



Leuthold Select Industries Fund

(LSLTX)

January 27, 2010: Report for 4th Quarter 2009

As of 12/31/09, *Lipper* ranks the **Leuthold Select Industries Fund performance in the top 7% on a 5-year basis, top 39% on a 3-year basis, and top 96% on a 1-year basis within Lipper's Multi-Cap Growth classification.** This classification contained 307 Funds, 374 Funds, and 455 Funds respectively, for the 5-year, 3-year, and 1-year time frames measured through 12/31/09.

THE SELECT INDUSTRIES FUND HAS RE-OPENED TO ACCEPT NEW INVESTMENT FROM EXISTING SHAREHOLDERS

Investment Objective

Leuthold Select Industries seeks capital appreciation through equity group selection and rotation.

The Fund will remain fully invested in equities within industry groups we identify as Attractive.

Symbol

LSLTX

CUSIP

527289201

Assets under Mgmt.

\$53,737,744

Portfolio Managers

Eric Bjorgen, CFA
Jim Floyd, CFA
Steve Leuthold

Shareholder Services

1-800-273-6886

Select Industries Fund

Actively managed, fully invested in equities.

Shareholders may consider the Fund appropriate for:

- ◆ *A portion of their mutual fund portfolio.*
- ◆ *Aggressive, medium and long-term investment goals.*
- ◆ *Obtaining actively managed and flexible equity-group diversification.*
- ◆ *Those with above average tolerance for fluctuation of share value.*

Leuthold Select Industries Fund...Fourth Quarter & Year End Review

The stock market low recorded March 9, 2009, set the stage for a classic and dramatic bull market “bounce” in the months that followed. Much of the year, we were keeping pace with the impressive gains on the S&P 500¹, however fourth quarter underperformance resulted in the Select Industries Fund lagging the S&P 500 for the full-year year ended 12/31/09. For the year, the Select Industries Fund posted a total return gain of +18.62% compared to a +26.45% total return gain for the S&P 500. Unfortunately, this performance shortfall is entirely attributable to the final three months of the year. For the fourth quarter ended 12/31/09, the multi-cap Leuthold Select Industries Fund had a total return loss of -0.62%. This was very disappointing, as the Fund severely underperformed its primary benchmarks: the S&P 500 total return gain of +6.04%, the +5.55% total return gain on the S&P Mid Cap Index¹, and the +7.20% total return gain on the NASDAQ¹ index over the same time frame.

...Although performance in the fourth quarter of 2009 fell far short of the expectations we have for our Fund, our outlook for the first half of 2010 is still encouraging. We continue to see strong evidence that the stock market should move higher from current levels as growth in the global economy continues to beat today's universally pessimistic projections.

Even though the Fund underperformed the broad stock market in the fourth quarter, it is our five year performance record that demonstrates how investors may benefit from our longer term investment focus. Per Lipper Inc.'s classification as Multi-Cap Growth¹, the Leuthold Select Industries Fund's +31.52% cumulative total return gain, for the five years ended 12/31/09, placed its performance among the top 7% of 307 funds in that category. This +31.52% cumulative total return gain in the Select Industries Fund is compared to the S&P 500 cumulative total return gain of +2.10% over the same 5-year period ended 12/31/09.

Note: Performance data quoted herein represents past performance. Past performance is no guarantee of future results. Investment returns and principal will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than performance data cited. For performance data current to the most recent month-end, please call Leuthold Fund Shareholder Services, toll-free: 1-800-273-6886. Per Prospectus dated 1/31/09, the annual gross and net operating expense was 1.30%.

Performance Results Since Inception

Since inception, the Leuthold Select Industries Fund's performance especially distinguishes itself as a strategy that has the potential to outperform the broad market. For the inception to date period (6/19/00 through 12/31/09), the Select Industries Fund has a cumulative total return gain of +80.06%, compared to the cumulative total return loss of -10.61% in the S&P 500, the -39.61% cumulative total return loss for the NASDAQ, and the cumulative total return gain of +62.80% in the S&P Mid Cap index. While it may not mean much to outperform the broad market in any given quarter, the multi-year performance of the Leuthold Select Industries Fund demonstrates the distinct advantage of group selection in generating market beating returns over longer periods of time.

Portfolio Changes

During the fourth quarter, portfolio turnover moderated from the previous quarter. Specifically, we deactivated two portfolio groups in the last three months of 2009, compared to six group deactivations in the previous quarter. In mid-October, **Automotive Retail** was deactivated, which was followed by the deactivation of **Small & Microcap Biotech** in mid-November. But as a result of reductions in the Holding Tank, which was reduced from 19% to 10% during the quarter, we were able to make room for six new portfolio groups between October and the end of the year. These new positions include two Information Technology groups (**IT Consulting & Services** and **Data Processing & Outsourcing**); two Technology-driven **Consumer Discretionary** groups (**Computer & Electronics Retail** and **Consumer Electronics**); **Industrial Conglomerates**; and **Managed Health Care**.

Entering 2010, we continue to have a constructive outlook for the stock market, as the current bull market transitions into its mature phase. Our broad array of research continues to suggest stocks will move higher, as cost cutting measures and a moderately improving economy continue to flow through to the bottom line. The most recent bear market largely discounted worst-case economic scenarios, and we believe that the ongoing stock market recovery has yet to fully reflect the fact that both the U.S. and global economies continue on their paths of cyclical recovery.

