



Mulvihill

Hybrid Income Funds



Semi-Annual Report 2003

Mulvihill Pro-AMS RSP Fund

Pro-AMS Trust



Message to Unitholders

As of June 30, 2003, the net assets of the Fund were \$731.9 million, or \$20.25 per unit after distributions of \$0.50 per unit, a slight increase from \$19.94 per unit at the end of 2002. The Fund's units, listed on the Toronto Stock Exchange as PR.UN, closed the six-month period trading at \$19.24.

Unitholders received distributions amounting to \$19.0 million, or \$0.50 per unit, for the first half of the year. The Fund has sufficient capital loss carryforward amounts to shelter realized gains in the current period and provide both non-capital and capital loss carryforwards for future periods. As a result, distributions in the current period were non-taxable and will reduce each unitholders cost base.

The increase in net asset value during the period was largely due to the rising value of the fixed portfolio as interest rates fell. Substantial gains in the U.S. based managed portfolio were offset by the large depreciation in the U.S. dollar versus the Canadian dollar and any retreat in the Canadian dollar will benefit the U.S. dollar based managed portfolio.

With the war in Iraq largely resolved as well as continued low interest rates and an improving corporate profit picture, investor confidence continues to recover. Both Canadian and U.S. equity markets recorded gains for the period. The Canadian economy has outperformed the U.S., but this difference is now waning, as the U.S. gains momentum, and Canada absorbs the negative impacts of SARS and its rising Canadian dollar.

Volatility was high in the first quarter but has moderated since then, while markets have rallied. Sufficient volatility exists to allow the Fund to continue generating premium income through its active option-writing programs.

We would like to take this opportunity to thank each of the Fund's unitholders for their continuing support.

August 2003

Mulvihill Pro-AMS RSP Fund

Financial Statements

Interim Statements of Net Assets

June 30, 2003 (Unaudited) and December 31, 2002 (Audited)

	2003	2002
ASSETS		
Investments at market value (average cost - \$673,120,200; 2002 - \$760,116,710)	\$ 720,036,570	\$ 817,655,153
Short-term investments (average cost - \$29,161,007; 2002 - \$42,101,785)	29,144,747	42,159,469
Cash	106,055	135,255
Interest receivable	38,852	162,653
Dividends receivable	105,003	196,375
Due from brokers	817,238	1,869,185
TOTAL ASSETS	750,248,465	862,178,090
LIABILITIES		
Redemptions payable	11,665,731	88,462,509
Accrued liabilities	6,559,224	3,850,177
Due to brokers	101,056	-
TOTAL LIABILITIES	18,326,011	92,312,686
NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY	\$ 731,922,454	\$ 769,865,404
Number of Units Outstanding	36,137,849	38,600,579
Net Asset Value per Unit	\$ 20.2536	\$ 19.9444

Financial Statements

Interim Statements of Financial Operations

For the six months ended June 30 (Unaudited)

	2003	2002
REVENUE		
Dividends	\$ 899,437	\$ 1,091,875
Interest, net of foreign exchange	(839,849)	(477,960)
Withholding tax	(108,193)	(117,105)
TOTAL REVENUE	(48,605)	496,810
EXPENSES		
Management fees	4,433,388	5,384,474
Forward Agreement fee	1,997,270	2,441,182
Custodian and other fees	390,072	325,164
Goods and service tax	337,176	399,675
TOTAL EXPENSES	7,157,906	8,550,495
Net Investment Loss	(7,206,511)	(8,053,685)
Gain on sale of investments and options	46,103,718	1,022,482
Change in unrealized appreciation of investments and foreign currency	(10,697,097)	(44,926,099)
Net Gain (Loss) on Investments	35,406,621	(43,903,617)
TOTAL RESULTS OF FINANCIAL OPERATIONS	\$ 28,200,110	\$ (51,957,302)
Net Investment Loss per Unit	\$ (0.1889)	\$ (0.1818)
Net Gain (Loss) on Investments per Unit	0.9283	(0.9911)
TOTAL RESULTS OF FINANCIAL OPERATIONS PER UNIT (based on the weighted average number of units outstanding during the period of 38,140,310; 2002 - 44,299,370)		
	\$ 0.7394	\$ (1.1729)

