



**PINNACLE VALUE FUND  
A SERIES OF  
BERTOLET CAPITAL TRUST**

**SEMI-ANNUAL REPORT**

**June 30, 2004**

**Pinnacle Value Fund Semi Annual Report**

**June 30, 2004**

Dear Fellow Shareholders,

The Fund's net asset value (NAV) at June 30 was \$11.74/sh for a 4.2% six month return. This compares with a 6.8% gain for the Russell 2000 and a 3.5% gain for the S&P 500 with dividends reinvested in both cases.

June 30 net assets were just over \$6,000,000 reflecting share appreciation and share purchases by new and existing clients. We now have 45 investments across multiple industries including aerospace, apparel, conglomerates consumer non-durables, distribution, education, equipment, financial services, food processing, furniture, insurance, lodging, manufactured housing, real estate, retail and textiles. All are established players in their fields with seasoned management (who in many cases own lots of stock), solid earnings potential and conservative balance sheets. All were purchased at reasonable valuations.

The portfolio's weighted average market capitalization is \$170 million. The yield on our securities is 2% reflecting our objective of earning some income while waiting for the securities to appreciate. (uninvested cash is earning about 1% but is very safe).

We ended the period about 60% invested and were well below that for most of the period. Some of you may ask why we are reluctant to become fully invested. The answer is simple. Equities, especially of the small and micro-cap variety (our specialty), are still expensive by any measure. The S&P 500 continues to trade at 22 times earnings and 3.5 times book value, with a dividend yield of 1.7%. Not cheap. This reflects continued hopes for sustained, robust earnings growth, a benign interest rate environment and a general embrace of risk. The speculative component remains high as does the risk of capital loss.

Large amounts of capital remain allocated to small and micro-cap equities. The Russell 2000, our benchmark, has recovered all ground lost during the prior bear market and is trading close to its all time high. Alternatively, the big cap S&P 500 remains more than 25 % below its peak set in early 2000. All of this reflects enthusiastic investor sentiment for small companies. Potential risks of rising interest rates/inflation, a slowing economy, sustained high oil prices and the impact of a major terrorist attack are largely ignored. For most stocks the "margin of safety", the difference between our estimate of a company's worth and what we are willing to pay, is unacceptably small.

We are not market timers. We just aren't finding enough compelling opportunities where the potential returns significantly outweigh the risks assumed. Other small cap value managers echo similar sentiments- many have closed their funds because of a dearth of acceptable investment ideas. We're not spending afternoons at the movies either. During the last six months we added substantially to some existing positions and established 16 new ones. Generally we are buying during times of market weakness when prices are more reasonable. Our purchases included MVC Capital, Regency Affiliates, Aristotle Convertible Preferred., Ameritrans Preferred., Unifi and RG Barry.

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Some of you have asked where we get our investment ideas. They come from a variety of sources. Every business day the Wall Street Journal provides a list of interesting choices. It's called the new low list and contains the names of every stock (NYSE, AMEX, OTC) whose price is making a new low for the trailing 12 month period. While there's often lots of junk here, there are frequently good companies facing some type of temporary difficulty trading at reasonable prices. This is especially true during times of market panic.

Other ideas come from a network of professionals who share the same small cap value philosophy and outlook as we do- some run mutual funds, some hedge funds, some are private investors. We also deal with a number of regional broker-dealers around the country who are in touch with attractive opportunities in their own backyards. Often times they have knowledge and insights the large firms don't have. We run quantitative screens which sift through a database of 12,000 public companies based on parameters we supply- (market cap, P/E, price to book, cash flow, dividend yield, etc.). The resulting list of securities meeting our rigorous requirements provides a starting point for more detailed analysis.

A lot of ideas come from general reading of newspapers, business publications, trade magazines, investment newsletters and Wall Street research. When possible, we'll attend industry conferences and trade shows. It's amazing how much you can learn at one of these- exhibitors, buyers, executives and products all come together under one roof. (Those of you who have attended an auto or boat show in your area know what I mean.)

Speaking of executives, one of our favorite questions when interviewing a company's management is: Who is your toughest competitor, best customer, most reliable vendor and why? They always have an answer (we'd be worried if they didn't) which often leads to some great ideas for further research. Finally, we attend lots of annual meetings (even if we don't own the stock), it's an important chance to learn about the firm and its prospects.

