

SEMI-ANNUAL REPORT 2011

Premier Canadian Income Fund



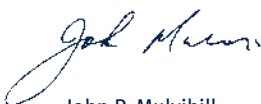
Premier Canadian Income Fund

Letter to Unitholders

We are pleased to present the 2011 semi-annual report containing the management report of fund performance and the unaudited financial statements for Premier Canadian Income Fund.

Distributions of \$0.14 per unit were paid to unitholders during the six month period, contributing to the overall decline in the net asset value from \$4.50 per unit at December 31, 2010 to \$4.09 per unit at June 30, 2011. During the six month period ended June 30, 2011, the total return of the Fund, including reinvestment of distributions, was negative 6.0 percent. For a more detailed review of the operations of the Fund, please see the Results of Operations and the Portfolio Manager Report sections.

We thank all unitholders for their continued support and encourage unitholders to review the more detailed information contained within the semi-annual report.



John P. Mulvihill
Chairman & President,
Mulvihill Capital Management Inc.

The Fund

The Fund is a closed-end investment trust designed to maximize total returns for unitholders and to pay unitholders monthly tax efficient distributions in an amount targeted to be 6.5 percent per annum on the net asset value of the Fund. The units are listed on the Toronto Stock Exchange under the ticker symbol PCU.UN. To accomplish its objectives the Fund invests in a portfolio principally consisting of common shares selected from the Energy, Financials and Materials sectors of the S&P/TSX 60 Index. In addition, the Fund may invest up to 20 percent of its net assets in equity securities of other issuers selected from the S&P/TSX Composite Index. To generate additional returns above the dividend income earned on the Fund's investment portfolio, the Fund may, from time to time, write covered call options on up to 25 percent of the securities in the portfolio. In addition, the Fund may write cash covered put options in respect of securities in which it is permitted to invest.

Premier Canadian Income Fund

Management Report of Fund Performance

Management Report of Fund Performance

This semi-annual management report of fund performance contains the financial highlights for the six months ended June 30, 2011 of Premier Canadian Income Fund (formerly Global Plus Income Trust) (the “Fund”). The June 30, 2011 unaudited semi-annual financial statements of the Fund are attached.

Copies of the Fund’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure may be obtained by calling 1-800-725-7172 toll-free, or by writing to the Fund at Investor Relations, 121 King Street West, Suite 2600, Toronto, Ontario, M5H 3T9, or by visiting our website at www.mulvihill.com. You can also get a copy of the annual and semi-annual financial statements at your request and at no cost by using one of these methods.

Results of Operations

Distributions

For the six months ended June 30, 2011, cash distributions of \$0.14 per unit were paid to unitholders compared to \$0.16 per unit a year ago.

Since the inception of the Fund in September 1999, the Fund has paid total cash distributions of \$16.04 per unit, of which \$0.90 per unit were special distributions.

Revenue and Expenses

For the six months ended June 30, 2011, the Fund’s total revenue of \$0.05 per unit was unchanged from the prior year. Total expenses per unit (excluding restructuring costs) over the same period decreased from \$0.25 per unit in 2010 to \$0.08 per unit in 2011, primarily reflecting the synergies from the merger with First Premium Income Trust since the beginning of July 2010. The Fund had a net realized and unrealized loss of \$0.25 per unit in the first half of 2011 as compared to a net realized and unrealized loss of \$0.29 per unit a year earlier.

Net Asset Value

The net asset value per unit of the Fund decreased 9.1 percent, from \$4.50 per unit at December 31, 2010 to \$4.09 per unit at June 30, 2011, due to a net loss from operations and cash distributions during the period. The total net asset value of the Fund decreased \$1.3 million from \$14.1 million at December 31, 2010 to \$12.8 million at June 30, 2011 for the reasons noted above.

