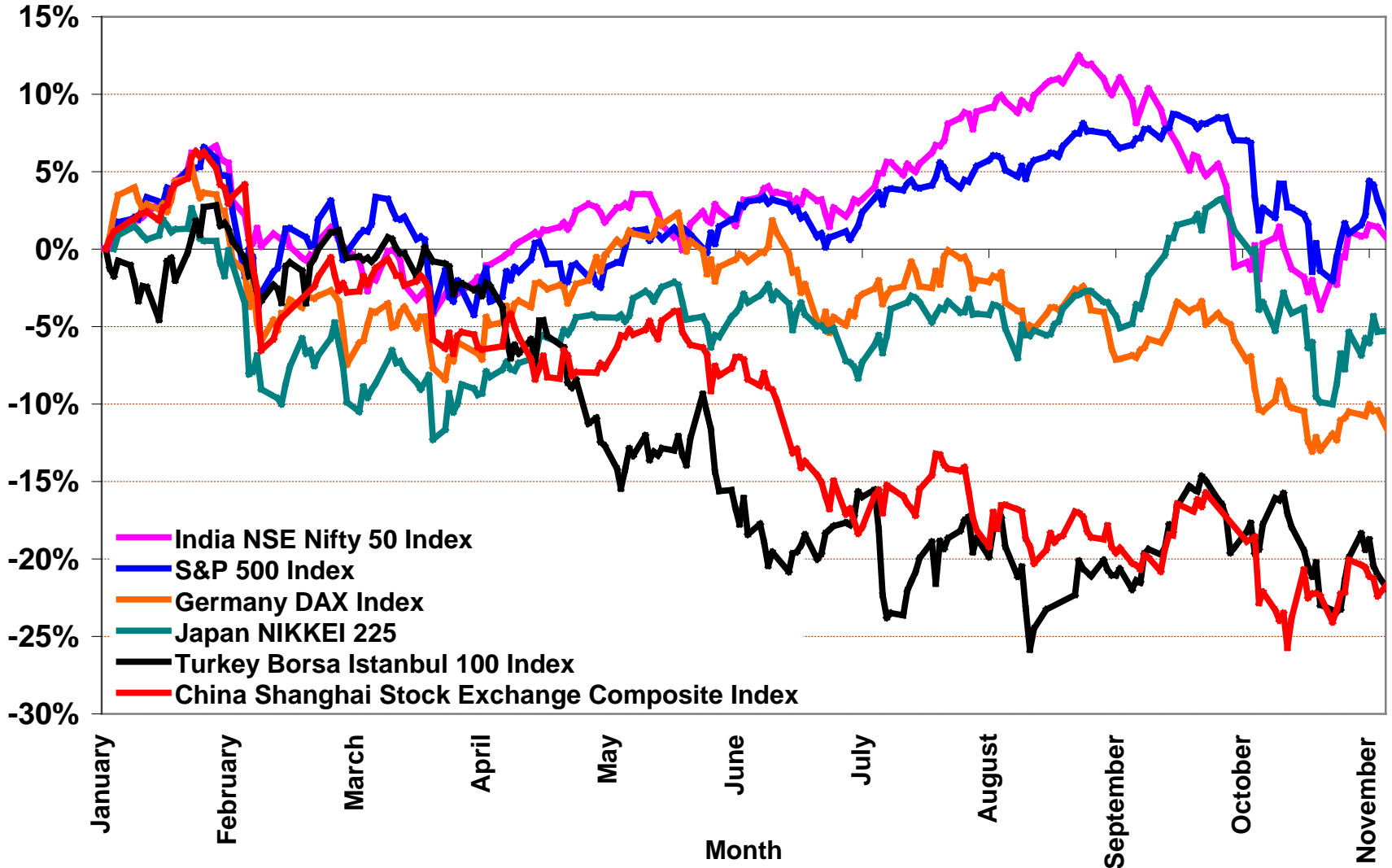
Source: Bloomberg



# Assets on the Federal Reserve's Balance Sheet 2007-October 31, 2018



# Major Stock Exchanges YTD Performance (November 12, 2018)

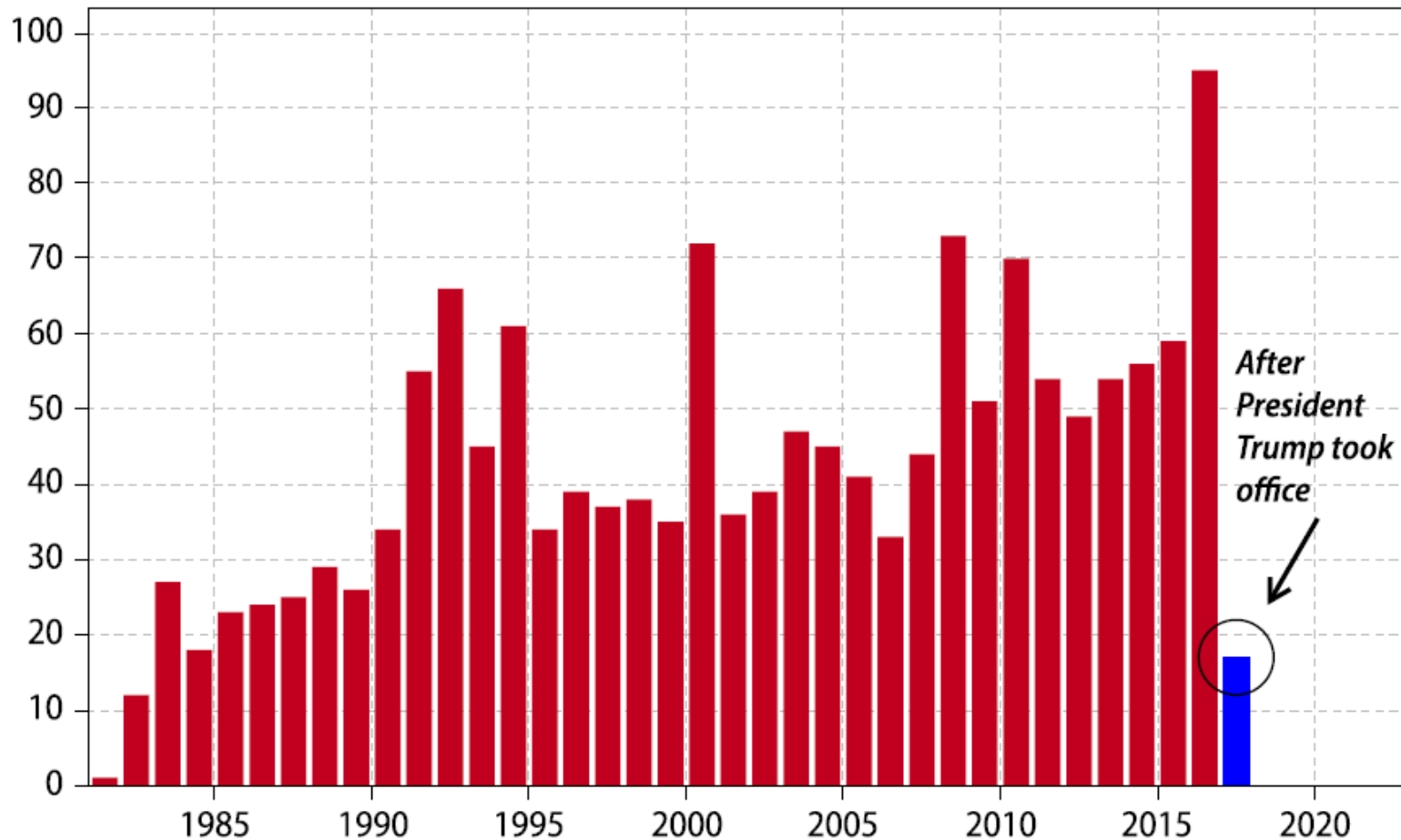


Source: Bloomberg



# Massive decline in regulations issued after President Trump took office

Number of economically