

SECURITIES AND EXCHANGE COMMISSION

FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

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FILER

NAVELLIER SERIES FUND

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SEMI-ANNUAL REPORT, June 30, 1996
NAVELLIER SERIES FUND
1 East Liberty, Third Floor
Reno, NV 89501
(800) 887-8671

August 16, 1996

Dear Shareholder:

The first six months of 1996 were quite exceptional for the stock market as a whole and particularly impressive for NASDAQ stocks. However, investors were subjected to a great deal of volatility during this period. Small cap stocks dramatically outpaced large cap stocks during the first half of 1996. The NASDAQ Industrials were up 15.11% compared to 10.10% for the S&P 500. We are quite pleased with the performance of our Navellier Aggressive Small Cap Equity Portfolio ("Portfolio")*. For the first two quarters of 1996, the Portfolio had a return of 27.64% (23.79% after the maximum load) compared to 15.11% for the NASDAQ Industrials for the same period. Since public offering (April 1, 1994) the Portfolio's Net Asset Value (NAV) is up 109.71% (103.36% after the maximum load).

[LINE GRAPH OF NAVELLIER AGGRESSIVE SMALL CAP EQUITY PORTFOLIO APPEARS HERE]

The above chart indicates the return of \$10,000 invested in the NAVELLIER AGGRESSIVE SMALL CAP EQUITY PORTFOLIO on April 1, 1994. As the chart shows by June 30, 1996, the value of the investment would have grown to \$20,336, a 103.36% increase. For comparison purposes, look at how the NASDAQ Industrials performed over the same period. An investment of \$10,000 in the NASDAQ Industrials over the same period would have grown to \$14,254, a 42.54% increase.

The above charts and performance numbers assume reinvestment of all distributions.

Please be aware that past performance is no indication of future performance. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.

After a slow start in January, the market surged at a torrid pace through the end of May. Stock funds brought in almost \$100 billion in new assets during the period from January to April. This tremendous flow of funds into the market served to push stock prices dramatically higher. Of this \$100 billion, nearly \$25 billion was invested in aggressive growth funds. As the market climbed to new highs in the beginning of June, the inevitable correction was just around the corner. When analysts became pessimistic about second quarter earnings we saw the market begin to correct. As the selloff began, market makers moved to the sidelines and liquidity started to dry up. The flow of net assets into

stock mutual funds slowed from over \$20 billion in May to slightly more than \$15 billion in June. Another major contributing factor in the sharp selloff occurred when bond yields cracked the 7% barrier in June. Wall Street reacted quickly and negatively, expressing fear over higher interest rates.

Since the correction, the flow of funds into money market funds has accelerated, indicative of the massive cash reserves that are now on the sidelines. Although it is not unusual for the flow of funds into the stock market to slow down during the summer months, the current inflows into the stock market remain very healthy and should help propel the stock market higher in subsequent months. As the liquidity returns to the stock market, we expect our favorite stocks to continue to attract institutional buying pressure and move substantially higher.

As of this writing, there are many recent positive events that we expect will help fuel a strong stock market recovery. First, the second quarter earnings reports were much stronger than previously anticipated. The stock market plummeted in early July after Hewlett Packard, Motorola and other leading stocks warned that their earnings outlooks were poor. By late July, leading stocks, such as IBM, Compaq, Intel and Sun Microsystems, announced strong second quarter earnings that positively surprised Wall Street and helped inspire confidence in the overall stock market. Although earnings surprises are common because analysts tend to underestimate earnings, the proportion of earnings surprises so far in the second quarter have been much higher than anyone anticipated. Second, the bond market has staged a big rally as long-term Treasury bond yields fell over the past few months. Once long-term Treasury bond yields broke out of their trading range into new low territory, it became a very bullish event for bonds as well as stocks.

The earnings outlook for the remainder of the year remains uncertain. Top-down market strategists are estimating slightly more than 4% corporate earnings growth in 1996, while the consensus of all the bottom-up analysts are estimating approximately 9% corporate earnings growth in 1996. Obviously, there is a lot of confusion about the 1996 earnings outlook. The strong earnings growth associated with our stocks should continue to attract institutional buying pressure which should drive them substantially higher in the upcoming months. Overall, this is a wonderful time to purchase powerful growth stocks at reasonable prices. We believe that even in a volatile environment our quantitative, disciplined approach to investing will continue to help us to uncover those fundamentally superior stocks that hold the greatest promise.

