

The Mellon Funds

Mellon Large Cap Stock Fund

Mellon Income Stock Fund

Mellon Mid Cap Stock Fund

Mellon Small Cap Stock Fund

Mellon International Fund

Mellon Emerging Markets Fund

Mellon Balanced Fund

SEMIANNUAL REPORT

February 29, 2004

Contents

The Funds

Letter from the President	2
Discussion of Funds' Performance	
Mellon Large Cap Stock Fund	3
Mellon Income Stock Fund	5
Mellon Mid Cap Stock Fund	7
Mellon Small Cap Stock Fund	9
Mellon International Fund	11
Mellon Emerging Markets Fund	13
Mellon Balanced Fund	15
Statements of Investments	17
Statements of Assets and Liabilities	39
Statements of Operations	41
Statements of Changes in Net Assets	43
Financial Highlights	48
Notes to Financial Statements	63

For More Information

Back cover

The views expressed herein are current to the date of this report. These views and the composition of the funds' portfolios are subject to change at any time based on market and other conditions.

- Not FDIC-Insured
- Not Bank-Guaranteed
- May Lose Value

The Funds



LETTER FROM THE PRESIDENT

Dear Shareholder:

This semiannual report for The Mellon Funds covers the period from September 1, 2003, through February 29, 2004. On the following pages, you'll find important information on each fund's management during this period as well as discussions with each fund manager.

The stock market rally that began during the spring of 2003 remained in place through the end of the reporting period. With the U.S. and global economies on firmer footing, corporate spending and investment began to improve after several years of cost-cutting. Earnings reports generally contained more positive surprises than negative ones. Fixed-income yields have been volatile but are likely to remain at very low levels in the immediate future.

While we believe that the prospects for financial assets remain generally positive over the long term, investors should be prepared to weather day-to-day volatility in the broad markets. As always, we encourage you to talk with your portfolio manager regularly should you have any questions about your investments in The Mellon Funds, or any other matter relating to your relationship with Mellon.

Thank you for your continued confidence in Mellon.

Sincerely,

Lawrence P. Keblusek
President
The Mellon Funds
March 15, 2004



DISCUSSION OF FUND PERFORMANCE

Mellon Private Wealth Management Group's
Equity Management Team, Portfolio Manager

How did Mellon Large Cap Stock Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund's Class M shares produced a total return of 13.35% while its Investor shares produced a total return of 13.09%.¹ In comparison, the total return of the Standard & Poor's 500 Composite Stock Price Index ("S&P 500 Index"), the fund's benchmark, was 14.59% for the same period.² In addition, the average total return of all funds in the Lipper Large Cap Core category was 12.49% for the reporting period.³

We attribute the fund's performance to broadly-based market strength, driven by greater U.S. economic growth and improving business fundamentals. While all market sectors posted gains, the market's highest returns were concentrated among smaller, relatively volatile stocks, many with little or no earnings and weak underlying fundamentals. The fund rose more modestly than its benchmark because our disciplined investment approach generally steers us away from such investments. However, the fund outperformed its Lipper category average due to successful stock selections in the energy, financials and producer goods sectors.

What is the fund's investment approach?

The fund seeks investment returns consisting of capital appreciation and income that are consistently superior to those of the S&P 500 Index. To pursue its goal, the fund normally invests at least 80% of its assets in stocks of large-cap companies. Stocks are chosen through a disciplined investment process that combines computer modeling techniques, fundamental analysis and risk management.

When selecting securities, we use a computer model to identify and rank stocks within an industry or sector, based on:

- *Value*, or how a stock is priced relative to its perceived intrinsic worth;
- *Growth*, in this case the sustainability or growth of earnings; and
- *Financial profile*, which measures the financial health of the company.

Next, a team of experienced analysts examines the fundamentals of the higher-ranked securities. The portfolio managers then decide which stocks to purchase and whether any current holdings should be sold.

We also attempt to manage the risks by diversifying across companies and industries. The fund is structured so that its sector weightings and risk characteristics are similar to those of the S&P 500 Index.

What other factors influenced the fund's performance?

Tight oil and gas supplies and rising industrial demand for energy in the recovering global economy drove commodity prices substantially higher during the reporting period. As a result, energy stocks fared particularly well. The energy sector generated stronger gains for the fund than for the benchmark due to good individual stock selections. Refinery consolidator Valero Energy was positioned to benefit from the imbalance between supply and demand. Other holdings, such as diversified producer Occidental Petroleum and oil service giant Halliburton, gained additional ground on the strength of management improvements and other company-specific developments.

Industrial demand for other commodities stimulated stock prices in the producer goods area. As in the energy group, the fund enhanced returns in the producer goods sector with strong individual stock selections, including industrial conglomerate Tyco International and metal mining companies Phelps Dodge and Freeport McMoran Copper & Gold. The fund outperformed the benchmark in the financial services area, where greater activity in the capital markets boosted brokerage holdings such as Lehman Brothers Holdings, while historically low interest rates favored the fund's investments in mortgage lender Countrywide Financial. Strong performers in other sectors included The Walt Disney Co., which benefited from rising earnings.

While every industry group contributed positively to the fund's returns, some of the fund's sectors trailed their respective performances in the benchmark. For example, in the telecommunications sector, the fund's returns were hindered by its lack of exposure to AT&T Wireless, which climbed on the strength of an acquisition offer by Cingular Wireless. In light of ongoing injury claims by smokers, the fund tended to avoid investments in most tobacco companies. However, tobacco stocks rose as concerns over the costs of litigation diminished. Finally, in the technology sector, large, well-established companies such as Dell and Microsoft rose only modestly during a time in which the market typically favored riskier, more volatile issues. Nonetheless, several of the fund's

technology holdings, such as software developer Symantec and semiconductor maker Texas Instruments, produced strong returns during the reporting period.

What is the fund's current strategy?

We have been encouraged by steadily rising levels of economic growth, which we believe could continue to drive corporate earnings higher. In addition, during the last two months of the reporting period, we began to see greater market support for the kinds of high-quality companies in which the fund invests. In this environment, we have continued to maintain the fund's sector-neutral focus, employing our "bottom-up" stock selection process to identify companies that we believe are poised to benefit from rising capital spending and the continuing impact of tight energy supplies.

March 15, 2004

- ¹ Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost.
- ² SOURCE: LIPPER INC. — Reflects the monthly reinvestment of dividends and, where applicable, capital gain distributions. The Standard & Poor's 500 Composite Stock Price Index is a widely accepted, unmanaged index of U.S. stock market performance.
- ³ SOURCE: LIPPER INC. — Category average returns reflect the fees and expenses of the funds composing the average.



DISCUSSION OF FUND PERFORMANCE

D. Gary Richardson, Portfolio Manager

How did Mellon Income Stock Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund's Class M shares produced a total return of 15.73%, and its Investor shares produced a total return of 15.56%.¹ In comparison, the Russell 1000 Value Index, the fund's benchmark, provided a total return of 17.53%, and the average total return of all funds reported in the Lipper Equity Income Funds category was 15.17% for the same period.^{2,3}

We attribute the fund's performance to a broad-based stock market rally, which was fueled by stronger than expected U.S. economic growth and improving corporate earnings and revenues. While these conditions boosted stock prices in all of the benchmark's market sectors, the greatest gains were concentrated among relatively speculative issues producing little or no dividend income. The fund's returns were more modest than the benchmark's because it emphasizes dividend-yielding stocks. Nevertheless, strong individual stock selections in the services, energy, financials and producer goods sectors enabled the fund to outperform its Lipper category average.

What is the fund's investment approach?

