



**Mulvihill**

## Hybrid Income Funds



Semi-Annual Report 2003

**Mulvihill Premium *Global Plus Fund***

Global Plus Income Trust



## Message to Unitholders

As of June 30, 2003, the net assets of the Fund were \$53.1 million, or \$13.50 per unit, a slight decrease from \$13.71 per unit at the end of 2002. The Fund's units, listed on the Toronto Stock Exchange as GIP.UN, closed on June 30 trading at \$13.15.

Unitholders received distributions during the six-month period amounting to \$0.50 per unit, made up of two quarterly payments of \$0.25 each. 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.

During the first 3 months of the year, economic and geopolitical uncertainty had a negative impact on the markets. The second quarter saw an end to the Iraq war that, combined with low interests rates and an improving corporate profit picture, resulted in improving consumer confidence and rising equity market valuations. While U.S. equity markets did record overall gains in the first half of the year, the large depreciation of the U.S. dollar versus its Canadian counterpart offset all of these market gains and resulted in negative overall returns to Canadian investors. A portion of the Fund's U.S. dollar exposure was hedged in foreign exchange markets, partially reducing the negative effect resulting from the U.S. dollar's decline.

Most of the Fund's investments are concentrated in the U.S. market and with its low interest rate environment, we see the economy gaining momentum going forward. On the global front, various Central Banks have been cutting interest rates to stimulate growth as rising currencies have dampened demand for their export goods. We expect that as the U.S. recovery takes hold, demand will strengthen in the second half.

All of the Fund's investment exposure outside the U.S. is in Europe, principally in the U.K., Germany and the Netherlands. At this time, the Fund has no exposure in Japan or in emerging markets. Sufficient volatility remains to allow the Fund to continue generating premium income through its active option-writing program.

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

August 2003

## Mulvihill Premium *Global Plus Fund*

### Financial Statements

#### Interim Statements of Financial Position

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

	2003	2002
<b>ASSETS</b>		
Investments at market value (average cost - \$54,370,517; 2002 - \$65,109,114)	<b>\$ 44,127,437</b>	\$ 51,940,342
Short-term investments (average cost - \$9,037,977; 2002 - \$12,030,834)	<b>9,002,686</b>	12,032,429
Cash	<b>45,449</b>	45,494
Interest receivable	<b>15,098</b>	54,058
Dividends receivable	<b>33,145</b>	63,291
Due from brokers	<b>66,305</b>	20,972
<b>TOTAL ASSETS</b>	<b>53,290,120</b>	<b>64,156,586</b>
<b>LIABILITIES</b>		
Redemptions payable	<b>121,823</b>	5,586,078
Accrued liabilities	<b>82,638</b>	94,375
Due to brokers	<b>3,384</b>	—
<b>TOTAL LIABILITIES</b>	<b>207,845</b>	<b>5,680,453</b>
<b>NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY</b>	<b>\$ 53,082,275</b>	<b>\$ 58,476,133</b>
<b>Number of Units Outstanding</b>	<b>3,932,053</b>	<b>4,264,711</b>
<b>Net Asset Value per Unit</b>	<b>\$ 13.4999</b>	<b>\$ 13.7116</b>

**Financial Statements**

**Interim Statements of Financial Operations**

For the six months ended June 30 (Unaudited)

	2003	2002
<b>REVENUE</b>		
Dividends	\$ 366,029	\$ 477,933
Interest, net of foreign exchange	(270,551)	(7,572)
Withholding tax	(53,280)	(74,069)
<b>TOTAL REVENUE</b>	<b>42,198</b>	<b>396,292</b>
<b>EXPENSES</b>		
Management fees	336,718	507,077
Custodian and other fees	91,383	71,112
Goods and services tax	29,465	40,473
<b>TOTAL EXPENSES</b>	<b>457,566</b>	<b>618,662</b>
<b>Net Investment Loss</b>	<b>(415,368)</b>	<b>(222,370)</b>
Gain (loss) on sale of investments and options	(1,613,780)	3,158,319
Change in unrealized depreciation of investments and foreign currency	2,884,594	(16,058,008)
<b>Net Gain (Loss) on Investments</b>	<b>1,270,814</b>	<b>(12,899,689)</b>
<b>TOTAL RESULTS OF FINANCIAL OPERATIONS</b>	<b>\$ 855,446</b>	<b>\$ (13,122,059)</b>
<b>Net Investment Loss per Unit</b>	<b>\$ (0.1007)</b>	<b>\$ (0.0459)</b>
<b>Net Gain (Loss) on Investments per Unit</b>	<b>0.3080</b>	<b>(2.6614)</b>
<b>TOTAL RESULTS OF FINANCIAL OPERATIONS PER UNIT (based on the weighted average number of units outstanding during the period of 4,125,779; 2002 - 4,846,975)</b>		
	<b>\$ 0.2073</b>	<b>\$ (2.7073)</b>

