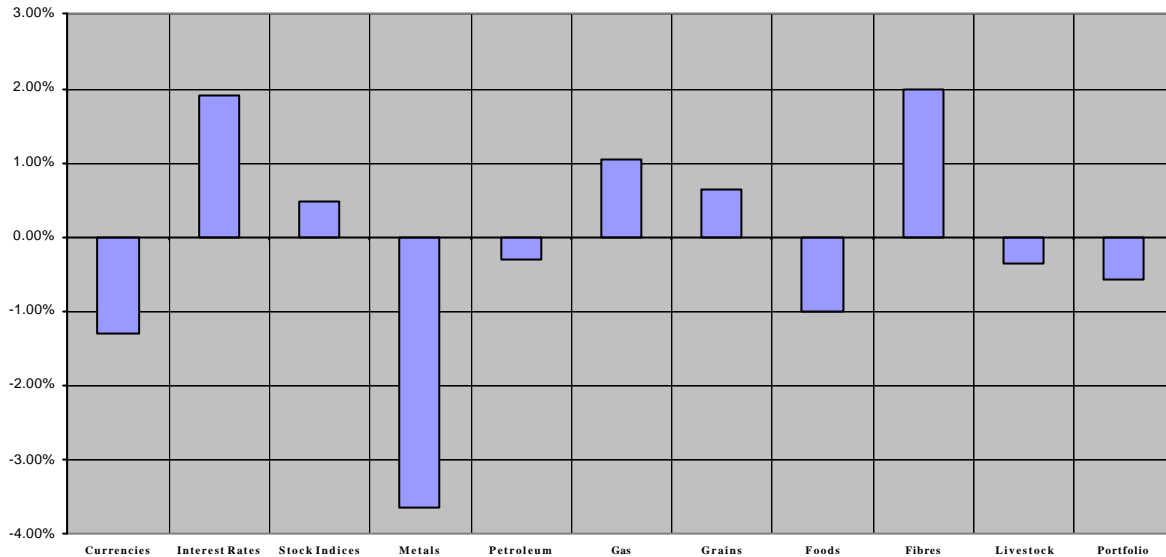




Mulvaney Capital Management Ltd - Gross Returns By Market Sector - May 2001



May 2001 %	-1.31	1.91	0.47	-3.65	-0.29	1.03	0.63	-1.01	2.00	-0.36	-0.59
Ytd 2001 %	4.95	13.93	1.15	0.86	-1.55	-12.6	-0.82	-2.23	8.60	-2.54	9.75

After six consecutive months of plus or minus double digit returns, trading in May was relatively subdued, a total loss of 0.59% being posted at the gross level. The only real event of note was a 9% spike in gold, though this move had been erased by month end.

Financials:

- The Yen continued its recent recovery, hurting our short position, but the loss was partially offset by gains on shorts in European currencies as the Euro, Swiss Franc and Pound all came under pressure. Overall loss -1.31%
- Traders found little to suggest that an end to the global economic downturn was in sight. Interest rates in the US, Europe and Japan continued to grind lower, resulting in a portfolio gain of +1.91%

Tangibles:

- Gold and Silver spiked sharply higher, though this was attributed to technical factors rather than major fundamental developments and both metals finished the month unchanged. We triggered partial stops: the cost to the portfolio was -3.65%
- We started shorting Cotton in December 2000 and achieved full weighting by late February. The market weakened again in May, driving a 2% gain
- The portfolio held a long position in Natural Gas from May 2000 until late April 2001, when we reversed to partially short. In May this position was augmented as Gas lost further ground: gain +1.03%
- Cocoa, where the portfolio maintains long exposure, rallied in early May but was unable to penetrate overhead resistance and by month end had succumbed to a new wave of selling. Portfolio loss -1.01%

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