significant rules published by presidential year

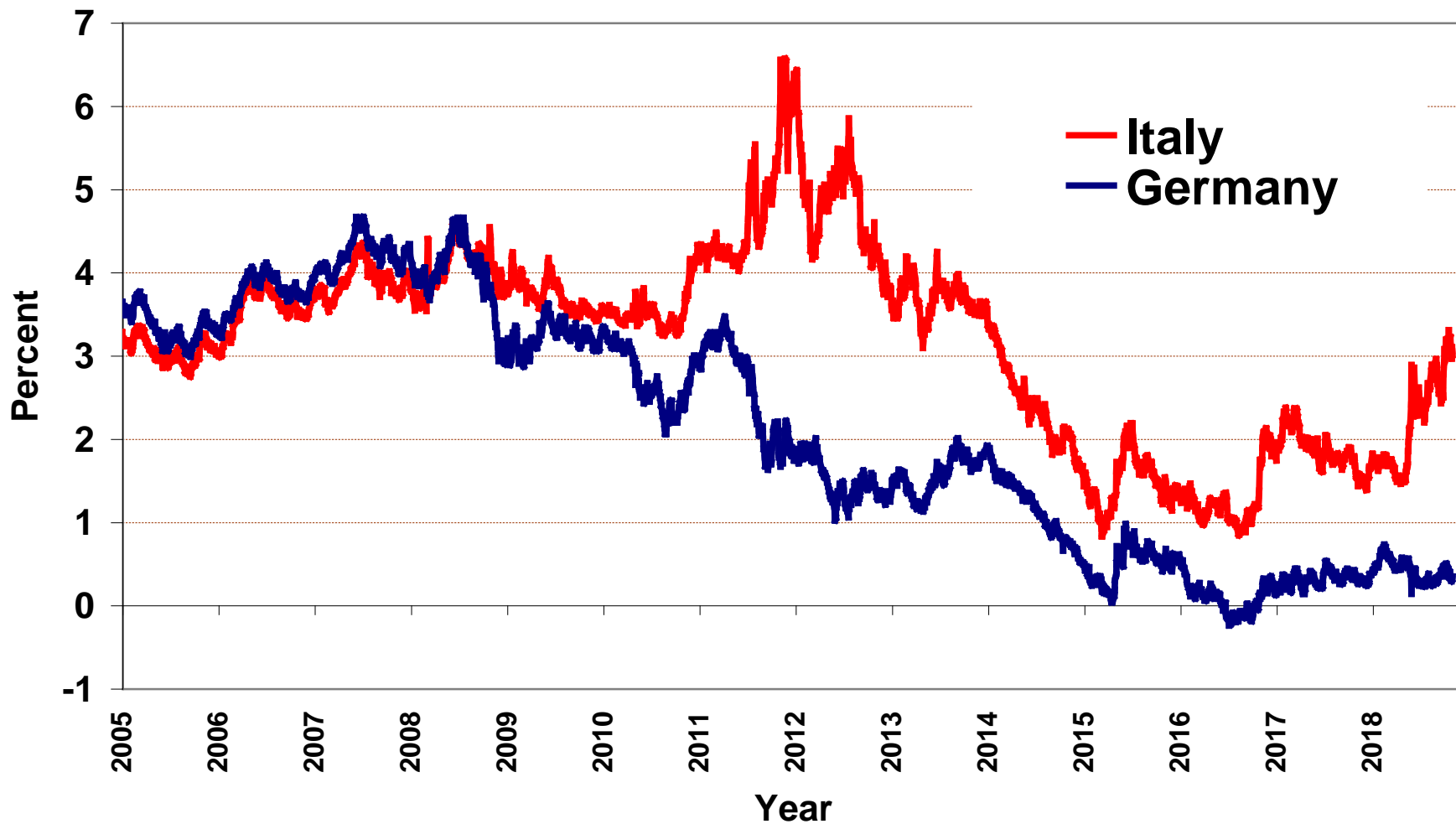


The George Washington University Regulatory Studies Center, Gavekal Data/Macrobond