¹The S&P 500, S&P Mid Cap, and NASDAQ are unmanaged indexes and cannot be invested in directly. Gaining exposure to a market index may be attainable through index funds and ETFs (Exchange Traded Funds). The Lipper Multi-Cap Growth category consists of Funds investing in companies of various sizes, with long-term earnings expected to grow significantly faster than the earnings of stocks in major indexes.

Leuthold Select Industries Fund

Significant Quarterly Performance Contributors

	Q4 Price % Change	% of Assets on 12/31/09
Domtar Corp.	+57.3%	1.3%
Wellcare Health Plans Inc.	+42.7	0.8
Fibria Celulose S.A. (ADS)	+39.2	2.6
Medivation Inc.	+38.7	0.6
Magellan Health Services Inc.	+34.2	0.5

Significant Quarterly Performance Detractors

	Q4 Price % Change	% of Assets on 12/31/09
Ness Technologies Inc.	-35.9%	NA*
Seattle Genetics Inc.	-33.0	NA*
Orexigen Therapeutics Inc.	-32.3	NA*
Citigroup Inc.	-31.6	0.8%
AMR Corp.	-31.6	NA*

*As of 12/31/09 stock no longer held in Portfolio

Significant Performance Contributors and Detractors are sorted by % Change, not by contribution to return.

Largest Industry Group Weights

Systems Software	12%
Managed Health Care.....	10%
Paper Products.....	9%
Diversified Foreign Banks	9%
Integrated Telecom	8%
Data Processing & Outsourced Services	8%
Industrial Conglomerates	7%
IT Consulting & Services.....	7%
Diversified Financial Services	7%
Consumer Electronics	6%
Independent Power Producers.....	6%
Computer & Electronics Retail.....	5%
“Holding Tank”*	6%

*Stocks held in the “Holding Tank” are positions from industry group allocations that were deactivated from the equity portfolio. Stocks from deactivated groups are retained until they fail to outperform the market over the next calendar month period.

Data as of 12/31/09

Equity Characteristics vs. S&P 500

	Fund	S&P 500
Median Market Cap:	\$6,751MM	\$8,982MM
Portfolio Beta:	1.16x	1.00x
Wt. Median Price/Earnings:	17.9x	17.7x
Price/Cash Flow:	8.0x	10.6x
Price/Book:	2.0x	2.7x
Price/Sales:	1.1x	1.7x
ROA:	3.8%	6.1%
ROE:	11.6%	13.9%
Operating Margin:	14.1%	18.3%
Net Margin:	4.9%	8.0%
LT Debt/Capital:	28.7%	32.1%

Source: FactSet Research Systems and Standard & Poor's
Data as of 12/31/09

Total Returns

Periods Ended December 31, 2009

	Q4 2009	1-Year (12 mo.)	Annualized			Cumulative		
			3-Year (36 mo.)	5-Year (60 mo.)	Since Inception ¹	3-Year (36 mo.)	5-Year (60 mo.)	Since Inception ¹
Leuthold Select Industries	-0.62%	18.62%	-2.19%	5.63%	6.36%	-6.43%	31.52%	80.06%
Standard & Poor's 500	6.04	26.45	-5.63	0.42	-1.17	-15.96	2.10	-10.61
S&P Mid Cap Index	5.55	37.39	-1.84	3.26	5.24	-5.43	17.41	62.80
NASDAQ Composite	7.20	45.35	-1.17	1.70	-5.15	-3.47	8.81	-39.61

¹Performance from Fund's inception date of 6/19/00

Important Note About Performance: Performance data quoted represents past performance. Past performance is no guarantee of future results. Investment returns and principal will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than performance data cited. For performance data current to the most recent month-end, please call Leuthold Funds' Shareholder Services, toll-free: 1-800-273-6886.

- The S&P 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy based on the changing aggregate market value of these 500 stocks.
- The S&P Mid Cap Index is a capitalization-weighted index measuring the performance of the mid-range sector of the U.S. stock market.
- The NASDAQ Composite Index is a broad-based capitalization-weighted index of all NASDAQ National Market and Small Cap stocks.

The S&P 500, S&P Mid Cap, and NASDAQ Composite are indices only and cannot be invested in directly. Fund performance return figures are historical and reflect the change in share price, reinvested distributions, change in net asset value, and capital gains distributions, if any.

Expense Ratio Disclosure

Per the Prospectus dated 1/31/09, annual gross and net operating expenses were 1.30%.

Please refer to the Prospectus for a more detailed explanation of the expense ratios.

Direct Shareholder Inquiries:

Call Toll-Free: 1-800-273-6886

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Questions On Investment

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Leuthold Weeden Capital Management serves as
Advisor to Leuthold Funds.

Symbol: LSLTX

CUSIP: 527289201

www.LeutholdFunds.com

1-800-273-6886

Investors should consider the investment objectives, risks, charges and expenses of the investment company carefully before investing. The Prospectus contains this and other information about the Fund. For current Prospectus, call toll-free 800-273-6886, or go to www.LeutholdFunds.com. Please read the Prospectus carefully before you invest.

Not FDIC Insured ~ No Bank Guarantee ~ May Lose Value

Distributor: Rafferty Capital Markets, LLC, Garden City, NY 11530