# Mulvihill Premium *Global Plus 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	\$ 58,476,133	\$ 89,662,252
Total Results of Financial Operations	855,446	(13,122,059)
Unit Transactions		
Amount paid for units redeemed	(4,250,938)	(24,146)
Proceeds from reinvestment of distributions	—	38,093
	(4,250,938)	13,947
Distributions to Unitholders		
Non-taxable distribution	(1,998,366)	(4,847,258)
Changes in Net Assets during the Period	(5,393,858)	(17,955,370)
NET ASSETS, END OF PERIOD	\$ 53,082,275	\$ 71,706,882
Net Asset Value per Unit	\$ 13.4999	\$ 14.7953
Distribution per Unit		
Non-taxable distribution	\$ 0.5000	\$ 1.0000

### Statement of Investments

June 30, 2003 (Unaudited)

	Par Value	Average Cost	Market Value
SHORT-TERM INVESTMENTS			
Treasury Bills			
Government of Canada			
- August 28, 2003	3,270,000	\$ 3,243,829	\$ 3,243,829
Government of Canada			
- September 25, 2003	245,000	242,773	242,773
Government of Canada			
- October 23, 2003	2,765,000	2,737,958	2,737,958
Government of Canada, USD			
- August 5, 2003	50,000	67,617	67,876
Government of Canada, USD			
- September 19, 2003	610,000	822,662	826,759
Total Treasury Bills		7,114,839	7,119,195
Discount Commercial Paper			
Canadian Wheat Board, USD			
- August 8, 2003	675,000	936,517	914,705
Province of British Columbia, USD			
- September 3, 2003	450,000	602,398	609,757

Financial Statements

Statement of Investments (continued)

June 30, 2003 (Unaudited)

	Par Value/ Number of Shares	Average Cost	Market Value
SHORT-TERM INVESTMENTS (continued)			
Discount Commercial Paper (continued)			
Province of Ontario, USD - July 22, 2003	265,000	384,223	359,029
<b>Total Discount Commercial Paper</b>		<b>1,923,138</b>	<b>1,883,491</b>
		<b>9,037,977</b>	<b>9,002,686</b>
<b>Accrued interest</b>			<b>15,098</b>
<b>TOTAL SHORT-TERM INVESTMENTS</b>		<b>\$ 9,037,977</b>	<b>\$ 9,017,784</b>

INVESTMENTS

Non-North American Common Shares

Consumer Discretionary

Koninklijke (Royal) Philips Electronics N.V. ADR	40,000	\$ 1,804,183	\$ 1,038,629
The News Corporation Limited ADR	25,000	1,333,817	1,028,235
<b>Total Consumer Discretionary</b>		<b>3,138,000</b>	<b>2,066,864</b>

Consumer Staples

Diageo PLC ADR	15,000	1,242,554	891,884
Unilever N.V. ADR	20,000	1,039,297	872,318
<b>Total Consumer Staples</b>		<b>2,281,851</b>	<b>1,764,202</b>

Energy

Royal Dutch Petro Co. ADR	15,000	995,244	950,175
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Information Technology

Nokia Corp. ADR	70,000	2,501,030	1,562,700
SAP AG ADR	40,000	2,076,051	1,588,108
<b>Total Information Technology</b>		<b>4,577,081</b>	<b>3,150,808</b>

Telecommunication Services

Telefonos de Mexico ADR	25,000	1,815,197	1,067,299
Vodafone Group PLC ADR	30,000	2,202,029	800,984
<b>Total Telecommunication Services</b>		<b>4,017,226</b>	<b>1,868,283</b>

<b>Total Non-North American Common Shares</b>		<b>\$15,009,402</b>	<b>\$ 9,800,332</b>
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United States Common Shares