The fund seeks to exceed the total return performance of the Russell 1000 Value Index over time. To pursue its goal, the fund normally invests at least 80% of its assets in stocks. The fund seeks to invest primarily in dividend-paying stocks. Stocks are chosen through a disciplined investment process that combines computer modeling techniques, fundamental analysis and risk management. Because the fund seeks to invest primarily in dividend-paying stocks, it generally emphasizes stocks with value characteristics, although it may also purchase growth stocks.

When selecting securities, we use a computer model to identify and rank stocks within an industry or sector, based on:

- *Value*, or how a stock is priced relative to its perceived intrinsic worth;
- *Growth*, in this case the sustainability or growth of earnings; and
- *Financial profile*, which measures the financial health of the company.

Next, based on fundamental analysis, the investment adviser generally selects the most attractive of the higher-ranked securities. The portfolio manager then decides which stocks to purchase and whether any current holdings should be sold. We also attempt to manage the risks by diversifying broadly across companies and industries, limiting the potential adverse impact of any one stock or industry on the overall portfolio. In an attempt to earn higher yields, the fund may at times invest a higher percentage of assets than its benchmark in certain industry sectors.

What other factors influenced the fund's performance?

The U.S. economic recovery and stock market rally that began in early 2003 persisted throughout the reporting period, and the fund continued to benefit from our bottom-up stock selection process and broadly diversified approach to investing. The fund's top performers included a number of companies in the services sector, including publisher McGraw-Hill Cos., tax preparation service provider H&R Block and entertainment company The Walt Disney Co. All rose on the strength of better than expected earnings results, and Disney's stock price further benefited from a takeover offer from Comcast.

In the energy sector, rising industrial demand and constraints on refinery capacity generated strongly

positive returns for well-managed, integrated energy providers with significant refinery operations such as Sunoco, ConocoPhillips and ChevronTexaco.

In the financial services area, the fund focused on investment services providers benefiting from increased levels of capital markets activity such as Lehman Brothers Holdings, Bear Sterns Cos. and Friedman Billings Ramsey Group. Other strong-performing financial holdings included several high-yielding real estate investment trusts (REITs), and FleetBoston Financial, a Northeast bank that received a takeover bid from another fund holding, Bank of America, during the reporting period. Finally, in the producer goods area, rising demand boosted chemical producers Monsanto Company and Ashland Inc., as well as auto parts producers such as Johnson Controls and Dana Automotive.

On the other hand, the fund's performance was held back by relatively weak returns in the tobacco and technology industries. The fund generally avoided tobacco stocks in light of ongoing litigation concerns, but tobacco stocks gained significant ground from the relatively depressed levels at which they began the reporting period. In technology, lower-priced stocks with weaker fundamentals tended to perform better than the higher-quality, dividend-paying technology stocks on which the fund focused. Individual stocks in other areas also held back the fund's performance, including pharmaceutical company Wyeth, which was hurt by litigation and prod-

uct disappointments; Eastman Kodak, which underwent a major reorganization to emphasize digital photography; and Bank of America.

What is the fund's current strategy?

We are pleased by steadily rising levels of economic growth, and we recently have seen increasing market support for the kinds of higher-quality companies on which the fund focuses. While our underlying investment strategy remains unchanged, we currently are finding what we believe to be attractive investment opportunities among stocks with significant exposure to rising corporate capital spending and rising industrial demand for energy and commodities.

March 15, 2004

¹ Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost.

² SOURCE: LIPPER INC. — Reflects the reinvestment of dividends and, where applicable, capital gain distributions. The Russell 1000 Value Index is an unmanaged index that measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

³ SOURCE: LIPPER INC. — Category average returns reflect the fees and expenses of the funds composing the average.



DISCUSSION OF FUND PERFORMANCE

Anthony J. Galise, Portfolio Manager

How did Mellon Mid Cap Stock Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund produced total returns of 16.14% for its Class M shares, 16.01% for its Investor shares and 15.69% for its Dreyfus Premier shares.¹ In comparison, the Standard & Poor's MidCap 400 Index ("S&P 400 Index"), the fund's benchmark, produced a total return of 16.60% for the same period.²

We attribute the fund's performance to an economic recovery that created better business conditions for many midsize companies. The fund's returns lagged the benchmark, primarily because the market's strongest performers continued to be concentrated among smaller, lower-quality companies that did not meet our investment criteria. However, as the reporting period came to a close, we began to detect a possible shift in market leadership toward higher-quality stocks, and the fund's margin of underperformance narrowed.

What is the fund's investment approach?

The fund seeks investment returns consisting of capital appreciation and income that are consistently superior to those of the S&P 400 Index. To pursue its goal, the fund normally invests at least 80% of its assets in stocks of midcap domestic companies, whose market capitalizations generally range between \$1 billion and \$8 billion at the time of purchase. Stocks are chosen through a disciplined investment process that combines computer modeling techniques, fundamental analysis and risk management.

When selecting securities, we use a computer model to identify and rank stocks within each industry or sector, based on:

- *Value*, or how a stock is priced relative to its perceived intrinsic worth;
- *Growth*, in this case the sustainability or growth of earnings; and

- *Financial profile*, which measures the financial health of the company.

Next, based on fundamental analysis, we generally select the most attractive of the higher-ranked securities, drawing on a variety of sources, including Wall Street research and company management. Finally, we use portfolio construction techniques to manage sector and industry risks. Our goal is to keep those risks at levels that are similar to those of the S&P 400 Index. For example, if the S&P 400 Index has a 10% weighting in a particular industry sector, about 10% of the fund's assets will also normally be invested in that sector.

What other factors influenced the fund's performance?

Midcap stocks generally produced higher returns than their large-cap counterparts during the reporting period, as historically low interest rates, the 2003 federal income tax cuts and rising corporate spending supported a rally among smaller stocks. However, the stocks that performed best continued to be relatively speculative, lower-quality companies that had been hurt more severely during the previous bear market. The fund did not participate fully in the market's rally because the fund's bottom-up stock selection process favors healthier companies with good growth prospects.

However, the fund offset a substantial portion of its underperformance with strong stock selections in the energy, producer goods and interest-sensitive market sectors. In the energy sector, oil and gas driller Petroleum Development Corporation and refiners Tesoro Petroleum, Valero Energy and Ashland Oil benefited from tight supplies and rising global demand for energy. Producers of the raw materials used in manufacturing saw greater demand and higher commodity prices, supporting the stocks of fund holdings such as scrap metal recycler Schnitzer Steel Industries and mining companies Freeport-McMoRan Copper & Gold and Inco Ltd. The fund's recent preference for investment firms over banks drove its returns in the

financials sector, where investment banker Friedman Billings Ramsey Group and futures and commodities marketplace Chicago Mercantile Exchange capitalized on greater activity in the financial markets.

On the other hand, the fund received relatively disappointing results from some of its positions in the health care, media and technology sectors. Health benefits firm First Health Group produced lackluster returns despite strong earnings after suggesting that competitive pressures may constrain its 2004 results. Radio station owner Entercom Communications and programming distributor Westwood One suffered from softer than expected advertising sales. In the technology sector, the stock price of MEMC Electronic Materials was hurt by a secondary offering of its shares during the reporting period, while Qlogic declined after it cautioned analysts about potential weakness in its storage networking business.

What is the fund's current strategy?

As of the end of the reporting period, we have found a number of individual opportunities among producer goods stocks, leading to an overweighted position in the sector. Our bottom-up investment approach also has created a slight portfolio bias toward economically sen-

sitive companies, such as brokerage firms that are expected to prosper amid greater market activity.

Toward the end of the reporting period, we began to see signs that investor attention may be shifting from the lower-quality stocks that typically have led the market during the early stages of economic recoveries, toward higher-quality stocks, which historically have tended to do better later in the economic cycle. Therefore, we believe that the fund remains well positioned for the long term.

