



Mulvihill

Hybrid Income Funds



Semi-Annual Report 2004

Mulvihill Pro-AMS *RSP Fund*

Pro-AMS Trust

Mulvihill *Pro-AMS RSP Fund*

Message to Unitholders

As of June 30, 2004, the net assets of the Fund were \$535.3 million, or \$19.48 per unit, down from \$19.88 per unit, at the end of 2003. Listed on the Toronto Stock Exchange as PR.UN, the Fund's units closed on June 30 trading at \$18.56, compared with a closing price of \$19.15 six months earlier.

Unitholders received regular monthly distributions through the first half of the year totaling \$0.50 per unit. The Fund has sufficient capital loss carryforward amounts to shelter realized gains in the current period and provide 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 broad market rally that carried equities upwards in both Canada and the U.S. through 2003 lost momentum early in 2004. Stable economic conditions have kept market volatility low ever since. The S&P 500 Index was up only 3.4 percent by mid-year, while the S&P/TSX Composite rose 4.8 percent. Stocks performed very differently in Canadian and American markets. In Canada, robust energy stocks were outpaced by even stronger gains in the technology sector. In the U.S., technology stocks were dormant, and leading gains came in energy and industrial stocks.

The Fund has now modified last year's aggressive position to a more neutral stance, with a larger cash reserve and a selective increase in overwriting activity. Market volatility remains relatively low, but the downward trend is slowing.

Approximately 90 percent of the managed portion of the Fund's portfolio continues to be invested in U.S. equities, with the balance in Canadian stocks. Investments are well diversified by sector, and a defensive cash position is being maintained.

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

August 2004

Management's Responsibility for Financial Reporting

This report has been prepared in accordance with the Accounting Standards Board guidelines.

The accompanying financial statements of Pro-AMS Trust (operating as Mulvihill Pro-AMS RSP Fund) (the "Fund") and all the information in this semi-annual report are the responsibility of the management of Mulvihill Capital Management Inc., (the "Manager"), and have been approved by the Board of Advisors (the "Board").

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles and include certain amounts that are based on estimates and judgments. Management has ensured that the other financial information presented in this semi-annual report is consistent with the financial statements. The significant accounting policies which management believes are appropriate for the Fund are described in Note 3 of the annual financial statements.

The Manager is also responsible for maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information.

The Board meets periodically with management and external auditors to discuss internal controls, the financial reporting process, various auditing and financial reporting issues, and to review the annual report, the financial statements and the external auditors' report. Deloitte & Touche LLP has full and unrestricted access to the Board.



John P. Mulvihill
President
Mulvihill Capital Management Inc.



David N. Middleton
CFO
Mulvihill Capital Management Inc.

August 2004

Mulvihill Pro-AMS RSP Fund

Financial Statements

Interim Statements of Net Assets

June 30, 2004 (Unaudited) and December 31, 2003 (Audited)

	2004	2003
ASSETS		
Investments - Fixed portfolio at market value (average cost - \$399,831,542; 2003 - \$480,120,240)	\$ 449,853,358	\$ 540,924,954
Investments - Managed portfolio at market value (average cost - \$62,696,275; 2003 - \$129,040,875)	60,099,005	125,584,780
Short-term investments - Managed portfolio (average cost - \$39,593,438; 2003 - \$14,971,344)	38,923,563	14,744,735
Cash	151,268	13,295
Interest receivable	39,019	17,661
Dividends receivable	43,916	108,320
Due from brokers	229,863	32,875,687
TOTAL ASSETS	549,339,992	714,269,432
LIABILITIES		
Accrued management fees	8,473,697	7,998,911
Redemptions payable	3,500,727	119,747,328
Due to brokers	1,635,693	-
Accrued liabilities	408,314	451,245
TOTAL LIABILITIES	14,018,431	128,197,484
NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY	\$ 535,321,561	\$ 586,071,948
Number of Units Outstanding	27,475,837	29,473,662
Net Asset Value per Unit	\$ 19.4834	\$ 19.8846

