



**Mulvihill**

Hybrid Income Funds



Semi-Annual Report 2003

**Mulvihill Pro-AMS**  
*100 Plus (U.S. \$) Fund*



## *Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund*

### Message to Unitholders

As of June 30, 2003, the net assets of the Fund were US\$29.0 million, or US\$16.52 per unit after distributions of US\$0.85 per unit, an increase of 4 percent from US\$15.87 per unit at the end of 2002. The Fund's units, listed on the Toronto Stock Exchange as PRU.U, closed the six-month period trading at US\$19.48.

Unitholders received distributions of US\$0.85 per unit during the first two quarters. The Fund has sufficient capital loss carryforward amounts to shelter realized gains in the current period and provide both non-capital and capital loss carry-forwards for future periods. As a result, distributions in the current period were non-taxable and will reduce each unitholders cost base.

Equity markets began rising from their multi-year lows at the end of the first quarter, and made significant gains during the second quarter. The upward trend in the U.S. moved all sectors into positive territory, while the advance in Canada was concentrated primarily in the health care and information technology sectors. The Fund benefited from having almost 30 percent of its equity investments in these sectors, with another 25 percent in financial services. The fixed-income portfolio benefited from the easing of interest rates during the period.

Returns were negatively affected by the weakening U.S. dollar, which had fallen by more than 13 percent versus the Canadian dollar by the end of the period. About 60 percent of the managed portfolio is invested in U.S. equities, with 15 percent in Canadian equities, and the balance in international stocks using ADRs. As market volatility diminished markedly in the second quarter, option-writing was reduced to allow the Fund to maximize the potential for capital appreciation.

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

August 2003

## Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund

### Financial Statements

#### Interim Statements of Net Assets

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

(In Canadian Dollars)

	2003	2002
<b>ASSETS</b>		
Investments at market value (average cost - \$38,259,421; 2002 - \$42,391,614)	<b>\$ 37,157,949</b>	\$ 41,867,265
Short-term investments (average cost - \$2,330,506; 2002 - \$3,328,492)	<b>2,331,924</b>	3,246,761
Cash	<b>30,545</b>	45,376
Interest receivable	<b>7,583</b>	4,698
Dividends receivable	<b>8,752</b>	10,814
Due from brokers	<b>26,971</b>	1,895,651
<b>TOTAL ASSETS</b>	<b>39,563,724</b>	<b>47,070,565</b>
<b>LIABILITIES</b>		
Accrued liabilities	<b>155,556</b>	173,315
Due to brokers	<b>7,528</b>	-
Redemptions payable	<b>-</b>	2,886,558
<b>TOTAL LIABILITIES</b>	<b>163,084</b>	<b>3,059,873</b>
<b>NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY</b>	<b>\$ 39,400,640</b>	<b>\$ 44,010,692</b>
<b>Number of Units Outstanding</b>	<b>1,754,900</b>	<b>1,754,900</b>
<b>Net Asset Value per Unit</b>	<b>\$ 22.4518</b>	<b>\$ 25.0787</b>

# Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund

## Financial Statements

### Interim Statements of Financial Operations

For the six months ended June 30 (Unaudited)

(In Canadian Dollars)