Management Report of Fund Performance

During the six months ended June 30, 2011, the total return of the Fund was negative 6.0 percent due to underperformance in the first quarter reflecting losses in Teck Resources Limited, Goldcorp Inc, and Inmet Mining Corporation. In comparison, the S&P/TSX 60 Index had a total return of 0.6 percent over the same period. Among the three major sectors the Fund invested in, the S&P/TSX Financials Index total return was 6.2 percent, the S&P/TSX Energy Index total return was negative 0.6 percent and the S&P/TSX Materials Index total return was negative 9.7 percent. As a result of the Fund utilizing a covered call writing strategy to generate income, comparisons with market indices may not be appropriate. The total return of the sector indices are calculated without the deduction of management fees and fund expenses, whereas the performance of the Fund is calculated after deducting such fees and expenses.

Recent Developments

No recent developments occurred during the semi-annual period ending June 30, 2011.

Future Accounting Policy Changes

The Manager has developed a changeover plan to meet the timetable published by the Canadian Institute of Chartered Accountants for changeover to International Financial Reporting Standards ("IFRS").

The changeover plan was prepared to address the requirements and includes disclosures of the qualitative and quantitative impact, if any, of the changeover to IFRS in the 2011 financial statements and the preparation of the 2012 financial statements in accordance with IFRS with comparatives. However, the Canadian Accounting Standards Board approved a two year deferral from IFRS adoption for investment companies applying Accounting Guideline 18 - Investment Companies ("AcG-18"). As a result, the Fund will adopt IFRS for its fiscal period beginning January 1, 2013 and will issue its initial financial statements in accordance with IFRS, with comparative information, for the semi-annual period ending June 30, 2013.

As at June 30, 2011, some anticipated changes to financial reporting include:

- Compliance with the full body of IFRS without industry specific exemptions. Unlike Canadian Generally Accepted Accounting Principles ("Canadian GAAP") where investment fund accounting was based upon guidance in AcG-18;
- Implementation of cash flow statements;
- Presentation of comparative information; and,

Premier Canadian Income Fund

Management Report of Fund Performance

- Additional financial statement note disclosures on the recognition and classification of financial instruments.

Based on the Manager's current understanding and analysis of IFRS to the current accounting policies under Canadian GAAP, the Manager does not anticipate the transition to IFRS will have a material impact on the Fund's net assets per unit, systems and processes, and it is expected that it will mainly result in additional note disclosure in the financial statements.

Related Party Transactions

The manager and investment manager of the Fund is MCM ("Manager" or "Investment Manager"). MCM became the Manager of the Fund on September 1, 2010 as successor by amalgamation with Mulvihill Fund Services Inc.

MCM, as the Investment Manager of the Fund, manages the Fund's investment portfolio in a manner consistent with the investment objectives, strategy and criteria of the Fund pursuant to an Investment Management Agreement made between the Fund and MCM dated August 30, 1999 and amended as of October 26, 2009.

MCM is the Manager of the Fund pursuant to a Trust Agreement made between the Fund and MCM dated August 30, 1999 and amended as of October 26, 2009. As such, MCM is responsible for providing or arranging for required administrative services to the Fund.

MCM is paid the fees described under the Management Fees section of this report.

Management Report of Fund Performance

Independent Review Committee

National Instrument 81-107 - Independent Review Committee for Investment Funds ("NI 81-107") requires all publicly offered investment funds to establish an independent review committee ("IRC") to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintaining records in respect of these matters and providing assistance to the IRC in carrying out its functions. Members of the IRC are Robert W. Korthals, Michael M. Koerner and Robert G. Bertram.

We confirm the Fund did not rely on any approvals or recommendations of the IRC concerning related party transactions during the period.

Premier Canadian Income Fund

Management Report of Fund Performance

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

The information for the years ended December 31 is derived from the Fund's audited annual financial statements.

Information for the period ended June 30, 2011 is derived from the Fund's unaudited semi-annual financial statements.

	Six months ended June 30, 2011
NET ASSETS PER UNIT	
Net Assets, beginning of period (based on bid prices)⁽¹⁾	\$ 4.49
INCREASE (DECREASE) FROM OPERATIONS	
Total revenue	0.05
Total expenses	(0.08)
Realized gain (loss) for the period	(0.06)
Unrealized gain (loss) for the period	(0.19)
Total Increase (Decrease) from Operations⁽²⁾	(0.28)
DISTRIBUTIONS	
Non-taxable distributions	(0.14)
Total Distributions⁽³⁾	(0.14)
Net Assets, end of period (based on bid prices)⁽¹⁾	\$ 4.08

(1) Net Assets per unit is the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities on that date and including the valuation of securities at bid prices divided by the number of units then outstanding. For years prior to 2007, securities were valued at closing prices.