Mulvihill Pro-AMS RSP Fund

Financial Statements

Interim Statements of Changes in Net Assets

For the six months ended June 30 (Unaudited)

	2003	2002
NET ASSETS, BEGINNING OF PERIOD	\$ 769,865,404	\$ 988,468,404
Total Results of Financial Operations	28,200,110	(51,957,302)
Unit Transactions		
Amount paid for units redeemed	(40,996,056)	(23,518,125)
Normal course issuer bid purchase	(6,113,088)	–
	(47,109,144)	(23,518,125)
Distributions to Unitholders		
Non-taxable distribution	(19,033,916)	(44,162,415)
Changes in Net Assets during the Period	(37,942,950)	(119,637,842)
NET ASSETS, END OF PERIOD	\$ 731,922,454	\$ 868,830,562
Net Asset Value per Unit	\$ 20.2536	\$ 19.7571
Distribution per Unit		
Non-taxable distribution	\$ 0.5000	\$ 0.9792

Financial Statements

Statement of Investments

June 30, 2003 (Unaudited)

	Par Value/ Number of Shares	Average Cost	Market Value
SHORT-TERM INVESTMENTS - MANAGED PORTFOLIO			
Treasury Bills			
Government of Canada - August 14, 2003	1,750,000	\$ 1,735,637	\$ 1,735,637
Government of Canada - August 28, 2003	735,000	729,121	729,121
Government of Canada - September 25, 2003	12,155,000	12,050,131	12,050,131
Government of Canada - October 23, 2003	75,000	74,275	74,275
Government of Canada, USD - August 5, 2003	3,675,000	4,916,630	4,987,814
Government of Canada, USD - September 19, 2003	2,550,000	3,442,519	3,456,085
Total Treasury Bills		22,948,313	23,033,063
Discount Commercial Paper			
The Bank of Nova Scotia - September 9, 2003	1,000,000	991,620	991,620
Province of Ontario, USD - July 16, 2003	300,000	434,906	406,488
Province of Ontario, USD - July 22, 2003	375,000	542,804	508,052
Province of Quebec, USD - July 17, 2003	2,800,000	3,830,965	3,798,796
Canadian Wheat Board, USD - August 6, 2003	200,000	274,097	271,155
Canadian Wheat Board, USD - August 8, 2003	100,000	138,302	135,573
Total Discount Commercial Paper		6,212,694	6,111,684
		29,161,007	29,144,747
Accrued Interest			38,852
TOTAL SHORT-TERM INVESTMENTS - MANAGED PORTFOLIO		\$29,161,007	\$29,183,599

INVESTMENTS - MANAGED PORTFOLIO

Canadian Common Shares

Financials

Sun Life Financial Services of Canada Inc.	165,000	\$ 6,333,096	\$ 4,616,700
The Toronto-Dominion Bank	108,000	4,621,558	4,034,880
Total Financials		10,954,654	8,651,580

Health Care

Biovail Corporation	28,500	1,851,028	1,793,790
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Information Technology

Celestica Inc.	122,500	7,988,440	2,623,205
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Mulvihill Pro-AMS RSP Fund

Financial Statements

Statement of Investments (continued)

June 30, 2003 (Unaudited)