March 15, 2004

¹ *Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost.*

² *SOURCE: LIPPER INC. — Reflects reinvestment of dividends and, where applicable, capital gain distributions. The Standard & Poor's MidCap 400 Index is a widely accepted, unmanaged total return index measuring the performance of the midsize company segment of the U.S. stock market.*



DISCUSSION OF FUND PERFORMANCE

Gene F. Cervi and Dwight Cowden, Portfolio Managers

How did Mellon Small Cap Stock Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund's Class M shares produced a total return of 17.24%, and its Investor shares produced a total return of 17.05%.¹ In comparison, the fund's benchmark, the Standard & Poor's SmallCap 600 Index ("S&P 600 Index"), produced a total return of 16.82% for the same period.²

Small-cap stocks continued to benefit from a recovering U.S. economy and improving investor sentiment. The fund slightly outperformed the S&P 600 Index during the reporting period, primarily because our bottom-up stock selection process led us to a number of companies in some of the S&P 600 Index's better performing sectors, including the producer goods, homebuilding and consumer-related sectors.

What is the fund's investment approach?

The fund seeks investment returns consisting of capital appreciation and income that surpass those of the S&P 600 Index. To pursue its goal, the fund normally invests at least 80% of its assets in stocks of small capitalization companies whose market capitalizations generally range between \$100 million and \$2 billion at the time of purchase. Stocks are chosen through a disciplined investment process that combines computer modeling techniques, fundamental analysis and risk management.

When selecting securities, we use a computer model to identify and rank stocks within an industry or sector, based on:

- *Value*, or how a stock is priced relative to its perceived intrinsic worth;
- *Growth*, which measures the sustainability and rate of growth of earnings; and
- *Financial profile*, which measures the financial health of the company.

Next, we examine the fundamentals of the higher-ranked securities. Using these insights, we select what we believe are the most attractive securities identified by the model. Finally, we use portfolio construction techniques to manage sector and industry risks. We attempt to keep those risks at levels that are similar to those of the S&P 600 Index. For example, if the S&P 600 Index has a 10% weighting in a particular sector, about 10% of the fund's assets will also normally be invested in that sector.

What other factors influenced the fund's performance?

Investors' appetite for risk, which had been low throughout the bear market from mid-2000 through early 2003, continued to expand during the reporting period along with the U.S. economic recovery. Corporations that previously had cut back on capital investment began to spend more freely, benefiting smaller companies that serve big businesses. At the same time, historically low interest rates and the 2003 federal tax cuts put cash in consumers' pockets. In this improving economic environment, small-cap stocks generally continued to produce higher returns than their large-cap and midcap counterparts.

Our bottom-up stock-selection process enabled the fund to participate fully in the small-cap market's advance. On average during the reporting period, our quantitative models and fundamental research identified a greater number of opportunities among smaller companies with more volatile stock prices. These types of companies continued to lead the small-cap market, supporting the fund's performance.

Producer goods stocks ranked among the reporting period's strongest performers. Metals technology company GrafTech International, scrap metal recycler Schnitzer Steel Industries and mining equipment producer Joy Global benefited from greater global demand for raw materials, especially in the U.S. and China.

The fund's interest-sensitive holdings also performed well. Lenders such as Commercial Capital Bancorp and IndyMac Bancorp benefited from rising loan volumes in the reporting period's low interest-rate environment.

Among consumer-oriented companies, the fund continued to receive strong results from retailer Dick's Sporting Goods, a stock the fund has owned since its initial public offering in late 2002. Dick's Sporting Goods has benefited from the addition of new stores during a time of industry consolidation. In addition, truck trailer manufacturer Wabash National benefited from stronger demand from transporters. We sold the fund's holdings of Wabash National during the reporting period after its price had appreciated.

On the other hand, the technology and services sectors detracted from the fund's performance relative to the S&P 600 Index. Disappointments included electronic displays manufacturer Planar Systems, which we sold after it announced lower than expected earnings. For-profit post-secondary education provider ITT Educational Services gave back some of its previous gains after the announcement that its placement statistics were being investigated.

What is the fund's current strategy?

We recently have identified a number of energy service companies that we believe are poised to benefit from historically high oil and gas prices and rising global demand, which has led to a modestly overweighted position in the fund's energy sector as of the end of the reporting period. Otherwise, as is consistent with our longstanding investment strategy, we have maintained a generally sector-neutral portfolio, preferring to add value for investors through our disciplined approach to security selection rather than by attempting to capitalize on broad macroeconomic or market trends.

March 15, 2004

- ¹ Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost.
- ² SOURCE: LIPPER INC. — Reflects the reinvestment of dividends and, where applicable, capital gain distributions. The Standard & Poor's SmallCap 600 Index is a broad-based index and a widely accepted, unmanaged index of overall small-cap stock market performance.



DISCUSSION OF FUND PERFORMANCE

D. Kirk Henry, Portfolio Manager

How did Mellon International Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund's Class M shares produced a total return of 23.84%, and its Investor shares produced a total return of 23.44%.¹ The fund's benchmark, the Morgan Stanley Capital International Europe, Australasia, Far East Index ("MSCI EAFE Index"), produced a total return of 25.22% for the same period.²

International stock markets staged a strong rebound during the reporting period, mainly due to improving economic and business conditions around the world. However, the fund's returns modestly trailed its benchmark, primarily because of the fund's limited exposure to certain European telecommunications stocks and several technology stocks within the MSCI EAFE Index that performed relatively well but did not meet our value-oriented investment criteria.

What is the fund's investment approach?

The fund seeks long-term capital growth. To pursue this goal, the fund normally invests at least 65% of its total assets in equity securities of foreign issuers. The fund also invests primarily in companies that we consider to be value companies. The fund normally invests in companies in a broad range of countries and generally limits its investments in any single company to no more than 5% of its assets at the time of purchase.

The fund's investment approach is value-oriented, research-driven and risk-averse. When selecting stocks, we identify potential investments through extensive quantitative and fundamental research. Emphasizing individual stock selection over economic or industry trends, the fund focuses on three key factors:

- *Value*, or how a stock is priced relative to traditional business performance measures;

- *Business health*, or overall efficiency and profitability as measured by return on assets and return on equity; and

- *Business momentum*, or the presence of a catalyst such as corporate restructuring or changes in management that may potentially trigger a price increase in the near- to midterm.

The fund typically sells a stock when it is no longer considered a value company, appears less likely to benefit from the current market and economic environments, shows deteriorating fundamentals or declining momentum, or falls short of our expectations.

What other factors influenced the fund's performance?

International equity markets advanced sharply during the reporting period, driven higher by an improving global economy characterized by greater merger-and-acquisition activity, rising consumer and business confidence and higher corporate earnings. However, the fund's limited exposure to some of the better performing stocks within the MSCI EAFE Index, particularly some of the major European telecommunications stocks and technology companies, hindered its relative performance. We regarded these stocks as expensive based on our valuation criteria, but they rose sharply during a time in which more speculative companies were more in favor among investors, who were attracted to lower-quality stocks in market sectors that were hit hard during the bear market that dominated the international equity markets from mid-2000 to early 2003.

However, the fund enjoyed more solid returns in other areas. The fund's financial stocks, for example, contributed strongly to its performance. Japanese credit card companies Credit Saison Co. and AIFUL Corp. benefited from a slowdown in personal bankruptcies and a rebound in credit card subscriptions. In the

Netherlands, the successful public offering of the U.S. non-life insurance division of Fortis, an international banking and insurance provider, helped support the fund's overall returns.

Energy stocks also produced relatively attractive results during the reporting period as oil and gas prices rose amid stronger demand for energy among manufacturers. Norsk Hydro ASA in Norway rose after exceeding earnings expectations. Many utility holdings in the portfolio sold off non-core assets and restructured operations during the previous economic downturn, positioning them for accelerated earnings growth during the global recovery. E.ON A.G. in Germany and Endesa, S.A. in Spain ranked among the fund's better performing utility companies.