(2) Total increase (decrease) from operations consists of interest and dividend revenue, realized and unrealized gain (loss), net of withholding tax and foreign exchange gain (loss), less expenses and is calculated based on the weighted average number of units outstanding during the period. The schedule is not intended to total to the ending net assets as

RATIOS/SUPPLEMENTAL DATA

Net Asset Value (\$millions)	\$ 12.83
Number of units outstanding	3,137,400
Management expense ratio ⁽¹⁾	3.10%⁽⁴⁾
Portfolio turnover rate ⁽²⁾	187.03%
Trading expense ratio ⁽³⁾	0.40%⁽⁴⁾
Net Asset Value per unit ⁽⁵⁾	\$ 4.09
Closing market price	\$ 3.85

(1) The management expense ratio ("MER") is the sum of all fees and expenses, including federal and provincial sales taxes, but excluding transaction fees charged to the Fund divided by the average net asset value. The MER for 2010 and 2009 includes the restructuring expenses. The MER for 2010 and 2009 excluding the restructuring expenses is 3.37% and 5.20% respectively.

(2) Portfolio turnover rate is calculated based on the lesser of purchases or sales of investments, excluding short-term investments, divided by the average value of the portfolio securities. The Fund employs an option overlay strategy which can result in higher portfolio turnover by virtue of option exercises, when compared to a conventional equity mutual fund.

Management Report of Fund Performance

Since 2007 the net assets per unit presented in the financial statements differs from the net asset value per unit calculated weekly, primarily as a result of investments being valued at bid prices for financial statements purposes and at closing prices for weekly net asset value purposes.

Years ended December 31				
2010	2009	2008	2007	2006
\$ 5.12	\$ 6.74	\$ 10.55	\$ 11.73 ⁽⁴⁾	\$ 11.43
0.11	(0.09)	0.86	0.41	0.31
(0.20)	(0.86) ⁽⁵⁾	(0.32)	(0.33)	(0.27)
(0.03)	(0.07)	(3.91)	1.70	0.23
0.32	0.09	0.64	(1.56)	1.41
0.20	(0.93)	(2.73)	0.22	1.68
(0.31)	(0.69)	(1.10)	(1.40)	(1.40)
(0.31)	(0.69)	(1.10)	(1.40)	(1.40)
\$ 4.49	\$ 5.12	\$ 6.74	\$ 10.55	\$ 11.75

calculations are based on the weighted average number of units outstanding during the period.

(3) Distributions to unitholders are based on the number of units outstanding on the record date for each distribution and were paid in cash.

(4) Net Assets per unit has been adjusted for the change in accounting policy relating to the calculation of net asset value based on bid prices versus closing prices prior to 2007.

(5) Total expenses for 2009 include restructuring expenses in the amount of \$337,500.

\$ 14.10	\$ 2.90	\$ 4.46	\$ 8.77	\$ 11.55
3,137,400	563,646	662,340	830,734	982,326
3.89%	14.43%	3.45%	2.82%	2.35%
333.20%	243.98%	128.83%	66.70%	143.77%
0.51%	0.63%	0.26%	0.12%	0.37%
\$ 4.50	\$ 5.14	\$ 6.74	\$ 10.56	\$ 11.75
\$ 4.67	\$ 4.67	\$ 6.39	\$ 10.00	\$ 11.80

(3) Trading expense ratio represents total commissions expressed as a percentage of the daily average net asset value during the period.

(4) Annualized.

(5) Net Asset Value per unit is the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities of the Fund on that date and including the valuation of securities at closing prices divided by the number of units then outstanding.