The Navellier Aggressive Small Cap Equity Portfolio closed to new investors on April 15, 1996. Although it remains open to existing shareholders and investment advisors and their clients, we believe that keeping the fund relatively small will help us to manage the portfolio more effectively. We wish to assure you that we remain dedicated to striving for the best performance possible with our mutual funds. We want to thank all the shareholders in the Navellier Aggressive Small Cap Equity Portfolio for your continued support and confidence in the Fund. Please feel free to contact us if you have any

questions or if we can help in any way.

Sincerely,

/s/ Louis G. Navellier
LOUIS G. NAVELLIER

* This material has been preceded by a Navellier Series Fund: Aggressive Small Cap Equity Portfolio prospectus.

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June 30, 1996

NAVELLIER AGGRESSIVE SMALL CAP EQUITY PORTFOLIO

PORTFOLIO OF INVESTMENTS
<TABLE>

<CAPTION>

Shares		Market Value
<C>	<S>	(Note 1)
		<C>

COMMON STOCKS

ADVANCED MEDICAL DEVICES -- 6.22%		
34,400	BioSource International, Inc.*	\$ 310,677
106,500	Hologic, Inc.*	4,712,625
100,000	Kent Electronics Corp.*	3,125,000
63,000	Thermotrex Corp.*	3,102,750
131,000	VISX, Inc.*	4,470,375

		15,721,427

AGRICULTURAL -- 0.84%		
50,000	Delta and Pine Land Co.	2,112,500

AIRLINES -- 2.14%		
127,500	Comair Holdings, Inc.	3,442,500
174,200	Mesaba Holdings, Inc.*	1,981,525

		5,424,025

ALUMINUM/METALS -- 0.15%		
10,100	Reliance Steel and Aluminum Co.	368,650

APPAREL/FABRIC -- 1.28%		
93,000	Ross Stores, Inc.	3,231,750

BIOTECHNOLOGY -- 2.41%		
------------------------	--	--

108,000 Cyanotech Corp.*	810,000
97,500 Martek Biosciences Corp.*	2,851,875
140,400 Prime Medical Services, Inc.*	2,439,450

	6,101,325

CLOTHING/FABRIC -- 0.48%	
149,500 Paul Harris Stores, Inc.*	1,214,687

COMPUTER HARDWARE -- 2.40%	
200,000 Iomega Corp.*	5,800,000
30,000 Meridian Data, Inc.*	266,250

	6,066,250

COMPUTER SOFTWARE -- 3.06%	
140,000 Brooktrout Technology, Inc.*	3,920,000
84,000 Control Data Systems, Inc.*	1,795,500
110,800 Quality Systems, Inc.*	2,022,100

	7,737,600

CONSUMER NON-CYCLICAL -- 0.24%	
10,000 Culbro Corp.*	596,250

COSMETICS/PERSONAL CARE -- 0.16%	
16,200 Natures Sunshine Products, Inc.	413,100

</TABLE>

<TABLE>

<CAPTION>

Shares		Market Value
<C>	<S>	(Note 1)
		<C>

COMMON STOCKS (CONTINUED)

DATA COMMUNICATIONS/NETWORKING -- 3.63%	
106,000 Ascend Communications, Inc.*	\$ 5,962,500
80,000 Proxim, Inc.*	3,220,000

	9,182,500

DIVERSIFIED TECHNOLOGY -- 3.43%	
68,100 Computer Horizons Corp.*	2,689,950
42,000 Lindsay Manufacturing Co.	1,690,500
125,200 Zoltek Companies, Inc.*	4,288,100

	8,668,550

EDUCATION -- 3.92%

159,525 Apollo Group, Inc.*	4,466,700
50,300 Childrens Comprehensive Services*	1,081,450
306,000 National Education Corp.*	4,360,500

	9,908,650

ELECTRONICS -- 7.99%	
217,700 Computer Products, Inc.*	3,728,112
27,600 Keithley Instruments, Inc.	389,850
153,600 LaBarge, Inc.*	1,411,200
150,000 Rexel, Inc.*	2,118,750
90,000 Stanford Telecommunications, Inc.*	5,062,500
111,000 Universal Electronics, Inc.*	1,290,375
175,000 WPI Group, Inc.*	1,706,250
248,000 Zytec*	4,495,000

	20,202,037

ENGINEERING/DESIGN -- 1.49%	
335,900 IMP, Inc.*	3,778,875

ENTERTAINMENT -- 0.25%	
65,000 Iwerks Entertainment, Inc.*	641,875

FINANCIAL SERVICES -- 3.39%	
70,000 Aames Financial Corp.	2,511,250
91,200 American Physicians Service Group*	877,800
181,500 PMT Services, Inc.*	5,195,438

	8,584,488

HEAVY MACHINERY/CONSTRUCTION -- 3.28%	
60,800 Gardner Denver Machinery*	1,603,600
90,000 JLG Industries, Inc.	6,682,500

	8,286,100

</TABLE>

* Non-income producing.