# 10 Year Sovereign Interest Rate 2005-November 1, 2018

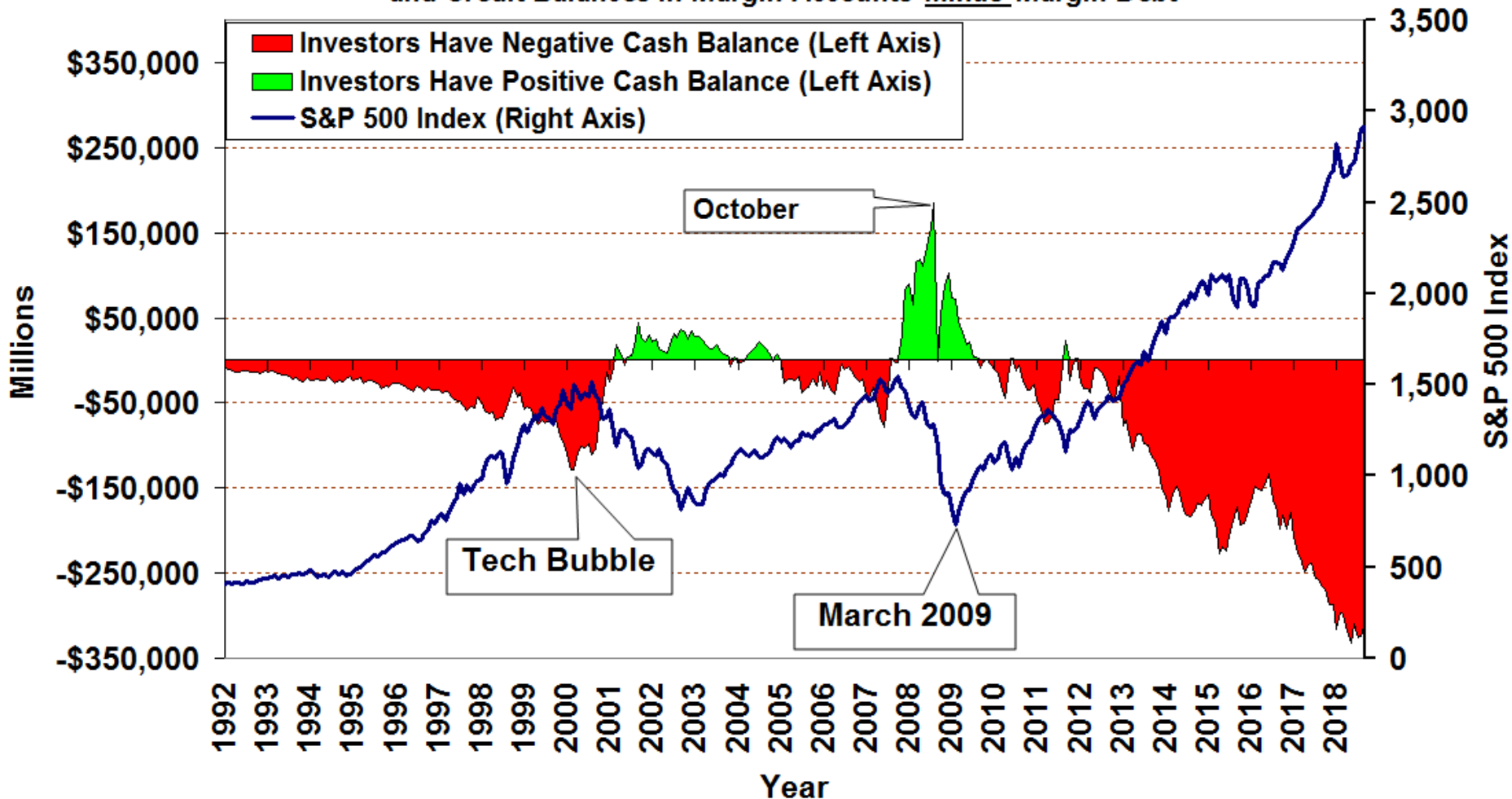


Source: Bloomberg



# Investor Credit\* vs. S&P 500 Index 1992-9/30/2018

*Credit Balance calculated as the sum of Free Credit Cash Accounts  
and Credit Balances in Margin Accounts minus Margin Debt*



Source: FINRA

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Source: Muhlenkamp & Company, Inc.



## 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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