Financial Statements

Interim Statements of Financial Operations

For the six months ended June 30 (Unaudited)

	2004	2003
REVENUE		
Dividends	\$ 565,419	\$ 899,437
Interest, net of foreign exchange	707,624	(839,849)
Withholding taxes	(66,794)	(108,193)
TOTAL REVENUE	1,206,249	(48,605)
EXPENSES		
Management fees	3,544,812	4,433,388
Forward agreement fee	1,568,616	1,997,270
Custodian and other expenses	293,177	390,072
Goods and services tax	268,366	337,176
TOTAL EXPENSES	5,674,971	7,157,906
Net Investment Loss	(4,468,722)	(7,206,511)
Gain on sale of investments and options	17,005,506	46,103,718
Change in unrealized appreciation/ depreciation of investments, options and foreign currency	(10,367,540)	(10,697,097)
Net Gain on Investments	6,637,966	35,406,621
TOTAL RESULTS OF FINANCIAL OPERATIONS	\$ 2,169,244	\$ 28,200,110
Net Investment Loss per Unit	\$ (0.1563)	\$ (0.1889)
Net Gain on Investment per Unit	0.2321	0.9283
TOTAL RESULTS OF FINANCIAL OPERATIONS PER UNIT (based on the weighted average number of units outstanding during the period of 28,597,512; 2003 - 38,140,310)	\$ 0.0758	\$ 0.7394

Mulvihill Pro-AMS RSP Fund

Financial Statements

Interim Statements of Changes in Net Assets

For the six months ended June 30 (Unaudited)

	2004	2003
NET ASSETS, BEGINNING OF PERIOD	\$ 586,071,948	\$ 769,865,404
Total Results of Financial Operations	2,169,244	28,200,110
Unit Transactions		
Amount paid for units redeemed	(38,684,694)	(40,996,056)
Normal course issuer bid purchase	-	(6,113,088)
	(38,684,694)	(47,109,144)
Distributions to Unitholders		
Non-taxable distribution	(14,234,937)	(19,033,916)
Changes in Net Assets during the Period	(50,750,387)	(37,942,950)
NET ASSETS, END OF PERIOD	\$ 535,321,561	\$ 731,922,454
Net Asset Value per Unit	\$ 19.4834	\$ 20.2536
Distribution per Unit		
Non-taxable distribution	\$ 0.5000	\$ 0.5000

Financial Statements

Statement of Investments

June 30, 2004 (Unaudited)

	Par Value/ Number of Shares	Average Cost	Market Value
SHORT-TERM INVESTMENTS - MANAGED PORTFOLIO			
Treasury Bills			
Government of Canada, USD - September 17, 2004	1,700,000	\$ 2,317,172	\$ 2,271,347
Government of Canada - October 7, 2004	740,000	735,619	735,619
Total Treasury Bills		3,052,791	3,006,966
Discount Commercial Paper			
Export Development Corporation, USD - July 26, 2004	7,125,000	9,658,060	9,532,589
Export Development Corporation, USD - August 3, 2004	2,100,000	2,824,327	2,812,354
Export Development Corporation, USD - August 26, 2004	6,300,000	8,616,304	8,424,022
Province of Ontario, USD - July 13, 2004	2,425,000	3,301,756	3,248,235
Province of Ontario, USD - August 31, 2004	8,000,000	10,921,767	10,695,234
Province of British Columbia, USD - July 8, 2004	900,000	1,218,433	1,204,163
Total Discount Commercial Paper		36,540,647	35,916,597
		39,593,438	38,923,563
Accrued Interest			39,019
TOTAL SHORT-TERM INVESTMENTS - MANAGED PORTFOLIO		\$39,593,438	\$38,962,582

INVESTMENTS - MANAGED PORTFOLIO

Canadian Common Shares

Financials

Sun Life Financial Services of Canada Inc.	42,500	\$ 1,629,688	\$ 1,632,425
The Toronto-Dominion Bank	42,000	1,797,272	1,800,960
Total Financials		3,426,960	3,433,385