By now you should have received your June 30 quarterly statement reflecting our results to that date. The Fund celebrated its one year anniversary on April 1- a special thanks to all loyal shareholders who made Fund's first year so successful. As always, if you have any questions about your account or the Fund, don't hesitate to call or write.

Thanks you for your continued support and enthusiasm.

**John E. Deysher**  
**President and Portfolio Manager**  
**212-508-4537**

**Pinnacle Value Fund**  
**1414 Sixth Ave-900**  
**New York, NY 10019**

**(PS A fine book published in 2003 from which investors can learn a great deal is Bull!, A History of the Boom 1982-1999 by Maggie Mahar, a former senior writer with Barron's.)**

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**TOP 10 POSITIONS**

	<b>% net assets</b>
1. MVC Capital- Business Development Co.	4.9%
2. Regency Affiliates- Conglomerate	4.8
3. Southern Energy Homes- Manufactured homes & components	3.3
4. Price Legacy- Shopping Center REIT	3.2
5. Aristotle Conv. Pfd- Education supplies K12	3.1
6. Cutter & Buck- Golf apparel & sportswear	3.0
7. Ameritrans Pfd.- Specialty finance	3.0
8. Unifi- Polyester & nylon yarns/threads	2.5
9. DEB Shops- Mall based teen clothing retailer	2.4
10. RG Barry- Women's footwear	2.2
Total	32.4%

**YTD TOP 5 WINNERS (realized & unrealized gains)**

1. Southern Energy Homes	\$ 88,950
2. Paula Finl.	47,651
3. MVC Capital	40,283
4. Price Legacy	31,337
5. Delta Apparel	\$ 19,200

**YTD TOP 5 SINNERS (realized & unrealized losses)**

1. RG Barry	\$ 39,176
2. Unifi	24,890
3. BRT Realty	12,775
4. Equidyne	6,600
5. SCPIE Holding	\$ 6,540

**PINNACLE VALUE FUND  
BERTOLET CAPITAL TRUST**

**Schedule of Investments (Unaudited)  
June 30, 2004**

Shares/Principal Amount	Basis	Market Value	% of Assets
<b>COMMON STOCKS</b>			
<b>Aerospace &amp; Defense</b>			
4,000 Sifco Industries, Inc. *	\$ 7,600	\$ 14,720	0.24%
<b>Apparel/Accessories</b>			
17,400 Cutter & Buck, Inc.	99,133	179,220	
3,000 Delta Apparel	46,069	73,050	
	<u>145,202</u>	<u>252,270</u>	4.19%
<b>Chemical Distribution</b>			
15,600 Arrow Magolia *	25,649	24,804	0.41%
<b>Electric Housewares</b>			
200 National Presto Industries, Inc.	8,188	8,246	0.14%
<b>Financial Services</b>			
61,500 Cadus Corp*	99,166	97,785	
200 Capital Southwest	11,508	15,762	
65,000 Equidyne*	41,050	34,450	
28,400 Kent Financial*	69,397	65,036	
2,000 MFC Bancorp*	38,080	37,180	
31,000 MVC Capital *	251,369	292,640	
3,000 Refac*	14,856	14,400	
	<u>525,426</u>	<u>557,253</u>	9.25%
<b>Food Processing</b>			
4,500 Golden Enterprises, Inc.	9,900	12,690	0.21%
<b>Footware</b>			
82,600 Barry R G Corp. *	173,814	134,638	2.24%
<b>Furniture &amp; Fixtures</b>			
13,900 Reconditioned Systems *	24,980	17,514	0.29%
<b>Hotels &amp; Motels</b>			
8,200 Prime Hospitality Corp. *	50,388	87,084	1.45%
<b>Instruments For Measurement, Display, and Control</b>			
4,300 Electro Sensors, Inc.	20,124	19,780	0.33%
<b>Insurance</b>			
12,800 SCPIE Holdings, Inc. *	114,892	116,480	1.93%
<b>Manufacturing of Hook Loop Fasteners</b>			
200 Velcro Industries NV	2,449	2,302	0.04%
<b>Manufacturing Housing</b>			
500 Liberty Homes, Inc.	2,085	2,000	
1,100 Patrick Industries, Inc. *	6,996	10,780	
48,000 Southern Energy Homes *	106,489	196,800	
	<u>115,570</u>	<u>209,580</u>	3.48%
<b>Metals Distribution</b>			
4,000 Friedman Industries	11,747	18,520	0.31%

\* Non-Income producing securities.