Premier Canadian Income Fund

Management Report of Fund Performance

Management Fees

Mulvihill Fund Services Inc. (the “Manager” or “Mulvihill”) amalgamated with Mulvihill Capital Management Inc. (the “Investment Manager” or “MCM”) on September 1, 2010. As successor, MCM became the Manager of the Fund. MCM is entitled to fees under the Investment Management Agreement calculated monthly as 1/12 of 1.00 percent of the net asset value of the Fund at each month end. Services received under the Investment Management Agreement include the making of all investment decisions and writing of covered call options in accordance with the investment objectives, strategy and criteria of the Fund. MCM also makes all decisions as to the purchase and sale of securities in the Fund’s portfolio and as to the execution of all portfolio and other transactions.

MCM, as the Manager of the Fund, is entitled to fees under the Trust Agreement calculated monthly as 1/12 of 0.10 percent of the net asset value of the Fund at each month end. Services received under the Trust Agreement include providing or arranging for required administrative services to the Fund.

Past Performance

The following chart sets out the Fund’s year-by-year past performance. It is important to note that:

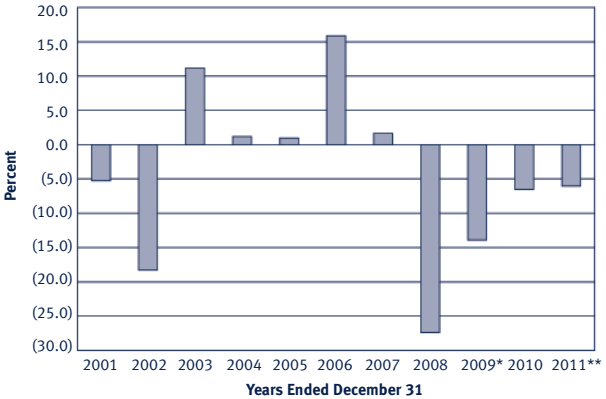
- (1) the information shown assumes that all distributions made by the Fund during these periods were reinvested in the Fund,
- (2) the information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns, and
- (3) the past performance of the Fund does not necessarily indicate how it will perform in the future.

Year-By-Year Returns

The following bar chart illustrates how the Fund’s total return varied from year to year for each of the past ten years and for the six month period ended June 30, 2011. The chart also shows, in percentage terms, how much an investment made on January 1 in each year would have increased or decreased by the end of that fiscal year or June 30, 2011 for the six months then ended.

Management Report of Fund Performance

Annual Total Return



*The performance of the Fund from the period of inception to October 26, 2009 was based on the investment objectives and strategy of the Fund as Global Plus Income Trust which invested in a diversified portfolio consisting primarily of common shares selected from the S&P 100 Index and American Depositary Receipts ("ADRs") of the top 100 corporations selected on the basis of market capitalization whose ADRs are trading on the New York Stock Exchange or NASDAQ. On October 26, 2009 unitholders approved a proposal resulting in a change in the investment objectives and strategy of the Fund. Since October 26, 2009 the Fund invests in a portfolio principally consisting of common shares selected from the Energy, Financials and Materials sectors of the S&P/TSX 60 Index.

**For the six months ended June 30, 2011.

Portfolio Manager Report

The Global economy continues to grow at variable speeds led by high growth emerging economies in the Asia Pacific and Latin/South American regions while the Manager continues to see slower growth in developed market economies in the European region and in North America. This growth along with the loose monetary policies by the developed markets central banks has kept commodity prices elevated. These higher commodity prices bode very well for the Materials and Energy sectors in Canada resulting in strong cash flows and margin expansion for producers of hard assets.

The Canadian economy started the year at a fast pace in January but growth had moderated by April. The Bank of Canada key lending rate started 2011 at 1.0 percent following three successive rate increases of 0.25 percent in 2010. The consensus expectation among economists, which suggested that rates would remain flat at least through the first half of 2011, proved to be correct; however, there is still the need to move rates higher gradually from this extremely accommodative stance.

Premier Canadian Income Fund

Management Report of Fund Performance

The S&P/TSX 60 Index had a total return of 0.6 percent for the first six months of the year. Among the three major sectors the Fund invests in, the Financials sector had the best performance with a total return of 6.2 percent. The Energy sector was flat with a total return of negative 0.6 percent and the Materials sector lagged with a total return of negative 9.7 percent. The total return of the Fund over the same period, including reinvestment of distributions, was negative 6.0 percent. The underperformance can be attributed to losses in Teck Resources Limited, Inmet Mining Corporation and Goldcorp Inc. during the first two months of the period. Among the other primary contributors to the underperformance of the Fund was stock selection in the Materials sector during the first quarter.

