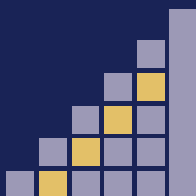


Semi-Annual Report 1999

For the period ended June 30, 1999



60^{Plus} Income Trust

Mulvihill Capital Management Inc.

TO UNITHOLDERS OF
60^{PLUS} INCOME TRUST:

The investment objectives of the Trust are (i) to pay unitholders \$2.00 per annum or 8% based on its original issue price of \$25.00, and (ii) to return the original issue price to the unitholders upon termination of the Trust.

To accomplish this, the Trust invests a portion of its assets in blue chip securities that comprise the S&P/TSE 60 Index. The Trust is also able to invest up to 20% of the cost amount of its assets in the top 60 names based on market capitalization in both the S & P 100 Index and the ADR Universe. Income earned is enhanced through both covered call writing and cash covered put writing.

The Trust's portfolio is well diversified which should provide the opportunity for capital growth as well as the ability to generate income.

For the period ending June 30, 1999, a distribution of \$0.80 was made to unitholders which covered the period from the Trust's inception on February 8, 1999. The net assets of the Trust have increased since inception from \$103.05 million to \$107.15 million at the end of the period, net of distributions.

INTERIM STATEMENTS
OF FINANCIAL OPERATIONS
For the period ended June 30, 1999 (Unaudited)

Income	
Dividends	\$ 334,259
Interest	895,967
	<hr/> 1,230,226
Expenses	
Management fees	514,619
Goods and services tax	37,792
Custodian and other expenses	28,638
	<hr/> 581,049
Net Investment Income	<hr/> 649,177
Gain on Sale of Investments and Options	3,906,701
Unrealized Appreciation of Investments	3,017,695
Net Gain on Investments	<hr/> 6,924,396
Total Results of Financial Operations	\$ 7,573,573
Net Investment Income Per Unit	\$ 0.1489
Net Gain on Investments Per Unit	1.5882
Total Results of Financial Operations Per Unit	<hr/> \$ 1.7371
(based on the weighted average number of units outstanding during the period of 4,360,000)	

INTERIM STATEMENTS OF
CHANGES IN NET ASSETS
For the period ended June 30, 1999 (Unaudited)

Unit Transactions	
Proceeds from units issued, net of issue costs	\$103,050,000
Proceeds from reinvestment of distributions	14,334
	<hr/> 103,064,334
Total Results from Financial Operations	<hr/> 7,573,573
Distributions to Unitholders	
From net investment income	(649,177)
From net realized gain on sale of investments	(2,838,823)
	<hr/> (3,488,000)
Changes in Net Assets During the Period	107,149,907
Net Assets, Beginning of Period	-
Net Assets, End of Period	<hr/> \$ 107,149,907
Net Asset Value Per Unit	<hr/> \$ 24.5724
Distribution Per Unit	
From net investment income	\$ 0.1489
From net realized gain on sale of investments	0.6511
	<hr/> \$ 0.8000

STATEMENT OF INVESTMENTS

June 30, 1999 (Unaudited)

	<i>Number of Shares/ Par Value</i>	<i>Average Cost</i>	<i>Market Value</i>
Short-term Investments			
Canadian Imperial Bank of Commerce			
July 29, 1999	6,350,000	\$ 6,321,806	\$ 6,321,806
Government of Canada			
July 8, 1999	22,314,000	22,220,120	22,220,120
Government of Canada			
August 5, 1999	60,000	59,371	59,371
Government of Canada			
August 19, 1999	939,000	929,845	929,845
Government of Canada			
September 16, 1999	670,000	663,025	663,025
		30,194,167	30,194,167
Accrued Interest		-	85,133
Total		30,194,167	30,279,300
Canadian Common Stocks			
Metal & Minerals			
Alcan Aluminum Ltd.	35,000	1,629,250	1,636,250
Gold & Precious Metals			
Placer Dome Inc.	61,400	1,045,105	1,049,940
Oil & Gas			
Alberta Energy Co. Ltd.	40,000	1,712,000	1,892,000
Canadian Occidental			
Petroleum Ltd.	70,000	1,398,388	1,662,500
Imperial Oil Ltd.	70,000	1,700,500	1,960,000
Petro-Canada	100,000	1,915,000	2,010,000
Renaissance Energy Ltd.	90,000	1,688,920	1,782,000
		8,414,808	9,306,500
Paper & Forest Products			
Abitibi-Consolidated Inc.	125,000	1,994,381	2,112,500
Consumer Products			
Biochem Pharma Inc.	80,000	3,035,710	2,204,000
Industrial Products			
ATI Technologies Inc.	100,000	2,216,950	2,385,000
Bombardier Inc. Class B	120,000	2,560,105	2,700,000
Nortel Networks Corp.	35,000	3,781,487	4,410,000
		8,558,542	9,495,000
Utilities			
BCE Inc.	100,000	6,675,965	7,175,000
Telelobe Inc.	83,000	4,373,898	3,614,650
		11,049,863	10,789,650
Communications & Media			
Shaw Communication Inc.			
Class B	75,000	3,631,500	4,372,500

STATEMENT OF INVESTMENTS

(Continued)