Consumer Discretionary

Clear Channel Communications, Inc.	20,000	\$ 1,014,292	\$ 1,151,949
The Walt Disney Co.	60,000	1,738,718	1,610,120
<b>Total Consumer Discretionary</b>		<b>2,753,010</b>	<b>2,762,069</b>

Consumer Staples

PepsiCo Inc.	20,000	1,267,721	1,209,288
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# Mulvihill Premium *Global Plus Fund*

## Financial Statements

### Statement of Investments (continued)

June 30, 2003 (Unaudited)

	Number of Shares	Average Cost	Market Value
INVESTMENTS (continued)			
United States Common Shares (continued)			
<b>Energy</b>			
Baker Hughes Incorporated	25,000	1,384,052	<b>1,140,332</b>
Exxon Mobil Corporation	25,000	1,709,458	<b>1,219,819</b>
<b>Total Energy</b>		<b>3,093,510</b>	<b>2,360,151</b>
<b>Financials</b>			
American Express Company	30,000	1,712,441	<b>1,704,281</b>
American International Group Inc.	7,500	715,651	<b>562,319</b>
Citigroup Inc.	30,000	1,856,579	<b>1,744,636</b>
Merrill Lynch & Co	20,000	1,204,548	<b>1,268,530</b>
Morgan Stanley	30,000	1,882,087	<b>1,742,598</b>
U.S. Bancorp	40,000	1,353,135	<b>1,331,576</b>
<b>Total Financials</b>		<b>8,724,441</b>	<b>8,353,940</b>
<b>Health Care</b>			
Amgen Inc.	15,000	1,412,191	<b>1,343,941</b>
Johnson & Johnson Inc.	20,000	1,477,645	<b>1,404,949</b>
Medtronic Inc.	20,000	1,516,754	<b>1,303,586</b>
Pfizer Inc.	25,000	1,336,758	<b>1,160,033</b>
<b>Total Health Care</b>		<b>5,743,348</b>	<b>5,212,509</b>
<b>Industrials</b>			
Burlington Northern Santa Fe Corp.	30,000	1,264,673	<b>1,159,286</b>
General Electric Company	40,000	1,714,034	<b>1,558,759</b>
Tyco International Ltd.	60,000	2,213,075	<b>1,547,346</b>
<b>Total Industrials</b>		<b>5,191,782</b>	<b>4,265,391</b>
<b>Information Technology</b>			
Cisco Systems Inc.	90,000	2,806,277	<b>2,028,751</b>
Intel Corporation	60,000	2,432,512	<b>1,694,417</b>
Microsoft Corporation	42,000	1,665,184	<b>1,461,500</b>
Oracle Corporation	80,000	1,384,098	<b>1,306,575</b>
<b>Total Information Technology</b>		<b>8,288,071</b>	<b>6,491,243</b>
<b>Materials</b>			
Alcoa Inc.	30,000	1,800,429	<b>1,039,445</b>
Du Pont (E.I.) de Nemours & Co.	25,000	1,611,413	<b>1,414,460</b>
<b>Total Materials</b>		<b>3,411,842</b>	<b>2,453,905</b>
<b>Telecommunication Services</b>			
Nextel Communications, Inc., Class A	12,500	250,908	<b>307,078</b>
Verizon Communications Inc.	15,000	1,274,874	<b>804,041</b>
<b>Total Telecommunication Services</b>		<b>1,525,782</b>	<b>1,111,119</b>
<b>Total United States Common Shares</b>		<b>\$39,999,507</b>	<b>\$34,219,615</b>
<b>Forward Exchange Contracts</b>			
Sold USD \$4,020,000, Bought CAD \$5,470,579 @ 0.68710 - July 23, 2003			<b>\$ 380,098</b>
<b>Total Forward Exchange Contracts</b>			<b>\$ 380,098</b>



Financial Statements

Statement of Investments (continued)

June 30, 2003 (Unaudited)