During the course of the first six months, volatility reached its peak in the middle of March before decreasing with intermittent spikes in May and June. Our selective option writing activity contributed positively to overall income generated. The Fund also ended the first half of 2011 with some purchased put protection on the Energy and Financial sectors while in the Materials sector to a lesser extent some protection on the Gold sector.

Summary of Investment Portfolio

The composition of the portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly update is available on our website at www.mulvihill.com.

Asset Mix

June 30, 2011

	% of Net Asset Value
Energy	36%
Financials	32%
Materials	30%
Cash and Short-Term Investments	2%
	100%

Management Report of Fund Performance

Top 25 Holdings

June 30, 2011

	% of Net Asset Value
Enbridge Inc.	7%
TransCanada Corp.	7%
First Quantum Minerals Ltd.	7%
National Bank of Canada	6%
The Bank of Nova Scotia	5%
Bank of Montreal	5%
Brookfield Asset Management Inc. - Class A	5%
Potash Corporation of Saskatchewan Inc.	4%
Agrium Inc.	3%
Husky Energy Inc.	3%
Manulife Financial Corporation	3%
Teck Resources Limited - Class B	3%
Inmet Mining Corporation	3%
Cameco Corp.	3%
Enerplus Corporation	3%
ARC Resources Ltd.	3%
Cenovus Energy Inc.	3%
Kinross Gold Corporation	3%
The Toronto-Dominion Bank	3%
Canadian Imperial Bank of Commerce	3%
Sun Life Financial Inc.	3%
Yamana Gold Inc.	3%
Canadian Natural Resources Ltd.	3%
EnCana Corporation	2%
Cash and Short-Term Investments	2%

Forward-Looking Statements

This report may contain forward-looking statements about the Fund. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also forward-looking. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to any divergence between what is anticipated and what actually occurs, including, but not limited to, general economic, political and market factors, interest and foreign exchange rates, global equity and capital markets, business competition, technology change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

The above-mentioned list of important factors is not exhaustive. You should consider these and other factors carefully before making any investment decisions and you should avoid placing undue reliance on forward-looking statements. While the Fund currently anticipates that subsequent events and developments may cause the Fund's views to change, the Fund does not undertake to update any forward-looking statements.

Management's Responsibility for Financial Reporting

The accompanying financial statements of Premier Canadian Income Fund (formerly Global Plus Income Trust) (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 Fund's 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 for the year ended December 31, 2010.

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 the independent auditor 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 independent auditor's report. Deloitte & Touche LLP, the Fund's independent auditor, has full and unrestricted access to the Board.



John P. Mulvihill

Director

Mulvihill Capital Management Inc.



John D. Germain

Director

Mulvihill Capital Management Inc.

August 5, 2011

Notice to Unitholders

The Fund's independent auditor has not performed a review of these Semi-Annual Financial Statements in accordance with standards established by the Canadian Institute of Chartered Accountants.

Premier Canadian Income Fund

Financial Statements

Statements of Net Assets

As at June 30, 2011 (Unaudited) and December 31, 2010 (Audited)

	2011	2010
ASSETS		
Investments at fair value (cost - \$12,394,363; 2010 - \$12,574,900)	\$ 12,519,419	\$ 13,282,328
Short-term investments at fair value (cost - \$159,618; 2010 - \$1,098,647)	159,618	1,098,647
Cash	130,345	12,128
Interest receivable	105	28
Dividends receivable	38,839	31,052
Due from brokers - investments	124,280	2,689,213
TOTAL ASSETS	12,972,606	17,113,396
LIABILITIES		
Due to brokers - investments	125,878	2,972,613
Accrued liabilities	39,548	55,636
TOTAL LIABILITIES	165,426	3,028,249
NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY	\$ 12,807,180	\$ 14,085,147
Number of Units Outstanding	3,137,400	3,137,400
Net Assets per Unit (Note 2)	\$ 4.0821	\$ 4.4894