Materials

Barrick Gold Corp.	77,000	2,404,690	2,046,660
Inco Limited	13,000	573,560	598,130
Total Materials		2,978,250	2,644,790

Total Canadian Common Shares		\$ 6,405,210	\$ 6,078,175
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Mulvihill Pro-AMS RSP Fund

Financial Statements

Statement of Investments (continued)

June 30, 2004 (Unaudited)

	Number of Shares	Average Cost	Market Value
INVESTMENTS - MANAGED PORTFOLIO (continued)			
United States Common Shares			
Consumer Discretionary			
Clear Channel Communications, Inc.	39,500	\$ 2,435,340	\$ 1,956,861
Viacom Inc., Class B	43,500	2,422,734	2,083,287
Wal-Mart Stores, Inc.	38,000	2,874,722	2,688,047
Total Consumer Discretionary		7,732,796	6,728,195
Consumer Staples			
PepsiCo Inc.	41,000	3,017,390	2,961,829
Staples Inc.	26,700	866,948	1,049,242
Total Consumer Staples		3,884,338	4,011,071
Energy			
Baker Hughes Incorporated	71,000	3,832,121	3,584,032
Exxon Mobil Corporation	62,500	3,133,315	3,721,425
Total Energy		6,965,436	7,305,457
Financials			
American Express Company	48,500	2,866,378	3,341,060
American International Group Inc.	30,000	2,927,562	2,867,064
Citigroup Inc.	42,200	2,938,849	2,630,958
Merrill Lynch & Co.	29,000	2,094,257	2,098,840
Morgan Stanley	35,000	2,443,660	2,476,302
Total Financials		13,270,706	13,414,224
Health Care			
HCA Inc.	35,500	1,984,641	1,979,547
Medtronic Inc.	48,400	3,256,778	3,161,558
Pfizer Inc.	80,000	4,142,321	3,676,879
Total Health Care		9,383,740	8,817,984
Industrials			
General Electric Company	64,000	5,152,638	2,780,184
Northrop Grumman Corp.	22,400	1,579,353	1,612,764
Total Industrials		6,731,991	4,392,948
Information Technology			
Cisco Systems Inc.	70,500	2,074,889	2,240,196
Dell Computer Corporation	73,500	3,363,571	3,529,892
Microsoft Corporation	96,000	3,810,210	3,676,021
Total Information Technology		9,248,670	9,446,109
Total United States Common Shares		\$57,217,677	\$54,115,988

Financial Statements

Statement of Investments (continued)

June 30, 2004 (Unaudited)

	Market Value
INVESTMENTS - MANAGED PORTFOLIO (continued)	
Forward Exchange Contracts	
Sold USD \$4,567,000, Bought CAD \$5,989,037 @ 0.762560 - July 7, 2004	\$ (135,081)
Sold USD \$3,511,000, Bought CAD \$4,726,519 @ 0.742830 - July 14, 2004	17,812
Sold USD \$1,500,000, Bought CAD \$2,038,708 @ 0.735760 - July 21, 2004	26,717
Sold USD \$4,487,000, Bought CAD \$6,186,235 @ 0.725320 - July 21, 2004	167,698
Sold USD \$288,200, Bought CAD \$397,600 @ 0.724850 - August 4, 2004	10,936
Sold USD \$3,189,000, Bought CAD \$4,378,810 @ 0.728280 - August 4, 2004	100,283
Sold USD \$4,139,800, Bought CAD \$5,716,850 @ 0.724140 - August 18, 2004	161,712
Sold USD \$6,409,000, Bought CAD \$8,747,936 @ 0.732630 - September 15, 2004	145,020
Total Forward Exchange Contracts	\$ 495,097