See Notes to Financial Statements.

June 30, 1996

NAVELLIER AGGRESSIVE SMALL CAP EQUITY PORTFOLIO

PORTFOLIO OF INVESTMENTS (CONTINUED)

<TABLE>

<CAPTION>

Shares		Market Value
<C>	<S>	(Note 1)
<C>	<S>	<C>

COMMON STOCKS (CONTINUED)		
HOME CONSTRUCTION -- 1.46%		
150,000	Cavalier Homes, Inc.	\$ 3,468,750
20,000	NVR, Inc.*	222,500

		3,691,250

INDUSTRIAL AND COMMERCIAL SERVICES -- 2.43%		
6,686	Illinois Tool Works, Inc.	452,141
92,500	Memtec Ltd.	3,399,375
122,000	Shaw Group, Inc.*	2,302,750

		6,154,266

MEDICAL SUPPLIES -- 0.90%		
11,000	Microtek Medical, Inc.*	165,000
165,000	Orthologic Corp.*	2,103,750

		2,268,750

NONCLASSIFIABLE ESTABLISHMENT -- 0.80%		
110,000	Pre Paid Legal Services, Inc.*	2,035,000

OIL -- 1.13%		
84,400	Cliffs Drilling Co.*	2,869,600

OIL AND GAS EXPLORATION -- 4.48%		
80,432	Diamond Offshore Drilling, Inc.*	4,604,732
110,000	Seacor Holdings, Inc.*	4,922,500
50,000	United Meridian Corp.*	1,800,000

		11,327,232

PHARMACEUTICALS -- 6.62%		
75,000	Biovail Corp. International*	2,343,750
124,875	Jones Medical Industries, Inc.	4,152,094
100,000	Medicis Pharmaceutical Corp.*	4,125,000
190,000	Neurex Corp.*	4,156,250
100,000	PCI Services, Inc.*	1,975,000

		16,752,094

PRINTING/PAPER PRODUCTS -- 1.12%		
109,500	Day Runner, Inc.*	2,833,312

RESTAURANTS -- 1.11%		
112,400	Long Horn Steaks, Inc.*	2,810,000

RETAILERS -- 7.30%	
257,000 Action Performance Companies, Inc.*	3,758,625
195,000 Claires Stores, Inc.	5,386,875

</TABLE>

<TABLE>

<CAPTION>

Shares	Market Value
	(Note 1)
<C> <S>	<C>

COMMON STOCKS (CONTINUED)

RETAILERS (CONTINUED)

143,000 Orchard Supply Hardware Stores Corp.*	\$ 4,307,875
104,000 Wet Seal, Inc.*	2,476,500
150,000 Zale Corp.*	2,531,250

18,461,125

SAVINGS AND LOANS -- 1.09%

91,000 Imperial Credit Industries, Inc.*	2,752,750
--	-----------

SEMICONDUCTORS AND RELATED -- 0.09%

17,900 Cerprobe Corp.*	214,800
------------------------	---------

STEEL -- 0.55%

70,000 Chaparral Steel Co.	918,750
17,300 Olympic Steel, Inc.*	482,238

1,400,988

SURVEILLANCE SYSTEMS -- 2.60%

191,000 Checkpoint Systems, Inc.*	6,565,625
-----------------------------------	-----------

TELECOMMUNICATIONS -- 6.31%

267,100 ATC Communications, Inc.*	3,505,687
183,000 California Amplifier, Inc.*	4,209,000
118,000 Computer Telephone Corp.*	1,534,000
108,000 Pairgain Technologies, Inc.*	6,696,000

15,944,687

TEMPORARY STAFFING -- 4.14%

225,000 AccuStaff, Inc.*	6,131,250
138,000 Employee Solutions, Inc.*	4,347,000

10,478,250

TRANSPORTATION EQUIPMENT -- 1.07%

73,000 Greenwich Air Services, Inc. Class A	1,788,500
46,500 Greenwich Air Services, Inc. Class B*	906,750

	2,695,250

TOTAL COMMON STOCKS -- 89.96%	
(COST \$180,190,634)	227,495,618

REPURCHASE AGREEMENTS -- 10.04%	
With PaineWebber at 5.35%, dated 6/28/96, due	
7/1/96, collateralized by U.S. Treasury	
Notes, due 11/15/97	
(Cost \$25,378,000)	25,378,000

TOTAL INVESTMENTS -- 100.00%	
(COST \$205,568,634)	\$252,873,618
	=====

</TABLE>

* Non-income producing.

