



MULVIHILL HYBRID INCOME FUNDS

Semi-Annual Report 2001

Mulvihill Premium Funds

First Premium Income Trust
First Premium U.S. Income Trust
First Premium Oil & Gas Income Trust
60^{Plus} Income Trust
Global Plus Income Trust

Mulvihill Summit Series

Digital World Trust

Mulvihill Platinum Series

Pro-AMS U.S. Trust
Pro-AMS Trust

August 2001

Most equity markets produced negative returns over the six-month period ended June 30, 2001, primarily due to the slowdown in the U.S. economy. The TSE 300 index recorded a decline of 12.7%, while the S&P/TSE 60 index slipped by 15.1%. Technology, media and telecom stocks have been the hardest hit, as global business conditions in these sectors have deteriorated sharply. This is most evident in the decline of Nortel Networks which now represents an approximate 6% weight in the TSE 300 index from its prior peak capitalization of over 30%. In the U.S., the tech-heavy NASDAQ Composite Index has recovered some of its earlier losses, but still remains 57% below the peak it reached in March of 2000.

The U.S. Federal Reserve has responded to the slowdown with dramatic interest rate cuts totalling 275 basis points. The stimulatory effect of these cuts provides grounds for optimism about a market recovery later this year. Some indications that the U.S. economy is beginning to rebound have already appeared, and consumer spending is holding up well, despite widespread layoffs in manufacturing industries. Lower interest rates, tax cuts and declining energy costs are all factors favoring a stronger second-half performance. However, the timing of a full recovery remains uncertain.

While it has been affected by the U.S. slump, the Canadian economy has retained its fundamental strength. This has prompted the Bank of Canada to make more modest interest rate cuts, totalling 125 basis points. The underlying strength of resource industries, particularly energy, has shifted investor interest to this sector. The market's base has also broadened, with more activity in the shares of small and mid-size companies. While disappointing earnings forecasts and results will continue to produce bouts of volatility, the outlook for Canadian markets later this year is generally positive.

Both Canadian and American markets are expected to remain volatile which provides the funds the ability to generate continuing distributions from its option-writing program.

Message to Unitholders

Due to continuing market weakness, the net assets of the Trust as of June 30, 2001, declined to \$23.67 per unit, compared with net assets of \$25.67 per unit at the end of 2000. Unitholders received distributions of \$0.50 per unit in each of the first two quarters of 2001, plus special distributions in each quarter of \$0.25 per unit. These distributions, totalling \$1.50 per unit, exceeded the Trust's minimum target of 8%, based on the initial unit price of \$25.00. The Trust has made special distributions over and above the targeted amount in each of the last six quarters.

Weakness in equity markets, particularly in the industrial products sectors, caused the overall decline in net asset value. Led by Nortel, the technology sector saw the most dramatic decline, while reduced earnings depressed prices in many other sectors as well. On the positive side, companies such as CN Rail, Canadian Pacific, Alcan and Canadian Natural Resources registered strong gains. In financial services, CIBC and Bank of Nova Scotia were outstanding performers.

The Trust is now well positioned both in terms of diversification across economic sectors and in terms of participation in Canadian, U.S. and global markets.

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

Financial Statements

Interim Statements of Net Assets

June 30, 2001 (Unaudited) and December 31, 2000 (Audited)

	2001	2000
Assets		
Investments at market value (average cost-\$76,666,630; 2000-\$61,502,780)	\$ 73,446,942	\$ 70,166,133
Short-term investments (average cost-\$27,915,100; 2000-\$39,199,599)	27,893,414	39,079,521
Cash	23,548	25,486
Subscriptions receivable	-	53,987
Dividends receivable	149,364	112,725
Interest receivable	70,398	196,331
Due from broker	154,650	79,446
	101,738,316	109,713,629
Liabilities		
Accrued liabilities	132,102	162,769
Due to broker	525,000	-
	657,102	162,769
Net Assets, Represented by Unitholders' Equity	\$ 101,081,214	\$ 109,550,860
Number of Units Outstanding	4,270,675	4,268,280
Net Asset Value per Unit	\$ 23.6687	\$ 25.6663

Interim Statements of Operations

For the six months ended June 30 (Unaudited)