The fund's performance also benefited from a variety of holdings in other areas. Aventis, the French pharmaceutical company, rose sharply after Sanofi-Synthelabo, which was not owned by the fund, launched an unsolicited bid for the company. U.K.-based Allied Domecq, known for Kahlua liquor, Perrier Jouet champagne and Stolichnaya vodka, benefited from strong spirit consumption in the U.S. during the holiday season, a key period for liquor sales.

Concern regarding competitive pressure from China weighed heavily on electronic component manufacturers in Japan. In fact, our holdings in this segment have developed leading edge production platforms and have shifted manufacturing to lower cost China.

What is the fund's current strategy?

Our strategy is to evaluate potential investments one company at a time, based on their individual merits rather than according to macroeconomic or market trends. In our view, our focus on stock picking uncovered a number of attractive investment opportunities during the early stages of the global economic rebound, and we have continued to find new opportunities among what we believe are reasonably valued, growing companies as the recovery has progressed.

For example, toward the end of the reporting period, we established new positions in DSM N.V., the Dutch chemical company, and Japan's Sumitomo Chemical Company. We believe both companies are poised to benefit from rising manufacturing activity. Royal Bank of Scotland, the U.K. financial services company, is also a new portfolio position. The bank provides corporate lending, wealth management and retail banking services.

March 15, 2004

¹ Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost.

² SOURCE: LIPPER INC. — Reflects reinvestment of net dividends and, where applicable, capital gain distributions. The Morgan Stanley Capital International Europe, Australasia, Far East (MSCI EAFE) Index is an unmanaged index composed of a sample of companies representative of the market structure of European and Pacific Basin countries.



DISCUSSION OF FUND PERFORMANCE

D. Kirk Henry, Portfolio Manager

How did Mellon Emerging Markets Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund's Class M shares produced a total return of 28.26%, and the fund's Investor shares produced a total return of 28.11%.¹ In comparison, the Morgan Stanley Capital International Emerging Markets Free Index ("MSCI EMF Index"), the fund's benchmark, provided a total return of 28.55% for the same period.²

We attribute the fund and market's strong overall performance to the beneficial effects of a global economic recovery on stock prices during the reporting period, particularly in the basic materials, energy, industrial and consumer-related sectors. Although the fund's returns roughly matched the MSCI EMF Index over the reporting period, its performance was constrained slightly by disappointments among certain South Korean financial companies.

What is the fund's investment approach?

The fund seeks long-term capital growth. To pursue its goal, the fund invests at least 80% of its assets in equity securities of companies organized, or with a majority of assets or operations, in countries considered to be emerging markets. Normally, the fund will not invest more than 25% of its total assets in the securities of companies in any one emerging market country.

When choosing stocks, we use a value-oriented, research-driven approach. We identify potential investments through extensive quantitative and fundamental research. Emphasizing individual stock selection rather than economic and industry trends, we focus on three key factors:

- *Value*, or how a stock is priced relative to traditional business performance measures;

- *Business health*, or overall efficiency and profitability as measured by return on assets and return on equity; and
- *Business momentum*, or the presence of a catalyst such as corporate restructuring or changes in management that may potentially trigger a price increase in the near- to midterm.

We typically sell a stock when it is no longer considered a value company, appears less likely to benefit from the current market and economic environment, shows deteriorating fundamentals or declining momentum, or falls short of our expectations.

What other factors influenced the fund's performance?

Stocks from emerging markets continued to advance during the reporting period, benefiting from greater economic strength and rising corporate profitability throughout the world. Greater demand from industrial companies and manufacturers boosted the prices of commodities ranging from oil and gas to industrial metals and chemicals. Some of the fund's holdings in the raw materials areas performed particularly strongly because emerging markets contain some of the world's largest reserves of raw materials. For example, some of the fund's strongest gains were achieved by KGHM Polska Miedz S.A., a copper company in Poland; South Africa's Anglo American, a diversified mining company; and oil companies, including Petroleo Brasileiro, ADR in Brazil, Russia's LUKOIL, ADR, as well as Sasol in South Africa and Reliance Industries, GDR in India.

On a country basis, the bulk of the fund's positive performance stemmed from its investments in India, Taiwan and China. In India, a market we have favored for quite a while now, one of the best monsoon seasons in years helped support greater sales of India's agricultural products. In turn, greater crop production

resulted in higher incomes for many of the country's rural citizens, which boosted consumer spending and sales for many consumer-oriented companies in India. For example, rising personal automobile sales helped companies such as Mahindra & Mahindra Ltd., and an increase in homeownership and mortgage lending helped boost the stocks of local banks.

In Taiwan, the fund benefited from its focus on semiconductor and computer companies producing components for flat panel display devices and notebooks. Taiwanese banks also performed well due to strong consumer spending and increased activity in the local stock market. Within China, the fund's greatest contributors to performance included China Resources Enterprise, a diversified consumer products company, and China Mobile Communications, the country's leading telecommunications company, which launched a prepaid service plan for wireless phones.

On the other hand, the primary detractors from the fund's performance were credit card companies in South Korea, where rising consumer debt and a relatively weak economy led to a steady increase in loan defaults. Less exposure to information technology detracted from performance, as many companies posted solid earnings growth on robust demand for consumer electronics, notebook computers and mobile handsets. Limited guidance from corporate management teams on expected technology investment made it difficult for us to support a much higher weight in the sector. However,

our technology holdings outperformed the MSCI EMF Index constituents.

What is the fund's current strategy?

As of the end of the reporting period, we have made modest adjustments to the fund's composition, taking profits in stocks that have reached their price targets and initiating new positions that we believe should perform well over the near term. For example, we reduced the fund's positions in several consumer discretionary, financial and material stocks that had performed well and redeployed those assets to a wide range of potential value opportunities, including information technology stocks in Thailand and Taiwan, telecommunications service providers in Brazil and consumer staples in Asia. We believe that these additions to the portfolio exemplify our strategy of seeking companies with what we believe are valuable business franchises and improving business trends that may have been overlooked by the market.

March 15, 2004

¹ Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost.

² SOURCE: LIPPER INC. — Reflects reinvestment of gross dividends and, where applicable, capital gain distributions. The Morgan Stanley Capital International Emerging Markets Free (MSCI EMF) Index is a market capitalization-weighted index composed of companies representative of the market structure of 26 emerging market countries in Europe, Latin America and the Pacific Basin.



DISCUSSION OF FUND PERFORMANCE

D. Gary Richardson and Lawrence R. Dunn,
Portfolio Managers

How did Mellon Balanced Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund's Class M shares produced a total return of 11.79%, and its Investor shares produced a total return of 11.64%.¹ In comparison, the fund's benchmark, a blended index composed of 60% Standard & Poor's 500 Composite Stock Price Index ("S&P 500 Index") and 40% Lehman Brothers U.S. Aggregate Index, produced a 10.72% total return for the same period.² Separately, the S&P 500 Index and the Lehman Brothers U.S. Aggregate Index produced total returns of 14.59% and 4.92%, respectively, for the same period.

We attribute the fund's performance to gains among both stocks and bonds during the reporting period. In general, stocks benefited from greater U.S. economic growth and improving business fundamentals, while bonds posted more modestly positive returns amid low interest rates and few inflationary pressures. The fund slightly outperformed its blended benchmark, primarily due to successful stock selections in the energy, financials and producer goods sectors.

What is the fund's investment approach?