The accompanying notes are an integral part of the financial statements

**PINNACLE VALUE FUND  
BERTOLET CAPITAL TRUST**

**Supplemental Information (Unaudited)**

The following table provides biographical information with respect to each Trustee.

Name, Age	Position with Fund	Term of Office Length of Time Served	Principal Occupation During Past 5 years	Other Directorships
<b>Interested Trustee</b>				
John E. Deysher, CFA (49)	Trustee	Unlimited Since Inception	President, Secretary, Treasurer Pinnacle Value Fund Principal, Portfolio Manager Royce & Associates	None
<b>Independent Trustees</b>				
Edward P. Breau, CFA (71)	Trustee	Unlimited Since Inception	Private Investor	None
Richard M. Connelly (48)	Trustee	Unlimited Since Inception	Associate General Counsel JG Wentworth (finance)	None
James W. Denney (39)	Trustee	Unlimited Since Inception	President, Mohawk Asset Management	Director, Electric City Funds

**TRUSTEES AND SERVICE PROVIDERS**

**Trustees:** Edward P. Breau, Richard M. Connelly, James W. Denney, John E. Deysher

**Transfer Agent:** Mutual Shareholder Services, 8869 Brecksville Rd-C, Brecksville OH 44141

**Custodian:** US Bank, 425 Walnut St., Cincinnati OH 45202

**Auditor:** Tait, Weller & Baker, 1818 Market St, Suite 2400, Philadelphia PA 19103

**Legal Counsel:** Law Offices of Stephanie A. Djinis, 1749 Old Meadow Rd.-310, McLean, VA 22102

**FOR MORE INFORMATION:**

**MUTUAL SHAREHOLDER SERVICES 877-369-3705 (TOLL FREE)**

**WWW.PINNACLEVALUEFUND.COM**

**Notes to Financial Statements (Unaudited)  
June 30, 2004**

**ESTIMATES:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**3.) INVESTMENT ADVISORY AGREEMENT**

The Fund has entered into an investment advisory agreement with Bertolet Capital LLC (the Adviser). Under the Agreement, the Adviser receives a fee equal to the annual rate of 1.25% of the Fund's average daily net assets. For the six months ended June 30, 2004, the Adviser waived \$17,241 of its fee. An officer and trustee of the Fund is also an officer and trustee of the Adviser.

The Adviser will be entitled to reimbursement of fees waived or reimbursed by the Adviser to the Fund. Fees waived or expenses reimbursed during a given year may be paid to the Adviser during the following three year period to the extent that payment of such expenses does not cause the Fund to exceed the expense limitation. At June 30, 2004, the cumulative unreimbursed amount paid/or waived by the Advisor on behalf of the Fund is \$61,812. The Adviser may recapture this amount no later than December 31, 2006.

**4.) PURCHASES AND SALES OF SECURITIES**

For the six months ended June 30, 2004, purchases and sales of investment securities other than U.S. Government obligations and short-term investments aggregated \$2,923,187 and \$1,151,023 respectively. Purchases and sales of U.S. Government obligations and short-term investments aggregated \$4,500,000 and \$3,000,000 respectively

**5.) SECURITY TRANSACTIONS**

Net Investment income/(loss) and net realized gains/(losses) differ for financial statement and tax purposes due to differing treatments of was sale losses deferred and losses realized subsequent to October 31 on the sale of securities.

As of June 30, 2004, the components of accumulated earnings/(losses) on a tax basis were as follows:

Costs of investments	<u>\$5,573,298</u>
Gross tax unrealized appreciation	\$473,892
Gross tax unrealized depreciation	<u>(114,947)</u>
Net tax unrealized appreciation	358,945
Accumulated capital gains	<u>177,779</u>

**6.) CONTROL OWNERSHIP**

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates a presumption of control of the fund, under Section 2(a)(9) of the Investment Company Act of 1940. As of June 30, 2004, the Deysher family held, in aggregate, approximately 12.6% of Fund shares.