	Number of Shares	Average Cost	Market Value
INVESTMENTS - MANAGED PORTFOLIO (continued)			
Canadian Common Shares (continued)			
Materials			
Alcan Inc.	54,000	3,392,232	2,268,540
Barrick Gold Corporation	146,000	4,559,542	3,502,540
Inco Limited	105,000	2,987,520	2,995,650
Total Materials		10,939,294	8,766,730
Total Canadian Common Shares		\$31,733,416	\$21,835,305
United States Common Shares			
Consumer Discretionary			
Clear Channel Communications, Inc.	66,000	\$ 4,232,929	\$ 3,801,432
eBay Inc.	13,000	1,647,387	1,840,211
The Walt Disney Co.	175,000	5,450,926	4,696,183
Viacom Inc., Class B	44,000	2,515,200	2,610,215
Total Consumer Discretionary		13,846,442	12,948,041
Consumer Staples			
CVS Corporation	122,500	6,210,571	4,665,509
Energy			
Apache Corporation	43,000	3,631,471	3,801,215
Baker Hughes Incorporated	88,500	4,776,658	4,036,774
Exxon Mobil Corporation	70,000	3,561,928	3,415,492
Total Energy		11,970,057	11,253,481
Financials			
American Express Company	83,000	4,905,347	4,715,179
American International Group Inc.	24,500	2,332,353	1,836,909
Citigroup Inc.	98,500	7,202,666	5,728,223
Merrill Lynch & Co.	74,000	3,813,618	4,693,561
Morgan Stanley	70,500	4,631,677	4,095,106
U.S. Bancorp	120,000	3,844,501	3,994,728
Total Financials		26,730,162	25,063,706
Health Care			
Amgen Inc.	53,500	4,730,001	4,793,388
Pfizer Inc.	103,200	5,343,594	4,788,619
Total Health Care		10,073,595	9,582,007
Industrials			
General Electric Company	116,000	9,339,156	4,520,402
Illinois Tool Works	40,000	4,215,823	3,578,950
Tyco International Ltd.	73,000	1,848,392	1,882,604
Union Pacific Corp.	34,000	3,226,542	2,680,381
Total Industrials		18,629,913	12,662,337

Financial Statements

Statement of Investments (continued)

June 30, 2003 (Unaudited)

	Number of Shares	Average Cost	Market Value
INVESTMENTS - MANAGED PORTFOLIO (continued)			
United States Common Shares (continued)			
Information Technology			
Applied Materials Inc.	104,000	1,979,256	2,241,178
Cisco Systems Inc.	225,000	6,621,986	5,071,878
Dell Computer Corporation	92,000	4,210,184	3,995,163
Intel Corporation	162,000	6,721,703	4,574,926
Microsoft Corporation	96,000	3,810,210	3,340,571
Oracle Corporation	233,000	4,127,167	3,805,400
Total Information Technology		27,470,506	23,029,116
Telecommunication Services			
Nextel Communications, Inc. Class A	87,500	1,630,310	2,149,544
SBC Communications Inc.	110,000	4,840,706	3,818,770
Total Telecommunication Services		6,471,016	5,968,314
Total United States Common Shares		\$121,402,262	\$105,172,511

	Number of Contracts	Proceeds	Market Value
OPTIONS			
Written Cash Covered Put Options (100 shares per contract)			
American International Group Inc.			
- July 2003 @ \$57	210	\$ (45,105)	\$ (61,469)
Biovail Corporation - July 2003 @ \$65	145	(33,930)	(30,687)
The Procter & Gamble Company			
- July 2003 @ \$91	260	(53,427)	(71,878)
Total Written Cash Covered Put Options		(132,462)	(164,034)

Written Covered Call Options (100 shares per contract)			
Alcan Inc. - July 2003 @ \$44	405	(46,575)	(6,812)
American Express Company			
- July 2003 @ \$44	553	(80,274)	(2,294)
Amgen Inc. - July 2003 @ \$65	403	(107,329)	(113,578)
Apache Corporation - July 2003 @ \$64	325	(75,993)	(94,676)
Applied Materials Inc. - July 2003 @ \$16	780	(72,283)	(73,052)
Baker Hughes Incorporated			
- July 2003 @ \$34	590	(70,487)	(16,275)
Barrick Gold Corporation			
- July 2003 @ \$24	1,095	(77,197)	(79,026)
Celestica Inc. - July 2003 @ \$16	612	(62,367)	(58,360)
Cisco Systems Inc. - July 2003 @ \$18	1,125	(74,785)	(11,721)
Citigroup Inc. - July 2003 @ \$45	740	(86,083)	(41,997)
Clear Channel Communications, Inc.			
- July 2003 @ \$42	495	(99,831)	(89,389)
CVS Corporation - July 2003 @ \$28	1,225	(138,817)	(176,604)