The fund seeks long-term growth of principal in conjunction with current income. To pursue its goal, the fund may invest in equity securities, income-producing bonds, Mellon Small Cap Stock Fund, Mellon Mid Cap Stock Fund, Mellon International Fund and Mellon Emerging Markets Fund. The fund has established target allocations for its assets of 60% in the aggregate to equity securities and 40% to bonds and money market instruments. The fund may deviate from these targets within ranges of 15% above or below the target amount. The fund's investments in

each of Mellon Small Cap Stock Fund, Mellon Mid Cap Stock Fund, Mellon International Fund and Mellon Emerging Markets Fund are subject to a separate limit of 20% of the fund's total assets, as is the fund's investment in money market instruments.

With respect to the equity portion of the fund's portfolio, individual stocks are chosen through a computer model, fundamental analysis and risk management. Our computer model identifies and ranks stocks within each industry or sector, based on a variety of criteria. A team of experienced analysts then examines the fundamentals of the higher-ranked candidates. Finally, the portfolio managers decide which stocks to purchase or sell. The equity portion of the fund's portfolio is structured so that its allocations of assets to economic sectors are similar to those of the S&P 500 Index.

With respect to the fixed-income portion of the fund's portfolio, the fund's investments in debt securities must be of investment-grade quality at the time of purchase or, if unrated, deemed of comparable quality by the investment adviser. Generally, the fund's average effective portfolio duration of bonds will not exceed eight years. We choose debt securities based on their yields, credit quality, the level of interest rates and inflation, general economic and financial trends and our outlook for the securities markets.

What other factors influenced the fund's performance?

The fund's energy stocks fared well during the reporting period as tight oil and gas supplies and rising industrial demand in the recovering economy drove energy prices higher. Refinery consolidator Valero Energy benefited from the imbalance between supply and demand, while diversified producer Occidental Petroleum and oil service giant Halliburton produced gains after making management improvements and other company-specific developments.

Higher demand for other commodities boosted stocks in the producer goods area, where conglomerate Tyco International and metals producers Phelps Dodge and Freeport McMoran Copper & Gold contributed positively to the fund's performance. In the financial services sector, greater activity in the capital markets boosted brokerage holdings such as Lehman Brothers Holdings, while low interest rates favored mortgage lenders such as Countrywide Financial.

However, the fund's relative returns from the telecommunications sector were hindered by its lack of exposure to AT&T Wireless Services, which received an acquisition offer from Cingular Wireless. The fund's larger, better-established technology holdings, such as Dell and Microsoft, rose only modestly during a time when the market favored smaller companies. The fund's returns also were constrained by its relatively light holdings of tobacco stocks, which rose as litigation concerns diminished.

Among bonds, the fund's relatively defensive interest-rate posture hindered its returns when bond yields ended the reporting period at slightly lower levels. In addition, the fund's overweighted position in mortgage-backed securities produced relatively lackluster returns as homeowners continued to refinance their mortgages.

However, the fund's emphasis on corporate bonds early in the reporting period proved beneficial to its performance.

What is the fund's current strategy?

Historically, rising levels of economic growth have benefited stocks more than bonds. Accordingly, we recently have invested in several companies that we believe are poised to benefit from rising capital spending and tight energy supplies. Conversely, we have maintained a relatively defensive posture in the fund's bond portfolio to guard against the risk that interest rates may move higher.

March 15, 2004

- ¹ Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost.
- ² SOURCE: LIPPER INC. — Reflects reinvestment of dividends and, where applicable, capital gain distributions. The Standard & Poor's 500 Composite Stock Price Index is a widely accepted, unmanaged index of U.S. stock market performance. The Lehman Brothers U.S. Aggregate Index is a widely accepted, unmanaged total return index of corporate, U.S. government and U.S. government agency debt instruments, mortgage-backed securities and asset-backed securities with an average maturity of 1-10 years.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon Large Cap Stock Fund					
Common Stocks—98.9%		Shares	Value (\$)	Shares	Value (\$)
Alcohol & Tobacco—1.3%					
Altria Group		373,900	21,517,945		
Consumer Cyclical—11.4%					
BJ's Wholesale Club		212,200 a	5,039,750		
Bed Bath & Beyond		233,000 a	9,525,040		
Best Buy		211,200	11,246,400		
CVS		255,800	9,592,500		
Cendant		375,100	8,514,770		
Dana		419,000	8,962,410		
General Motors		361,170 b	17,379,500		
Home Depot		822,060	29,848,999		
Lear		108,220	6,669,599		
Limited Brands		595,510	11,761,322		
McDonald's		529,400	14,982,020		
NIKE, Cl. B		64,600	4,731,950		
Safeway		439,500 a	10,051,365		
Wal-Mart Stores		558,124	33,241,865		
Wendy's International		220,400	8,963,668		
			190,511,158		
Consumer Staples—5.8%					
Coca-Cola		487,640	24,362,494		
Fortune Brands		108,410	7,749,147		
Kimberly-Clark		221,730	14,341,496		
PepsiCo		431,917	22,416,492		
Procter & Gamble		272,260	27,909,373		
			96,779,002		
Energy Related—7.2%					
Apache		221,000	9,098,570		
ConocoPhillips		286,550	19,734,698		
Devon Energy		224,206	12,730,417		
Exxon Mobil		733,570	30,934,647		
Halliburton		490,900	15,689,164		
Nabors Industries		209,400 a	9,915,090		
Occidental Petroleum		317,900	14,114,760		
Valero Energy		150,800	9,048,000		
			121,265,346		
Health Care—13.4%					
Abbott Laboratories		390,700	16,721,960		
Aetna		166,500	13,451,535		
Amgen		255,070 a	16,204,597		
Boston Scientific		411,780 a	16,821,213		
Genzyme		104,200 a	5,291,276		
HCA		115,330	4,903,832		
Johnson & Johnson		545,900	29,429,469		
Health Care (continued)					
Merck & Co.		365,800	17,587,664		
Novartis, ADR		106,400 b	4,697,560		
Pfizer		1,424,186	52,196,417		
Teva Pharmaceutical, ADR		135,000	8,775,000		
UnitedHealth Group		291,860	18,095,320		
Varian Medical Systems		37,800 a	3,165,372		
Wyeth		440,318	17,392,561		
			224,733,776		
Interest Sensitive—23.6%					
Allstate		192,500	8,783,775		
American Express		276,900	14,791,998		
American International Group		500,050	37,003,700		
Bank of America		257,240	21,073,101		
Bank One		353,600	19,087,328		
Bear Stearns Cos.		82,410	7,238,894		
Capital One Financial		146,740	10,377,453		
Citigroup		1,055,729	53,060,940		
Countrywide Financial		1	92		
Fannie Mae		199,210	14,920,829		
Freddie Mac		259,410	16,062,667		
General Electric		1,321,116	42,962,692		
Goldman Sachs Group		172,030	18,212,816		
J.P. Morgan Chase & Co.		516,200	21,174,524		
Lehman Brothers Holdings		128,670	11,156,976		
MBNA		401,800	10,981,194		
Merrill Lynch		352,300	21,564,283		
Morgan Stanley		161,800	9,669,168		
New York Community Bancorp		183,467	6,443,348		
Radian Group		80,600	3,522,220		
RenaissanceRe Holdings		106,400	5,633,880		
SouthTrust		204,460	6,869,856		
U.S. Bancorp		463,229	13,215,923		
Wells Fargo		401,380	23,019,143		
			396,826,800		
Internet Related—.4%					
eBay		103,700 a	7,140,782		
Producer Goods & Services—10.9%					
Air Products & Chemicals		189,870	9,159,329		
Alcan		109,800	5,229,774		
Alcoa		133,500	5,002,245		
Cooper Industries, Cl. A		109,000	5,767,190		
Deere & Co.		160,300	10,296,069		
E. I. du Pont de Nemours		245,350	11,062,831		

Mellon Large Cap Stock Fund (continued)