See Notes to Financial Statements.

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June 30, 1996

NAVELLIER AGGRESSIVE SMALL CAP EQUITY PORTFOLIO

STATEMENT OF ASSETS AND LIABILITIES

<TABLE>

<S>

<C>

ASSETS

Securities at Value (Note 1, see portfolio for cost information).	\$252,873,618
Cash in Custodian Bank.....	60,600
Receivable for Securities Sold.....	2,935,729
Receivable for Shares Sold.....	1,919,819
Dividends Receivable.....	11,494
Interest Receivable.....	11,315
Unamortized Organizational Costs (Note 1).....	22,145

Total Assets.....	257,834,720

LIABILITIES

Payable for Securities Purchased.....	11,440,445
Payable for Shares Redeemed.....	430,187
Investment Advisory Fee Payable (Note 2).....	246,570
Commissions Payable.....	70,466
Administrative Fee Payable (Note 2).....	49,314
Other Payables and Accrued Expenses.....	49,314
Organizational Expenses Payable to Adviser (Note 1).....	22,145

Total Liabilities.....	12,308,441

NET ASSETS.....	\$245,526,279
	=====
SHARES OUTSTANDING.....	12,483,816
	=====
NET ASSET VALUE PER SHARE.....	\$19.67
	=====

</TABLE>

See Notes to Financial Statements.

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For the Six Months Ended June 30, 1996

NAVELLIER AGGRESSIVE SMALL CAP EQUITY PORTFOLIO

STATEMENT OF OPERATIONS

<TABLE>

<S>

<C>

INVESTMENT INCOME

Interest (Note 1).....	\$ 340,032
Dividends (Note 1).....	53,339

Total Investment Income.....	393,371

EXPENSES

Investment Advisory Fee (Note 2).....	1,046,108
Administrative Fee (Note 2).....	209,222
Transfer Agent and Custodian Fee (Note 3).....	152,604
Legal Fees.....	33,454
Registration Fees.....	33,060
Trustees' Fees.....	27,381
Postage.....	18,080
Insurance.....	12,554
Printing.....	11,285
Audit Fees.....	9,943
Organizational Expense (Note 1).....	4,026
Other Expenses.....	505

Total Expenses.....	1,558,222
Less Expenses Reimbursed by Investment Adviser (Note 2).....	(93,671)

Net Expenses.....	1,464,551

NET INVESTMENT LOSS.....	(1,071,180)

Net Realized Gain on Investment Transactions.....	11,984,651
Net Change in Unrealized Appreciation of Investments.....	28,893,147

NET GAIN ON INVESTMENTS.....	40,877,798

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS..... \$39,806,618
=====

</TABLE>

See Notes to Financial Statements.

NAVELLIER AGGRESSIVE SMALL CAP EQUITY PORTFOLIO

STATEMENTS OF CHANGES IN NET ASSETS

<TABLE>

<CAPTION>

	FOR THE SIX MONTHS ENDED JUNE 30, 1996	FOR THE SIX MONTHS ENDED JUNE 30, 1995
	-----	-----
<S>	<C>	<C>
FROM INVESTMENT ACTIVITIES		
Net Investment Loss.....	\$ (1,071,180)	\$ (152,592)
Net Realized Gain on Investment Transactions.....	11,984,651	334,343
Net Change in Unrealized Appreciation of Investments.....	28,893,147	7,785,763
	-----	-----
Net Increase in Net Assets Resulting from Operations.....	39,806,618	7,967,514
	-----	-----
DISTRIBUTIONS TO SHAREHOLDERS		
From Net Investment Income.....	--	--
From Net Realized Capital Gains.....	--	--
	-----	-----
Total Distributions to Shareholders.....	--	--
	-----	-----
FROM SHARE TRANSACTIONS		
Net Proceeds from Sales of Shares.....	193,504,704	24,502,832
Reinvestment of Distributions.....	--	--
Cost of Shares Redeemed.....	(93,084,197)	(9,523,205)
	-----	-----
Net Increase in Net Assets Resulting from Share Transactions.....	100,420,507	14,979,627
	-----	-----
TOTAL INCREASE IN NET ASSETS.....	140,227,125	22,947,141
NET ASSETS--Beginning of Period.....	105,299,154	18,223,695
	-----	-----
NET ASSETS--End of Period.....	\$245,526,279	\$41,170,836
	=====	=====
SHARES		
Sold.....	11,157,966	2,189,874
Issued in Reinvestment of Distributions.....	--	--
Redeemed.....	(5,505,335)	(801,278)
	-----	-----