	Number of Contracts	Proceeds	Market Value
INVESTMENTS (continued)			
OPTIONS			
<b>Written Cash Covered Put Options</b> (100 shares per contract)			
American International Group Inc.			
- July 2003 @ \$57	75	\$ (16,109)	\$ (21,953)
The Procter & Gamble Company			
- July 2003 @ \$91	100	(20,309)	(27,646)
<b>Total Written Cash Covered Put Options</b>		<b>(36,418)</b>	<b>(49,599)</b>
<b>Written Covered Call Options</b> (100 shares per contract)			
Alcoa Inc. - July 2003 @ \$27	150	(11,149)	(3,767)
American Express Company - July 2003 @ \$44	200	(21,164)	(234)
Amgen Inc. - July 2003 @ \$66	110	(25,280)	(25,787)
Baker Hughes Incorporated - July 2003 @ \$34	150	(14,900)	(2,097)
Burlington Northern Santa Fe Corp.			
- July 2003 @ \$30	150	(8,514)	(68)
Cisco Systems Inc. - July 2003 @ \$18	450	(26,251)	(3,288)
Citigroup Inc. - July 2003 @ \$45	225	(26,174)	(12,769)
Clear Channel Communications, Inc.			
- July 2003 @ \$43	150	(26,597)	(22,947)
Diageo PLC ADR - July 2003 @ \$47	150	(14,932)	(333)
Du Pont (E.I.) de Nemours & Co.			
- July 2003 @ \$45	250	(25,034)	(143)
Exxon Mobil Corporation - July 2003 @ \$38	250	(7,015)	(412)
General Electric Company - July 2003 @ \$29	200	(12,772)	(9,722)
Intel Corporation - July 2003 @ \$22	300	(26,153)	(4,042)
Johnson & Johnson Inc. - July 2003 @ \$56	100	(15,029)	(370)
Medtronic Inc. - July 2003 @ \$49	200	(20,672)	(635)
Merrill Lynch & Co. - July 2003 @ \$48	150	(24,960)	(13,141)
Microsoft Corporation - July 2004 @ \$25	210	(19,865)	(15,618)
Morgan Stanley - July 2003 @ \$49	225	(42,506)	-
Nextel Communications, Inc., Class A			
- July 2003 @ \$18	125	(13,107)	(14,311)
Nokia Corp. ADR - July 2003 @ \$17	350	(19,423)	(11,041)
Oracle Corporation - July 2003 @ \$14	400	(25,236)	-
PepsiCo Inc. - July 2003 @ \$45	100	(7,462)	(3,048)
Pfizer Inc. - July 2003 @ \$34	150	(11,976)	(20,141)
Royal Dutch Petro Co. - July 2003 @ \$50	150	(13,466)	(477)
SAP AG ADR - July 2003 @ \$33	200	(32,457)	(1,144)
Telefonos de Mexico ADR - July 2003 @ \$33	150	(7,745)	(2,172)
The News Corporation Limited ADR			
- July 2003 @ \$32	140	(11,169)	(3)
The Walt Disney Co. - July 2003 @ \$21	300	(23,751)	(3,535)
Tyco International Ltd. - July 2003 @ \$19	600	(32,755)	(35,512)
U.S. Bancorp - July 2003 @ \$25	300	(12,693)	(8,443)
Unilever N.V. - July 2003 @ \$38	100	(7,365)	(71)
Verizon Communications Inc.			
- July 2003 @ \$40	75	(6,890)	(4,835)
Vodafone Group PLC ADR - July 2003 @ \$21	150	(7,512)	(2,903)
<b>Total Written Covered Call Options</b>		<b>(601,974)</b>	<b>(223,009)</b>
<b>TOTAL OPTIONS</b>		<b>\$ (638,392)</b>	<b>\$ (272,608)</b>
<b>TOTAL INVESTMENTS</b>		<b>\$54,370,517</b>	<b>\$44,127,437</b>

# Mulvihill Premium *Global Plus Fund*

## Notes to Financial Statements

### 1. Basis of Presentation

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The interim financial statements for Global Plus Income 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

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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 402,385 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 issued bid will remain in effect until the earlier of April 27, 2004 or until the Fund has purchased the maximum number of units permitted under the bid. As at June 30, 2003, no units have been purchased by the Fund.

Unitholders may obtain a copy of the Notice of Intention to make a normal course issuer bid, without charge, by writing to Investors Services at : Mulvihill Premium Global Fund, Investor Relations, 121 King St. W., Suite 2600, Toronto ON M5H 3T9.

### 3. Comparative Figures

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

### Statement of Portfolio Transactions

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A copy of the Statement of Portfolio Transactions (unaudited) for Mulvihill Premium Global Plus 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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Visit our website at [www.mulvihill.com](http://www.mulvihill.com) for additional information on all Mulvihill Hybrid Income Funds.



# Mulvihill

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