Common Stocks (continued)		Shares	Value (\$)	Shares	Value (\$)
Producer Goods & Services (continued)					
Freeport-McMoRan					
Copper & Gold, Cl. B	232,900	9,933,185			
Honeywell International	307,680	10,784,184			
ITT Industries	84,780	6,400,890			
Inco	209,800 ^a	7,796,168			
Ingersoll-Rand, Cl. A	160,300	10,656,744			
International Paper	154,210	6,825,335			
PPG Industries	152,240	8,934,966			
Pentair	155,570	8,402,336			
Phelps Dodge	121,200 ^a	10,454,712			
3M	175,900	13,723,718			
Tyco International	523,300	14,950,681			
Union Pacific	169,600	10,793,344			
United Technologies	171,990	15,841,999			
		182,015,700			
Services—5.8%					
Comcast, Cl. A	341,400 ^a	10,255,656			
Manpower	117,000	5,235,750			
Nextel Communications, Cl. A	466,700 ^a	12,362,883			
Sprint (PCS Group)	678,000 ^a	6,102,000			
The News, ADR	175,200 ^b	6,561,240			
Time Warner	498,100 ^a	8,592,225			
Tribune	143,600	7,171,384			
Univision Communications, Cl. A	228,800 ^a	8,152,144			
Viacom, Cl. B	337,230	12,969,866			
Walt Disney	755,000	20,030,150			
		97,433,298			
Technology—15.8%					
Agilent Technologies	318,200 ^a	10,879,258			
Cisco Systems	1,233,424 ^a	28,492,094			
Dell	645,422 ^a	21,073,028			
EMC	840,200 ^a	12,031,664			
Intel	603,988	17,654,569			
International Business Machines	185,920	17,941,280			
KLA-Tencor	167,700 ^a	8,854,560			
Lexmark International	96,890 ^a	7,973,078			
Linear Technology	295,140	11,802,649			
Maxim Integrated Products	235,838	11,770,674			
Microsoft	1,692,316	44,846,374			
Nortel Networks	1,092,500 ^a	8,718,150			
QUALCOMM	219,200	13,908,240			
Technology (continued)					
Seagate Technology	455,400 ^a	7,878,420			
Symantec	274,940 ^a	11,311,032			
Taiwan Semiconductor Manufacturing, ADR	.20 ^a	2			
Texas Instruments	525,700	16,112,705			
VERITAS Software	207,200 ^a	6,303,024			
Xilinx	182,700 ^a	7,680,708			
		265,231,509			
Utilities—3.3%					
Entergy	140,900	8,353,961			
Exelon	172,190	11,560,837			
FPL Group	131,000	8,600,150			
PPL	172,490	8,025,960			
SBC Communications	389,229	9,345,388			
Telefonos de Mexico, ADR	283,540	9,631,854			
		55,518,150			
Total Common Stocks					
(cost \$1,192,760,088)					1,658,973,466
Short-Term Investments—1.1%				Principal Amount (\$)	Value (\$)
Repurchase Agreements;					
Salomon Smith Barney, Tri-Party Repurchase Agreement, 1.04% dated 2/27/2004, due 3/1/2004, in the amount of \$18,001,560 (fully collateralized by \$18,259,000 U.S. Treasury Notes, 1.625%, 1/31/2005, value \$18,360,892) (cost \$18,000,000)				18,000,000	18,000,000
Investment of Cash Collateral for Securities Loaned—1.7%				Shares	Value (\$)
Registered Investment Company;					
Dreyfus Institutional Preferred Money Market Fund (cost \$29,318,130)				29,318,130 ^c	29,318,130
Total Investments					
(cost \$1,240,078,218)				101.7%	1,706,291,596
Liabilities, Less Cash and Receivables				(1.7%)	(28,304,988)
Net Assets				100.0%	1,677,986,608

^a Non-income producing^b All of these securities are on loan. At February 29, 2004, the total market value of the fund's securities on loan is \$28,638,300 and the total market value of the collateral held by the fund is \$29,318,130.^c Investment in affiliated money market mutual fund.

See notes to financial statements.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon Income Stock Fund					
Common Stocks—99.9%					
	Shares	Value (\$)		Shares	Value (\$)
Alcohol & Tobacco—2.4%			Interest Sensitive (continued)		
Altria Group	89,490	5,150,150	Citigroup	250,755	12,602,946
R.J. Reynolds Tobacco Holdings	21,070 ^a	1,300,651	Federal National Mortgage Association	81,496	6,104,050
		6,450,801	Hartford Financial Services Group	59,140	3,873,670
Consumer Cyclical—7.3%			J.P. Morgan Chase & Co.	160,930	6,601,349
Dana	105,830	2,263,704	St. Paul Cos.	45,700	1,953,218
Ford Motor	72,940 ^a	1,002,925	Travelers Property Casualty, Cl. A	1	18
General Motors	96,750 ^a	4,655,610	U.S. Bancorp	141,206	4,028,607
Johnson Controls	47,590	2,775,449	Wachovia	122,720	5,886,879
Limited Brands	71,830	1,418,643			61,968,549
May Department Stores	137,720	4,850,498	Producer Goods & Services—14.0%		
Maytag	47,610	1,344,030	Air Products & Chemicals	32,560	1,570,695
Wendy's International	36,290	1,475,914	Ashland	24,090	1,154,152
		19,786,773	Deere & Co.	28,010	1,799,082
Consumer Staples—3.4%			Emerson Electric	21,375	1,335,510
Coca-Cola Enterprises	34,290	799,300	General Electric	137,792	4,480,996
ConAgra Foods	47,970	1,304,304	Hubbell, Cl. B	61,510	2,441,947
Kimberly-Clark	29,490	1,907,413	KB Home	46,770	3,383,810
PepsiCo	26,772	1,389,467	Masco	46,910	1,315,356
Procter & Gamble	27,210	2,789,297	Monsanto	89,440	2,955,098
Sara Lee	46,250	1,009,175	Norfolk Southern	36,880	817,261
		9,198,956	PPG Industries	25,260	1,482,509
Energy Related—12.6%			Rockwell Automation	78,700	2,397,202
ChevronTexaco	128,898	11,388,138	Sherwin-Williams	73,510	2,572,850
ConocoPhillips	102,830	7,081,902	Stanley Works	76,670	2,969,429
Exxon Mobil	217,746	9,182,349	3M	30,380	2,370,248
Occidental Petroleum	62,510	2,775,444	Union Pacific	24,960	1,588,454
Sunoco	56,490	3,474,135	United Technologies	33,048	3,044,051
		33,901,968			37,678,650
Health Care—6.2%			Real Estate—4.0%		
Aetna	31,020	2,506,106	Friedman, Billings, Ramsey Group, Cl. A	182,800	4,866,136
Bristol-Myers Squibb	44,700	1,243,554	Plum Creek Timber	145,270	4,533,877
Eli Lilly & Co.	11,860	876,928	Simon Property Group	25,260	1,376,417
Merck & Co.	72,900	3,505,032			10,776,430
Novartis, ADR	28,570 ^a	1,261,366	Securities & Asset Management—3.5%		
Pfizer	93,468	3,425,602	Bear Stearns Cos.	15,480	1,359,763
Wyeth	100,989	3,989,065	Franklin Resources	25,570	1,444,705
		16,807,653	Lehman Brothers Holdings	29,806	2,584,478
Interest Sensitive—23.0%			Merrill Lynch	38,270	2,342,507
Bank of America	134,620	11,028,071	T. Rowe Price Group	34,300	1,803,837
Bank One	84,930	4,584,521			9,535,290
Block (H&R)	69,670	3,765,664	Services—8.4%		
Chubb	21,690	1,539,556	ALLTEL	55,350	2,867,130
			Disney (Walt)	116,770	3,097,908