Financial Statements

Statements of Financial Operations

Six months ended June 30 (Unaudited)

	2011	2010
REVENUE		
Dividends	\$ 154,585	\$ 30,069
Interest	2,272	131
TOTAL REVENUE	156,857	30,200
EXPENSES		
Management fees	73,795	15,157
Service fees	19,104	–
Administrative and other expenses	49,750	49,725
Transaction fees (Note 3)	26,987	19,407
Custodian fees	16,767	18,598
Audit fees	9,461	9,340
Advisory board fees	10,445	10,445
Independent review committee fees	3,851	3,645
Legal fees	–	3,943
Unitholder reporting costs	11,161	12,253
Federal and provincial sales taxes	13,991	4,768
Subtotal Expenses	235,312	147,281
Restructuring expenses	–	48,454
TOTAL EXPENSES	235,312	195,735
Net Investment Loss	(78,455)	(165,535)
Net gain (loss) on sale of investments	(358,618)	21,340
Net gain on sale of derivatives	183,851	446
Net Gain (Loss) on Sale of Investments	(174,767)	21,786
Net change in unrealized appreciation/ depreciation of investments	(582,372)	(189,521)
Net Loss on Investments	(757,139)	(167,735)
NET DECREASE IN NET ASSETS FROM OPERATIONS	\$ (835,594)	\$ (333,270)
NET DECREASE IN NET ASSETS FROM OPERATIONS PER UNIT (based on the weighted average number of units outstanding during the period of 3,137,400; 2010 - 580,141)	\$ (0.2663)	\$ (0.5745)

Premier Canadian Income Fund

Financial Statements

Statements of Changes in Net Assets

Six months ended June 30 (Unaudited)

	2011	2010
NET ASSETS, BEGINNING OF PERIOD	\$ 14,085,147	\$ 2,887,532
Net Decrease in Net Assets		
from Operations	(835,594)	(333,270)
Unit Transactions		
Amount received for units issued on merger	–	13,185,962
Distributions to Unitholders		
Non-taxable distributions	(442,373)	(92,117)
Changes in Net Assets during the Period	(1,277,967)	12,760,575
NET ASSETS, END OF PERIOD	\$ 12,807,180	\$ 15,648,107

Statements of Net Gain (Loss) on Sale of Investments

Six months ended June 30 (Unaudited)

	2011	2010
Proceeds from Sale of Investments	\$ 23,857,435	\$ 4,787,223
Cost of Investments Sold		
Cost of investments,		
beginning of period	12,574,900	2,762,912
Cost of investments purchased	23,851,665	17,004,460
	36,426,565	19,767,372
Cost of Investments, End of Period	(12,394,363)	(15,001,935)
	24,032,202	4,765,437
NET GAIN (LOSS) ON SALE OF INVESTMENTS	\$ (174,767)	\$ 21,786

Financial Statements

Statement of Investments

As at June 30, 2011 (Unaudited)