Mulvihill Pro-AMS RSP Fund

Financial Statements

Statement of Investments (continued)

June 30, 2003 (Unaudited)

	Number of Contracts	Proceeds	Market Value
INVESTMENTS - MANAGED PORTFOLIO (continued)			
OPTIONS (continued)			
Written Covered Call Options (100 shares per contract) (continued)			
Dell Computer Corporation			
- July 2003 @ \$32	460	(62,853)	(36,523)
eBay Inc. - July 2003 @ \$104	130	(55,453)	(56,246)
Exxon Mobil Corporation			
- July 2003 @ \$37	700	(37,412)	(4,898)
General Electric Company			
- July 2003 @ \$29	580	(47,285)	(36,144)
Illinois Tool Works - July 2003 @ \$67	400	(74,697)	(36,020)
Inco Limited - July 2003 @ \$28	1,050	(63,000)	(78,929)
Intel Corporation - July 2003 @ \$22	810	(76,303)	(14,288)
Merrill Lynch & Co. - July 2003 @ \$48	555	(108,120)	(61,493)
Microsoft Corporation - July 2003 @ \$25	480	(52,541)	(45,581)
Morgan Stanley - July 2003 @ \$49	525	(106,316)	-
Nextel Communications, Inc. Class A			
- July 2003 @ \$18	656	(82,013)	(90,110)
Oracle Corporation - July 2003 @ \$14	1,165	(89,773)	(11,022)
Pfizer Inc. - July 2003 @ \$33	690	(68,161)	(113,218)
SBC Communications Inc.			
- July 2003 @ \$26	550	(44,769)	(3,311)
Sun Life Financial Services of Canada Inc.			
- July 2003 @ \$29	825	(44,550)	(6,277)
Sun Life Financial Services of Canada Inc.			
- July 2003 @ \$29	825	(43,725)	(8,237)
The Toronto-Dominion Bank			
- July 2003 @ \$39	1,080	(39,960)	(13,166)
Tyco International Ltd.			
- July 2003 @ \$18	730	(52,804)	(66,739)
The Walt Disney Co. - July 2003 @ \$21	875	(83,362)	(15,216)
Union Pacific Corp. - July 2003 @ \$62	255	(35,493)	(211)
U.S. Bancorp - July 2003 @ \$25	900	(46,676)	(36,168)
Viacom Inc. - July 2003 @ \$45	440	(81,944)	(30,382)
Total Written Covered Call Options		(2,389,231)	(1,527,963)
TOTAL OPTIONS		\$ (2,521,693)	\$ (1,691,997)
TOTAL INVESTMENTS - MANAGED PORTFOLIO		\$150,613,985	\$125,315,819

Financial Statements

Statement of Investments (continued)

June 30, 2003 (Unaudited)

	Number of Shares	Average Cost	Market Value
INVESTMENTS - FIXED PORTFOLIO			
Canadian Common Shares			
Energy			
Precision Drilling Corporation	733,151	\$ 46,561,437	\$ 37,258,734
Health Care			
Biovail Corporation	532,170	34,563,565	33,494,780
Patheon Inc.	2,741,785	36,767,337	41,126,775
QLT Inc.	3,143,734	70,681,499	53,694,977
Total Health Care		142,012,401	128,316,532
Information Technology			
ATI Technologies Inc.	3,488,201	21,191,388	46,741,893
Celestica Inc.	646,412	42,153,663	13,652,221
Cognos Inc.	1,202,176	42,272,245	43,843,359
Nortel Networks Corporation	4,999,073	66,539,500	18,196,626
Zarlink Semiconductor Inc.	2,701,141	34,062,747	18,907,987
Total Information Technology		206,219,543	141,342,086
Materials			
Inco Limited	1,731,406	49,262,952	49,397,013
Meridian Gold Inc.	1,787,400	31,297,374	27,525,960
Tembec Inc.	3,627,116	47,152,508	29,560,995
Total Materials		127,712,834	106,483,968
TOTAL INVESTMENTS - FIXED PORTFOLIO		\$ 522,506,215	\$ 413,401,320
Forward Agreement			181,319,431
TOTAL INVESTMENTS		\$ 673,120,200	\$ 720,036,570
Short-Term Investments - Managed Portfolio			29,144,747
Other Assets Less Liabilities			(17,258,863)
NET ASSETS			\$ 731,922,454
TOTAL MANAGED PORTFOLIO		\$ 179,774,992	\$ 154,460,566
TOTAL FIXED PORTFOLIO		522,506,215	594,720,751
TOTAL INVESTMENT PORTFOLIO		\$ 702,281,207	\$ 749,181,317