Net Increase in Shares..... 5,652,631 1,388,596
=====

</TABLE>

See Notes to Financial Statements.

NAVELLIER AGGRESSIVE SMALL CAP EQUITY PORTFOLIO

FINANCIAL HIGHLIGHTS

<TABLE>

<CAPTION>

	FOR THE SIX MONTHS ENDED JUNE 30, 1996	FOR THE YEAR ENDED DECEMBER 31, 1995	FOR THE PERIOD ENDED DECEMBER 31, 1994*
	-----	-----	-----
<S>	<C>	<C>	<C>
PER SHARE OPERATING PERFORMANCE:			
Net Asset Value--Beginning of Period.....	\$ 15.41	\$ 10.98	\$ 10.00
	-----	-----	-----
Income from Investment Operations:			
Net Investment Loss.....	(0.11)	(0.16)	(0.08)
Net Realized and Unrealized Gains on Securities.....	4.37	4.97	1.06
	-----	-----	-----
Total from Investment Operations.....	4.26	4.81	0.98
	-----	-----	-----
Distributions to Shareholders:			
From Net Investment Income.....	--	--	--
From Net Realized Capital Gains.....	--	(0.38)	--
	-----	-----	-----
Total Distributions to Shareholders.....	--	(0.38)	--
	-----	-----	-----
Net Increase in Net Asset Value.....	4.26	4.43	0.98
	-----	-----	-----
Net Asset Value--End of Period.....	\$ 19.67	\$ 15.41	\$ 10.98
	=====	=====	=====
TOTAL INVESTMENT RETURN A..	27.64 %	43.80 %	9.80 %
RATIOS TO AVERAGE NET			

ASSETS:			
Expenses After			
Reimbursement (Note 2)...	1.75 % B	1.75 %	1.68 %
Expenses Before			
Reimbursement (Note 2)...	1.86 % B	2.10 %	4.52 %
Net Investment Loss.....	(1.28) % B	(1.15) %	(0.81) %
SUPPLEMENTARY DATA:			
Portfolio Turnover Rate...	64.6 %	169.6 %	139.9 %
Net Assets at End of			
Period (000's omitted)...	\$245,526	\$105,299	\$18,224
Number of Shares			
Outstanding at End of			
Period (000's omitted)...	12,484	6,831	1,660

</TABLE>

A Total returns do not include the maximum sales load. Total returns for periods of less than one year are not annualized.

B Annualized.

* From Commencement of Operations January 3, 1994.

See Notes to Financial Statements.

June 30, 1996

NAVELLIER AGGRESSIVE SMALL CAP EQUITY PORTFOLIO

NOTES TO FINANCIAL STATEMENTS

1. Significant Accounting Policies

Navellier Series Fund (the "Fund") is registered with the Securities and Exchange Commission under the Investment Company Act of 1940 as a diversified, open-end investment company. The Fund consists of one portfolio, Navellier Aggressive Small Cap Equity Portfolio (the "Portfolio"). Shares of the Fund are purchased at the public offering price which includes a maximum sales charge of up to 3.00% depending on the size of the purchase. The Fund is authorized to issue an unlimited number of shares of capital stock with no stated par value. The financial statements have been prepared in conformity with generally accepted accounting principles which permit management to make certain estimates and assumptions at the date of the financial statements. The following is a summary of significant accounting policies which the Fund follows:

(a) Listed securities are valued at the last sales price of the New York Stock Exchange and other major exchanges. Over-the-Counter securities are valued at the last sales price. If market quotations are not readily available, the Board of Trustees will value the Portfolio's securities in good faith. The Board of Trustees will periodically review this method of valuation and recommend changes which may be necessary to assure that the Portfolio's instruments are valued at fair value.

(b) Security transactions are recorded on the trade date (the date the order to buy or sell is executed). Interest income is accrued on a daily basis. Dividend income is recorded on the ex-dividend date. Realized gains and losses from securities transactions are computed on an identified cost basis.