	2003	2002
<b>REVENUE</b>		
Dividends	\$ 82,282	\$ 114,773
Interest, net of foreign exchange	(137,154)	(104,721)
Withholding tax	(10,876)	(16,991)
<b>TOTAL REVENUE</b>	<b>(65,748)</b>	<b>(6,939)</b>
<b>EXPENSES</b>		
Management fees	241,941	293,911
Forward Agreement fee	137,171	182,318
Service fee	53,177	65,999
Custodian and other fees	91,447	75,746
Goods and service tax	26,594	30,496
<b>TOTAL EXPENSES</b>	<b>550,330</b>	<b>648,470</b>
<b>Net Investment Loss</b>	<b>(616,078)</b>	<b>(655,409)</b>
Gain (loss) on sale of investments and options	(1,245,111)	721,749
Change in unrealized depreciation of investments and foreign currency	(584,104)	(5,681,616)
<b>Net Loss on Investments</b>	<b>(1,829,215)</b>	<b>(4,959,867)</b>
<b>TOTAL RESULTS OF FINANCIAL OPERATIONS</b>	<b>\$ (2,445,293)</b>	<b>\$ (5,615,276)</b>
<b>Net Investment Loss per Unit</b>	<b>\$ (0.3511)</b>	<b>\$ (0.3505)</b>
<b>Net Loss on Investments per Unit</b>	<b>(1.0423)</b>	<b>(2.6523)</b>
<b>TOTAL RESULTS OF FINANCIAL OPERATIONS</b>		
<b>PER UNIT (based on the weighted</b>		
<b>average number of units outstanding</b>		
<b>during the period of 1,754,900;</b>		
<b>2002 - 1,870,000)</b>		
	<b>\$ (1.3934)</b>	<b>\$ (3.0028)</b>

## Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund

### Financial Statements

#### Interim Statements of Changes in Net Assets

For the six months ended June 30 (Unaudited)

(In Canadian Dollars)

	2003	2002
NET ASSETS, BEGINNING OF PERIOD	\$ 44,010,692	\$ 53,433,360
<b>Total Results of Financial Operations</b>	<b>(2,445,293)</b>	<b>(5,615,276)</b>
<b>Distributions to Unitholders</b>		
Non-taxable distribution	(2,164,759)	(2,492,581)
<b>Changes in Net Assets during the Period</b>	<b>(4,610,052)</b>	<b>(8,107,857)</b>
NET ASSETS, END OF PERIOD	\$ 39,400,640	\$ 45,325,503
<b>Net Asset Value per Unit</b>	<b>\$ 22.4518</b>	<b>\$ 24.2382</b>
<b>Distribution per Unit</b>		
Non-taxable distribution	\$ 1.2336	\$ 1.3329

# Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund

## Financial Statements

### Statement of Investments

June 30, 2003 (Unaudited)

(In Canadian Dollars)

	Par Value/ Number of Shares		Average Cost		Market Value
<b>SHORT-TERM INVESTMENTS - MANAGED PORTFOLIO</b>					
<b>Treasury Bills</b>					
Government of Canada - August 14, 2003	90,000	\$	89,241	\$	89,241
Government of Canada - August 28, 2003	1,290,000		1,277,240		1,277,241
Government of Canada - September 25, 2003	700,000		694,103		694,102
Government of Canada, USD - August 5, 2003	100,000		133,904		135,727
Government of Canada, USD - September 19, 2003	100,000		136,018		135,613
<b>Total Treasury Bills</b>			<b>2,330,506</b>		<b>2,331,924</b>
<b>Accrued Interest</b>					<b>7,583</b>
<b>TOTAL SHORT-TERM INVESTMENTS - MANAGED PORTFOLIO</b>			<b>\$ 2,330,506</b>		<b>\$ 2,339,507</b>
<b>INVESTMENTS - MANAGED PORTFOLIO</b>					
<b>Canadian Common Shares</b>					
<b>Financials</b>					
Sun Life Financial Services of Canada Inc.	17,200	\$	574,343	\$	481,256
The Toronto-Dominion Bank	11,500		494,400		429,640
<b>Total Financials</b>			<b>1,068,743</b>		<b>910,896</b>
<b>Health Care</b>					
Biovail Corporation	3,400		241,371		213,996
<b>Information Technology</b>					
Celestica Inc.	8,300		478,762		175,296
TELUS Corporation	5,500		129,373		131,505
<b>Total Information Technology</b>			<b>608,135</b>		<b>306,801</b>
<b>Materials</b>					
Alcan Inc.	5,500		324,857		231,055
Barrick Gold Corporation	11,800		344,221		283,082
Inco Limited	6,700		158,898		191,151
<b>Total Materials</b>			<b>827,976</b>		<b>705,288</b>
<b>Total Canadian Common Shares</b>			<b>\$ 2,746,225</b>		<b>\$ 2,136,981</b>

## Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund

### Financial Statements

#### Statement of Investments (continued)

June 30, 2003 (Unaudited)

(In Canadian Dollars)

	Number of Shares	Average Cost	Market Value
INVESTMENTS - MANAGED PORTFOLIO (continued)			
<b>United States Common Shares</b>			
<b>Consumer Discretionary</b>			
Clear Channel Communications, Inc.	5,800	\$ 295,397	\$ 334,065
eBay Inc.	1,200	152,645	169,866
The Walt Disney Co.	12,700	359,125	340,809
<b>Total Consumer Discretionary</b>		<b>807,167</b>	<b>844,740</b>
<b>Consumer Staples</b>			
CVS Corporation	8,700	419,699	331,346
<b>Energy</b>			
Apache Corporation	3,900	349,734	344,761
Baker Hughes Incorporated	7,500	357,711	342,100
Exxon Mobil Corporation	1,500	76,327	73,189
<b>Total Energy</b>		<b>783,772</b>	<b>760,050</b>
<b>Financials</b>			
American Express Company	6,000	362,098	340,856
American International Group Inc.	1,900	181,064	142,454
Citigroup Inc.	7,000	555,101	407,082
Merrill Lynch & Co.	6,900	415,569	437,643
Morgan Stanley	4,700	308,751	273,007
U.S. Bancorp	9,300	316,519	309,591
<b>Total Financials</b>		<b>2,139,102</b>	<b>1,910,633</b>
<b>Health Care</b>			
Amgen Inc.	3,900	343,040	349,425
Pfizer Inc.	8,700	450,477	403,692
<b>Total Health Care</b>		<b>793,517</b>	<b>753,117</b>
<b>Industrials</b>			
General Electric Company	10,000	442,522	389,690
Illinois Tool Works	3,500	368,884	313,158
Tyco International Ltd.	12,100	306,377	312,048
<b>Total Industrials</b>		<b>1,117,783</b>	<b>1,014,896</b>
<b>Information Technology</b>			
Applied Materials Inc.	12,000	228,531	258,598
Cisco Systems Inc.	16,400	385,259	369,683
Dell Computer Corporation	9,000	374,762	390,831
Intel Corporation	15,200	635,223	429,252
Microsoft Corporation	9,400	393,678	327,098
Oracle Corporation	17,000	297,572	277,647
<b>Total Information Technology</b>		<b>2,315,025</b>	<b>2,053,109</b>



# Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund

## Financial Statements

### Statement of Investments (continued)

June 30, 2003 (Unaudited)

(In Canadian Dollars)

	Number of Shares	Average Cost	Market Value
INVESTMENTS - MANAGED PORTFOLIO (continued)			
<b>United States Common Shares (continued)</b>			
<b>Telecommunication Services</b>			
Nextel Communications, Inc., Class A	8,300	148,795	<b>203,900</b>
Verizon Communications Inc.	4,600	361,074	<b>246,572</b>
<b>Total Telecommunications Services</b>		<b>509,869</b>	<b>450,472</b>
<b>Total United States Common Shares</b>		<b>\$ 8,885,934</b>	<b>\$ 8,118,363</b>

### Non-North American Common Shares

#### Consumer Discretionary

Koninklijke (Royal) Philips Electronics N.V. ADR	11,200	\$ 543,291	<b>\$ 290,816</b>
The News Corporation Limited ADR	7,600	354,054	<b>312,583</b>
<b>Total Consumer Discretionary</b>		<b>897,345</b>	<b>603,399</b>

#### Consumer Staples

Diageo PLC ADR	4,400	350,541	<b>261,619</b>
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#### Information Technology