Mulvihill Pro-AMS RSP Fund

Notes to Financial Statements

1. Basis of Presentation

The interim financial statements for Pro-AMS Trust (the “Fund”) have been prepared in accordance with Canadian generally accepted accounting standards (“GAAP”). However, not all disclosures required by GAAP for annual financial statements have been presented and, accordingly, these interim financial statements should be read in conjunction with the most recently prepared annual financial statements for the year ended December 31, 2002.

These interim financial statements follow the same accounting policies and method of application as the most recent financial statements for the year ended December 31, 2002.

2. Normal Course Issuer Bid

The Toronto Stock Exchange recently accepted a normal course issuer bid filed by the Fund. Under the terms of the normal course issuer bid, the Fund proposes to purchase, if considered advisable, up to a maximum of 3,673,703 units, 10% of its public float as determined in accordance with the rules of the Exchange. The purchases would be made in the open market through facilities of the Exchange. The normal course issuer bid will remain in effect until the earlier of June 26, 2004 or until the Fund has purchased the maximum number of units permitted under the bid. The Fund has purchased 330,800 units pursuant to a normal course issuer bid during the period.

Unitholders may obtain a copy of the Notice of Intention to make a normal course issuer bid, without charge, by writing to Mulvihill Investors Services at the address below.

3. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

Statement of Portfolio Transactions

A copy of the Statement of Portfolio Transactions (unaudited) for Mulvihill Pro-AMS RSP Fund for the period ended June 30, 2003 may be obtained without charge by writing to the Fund at 121 King St. W., Suite 2600, Toronto ON M5H 3T9.

Mulvihill Hybrid Income Funds

Hybrid Income Funds

Managed by Mulvihill Structured Products

Mulvihill Platinum

Mulvihill Pro-AMS *U.S. Fund*
Mulvihill Pro-AMS *RSP Fund*
Mulvihill Pro-AMS *100 Plus (Cdn \$) Fund*
Mulvihill Pro-AMS *100 Plus (U.S. \$) Fund*
Mulvihill Pro-AMS *RSP Split Share Fund*

Mulvihill Premium

Mulvihill Premium *Canadian Fund*
Mulvihill Premium *U.S. Fund*
Mulvihill Premium *Oil & Gas Fund*
Mulvihill Premium *60 Plus Fund*
Mulvihill Premium *Canadian Bank Fund*
Mulvihill Premium *Global Plus Fund*
Mulvihill Premium *Split Share Fund*
Mulvihill Premium *Global Telecom Fund*

Mulvihill Summit

Mulvihill Summit *Digital World Fund*

Mutual Funds Managed by Mulvihill Capital Management

Mulvihill Canadian *Money Market Fund*
Mulvihill Canadian *Bond Fund*
Mulvihill Canadian *Equity Fund*
Mulvihill Global *Equity Fund*
Mulvihill U.S. *Equity Fund*
Premium *Global Income Fund*
Premium *Canadian Income Fund*

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Mulvihill Pro-AMS RSP Fund

Notes





Mulvihill

www.mulvihill.com

Mulvihill Structured Products

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