	2001	2000
Revenue		
Dividends	\$ 1,319,925	\$ 503,467
Interest	978,679	865,480
Withholding tax	(17,296)	(20,112)
	2,281,308	1,348,835
Expenses		
Management fees	653,415	738,067
Custodian and other fees	94,836	85,671
Goods and services tax	52,378	57,663
	800,629	881,401
Net Investment Income	1,480,679	467,434
Gain on Sale of Investments and Options	8,179,423	11,425,889
Change in Unrealized Depreciation/Appreciation of Investments	(11,784,648)	4,084,092
Net Loss/Gain on Investments	(3,605,225)	15,509,981
Total Results of Financial Operations	\$ (2,124,546)	\$ 15,977,415
Net Investment Income per Unit	\$ 0.3468	\$ 0.1093
Net Loss/Gain on Investment per Unit	(0.8444)	3.6270
Total Results of Financial Operations per Unit (based on the weighted average number of units outstanding during the period of 4,269,478; 2000-4,276,299)	\$ (0.4976)	\$ 3.7363

Financial Statements

Interim Statements of Changes in Net Assets

For the six months ended June 30 (Unaudited)

	2001	2000
Total Results from Financial Operations	\$ (2,124,546)	\$ 15,977,415
Unit Transactions		
Amounts paid for units redeemed	-	(2,533,855)
Proceeds from reinvestment of distributions	59,116	-
	59,116	(2,533,855)
Distributions to Unitholders		
From net investment income	(1,480,679)	(467,434)
From net realized gain on sale of investments	(4,923,537)	(9,135,640)
	(6,404,216)	(9,603,074)
Change in Net Assets During the Period	(8,469,646)	3,840,486
Net Assets, Beginning of Period	109,550,860	115,096,675
Net Assets, End of Period	\$ 101,081,214	\$ 118,937,161
Net Asset Value per Unit	\$ 23.6687	\$ 27.8844
Distribution per Unit		
From net investment income	\$ 0.3468	\$ 0.1093
From net realized gain on sale of investments	1.1532	2.1407
	\$ 1.5000	\$ 2.2500

Statement of Investments

June 30, 2001 (Unaudited)

	No. of Shares/ Par Value	Average Cost	Market Value
Short-term Investments			
Treasury Bills			
Government of Canada - July 17, 2001 USD	750,000	\$ 1,142,565	\$ 1,135,369
Government of Canada - July 24, 2001 USD	40,000	60,424	60,431
Government of Canada - August 2, 2001	10,425,000	10,338,366	10,338,366
Government of Canada - August 30, 2001	1,738,000	1,720,625	1,720,625
Government of Canada - July 5, 2001 USD	50,000	77,638	75,181
Government of Canada - July 13, 2001 USD	535,000	817,229	808,627
Government of Canada - July 19, 2001 USD	460,000	695,968	695,546
Government of Canada - August 1, 2001 USD	405,000	612,182	612,544
Government of Canada - September 27, 2001	7,823,000	7,738,815	7,738,814
Government of Canada - October 25, 2001	5,000	4,910	4,910
Government of the United States - September 13, 2001 USD	2,700,000	4,064,432	4,061,965
		27,273,154	27,252,378
Discount Commercial Paper			
Canadian Wheat Board - July 17, 2001 USD	30,000	46,128	45,218
Bearer Deposit Notes			
Alberta Treasury Branches - August 16, 2001	600,000	595,818	595,818
		27,915,100	27,893,414
Accrued Interest		-	70,398
Total Short-term Investments		\$ 27,915,100	\$ 27,963,812
Investments			
Canadian Common Stocks			
Materials			
Abitibi Consolidated Inc.	76,000	\$ 1,029,467	\$ 881,600
Alberta Energy Co. Ltd.	20,000	866,111	1,250,000
Alcan Inc.	30,000	1,899,654	1,914,000
Anderson Exploration Ltd.	42,000	1,362,137	1,287,300
Domtar Inc.	120,000	2,169,141	1,681,200
Imperial Oil Ltd.	40,000	1,393,117	1,554,000
Nexen Inc.	55,000	1,322,245	2,095,500
Noranda Inc.	64,000	1,058,461	1,036,160
Petro-Canada	62,000	1,430,976	2,233,240
Placer Dome Inc.	107,500	1,652,575	1,591,000
Precision Drilling Corporation	11,000	630,248	520,850
Suncor Energy Inc.	31,250	1,295,938	1,206,250
Talisman Energy Inc.	25,000	1,025,813	1,443,750
		17,135,883	18,694,850