**Schedule of Investments (Unaudited)  
June 30, 2004**

Shares/Principal Amount	Basis	Market Value	% of Assets
<b>Miscellaneous Capital Goods</b>			
5,900 Hardinge, Inc.	\$ 44,686	\$ 70,446	
1,500 Minuteman International, Inc.	<u>12,075</u>	<u>19,485</u>	
	56,761	89,931	1.49%
<b>Patent Owners &amp; Lessors</b>			
38,500 Opti*	<u>56,172</u>	<u>61,600</u>	1.02%
<b>Conglomerate</b>			
45,200 Regency Affiliates *	278,595	291,540	
300 United Capital*	<u>5,439</u>	<u>5,109</u>	
	284,034	296,649	4.92%
<b>Retail</b>			
6,000 Deb Shops, Inc.	111,276	144,360	
31,800 United Retail Group, Inc. *	<u>71,024</u>	<u>81,408</u>	1.34%
	182,300	225,768	
<b>Ship &amp; Boat Building &amp; Repairing</b>			
38,300 Conrad Ind. *	<u>85,363</u>	<u>92,303</u>	1.53%
<b>Sporting &amp; Athletic Goods</b>			
200 Callaway Golf Co.	<u>2,252</u>	<u>2,268</u>	0.04%
<b>Textile &amp; Mill Products</b>			
23,000 Delta Woodside*	25,927	25,760	
52,000 Unifi, Inc. *	<u>177,251</u>	<u>152,361</u>	2.53%
	203,178	178,121	
<b>Real Estate Investment Trusts</b>			
4,700 BRT Realty Trust	104,425	91,650	
14,000 First Union Real Estate & Mortgage Invesmtns	40,006	44,240	
10,500 Price Legacy	162,587	193,830	
30 USA Real Estate Investors Trust	<u>14,490</u>	<u>14,250</u>	
	321,508	343,970	5.71%
<b>Total for Common Stocks</b>	<u>\$ 2,427,497</u>	<u>\$ 2,766,491</u>	<u>45.93%</u>

\* Non-Income producing securities.

The accompanying notes are an integral part of the financial statements

**PINNACLE VALUE FUND  
BERTOLET CAPITAL TRUST**

**Schedule of Investments (Unaudited)  
June 30, 2004**

Shares/Principal Amount	Basis	Market Value	% of Assets
<b>Auction Market Preferreds</b>			
4 AIM Select Real Estate, Inc. Fund Pfd - F	100,000	100,000	
4 Advent Claymore Conv. Secs. Inc. Fund Pfd - M7	100,000	100,000	
4 Pioneer High Income Trust Pfd - M	100,000	100,000	
4 Western Asset Premier Bond Fund Pfd - M	100,000	100,000	
	<u>400,000</u>	<u>400,000</u>	<u>6.64%</u>
<b>Convertible Preferreds</b>			
14,300 Ameritrans Capital Corp. Preferred	161,196	178,750	
24,000 Aristotle Corp. Convertible Pfd - I	183,154	184,320	
4,000 First Union Real Estate 8.4% Convertible Pfd - A	96,090	97,320	
	<u>440,440</u>	<u>460,390</u>	<u>7.64%</u>
<b>Cash and Equivalents **</b>			
305,361 First Amer Govt Obligation Fund 0.60%	305,361	305,361	5.07%
500,000 US Bank Repo 6/1/2004 .92% 7/1/2004	500,000	500,000	8.30%
500,000 US Bank Repo 6/7/2004 .92% 7/7/2004	500,000	500,000	8.30%
500,000 US Bank Repo 6/14/2004 .92% 7/14/2004	500,000	500,000	8.30%
500,000 US Bank Repo 6/21/2004 .92% 7/21/2004	500,000	500,000	8.30%
	<u>2,305,361</u>	<u>2,305,361</u>	<u>38.27%</u>
<b>Total Investments</b>	<u>\$ 5,573,298</u>	<u>\$ 5,932,242</u>	<u>98.48%</u>
Assets less other Liabilities		<u>91,561</u>	<u>1.52%</u>
<b>Net Assets</b>		<u>\$ 6,023,803</u>	<u>100.00%</u>

\* Non-Income producing securities.