	<i>Number of Shares</i>	<i>Average Cost</i>	<i>Market Value</i>
Merchandising			
Canadian Tire Corporation, Ltd.			
Class A	50,000	2,045,950	2,150,000
Loblaw Companies Ltd.	60,000	2,271,130	2,241,000
		<hr/> 4,317,080	<hr/> 4,391,000
Financial Services			
Canadian Imperial Bank of Commerce	90,000	3,361,916	3,159,000
Royal Bank of Canada	50,000	3,670,459	3,250,000
The Toronto-Dominion Bank	40,000	2,695,940	2,670,000
		<hr/> 9,728,315	<hr/> 9,079,000
Conglomerates			
Canadian Pacific Ltd.	70,000	2,311,066	2,450,000
Total		<hr/> 55,715,620	<hr/> 56,886,340
Foreign Common Stocks			
Netherlands			
Koninklijke (Royal) Philips Electronics N.V.	20,000	2,747,864	2,986,102
France			
Alcatel SA	45,000	1,776,055	1,889,903
Japan			
Sony Corp. SA	15,000	2,273,542	2,450,490
Mexico			
Telefonos De Mexico SA	15,000	1,643,836	1,794,159
Sweden			
Telefonaktiebolaget LM Ericsson SA	50,000	2,100,607	2,437,540
Total		<hr/> 10,541,904	<hr/> 11,558,194
Foreign Common Stocks - USA			
Electrical and Electronics			
General Electric Co.	15,000	2,298,511	2,508,770
Electronic Components and Instruments			
Intel Corp.	25,000	2,200,852	2,201,649
Health and Personal Care			
Bristol-Myers Squibb Co.	25,000	2,394,371	2,606,364
Merchandising			
Wal-Mart Stores	40,000	2,582,250	2,856,593
Total		<hr/> 9,475,984	<hr/> 10,173,376

STATEMENT OF INVESTMENTS

(Continued)

	<i>Number of Contracts</i>	<i>Average Cost</i>	<i>Market Value</i>
Written Put Options <i>(100 shares per contract)</i>			
Alcan Aluminum Ltd. July 99 @ \$45	(250)	(50,875)	(21,550)
Nortel Networks Corp. July 99 @ \$95	(100)	(52,500)	(76)
Nova Chemicals Corp. September 99 @ \$32	(400)	(43,200)	(18,400)
Placer Dome Inc. July 99 @ \$15	(600)	(64,800)	(6,000)
Total		<u>(211,375)</u>	<u>(46,026)</u>
Written Call Options <i>(100 shares per contract)</i>			
Abitibi-Consolidated Inc. August 99 @ \$17	(500)	(64,500)	(46,960)
Alberta Energy Co. Ltd. September 99 @ \$46	(200)	(57,600)	(74,000)
Alcan Aluminum Ltd. July 99 @ \$48	(200)	(40,800)	(17,960)
Alcatel SA September 99 @ \$30	(450)	(47,718)	(149,860)
ATI Technologies Inc. August 99 @ \$25	(500)	(62,750)	(67,500)
BCE Inc. August 99 @ \$75	(250)	(52,625)	(48,750)
Bombardier Inc. Class B July 99 @ \$23	(200)	(15,600)	(10,000)
Bombardier Inc. Class B July 99 @ \$24	(400)	(33,200)	(12,000)
Canadian Imperial Bank of Commerce July 99 @ \$40	(350)	(47,425)	(2,450)
Canadian Occidental Petroleum Ltd. October 99 @ \$24	(200)	(36,600)	(45,640)
Intel Corp. July 99 @ \$60	(200)	(189,551)	(55,504)
Royal Bank of Canada July 99 @ \$75	(150)	(47,700)	(2,250)
Shaw Communication Inc. Class B August 99 @ \$60	(250)	(70,875)	(82,265)
Telefonaktiebolaget LM Ericsson SA July 99 @ \$30	(500)	(67,062)	(240,516)
Telefonos De Mexico SA August 99 @ \$80	(150)	(57,027)	(122,108)
The Toronto-Dominion Bank July 99 @ \$68	(250)	(113,650)	(58,750)
Total		<u>(1,004,683)</u>	<u>(1,036,513)</u>
Total Investments		<u>\$104,711,617</u>	<u>\$107,814,671</u>

Y E A R 2 0 0 0

In conducting its business, the Trust utilizes the computer information systems of third party service providers, including Mulvihill Capital Management Inc. ("MCM"), Mulvihill Fund Services Inc. ("Mulvihill"), the Custodian and the Transfer Agent. The Trust is currently reviewing the potential Year 2000 readiness issues of its third party service providers and will determine what action, if any, is required. MCM and Mulvihill have advised the Trust that they have put in place a Year 2000 plan in an effort to ensure that their information systems are Year 2000 compliant by the end of September, 1999. None of the expenditures for the Year 2000 readiness plan will be borne by the Trust.

They have also made enquiries of the Custodian and Transfer Agent in order to assess the status of their information systems with respect to Year 2000 readiness issues. There can be no assurance, however, that the Trust's third party service providers have, or will have, information systems that are Year 2000 compliant. In addition, there is no assurance that the corporations that are included in the Trust's portfolio of investments will be Year 2000 compliant. If any such corporations are not Year 2000 compliant, the net asset value of the Trust could be adversely affected.

S T A T E M E N T O F P O R T F O L I O T R A N S A C T I O N S

A copy of the Statement of Portfolio Transactions (unaudited) for 60^{Plus} Income Trust for the period ended June 30, 1999 may be obtained without charge by writing to:

60^{Plus} Income Trust
Investor Relations
121 King Street West
Suite 2600
Toronto, Ontario
M5H 3T9

OTHER FUNDS MANAGED BY
MULVIHILL CAPITAL MANAGEMENT INC.

First Premium Income Trust

First Premium U.S. Income Trust

First Premium Oil & Gas Income Trust

Global Telecom Split Share Corp.

MCM Split Share Corp.

Premium Income Corporation



60^{Plus} Income Trust

Managed by:

**Mulvihill Capital Management Inc.
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