60Plus Income Trust

Financial Statements

Statement of Investments (continued)

June 30, 2001 (Unaudited)

	No. of Shares	Average Cost	Market Value
Investments (continued)			
Consumer Products			
Molson Inc.	24,000	1,120,932	1,152,000
Industrial Products			
Bombardier Inc. - Class B	127,000	1,513,535	2,895,600
Canadian National Railway Co.	27,000	1,556,841	1,658,340
Canadian Pacific Ltd.	22,500	1,408,815	1,319,400
Nortel Networks Corporation	157,000	4,241,040	2,198,000
		8,720,231	8,071,340
Technology-Hardware			
ATI Technologies Inc.	157,000	2,560,278	2,226,260
CAE Inc.	48,000	1,179,850	1,416,000
Celestica Inc.	25,000	1,798,377	1,948,000
Mitel Corp.	64,800	1,701,138	1,006,992
		7,239,643	6,597,252
Pipelines			
Enbridge Inc.	40,500	1,621,668	1,668,195
Utilities			
BCE Inc.	103,000	2,892,127	4,192,100
TransAlta Corporation	20,000	525,000	533,400
		3,417,127	4,725,500
Communications & Media			
Thomson Corp.	33,000	1,827,375	1,689,600
Merchandising			
Loblaw Companies Ltd.	29,300	1,477,282	1,476,427
Financial Services			
Bank of Nova Scotia	63,500	2,718,465	2,882,900
Canadian Imperial Bank of Commerce	58,000	2,596,431	2,995,700
Manulife Financial Corporation	40,800	1,704,625	1,727,880
Royal Bank of Canada	53,000	2,519,636	2,574,210
Sun Life Financial Services of Canada Inc.	54,000	1,772,760	1,960,740
The Toronto-Dominion Bank	73,000	2,695,005	2,820,720
		14,006,922	14,962,150
Total Canadian Common Stocks		56,567,063	59,037,314
Foreign Common Stocks - excluding USA			
United Kingdom			
Vodafone Group PLC - Sponsored ADR	30,000	2,016,525	1,017,543
Diageo PLC - Sponsored ADR	18,000	1,191,094	1,200,564
		3,207,619	2,218,107
Netherlands			
Koninklijke (Royal) Philips Electronics N.V.	25,000	840,566	1,002,747

Statement of Investments (continued)

June 30, 2001 (Unaudited)

	No. of Shares/ Par Value	Average Cost	Market Value
Investments (continued)			
France			
Alcatel SA - Sponsored ADR	20,000	1,136,183	629,496
Mexico			
Telefonas De Mexico - Sponsored ADR	25,000	1,822,528	1,331,305
Total Foreign Common Stocks - excluding USA		7,006,896	5,181,655
Foreign Common Stocks - USA			
Data Processing & Reproduction			
Oracle Corporation	42,000	1,589,635	1,211,036
Electrical & Electronics			
General Electric Co.	11,000	782,609	813,807
Energy Equipment & Services			
Halliburton Co.	32,000	2,182,137	1,728,837
Food & Household Products			
Procter & Gamble	16,000	1,667,255	1,549,155
Health & Personal Care			
Amgen Inc.	12,000	1,129,753	1,105,048
Merchandising			
Wal-Mart Stores, Inc.	17,000	1,345,993	1,258,992
Telecommunications			
Lucent Technologies Inc.	40,000	2,807,748	376,362
Nextel Communications Inc.	54,000	2,180,571	1,434,121
		4,988,319	1,810,483
Banking			
Bank One Corp.	14,000	822,947	760,616
Total Foreign Common Stocks - USA		14,508,648	10,237,974
	Number of Contracts	Average Cost	Market Value
Options			
Written Put Options (100 shares per contract)			
Abitibi Consolidated Inc. - July 2001 @ \$13	(340)	(16,660)	(51,416)
ATI Technologies Inc. - July 2001 @ \$9	(490)	(49,735)	(31)
Precision Drilling Corporation - August 2001 @ \$50	(110)	(37,180)	(51,824)
Total Written Put Options		(103,575)	(103,271)