\*\* Variable Rate Security; The Coupon Rate shown represents the rate at June 30, 2004

The accompanying notes are an integral part of the financial statements

**PINNACLE VALUE FUND  
BERTOLET CAPITAL TRUST**

**Notes to Financial Statements (Unaudited)  
June 30, 2004**

**1.) ORGANIZATION:**

Pinnacle Value Fund ("Fund") is registered under the Investment Company Act of 1940 as an open-end investment management company and is the only series of the Bertolet Capital Trust, a Delaware business trust organized on January 1, 2003 ("Trust"). The Trust's Declaration of Trust authorizes the Board of Trustees to issue an unlimited number of Fund shares. Each share of the Fund has equal voting, dividend, distribution, and liquidation rights. The Fund's investment objective is long term capital appreciation with income as a secondary objective.

**2.) SIGNIFICANT ACCOUNTING POLICIES  
SECURITY VALUATION:**

The Fund will primarily invest in equities and convertible securities. The investments in securities are carried at market value. Securities that are traded on any exchange or on the NASDAQ over-the-counter market are valued at the last quoted sale price. Lacking a last sale price, a security is valued at its last bid price except when, in the Adviser's opinion, the last bid price does not accurately reflect the current value of the security. When market quotations are not readily available, when the Adviser determines the last bid price does not accurately reflect the current value or when restricted securities are being valued, such securities are valued as determined in good faith by the Adviser, in conformity with guidelines adopted by and subject to review of the Board of Trustees.

Fixed income securities generally are valued by using market quotations, but may be valued on the basis of prices furnished by a pricing service when the Adviser believes such prices accurately reflect the fair market value of such securities. A pricing service utilizes electronic data processing techniques based on yield spreads relating to securities with similar characteristics to determine prices for normal institutional-size trading units of debt securities without regard to sale or bid prices. When prices are not readily available from a pricing service, or when restricted or illiquid securities are being valued, securities are valued at fair value as determined in good faith by the Adviser, subject to review of the Board of Trustees. Short term investments in fixed income securities with maturities of less than 60 days when acquired, or which subsequently are within 60 days of maturity, are valued by using the amortized cost method of valuation.

**SECURITY TRANSACTIONS AND INVESTMENT INCOME:**

The Company records security transactions based on a trade date. Dividend income is recognized on the ex-dividend date, and interest income is recognized on an accrual basis. Discounts and premiums on securities purchased are amortized over the lives of the respective securities.

**FEDERAL INCOME TAXES:**

*Federal income taxes.* The Company's policy is to continue to comply with the requirements of the Internal Revenue Code that are applicable to regulated investment companies and to distribute all its taxable income to its shareholders. Therefore, no federal income tax provision is required.

*Distribution to shareholders.* Distributions to shareholders, which are determined in accordance with income tax regulations, are recorded on the ex-dividend date.

**PINNACLE VALUE FUND  
BERTOLET CAPITAL TRUST**

**Financial Highlights**

Selected data for a share outstanding throughout the period.

	(Unaudited)	
	1/1/2004 to 6/30/2004	4/1/2003* to 12/31/2003
<b>Net Asset Value -</b>		
Beginning of Period	<u>\$11.27</u>	<u>\$10.00</u>
<b>Net Investment Loss</b>	(0.04)	(0.09)
<b>Net Gains or Losses on Securities</b>		
(realized and unrealized)	<u>0.51</u>	<u>1.46</u>
<b>Total from Investment Operations</b>	<u>0.47</u>	<u>1.37</u>
<b>Distributions from Capital Gains</b>	<u>0.00</u>	<u>(0.10)</u>
<b>Net Asset Value -</b>		
End of Period	<u>\$11.74</u>	<u>\$11.27</u>
<b>Total Return</b>	4.17 %	13.71 %
<b>Ratios/Supplemental Data</b>		
<b>Net Assets - End of Period (Thousands)</b>	6,024	4,725
<b>Before Reimbursement</b>		
Ratio of Expenses to Average Net Assets	2.41% **	4.00% **
Ratio of Net Loss to Average Net Assets	(1.23)% **	(3.38)% **
<b>After Reimbursement</b>		
Ratio of Expenses to Average Net Assets	1.79% **	1.78% **
Ratio of Net Loss to Average Net Assets	(0.61)% **	(1.16)% **
<b>Portfolio Turnover Rate</b>	77.04% **	68.44% **