	Number of Contracts	Proceeds	Market Value
OPTIONS			
Written Cash Covered Put Options (100 shares per contract)			
Inco Limited - July 2004 @ \$43	(130)	\$ (14,170)	\$ (2,209)
Procter & Gamble Co. - July 2004 @ \$54	(360)	(18,586)	(13,526)
Tyco International Ltd. - July 2004 @ \$31	(500)	(50,947)	(5,735)
U.S. Bancorp - July 2004 @ \$28	(750)	(57,670)	(68,092)
Total Written Cash Covered Put Options		(141,373)	(89,562)

Written Covered Call Options (100 shares per contract)			
American International Group Inc. - July 2004 @ \$73	(225)	(34,066)	(7,048)
Baker Hughes Incorporated - July 2004 @ \$38	(532)	(64,195)	(69,774)
Barrick Gold Corp. - July 2004 @ \$27	(770)	(56,980)	(43,286)
Cisco Systems Inc. - July 2004 @ \$24	(705)	(65,522)	(48,899)
Citigroup Inc. - July 2004 @ \$48	(211)	(21,445)	(789)
Clear Channel Communications, Inc. - July 2004 @ \$38	(197)	(21,557)	(3,062)
Dell Computer Corporation - July 2004 @ \$36	(735)	(62,370)	(69,200)
Exxon Mobil Corporation - July 2004 @ \$45	(625)	(41,575)	(46,006)
General Electric Company - July 2004 @ \$33	(640)	(38,769)	(11,024)

Mulvihill Pro-AMS RSP Fund

Financial Statements

Statement of Investments (continued)

June 30, 2004 (Unaudited)

	Number of Contracts	Proceeds	Market Value
INVESTMENTS - MANAGED PORTFOLIO (continued)			
OPTIONS (continued)			
Written Covered Call Options (100 shares per contract) (continued)			
HCA Inc. - July 2004 @ \$41	(355)	(37,775)	(32,697)
Inco Limited - July 2004 @ \$45	(130)	(14,820)	(21,637)
Microsoft Corporation - July 2004 @ \$29	(960)	(52,378)	(43,724)
Morgan Stanley - July 2004 @ \$54	(245)	(33,519)	(11,718)
Medtronic Inc. - July 2004 @ \$50	(242)	(19,727)	(19,455)
Northrop Grumman Corp. - July 2004 @ \$53	(224)	(21,640)	(31,421)
PepsiCo Inc. - July 2004 @ \$55	(410)	(29,915)	(18)
Pfizer Inc. - July 2004 @ \$36	(800)	(51,976)	(5)
Staples Inc. - July 2004 @ \$29	(267)	(27,202)	(14,660)
Sun Life Financial Services of Canada Inc. - July 2004 @ \$39	(262)	(14,148)	(21,021)
The Toronto-Dominion Bank - July 2004 @ \$46	(420)	(10,920)	(5)
Viacom Inc., Class B - July 2004 @ \$37	(217)	(20,323)	(5,244)
Wal-Mart Stores, Inc. - July 2004 @ \$58	(380)	(44,417)	-
Total Written Covered Call Options		(785,239)	(500,693)
TOTAL OPTIONS		\$ (926,612)	\$ (590,255)
TOTAL INVESTMENTS - MANAGED PORTFOLIO		\$62,696,275	\$60,099,005

Financial Statements

Statement of Investments (continued)

June 30, 2004 (Unaudited)