(c) Dividends from net investment income are declared and paid annually. Dividends are reinvested in additional shares unless shareholders request payment in cash. Net capital gains, if any, are distributed annually.

(d) The Fund complies with the provisions of the Internal Revenue Code applicable to regulated investment companies and distributes all net investment income to its shareholders. Therefore, no Federal income tax provision is required.

(e) Organizational expenses of the Fund totaling \$143,294 are being deferred and amortized over 60 months beginning with the public offering of shares. Any redemption by an initial investor during the amortization period will be reduced by a prorata portion of any of the unamortized organization expenses. Such proration is calculated by dividing the number of initial shares redeemed by the number of initial shares outstanding at the date of redemption. At June 30, 1996, unamortized organization costs were \$22,145.

2. Investment Advisory Fees and Other Transactions with Affiliates

Investment advisory services are provided by Navellier Management, Inc., (the "Adviser"). Under an agreement with the Adviser, the Fund pays a fee at the annual rate of 1.25% of the daily net assets for the Navellier Aggressive Small Cap Equity Portfolio. The Adviser also receives a 0.25% annual fee in connection with the rendering of services under the administrative services agreement and is reimbursed by the Fund for operating expenses incurred on behalf of the Fund. An officer and trustee of the Fund is also an officer and director of the Adviser.

Under an agreement between the Fund and the Adviser related to payment of operating expenses, the Adviser has reserved the right to seek reimbursement for the past, present and future operating expenses of the Fund paid by the Adviser, at any time upon notice to the Fund. At December 31, 1995, the Adviser voluntarily agreed not to seek future reimbursement of all unreimbursed past expenses incurred on behalf of the Fund. During the period ended June 30, 1996, the Adviser paid operating expenses of the Fund totaling \$302,892. Under the operating expense agreement, the Adviser requested, and the Fund reimbursed, \$209,221 of such expenses. The Adviser voluntarily agreed not to seek future reimbursement of \$93,671 of such 1996 expenses.

Navellier Securities Corp. (the "Distributor") acts as the Fund's Distributor and is registered as a broker-dealer under the Securities and Exchange Act of 1934. The Distributor, which is the principal underwriter of the Funds shares, renders its services to the Fund pursuant to a distribution agreement. An officer and trustee of the Fund is also an officer and director of the Distributor.

For the period ended June 30, 1996, the Distributor received \$782,768 from sales loads earned on sales of the Fund's capital stock.

3. Transfer Agent and Custodian

Rushmore Trust and Savings, FSB, ("Rushmore Trust"), provides transfer agency, dividend disbursing and other shareholder services to the Fund. In addition, Rushmore Trust serves as custodian of the Fund's assets. Fees paid to Rushmore Trust are based upon a fee schedule approved by the Board of Trustees.

4. Securities Transactions

For the period ended June 30, 1996, purchases of securities were \$192,583,698 and sales of securities were \$103,840,269. These totals exclude short-term securities.

5. Net Unrealized Appreciation/Depreciation of Investments

As of June 30, 1996, net appreciation of investments for Federal income tax purposes was \$47,304,984 of which \$53,257,591 related to appreciated investments and \$5,952,607 related to depreciated investments. At June 30, 1996, the cost of the Fund's securities for Federal income tax purposes was \$205,568,634.

6. Net Assets

At June 30, 1996, net assets consisted of the following:

<TABLE>	
<S>	<C>
Paid-in-Capital.....	\$189,681,823
Net Investment Loss.....	(1,071,180)
Accumulated Realized Gain on Investments.....	9,610,652
Net Unrealized Appreciation on Investments.....	47,304,984

NET ASSETS.....	\$245,526,279
	=====

</TABLE>

7. Federal Income Tax

No provision is made for Federal income taxes as it is the Fund's intention

to continue to qualify as a regulated investment company and to make requisite distributions to the shareholders which will be sufficient to relieve it from all or substantially all Federal income and excise taxes.

Permanent differences between tax and financial reporting of net investment income and realized gains/(losses) are reclassified to paid-in-capital.

8. Investment in other Regulated Investment Companies

During the period ended June 30, 1996, the Fund invested its daily cash balance in Fund for Government Investors, Inc. ("FGI"), a regulated investment company. FGI invested only in U.S. Government Securities. Due to an interpretation of the Fund's current investment policy, as of January 22, 1996, the Fund will no longer invest in other investment companies.