\*commencement of operations

\*\* annualized

The accompanying notes are an integral part of the financial statements

**PINNACLE VALUE FUND  
BERTOLET CAPITAL TRUST**

**Statement of Assets and Liabilities (Unaudited)**

June 30, 2004

<b>Assets:</b>	
Investment Securities at Market Value (Identified Cost \$5,573,298 )	\$ 5,932,242
<b>Receivables:</b>	
Cash	9,092
Dividends and Interest	3,469
Receivable for Securities Sold	<u>132,540</u>
<b>Total Assets</b>	<u>6,077,343</u>
<b>Liabilities:</b>	
<b>Payables:</b>	
Management Fees	18,215
Accrued Expenses	20,867
Securities Purchased	<u>14,458</u>
<b>Total Liabilities</b>	<u>53,540</u>
<b>Net Assets</b>	<u>\$ 6,023,803</u>
<b>Net Assets Consist of:</b>	
Paid-In Capital	\$ 5,504,125
Accumulated Undistributed Net Investment Loss	(17,045)
Accumulated Realized Gain on Investments - Net	177,779
Unrealized Appreciation in Value of Investments Based on Identified Cost - Net	<u>358,944</u>
<b>Net Assets, for 513,052 Shares Outstanding</b>	<u>\$ 6,023,803</u>
<b>Net Asset Value and Redemption Price</b>	
Per Share (\$6,023,803/513,052 shares)	<u>\$ 11.74</u>

The accompanying notes are an integral part of the financial statements

**PINNACLE VALUE FUND  
BERTOLET CAPITAL TRUST**

**Statement of Operations**

	(Unaudited)
	1/1/2004
	to
	<u>6/30/2004</u>
Investment Income:	
Dividends	\$ 25,785
Interest	<u>7,106</u>
Total Investment Income	<u>32,891</u>
Expenses: (Note 2)	
Investment Advisor Fees	34,871
Audit Fees	4,987
Accounting Fees	7,090
Transfer Agent Fees	3,140
Custodial Fees	1,772
Trustee Fees	1,995
Legal Fees	2,992
Printing & Mailing Fees	2,225
Registration Fees	3,125
Miscellaneous Fees	684
Insurance Fees	<u>4,296</u>
Total Expenses	67,177
Reimbursed Expenses	<u>(17,241)</u>
Net Expenses	<u>49,936</u>
Net Investment Loss	<u>(17,045)</u>
Realized and Unrealized Gain (Loss) on Investments:	
Realized Gain on Investments	116,259
Unrealized Appreciation on Investments	<u>119,482</u>
Net Realized and Unrealized Gain on Investments	<u>235,741</u>
Net Increase in Net Assets from Operations	<u>\$ 218,696</u>

The accompanying notes are an integral part of the financial statements

**PINNACLE VALUE FUND  
BERTOLET CAPITAL TRUST**

**Statement of Changes in Net Assets**

	(Unaudited)	
	1/1/2004	4/1/2003*
	to	to
	<u>6/30/2004</u>	<u>12/31/2003</u>
<b>From Operations:</b>		
Net Investment Loss	\$ (17,045)	\$ (23,221)
Net Realized Gain on Investments	116,259	124,337
Net Unrealized Appreciation	<u>119,482</u>	<u>239,463</u>
Increase in Net Assets from Operations	<u>218,696</u>	<u>340,579</u>
<b>From Distributions to Shareholders:</b>		
Net Realized Gain from Security Transactions	<u>0</u>	<u>(39,595)</u>
<b>From Capital Share Transactions:</b>		
Proceeds From Sale of Shares	1,324,697	4,285,322
Shares issued in Reinvestment of Dividends	0	38,470
Cost of Shares Redeemed	<u>(244,366)</u>	<u>0</u>
<b>Net Increase from Shareholder Activity</b>	<u>1,080,331</u>	<u>4,323,792</u>
<b>Net Increase in Net Assets</b>	<u>1,299,027</u>	<u>4,624,776</u>
<b>Net Assets at Beginning of Period</b>	4,724,776	100,000
<b>Net Assets at End of Period</b>	<u>\$ 6,023,803</u>	<u>\$ 4,724,776</u>
<b>Share Transactions:</b>		
Issued	114,776	405,899
Reinvested	-	3,441
Redeemed	<u>(21,064)</u>	<u>-</u>
Net increase in shares	93,712	409,340
Shares outstanding beginning of period	<u>419,340</u>	<u>10,000</u>
Shares outstanding end of period	<u>513,052</u>	<u>419,340</u>
*commencement of operations		

The accompanying notes are an integral part of the financial statements