	Number of Shares	Average Cost	Market Value
INVESTMENTS - FIXED PORTFOLIO			
Canadian Common Shares			
Energy			
Precision Drilling Corporation	679,242	\$ 43,137,749	\$ 43,288,093
Health Care			
Angiotech Pharmaceuticals, Inc.	636,778	19,660,521	17,333,097
Biovail Corporation	532,170	34,356,695	13,442,614
Patheon Inc.	2,741,785	36,767,337	30,406,396
QLT Inc.	1,429,911	32,149,111	38,035,633
Total Health Care		122,933,664	99,217,740
Industrials			
Nortel Networks Corporation	3,570,797	47,528,621	23,888,632
Information Technology			
ATI Technologies Inc.	1,736,943	10,552,211	43,701,486
Celestica Inc.	475,552	31,011,582	12,692,483
Cognos Inc.	975,719	34,309,313	47,019,899
Zarlink Semiconductor Inc.	2,530,313	31,908,520	14,802,331
Total Information Technology		107,781,626	118,216,199
Materials			
Meridian Gold Inc.	1,787,400	31,297,374	30,850,524
Tembec Inc.	3,627,116	47,152,508	37,540,651
Total Materials		78,449,882	68,391,175
Total Canadian Common Shares		\$ 399,831,542	\$ 353,001,839
Forward Agreement			96,851,519
TOTAL INVESTMENTS - FIXED PORTFOLIO		\$ 399,831,542	\$ 449,853,358
TOTAL INVESTMENTS		\$ 462,527,817	\$ 509,952,363
Short-Term Investments - Managed Portfolio			38,923,563
Other Assets Less Liabilities			(13,554,365)
NET ASSETS			\$ 535,321,561
TOTAL MANAGED PORTFOLIO		\$ 102,289,713	\$ 99,022,568
TOTAL FIXED PORTFOLIO		399,831,542	449,853,358
TOTAL INVESTMENT PORTFOLIO		\$ 502,121,255	\$ 548,875,926

Mulvihill Pro-AMS RSP Fund

Notes to Financial Statements

June 30, 2004

1. Basis of Presentation

The interim financial statements for 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, 2003.

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, 2003.

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 2,762,100 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 27, 2005 or until the Fund has purchased the maximum number of units permitted under the bid. The Fund has not purchased any 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. Special Resolution

On April 13, 2004, the unitholders of the Fund approved a proposal to (i) permit unitholders to switch to other Mulvihill funds by adding further retraction rights at 100% of net asset value per unit from time to time and (ii) provide the Fund with the ability to use interest rate hedging strategies in order to reduce some of the impact of rising interest rates on the net asset value of the Fund. The Fund will be permitted, in appropriate circumstances and in

accordance with applicable securities laws, to use specified derivatives to assist the Fund in managing its investments and preserving net asset value. Existing retraction rights of unitholders will not be affected by the addition of further retraction rights.

4. Management Expense Ratio

The management expense ratio is the ratio of all fees and expenses charged to the Fund to average net assets. The following are the management expense ratios for the years ended December 31:

	2003	2002	2001 *
Management expense ratio	1.94%	1.95%	1.93% **

* For the period from inception on March 2, 2001 to December 31, 2001.

** Annualized

5. Generally Accepted Accounting Principles

The Canadian Institute of Chartered Accountants ("CICA") issued Section 1100, "Generally Accepted Accounting Principles ("GAAP")" of the *CICA Handbook - Accounting*, which establishes standards for financial reporting. Section 1100 applies to all entities, with the exception of rate-regulated operations, for fiscal years beginning on or after October 1, 2003. As a result, certain disclosures previously considered GAAP by virtue of general use in the investment funds industry, are no longer considered GAAP. This section primarily impacts the disclosure of an investment fund's financial statements, and accordingly, has no impact on the valuation of a fund or in the calculation of the net asset value per unit of a fund. The Funds, in conjunction with other investment industry funds, continue to assess the impact of Section 1100 on their financial statements.

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, 2004 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 World Financial Split 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

Head Office

Mulvihill Capital Management Inc.

121 King St. W., Suite 2600

Toronto ON

M5H 3T9

Tel: 416 681-3966

1 800 725-7172

Fax: 416 681-3901

e-mail: hybrid@mulvihill.com

Visit our website at www.mulvihill.com for additional information on all Mulvihill Hybrid Income Funds.



Mulvihill

www.mulvihill.com

Mulvihill Structured Products

Investor Relations

121 King St. W., Suite 2600

Toronto ON

M5H 3T9

Tel: 416 681-3966

1 800 725-7172

Fax: 416 681-3901

e-mail: hybrid@mulvihill.com

Mulvihill Capital Management Inc.

*Please contact your broker directly
for address changes.*