Mellon Income Stock Fund (continued)				
Common Stocks (continued)	Shares	Value (\$)	Shares	Value (\$)
Services (continued)				
Equifax	48,930	1,282,455		
Gannett	17,070	1,472,629		
McGraw-Hill Cos.	47,567	3,718,312		
Omnicom Group	37,096	3,034,453		
Rent-A-Center	32,050 ^b	1,041,946		
R. R. Donnelley & Sons	111,180 ^a	3,531,077		
Time Warner	159,100 ^b	2,744,475		
		22,790,385		
Technology—6.9%				
Autodesk	30,420	871,533		
Danaher	16,070	1,440,354		
Hewlett-Packard	146,230	3,320,883		
Intel	61,226	1,789,636		
International Business Machines	46,136	4,452,124		
National Semiconductor	70,860 ^b	2,789,050		
Sabre Holdings	36,740	833,631		
Texas Instruments	98,130	3,007,684		
		18,504,895		
Utilities—8.2%				
AT&T	79,220	1,586,777		
DPL	95,180	1,903,600		
Exelon	52,970	3,556,406		
Hawaiian Electric Industries	40,870 ^a	2,164,066		
NSTAR	39,200	2,005,080		
PPL	77,540	3,607,936		
SBC Communications	131,515	3,157,675		
Utilities (continued)				
Telefonos de Mexico, ADR	38,000	1,290,860		
Verizon Communications	71,891	2,755,582		
		22,027,982		
Total Common Stocks (cost \$191,406,799)				269,428,332
			Principal Amount (\$)	Value (\$)
Short-Term Investments—.3%				
Repurchase Agreements;				
Salomon Smith Barney, Tri-Party Repurchase Agreement, 1.04% dated 2/27/2004, due 3/1/2004 in the amount of \$887,077 (fully collateralized by \$819,000 of various U.S. Government Agency Obligations, value \$905,474) (cost \$887,000)			887,000	887,000
Investment of Cash Collateral for Securities Loaned—5.1%			Shares	Value (\$)
Registered Investment Company;				
Dreyfus Institutional Preferred Money Market Fund (cost \$13,730,810)			13,730,810 ^c	13,730,810
Total Investments (cost \$206,024,609)			105.3%	284,046,142
Liabilities, Less Cash and Receivables			(5.3%)	(14,355,283)
Net Assets			100.0%	269,690,859

^a All or a portion of these securities are on loan. At February 29, 2004, the total market value of the fund's securities on loan is \$13,514,120 and the total market value of the collateral held by fund is \$13,730,810.

^b Non-income producing.

^c Investment in affiliated money market mutual fund.

See notes to financial statements.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon Mid Cap Stock Fund				
Common Stocks—98.9%	Shares	Value (\$)	Shares	Value (\$)
Alcohol & Tobacco—6%				
Loews Corp.-Carolina Group	278,200	7,909,226		
Consumer Cyclical—14.0%				
AirTran Holdings	352,100 a	4,358,998		
BorgWarner	72,970	6,581,894		
Brinker International	207,640 a	7,813,493		
CDW	149,570 b	10,347,253		
Chico's FAS	203,350 a,b	8,693,213		
Coach	232,700 a	9,221,901		
Columbia Sportswear	89,000 a	4,628,890		
Dana	432,400	9,249,036		
ExpressJet Holdings	232,700 a	3,194,971		
GTECH Holdings	188,900	11,094,097		
La-Z-Boy	275,700	6,263,904		
Lear	96,800	5,965,784		
Michaels Stores	131,990	6,340,800		
Mohawk Industries	122,560 a	10,209,248		
PETSMART	272,600	7,398,364		
Pier 1 Imports	296,600	6,943,406		
Saks	432,400 a	7,532,408		
Select Comfort	155,000 a	4,195,850		
Talbots	190,300	6,451,170		
Tractor Supply	162,100 a	6,941,122		
Warnaco Group	379,700 a,b	6,644,750		
Wendy's International	194,900	7,926,583		
Williams-Sonoma	311,100 a	9,952,089		
Winnebago Industries	104,300	6,966,197		
		174,915,421		
Consumer Staples—3.2%				
Bunge	197,500	7,712,375		
Dean Foods	214,880 a	7,802,293		
Helen of Troy	292,800 a	8,529,264		
Lancaster Colony	174,200	7,384,338		
SUPERVALU	1	28		
Tyson Foods, Cl. A	546,400	8,676,832		
		40,105,130		
Energy—9.1%				
Cooper Cameron	167,300 a	7,398,006		
ENSCO International	243,800	7,160,406		
FMC Technologies	243,300 a	6,398,790		
Grant Prideco	426,100 a	6,463,937		
Murphy Oil	119,000	7,464,870		
National-Oilwell	240,000 a	7,130,400		
Newfield Exploration	178,180 a	8,353,078		
Energy (continued)				
ONEOK	298,600	6,631,906		
Patina Oil & Gas	156,100	7,970,466		
Patterson-UTI Energy	153,000 a	5,550,840		
Petroleum Development	172,100 a	4,922,060		
Pogo Producing	137,800	6,251,986		
Smith International	87,300 a	4,423,491		
Southwestern Energy	51,560 a	1,158,038		
Tesoro Petroleum	412,500 a	7,528,125		
Valero Energy	160,953	9,657,180		
XTO Energy	296,600	8,850,544		
		113,314,123		
Health Care—12.6%				
Apria Healthcare Group	113,600 a	3,551,136		
Bausch & Lomb	139,600	8,290,844		
Charles River Laboratories	205,800 a	8,861,748		
Coventry Health Care	193,950 a	8,450,401		
DENTSPLY International	174,000	7,622,940		
Gilead Sciences	249,700 a	13,536,237		
Henry Schein	104,700 a	7,486,050		
Invitrogen	79,200 a	5,837,040		
King Pharmaceuticals	190,000 a	3,661,300		
Millennium Pharmaceuticals	453,900 a	8,083,959		
Omnicare	178,500	8,221,710		
Oxford Health Plans	99,600	4,776,816		
PacificCare Health Systems	209,200 a	7,468,440		
Perrigo	208,500	4,074,090		
Pharmaceutical Resources	104,200 a	6,501,038		
STERIS	276,090 a	6,954,707		
Shire Pharmaceuticals Group, ADR	210,100 a	6,496,292		
Sierra Health Services	279,600 a	9,347,028		
Taro Pharmaceutical Industries	65,700 a	4,129,245		
Triad Hospitals	199,870 a	7,053,412		
Universal Health Services, Cl. B	84,900	4,578,657		
Valeant Pharmaceuticals International	171,400	3,758,802		
Varian Medical Systems	105,700 a	8,851,318		
		157,593,210		
Interest Sensitive—21.0%				
AMB Property	217,600	7,707,392		
Accredited Home Lenders Holdings	155,800 a	5,237,996		
Affiliated Managers Group	76,400 a,b	6,455,800		
Associated Banc-Corp	258,439	11,472,107		
Bank of Hawaii	244,100	11,140,724		
Chicago Mercantile Exchange	114,200 b	10,649,150		

Mellon Mid Cap Stock Fund (continued)