Nokia Corp. ADR	14,700	502,993	<b>328,167</b>
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<b>Total Non-North American Shares</b>		<b>\$ 1,750,879</b>	<b>\$ 1,193,185</b>
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	Number of Contracts	Proceeds	Market Value
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### OPTIONS

#### Written Cash Covered Put Options (100 shares per contract)

American International Group Inc. - July 2003 @ \$57	18	\$ (3,866)	<b>\$ (5,269)</b>
Biovail Corporation - July 2003 - @ \$65	17	(3,978)	<b>(3,598)</b>
TELUS Corporation - July 2003 @ \$23	55	(3,575)	<b>(725)</b>
The Procter & Gamble Company - July 2003 @ \$91	10	(2,031)	<b>(2,764)</b>
<b>Total Written Cash Covered Put Options</b>		<b>(13,450)</b>	<b>(12,356)</b>

#### Written Covered Call Options (100 shares per contract)

Alcan Inc. - July 2003 @ \$44	41	(4,715)	<b>(690)</b>
American Express Company - July 2003 @ \$44	40	(5,807)	<b>(166)</b>
Amgen Inc. - July 2003 @ \$65	29	(7,723)	<b>(8,173)</b>
Apache Corporation - July 2003 @ \$67	39	(8,346)	<b>(1,186)</b>
Applied Materials Inc. - July 2003 @ \$16	120	(11,121)	<b>(11,239)</b>
Baker Hughes Incorporated - July 2003 @ \$34	56	(6,690)	<b>(1,545)</b>
Barrick Gold Corporation - July 2003 @ \$24	88	(6,204)	<b>(6,351)</b>

## Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund

### Financial Statements

#### Statement of Investments (continued)

June 30, 2003 (Unaudited)

(In Canadian Dollars)

	Number of Contracts	Proceeds	Market Value
INVESTMENTS - MANAGED PORTFOLIO (continued)			
OPTIONS (continued)			
<b>Written Covered Call Options</b> (100 shares per contract) (continued)			
Biovail Corporation - July 2003 @ \$67	17	(4,709)	(33)
Cisco Systems Inc. - July 2003 @ \$18	82	(5,451)	(854)
Citigroup Inc. - July 2003 @ \$45	53	(6,165)	(3,008)
Clear Channel Communications, Inc. - July 2003 @ \$42	44	(8,874)	(7,946)
CVS Corporation - July 2003 @ \$28	87	(9,859)	(12,542)
Dell Computer Corporation - July 2003 @ \$32	45	(6,149)	(3,573)
Diageo PLC ADR - July 2003 @ \$47	44	(4,380)	(98)
eBay Inc. - July 2003 @ \$104	12	(5,119)	(5,192)
General Electric Company - July 2003 @ \$29	50	(4,076)	(3,116)
Illinois Tool Works - July 2003 @ \$67	35	(6,536)	(3,152)
Inco Limited - July 2003 @ \$28	67	(4,020)	(5,036)
Intel Corporation - July 2003 @ \$22	76	(7,441)	(1,341)
Merrill Lynch & Co. - July 2003 @ \$48	52	(10,130)	(5,761)
Microsoft Corporation - July 2003 @ \$25	47	(5,145)	(4,463)
Morgan Stanley - July 2003 @ \$49	36	(7,290)	-
Nextel Communications, Inc., Class A - July 2003 @ \$18	62	(7,751)	(8,516)
Nokia Corp. ADR - July 2003 @ \$17	75	(4,162)	(2,366)
Oracle Corporation - July 2003 @ \$14	85	(5,933)	-
Pfizer Inc. - July 2003 @ \$33	60	(5,927)	(9,845)
Sun Life Financial Services of Canada Inc. - July 2003 @ \$29	86	(4,644)	(654)
Sun Life Financial Services of Canada Inc. - July 2003 @ \$29	86	(4,558)	(859)
TELUS Corporation - July 2003 @ \$24	55	(3,960)	(2,798)
The News Corporation Limited ADR - July 2003 @ \$32	55	(4,388)	(1)
The Toronto-Dominion Bank - July 2003 @ \$39	115	(4,255)	(1,402)
The Walt Disney Co. - July 2003 @ \$21	64	(6,097)	(1,113)
Tyco International Ltd. - July 2003 @ \$18	121	(8,753)	(11,062)
U.S. Bancorp - July 2003 @ \$25	70	(3,630)	(2,813)
Verizon Communications Inc. - July 2003 @ \$40	15	(1,378)	(967)
<b>Total Written Covered Call Options</b>		<b>(211,386)</b>	<b>(127,861)</b>
<b>TOTAL OPTIONS</b>		<b>\$ (224,836)</b>	<b>\$ (140,217)</b>
<b>TOTAL INVESTMENTS - MANAGED PORTFOLIO</b>		<b>\$13,158,202</b>	<b>\$11,308,312</b>

# Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund

## Financial Statements

### Statement of Investments (continued)

June 30, 2003 (Unaudited)

(In Canadian Dollars)

	Number of Shares	Average Cost	Market Value
<b>INVESTMENTS - FIXED PORTFOLIO</b>			
<b>Canadian Common Shares</b>			
<b>Health Care</b>			
Biovail Corporation	45,530	\$ 3,232,241	\$ 2,865,658
QLT Inc.	95,573	3,432,982	1,632,387
<b>Total Health Care</b>		<b>6,665,223</b>	<b>4,498,045</b>
<b>Industrials</b>			
Royal Group Technologies Limited	110,923	2,866,250	1,068,189
<b>Information Technology</b>			
ATI Technologies Inc.	264,076	3,432,988	3,538,618
Celestica Inc.	58,235	3,359,123	1,229,923
Cognos Inc.	126,725	3,432,980	4,621,661
<b>Total Information Technology</b>		<b>10,225,091</b>	<b>9,390,202</b>
<b>Materials</b>			
Inco Limited	84,906	2,013,642	2,422,368
Meridian Gold Inc.	197,569	3,331,013	3,042,562
<b>Total Materials</b>		<b>5,344,655</b>	<b>5,464,930</b>
<b>TOTAL INVESTMENTS - FIXED PORTFOLIO</b>		<b>\$25,101,219</b>	<b>\$20,421,366</b>
Forward Agreement			5,428,271
<b>TOTAL INVESTMENTS</b>		<b>\$38,259,421</b>	<b>\$37,157,949</b>
Short-Term Investments - Managed Portfolio			2,331,924
Other Assets Less Liabilities			(89,233)
<b>NET ASSETS</b>			<b>\$39,400,640</b>
<b>TOTAL MANAGED PORTFOLIO</b>		<b>\$15,488,708</b>	<b>\$13,640,236</b>
<b>TOTAL FIXED PORTFOLIO</b>		<b>25,101,219</b>	<b>25,849,637</b>
<b>TOTAL INVESTMENT PORTFOLIO</b>		<b>\$40,589,927</b>	<b>\$39,489,873</b>

## **Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund**

### **Notes to Financial Statements**

#### **1. Basis of Presentation**

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The interim financial statements for Mulvihill Pro-AMS 100 Plus (U.S. \$) 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.

#### **Statement of Portfolio Transactions**

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A copy of the Statement of Portfolio Transactions (unaudited) for Mulvihill Pro-AMS 100 Plus (U.S. \$) 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

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#### 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

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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

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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](mailto:hybrid@mulvihill.com)

Visit our website at [www.mulvihill.com](http://www.mulvihill.com) for additional information on all Mulvihill Hybrid Income Funds.

## **Mulvihill Pro-AMS 100 Plus (U.S. \$) Fund**

### **Notes**





**Mulvihill**

[www.mulvihill.com](http://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](mailto:hybrid@mulvihill.com)

Mulvihill Capital Management Inc.

*Please contact your broker directly  
for address changes.*