Financial Statements

Statement of Investments (continued)

June 30, 2001 (Unaudited)

	Number of Contracts	Average Cost	Market Value
Options (continued)			
Written Call Options (100 shares per contract)			
Abitibi Consolidated Inc. - July 2001 @ \$14	(380)	(32,680)	(89)
Alberta Energy Co. Ltd. - July 2001 @ \$64	(200)	(35,000)	(29,730)
Alcan Inc. - August 2001 @ \$70	(150)	(54,750)	(12,461)
Anderson Exploration Ltd. - August 2001 @ \$36	(210)	(30,030)	(7,875)
Bank of Nova Scotia - August 2001 @ \$46	(330)	(48,180)	(52,135)
Bombardier Inc. - September 2001 @ \$21	(440)	(128,480)	(112,968)
Bombardier Inc. - September 2001 @ \$24	(440)	(54,120)	(46,083)
CAE Inc. - July 2001 @ \$27	(240)	(24,720)	(67,357)
Canadian Imperial Bank of Commerce - July 2001 @ \$52	(350)	(75,775)	(43,996)
Canadian National Railway Co. - September 2001 @ \$62	(135)	(32,940)	(43,158)
Canadian Pacific Ltd. - August 2001 @ \$65	(225)	(54,000)	(15,071)
Diageo PLC - Sponsored ADR - August 2001 @ \$44	(90)	(26,296)	(25,617)
General Electric Co. - August 2001 @ \$53	(110)	(21,724)	(16,807)
Halliburton Co. - July 2001 @ \$50	(160)	(55,822)	(2,428)
Imperial Oil Ltd. - August 2001 @ \$45	(200)	(24,600)	(5,000)
Loblaw Companies Ltd. - July 2001 @ \$52	(135)	(26,460)	(9,350)
Molson Inc. - August 2001 @ \$48	(240)	(44,160)	(48,897)
Nexen Inc. - August 2001 @ \$40	(275)	(54,450)	(29,563)
Nexen Inc. - August 2001 @ \$42	(138)	(14,904)	(7,245)
Nortel Networks Corporation - September 2001 @ \$20	(295)	(79,060)	(197,650)
Petro-Canada - September 2001 @ \$42	(365)	(97,820)	(12,775)
Placer Dome Inc. - July 2001 @ \$17	(400)	(43,400)	(6,882)
Placer Dome Inc. - July 2001 @ \$18	(250)	(25,750)	(4,375)
Royal Bank of Canada - September 2001 @ \$52	(265)	(38,743)	(21,810)
Suncor Energy Inc. - August 2001 @ \$44	(250)	(49,500)	(15,773)
Talisman Energy Inc. - September 2001 @ \$65	(125)	(32,875)	(17,188)
The Toronto-Dominion Bank - July 2001 @ \$42	(240)	(32,400)	(7,446)
TransAlta Corporation - September 2001 @ \$28	(200)	(13,000)	(21,202)
Wal-Mart Stores, Inc. - September 2001 @ \$55	(170)	(60,763)	(25,799)
Total Written Call Options		(1,312,402)	(906,730)
Total Options		(1,415,977)	(1,010,001)
Total Investments		\$104,581,730	\$101,410,754

1. Basis of Presentation

Not all disclosures required by Canadian generally accepted accounting principles 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, 2000.

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, 2000.

Notes

Mulvihill Hybrid Income Funds

Statement of Portfolio Transactions

A copy of the Statement of Portfolio Transactions (unaudited) for any of the Mulvihill Hybrid Income Funds for the period ended June 30, 2001 may be obtained without charge by writing to:

Investor Relations
121 King Street West
Suite 2600
Toronto, Ontario
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Other Hybrid Income Funds Managed by Mulvihill Structured Products

Mulvihill Premium Funds

Global Telecom Split Share Corp.
MCM Split Share Corp.
Premium Income Corporation

Mutual Funds Managed by Mulvihill Wealth Management

Mulvihill Canadian Money Market Fund
Mulvihill Canadian Equity Fund
Mulvihill Canadian Bond Fund
Mulvihill Global Equity Fund

Mulvihill U.S. Equity Fund
Premium Global Income Fund
Premium Canadian Income Fund

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



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