	Par Value/ Number of Shares	Average Cost	Fair Value	% of Portfolio
SHORT-TERM INVESTMENTS				
Treasury Bills				
Province of Ontario, 1.04% - August 31, 2011	160,000	\$ 159,618	\$ 159,618	99.9%
Accrued Interest			105	0.1%
TOTAL SHORT-TERM INVESTMENTS		\$ 159,618	\$ 159,723	100.0%
INVESTMENTS				
Canadian Common Shares				
Energy				
ARC Resources Ltd.	14,800	\$ 372,190	\$ 369,556	
Cameco Corp.	14,800	378,190	375,624	
Canadian Natural Resources Ltd.	8,100	299,873	326,511	
Cenovus Energy Inc.	10,100	331,377	366,832	
Enbridge Inc.	30,200	894,893	945,260	
Enerplus Corporation	12,200	374,549	371,368	
EnCana Corporation	9,900	313,091	294,030	
Husky Energy Inc.	16,200	469,563	425,412	
Suncor Energy Inc.	4,400	162,380	165,880	
TransCanada Corp.	21,800	830,754	920,396	
Total Energy		4,426,860	4,560,869	36.4%
Financials				
Bank of Montreal	10,300	636,582	631,184	
Brookfield Asset Management Inc. - Class A	18,300	577,639	585,417	
Canadian Imperial Bank of Commerce	4,500	369,597	342,450	
Manulife Financial Corporation	24,800	421,165	422,344	
National Bank of Canada	9,100	630,930	710,983	
Sun Life Financial Inc.	11,700	360,560	338,949	
The Bank of Nova Scotia	11,400	632,597	661,314	
The Toronto-Dominion Bank	4,400	366,755	359,832	
Total Financials		3,995,825	4,052,473	32.4%
Materials				
Agrium Inc.	5,100	431,391	431,511	
Eldorado Gold Corporation	20,100	346,739	285,219	
First Quantum Minerals Ltd.	6,000	805,494	843,600	
Goldcorp Inc.	5,400	262,680	251,208	
Inmet Mining Corporation	5,900	406,514	408,162	
Kinross Gold Corporation	24,000	374,336	364,800	
Potash Corporation of Saskatchewan Inc.	9,600	508,424	527,616	
Teck Resources Limited - Class B	8,500	421,723	415,565	
Yamana Gold Inc.	29,500	368,415	330,695	
Total Materials		3,925,716	3,858,376	30.8%
Total Canadian Common Shares		\$ 12,348,401	\$ 12,471,718	99.6%

Premier Canadian Income Fund

Financial Statements

Statement of Investments

As at June 30, 2011 (Unaudited)

	Number of Contracts	Average Cost/ Proceeds	Fair Value	% of Portfolio
Options				
Written Covered Call Options (100 shares per contract)				
Canadian Imperial Bank of Commerce - July 2011 @ \$76	(22)	\$ (3,003)	\$ (3,260)	
Canadian Imperial Bank of Commerce - August 2011 @ \$76	(11)	(1,780)	(2,238)	
Manulife Financial Corporation - July 2011 @ \$16	(52)	(2,600)	(5,618)	
Total Written Covered Call Options		(7,383)	(11,116)	(0.1)%
Purchased Put Options (100 shares per contract)				
iShares S&P/TSX Capped Energy Index Fund - September 2011 @ \$21	350	34,475	40,387	
iShares S&P/TSX Capped Financials Index Fund - August 2011 @ \$24	202	19,026	11,850	
iShares S&P/TSX Global Gold Index Fund - September 2011 @ \$24	50	5,850	6,580	
Total Purchased Put Options		59,351	58,817	0.5 %
Total Options		\$ 51,968	\$ 47,701	0.4 %
Adjustment for transaction costs		(6,006)		
TOTAL INVESTMENTS		\$ 12,394,363	\$ 12,519,419	100.0 %

Notes to Financial Statements

June 30, 2011

1. Basis of Presentation

The semi-annual financial statements for the Fund have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). However, not all disclosures required by GAAP for annual financial statements have been presented and, accordingly, these semi-annual financial statements should be read in conjunction with the most recently prepared annual financial statements for the year ended December 31, 2010.

These semi-annual financial statements follow the same accounting policies and method of application as the most recent audited financial statements for the year ended December 31, 2010.

2. Net Asset Value

The net asset value of the Fund is calculated using the fair value of investments at the close or last trade price. The net assets per unit is calculated using the fair value of investments at the closing bid price. The net assets per unit for financial reporting purposes and net asset value per unit for pricing purposes will not be the same due to the use of different valuation techniques.

The difference between the net asset value per unit for pricing purposes and the net assets per unit reflected in the financial statements is as follows:

	June 30, 2011	Dec. 31, 2010
Net Asset Value (for pricing purposes)	\$ 4.0899	\$ 4.4957
Difference	(0.0078)	(0.0063)
Net Assets (for financial statement purposes)	\$ 4.0821	\$ 4.4894

3. Transaction Fees

Total transaction fees paid during the six month period ended June 30, 2011 in connection with portfolio transactions were \$26,987 (June 30, 2010 - \$19,407). Of this amount \$8,764 (June 30, 2010 - \$5,289) was directed to cover payment of research services provided to the Investment Manager.

4. Financial Instruments and Risk Management

The various types of risks associated with financial instruments and the related risk management practices employed by the Fund remain unchanged from the prior year and are described in Note 11 of the annual financial statements for the year ended December 31, 2010.

Premier Canadian Income Fund

Notes to Financial Statements

June 30, 2011

The following is a summary of the inputs used as of June 30, 2011 in valuing the Fund's investments and derivatives carried at fair value:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Short-Term Investments	\$ -	\$ 159,723	\$ -	\$ 159,723
Canadian Common Shares	12,471,718	-	-	\$ 12,471,718
Options	-	47,701	-	\$ 47,701
Total Investments	\$ 12,471,718	\$ 207,424	\$ -	\$ 12,679,142

The following is a summary of the inputs used as of December 31, 2010 in valuing the Fund's investments and derivatives carried at fair value:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Short-Term Investments	\$ -	\$ 1,098,675	\$ -	\$ 1,098,675
Canadian Common Shares	13,333,013	-	-	\$ 13,333,013
Options	(16,147)	(34,538)	-	\$ (50,685)
Total Investments	\$ 13,316,866	\$ 1,064,137	\$ -	\$ 14,381,003

There were no transfers between Level 1 and Level 2 during the six months ended June 30, 2011 and during the year ended December 31, 2010.

Other Price Risk

Approximately 97 percent (December 31, 2010 - 95 percent) of the Fund's net assets held at June 30, 2011 were publicly traded equities. If equity prices on the exchange increased or decreased by 10 percent as at June 30, 2011, the net assets of the Fund would have increased or decreased by \$1.2M (December 31, 2010 - \$1.3M) respectively or 9.7 percent (December 31, 2010 - 9.5 percent) of the net assets, all other factors remaining constant. In practice, actual trading results may differ and the difference could be material.

Credit Risk

The following are the credit ratings for the counterparties to derivative financial instruments that the Fund dealt with during the current period and prior year based on Standard & Poor's credit ratings as of June 30, 2011 and December 31, 2010:

Premier Canadian Income Fund

Notes to Financial Statements

June 30, 2011

Dealer	Long-Term Local Currency Rating	Short-Term Local Currency Rating
Canadian Dollar		
Bank of Montreal	A+	A-1
Canadian Imperial Bank of Commerce	A+	A-1
Citigroup Inc.	A	A-1
National Bank of Canada	A	A-1
Royal Bank of Canada	AA-	A-1+
The Toronto-Dominion Bank	AA-	A-1+

The following is the credit rating for short-term investments held by the Fund based on Standard & Poor's credit ratings as of June 30, 2011:

Type of Short-Term Investment	Rating	% of Short-Term Investments
Province of Ontario Treasury Bills	AA	100%
Total		100%

The following is the credit rating for short-term investments held by the Fund based on Standard & Poor's credit ratings as of December 31, 2010:

Type of Short-Term Investment	Rating	% of Short-Term Investments
Government of Canada Treasury Bills	AAA	100%
Total		100%

The carrying amount of these investments represents their maximum credit risk exposure, as they will be settled in the short-term.

5. Future Accounting Policy Changes

The Fund was required to adopt International Reporting Standards ("IFRS") for the year beginning on January 1, 2011. However, the Canadian Accounting Standards Board approved a two year deferral from IFRS adoption for investment companies applying Accounting Guideline 18 - Investment Companies. As a result, the Fund will adopt IFRS for the year beginning on January 1, 2013 and will issue its initial financial statements in accordance with IFRS, with comparative information, for the semi-annual period ending June 30, 2013.

Premier Canadian Income Fund

Investment Funds Managed by Mulvihill Capital Management Inc.

UNIT TRUSTS

Canadian Utilities & Telecom Income Fund
Core Canadian Dividend Trust
Gold Participation and Income Fund
Premier Canadian Income Fund
Top 10 Canadian Financial Trust

SPLIT SHARES

Premium Income Corporation
S Split Corp.
Top 10 Split Trust
World Financial Split Corp.

PRINCIPAL PROTECTED FUNDS

Government Strip Bond Trust

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

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