Common Stocks (continued)	Shares	Value (\$)		Shares	Value (\$)
Interest Sensitive (continued)					
Compass Bancshares	266,700	11,089,386			
Developers Diversified Realty	212,740	7,822,450			
Everest Re Group	84,800	7,410,672			
Fidelity National Financial	302,995	11,850,134			
Friedman, Billings, Ramsey Group	358,700	9,548,594			
General Growth Properties	306,600	9,584,316			
GreenPoint Financial	302,280	13,185,454			
Hibernia, Cl. A	489,100	11,611,234			
Independence Community Bank	246,000	9,734,220			
Jefferies Group	204,800	7,577,600			
Knight Trading Group	383,300 ^a	5,312,538			
Legg Mason	121,030	11,417,970			
Montpelier Re Holdings	87,570	3,116,616			
National Commerce Financial	435,200	12,729,600			
Old Republic International	259,890	6,133,404			
Protective Life	190,100	7,231,404			
Provident Financial	495,100 ^a	6,401,643			
Radian Group	171,646	7,500,930			
Rayonier	189,424	8,156,597			
RenaissanceRe Holdings	207,800	11,003,010			
Sovereign Bancorp	584,600	12,948,890			
Willis Group Holdings	214,000	8,206,900			
Wilmington Trust	258,000	9,633,720			
		261,870,451			
Internet Related--7%					
CheckFree	285,500 ^a	8,288,065			
Producer Goods & Services--12.8%					
Airgas	240,300	4,986,225			
American Power Conversion	306,200	6,926,244			
Ashland	205,000	9,821,550			
C.H. Robinson Worldwide	184,400	7,304,084			
Cooper Industries, Cl. A	90,700	4,798,937			
D.R. Horton	297,757	9,465,695			
Expeditors International of Washington	109,500	4,220,130			
Freeport-McMoRan Copper & Gold	178,500	7,613,025			
Hovnanian Enterprises, Cl. A	82,500 ^a	6,656,925			
IMC Global	660,500	7,463,650			
Inco	236,800 ^{a,b}	8,799,488			
Joy Global	224,900	6,204,991			
L-3 Communications Holdings	164,960 ^b	8,828,659			
Lennar, Cl. A	192,200	9,504,290			
Overseas Shipholding Group	184,200	6,612,780			
Peabody Energy	151,700	6,492,760			
Producer Goods & Services (continued)					
Pentair	196,130	10,592,981			
RPM International	400,000	6,496,000			
SPX	126,400 ^a	5,308,800			
Schnitzer Steel Industries, Cl. A	102,700	4,980,950			
Stanley Works	204,700	7,928,031			
Toll Brothers	203,800 ^a	8,946,820			
		159,953,015			
Services--9.2%					
Affiliated Computer Services, Cl. A	140,510 ^{a,b}	6,781,013			
Belo, Cl. A	253,900	7,083,810			
Brightpoint	184,800 ^a	3,147,144			
Ceridian	175,400 ^a	3,320,322			
Corinthian Colleges	116,800 ^a	7,025,520			
DST Systems	167,300 ^{a,b}	7,488,348			
Dun & Bradstreet	147,100 ^a	7,828,662			
Entercom Communications	182,800 ^a	8,438,048			
FactSet Research Systems	198,700	7,318,121			
Fair Isaac	116,300 ^b	6,936,132			
Labor Ready	294,600 ^a	3,682,500			
Manpower	162,200	7,258,450			
Rent-A-Center	194,000 ^a	6,306,940			
Republic Services	281,620	7,389,709			
Ryder System	201,950	7,439,838			
Sirva	190,600 ^a	4,235,132			
WebMD	692,800 ^{a,b}	5,930,368			
Westwood One	236,880 ^a	7,319,592			
		114,929,649			
Technology--11.7%					
ADTRAN	202,800	6,603,168			
Advanced Fibre Communications	237,300 ^a	5,818,596			
Arrow Electronics	328,600 ^a	8,083,560			
Autodesk	144,800	4,148,520			
Avnet	315,800 ^a	7,437,090			
Citrix Systems	173,200 ^a	3,668,376			
Fairchild Semiconductor International	205,900 ^a	5,312,220			
Foundry Networks	312,900 ^a	7,384,440			
Garmin	143,700	6,587,208			
InterDigital Communications	236,200 ^{a,b}	6,273,472			
International Rectifier	156,700 ^a	7,233,272			
Lam Research	228,100 ^a	5,832,517			
MEMC Electronic Materials	535,900 ^a	5,085,691			
Maxtor	669,400 ^a	6,861,350			
Network Associates	371,600 ^a	6,517,864			

Mellon Mid Cap Stock Fund (continued)

Common Stocks (continued)	Shares	Value (\$)	Short-Term Investments—1.0%	Principal Amount (\$)	Value (\$)
Technology (continued)			Repurchase Agreements;		
QLogic	142,500 ^a	5,956,500	Salomon Smith Barney, Tri-Party		
SanDisk	302,600 ^a	7,673,936	Repurchase Agreement, 1.04%		
Storage Technology	226,100 ^a	6,640,557	dated 2/27/2004, due 3/1/2004		
Sybase	445,190 ^a	9,576,037	in the amount of \$12,832,112		
Synopsys	204,200 ^a	6,019,816	(fully collateralized by \$13,015,000		
Tektronix	233,500	7,483,675	Federal Home Loan Mortgage		
Tradestation Group	370,300 ^a	2,806,874	Notes, 1.625%, 1/31/2005,		
Vishay Intertechnology	336,400 ^a	7,572,364	value \$12,831,008)		
		146,577,103	(cost \$12,831,000)	12,831,000	12,831,000
Utilities—4.0%			Investment of Cash Collateral		
AES	690,300 ^a	6,254,118	for Securities Loaned—2.7%	Shares	Value (\$)
Cincinnati Bell	1,307,700 ^a	6,734,655	Registered Investment Company;		
Energy East	295,960	7,150,394	Dreyfus Institutional Preferred		
Great Plains Energy	205,500	7,120,575	Money Market Fund		
Pepco Holdings	384,200 ^b	8,164,250	(cost \$33,678,328)	33,678,328 ^c	33,678,328
Puget Energy	285,300	6,419,250	Total Investments		
Wisconsin Energy	266,790	8,622,653	(cost \$1,003,274,864)	102.6%	1,282,430,616
		50,465,895	Liabilities, Less Cash		
Total Common Stocks			and Receivables	(2.6%)	(32,989,399)
(cost \$956,765,536)		1,235,921,288	Net Assets	100.0%	1,249,441,217

^a Non-income producing

^b All or a portion of these securities are on loan. At February 29, 2004, the total market value of the fund's securities on loan is \$33,021,020 and the total market value of the collateral held by the fund is \$33,678,328.

^c Investment in affiliated money market mutual fund.

See notes to financial statements.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon Small Cap Stock Fund				
Common Stocks—97.2%	Shares	Value (\$)	Shares	Value (\$)
Alcohol & Tobacco—4%				
Loews Corp-Carolina Group	105,300	2,993,679		
Consumer Cyclical—18.5%				
Aeropostale	58,500 a	2,006,550		
Albany International, Cl. A	56,500	1,803,480		
AnnTaylor Stores	141,300 a	6,471,540		
bebe stores	110,300 a	3,121,490		
Blyth	59,700	2,026,815		
Bob Evans Farms	68,300	2,310,589		
CEC Entertainment	52,300 a	2,854,011		
Cato, Cl. A	94,400	1,970,128		
Choice Hotels International	46,300	2,030,255		
Dick's Sporting Goods	60,500 a	3,507,185		
Dura Automotive Systems, Cl. A	252,550 a	3,232,640		
Finish Line, Cl. A	88,100 a	3,049,141		
GameStop, Cl. A	127,610 a	2,379,926		
Harman International	98,300	7,666,417		
Jos. A. Bank Clothiers	78,600 a,b	2,593,800		
K-Swiss, Cl. A	217,300	5,226,065		
Kerzner International	77,500 a	2,983,750		
La-Z-Boy	93,510	2,124,547		
Linens 'n Things	125,770 a	4,263,603		
Lone Star Steakhouse & Saloon	155,400	4,222,218		
Mesa Air Group	249,780 a,b	2,245,522		
Oshkosh Truck	95,040	5,593,104		
Pep Boys—Manny, Moe & Jack	226,500	5,343,135		
Polaris Industries	34,250 b	2,900,633		
Ryan's Family Steak Houses	177,160 a	3,082,584		
Select Comfort	99,400 a	2,690,758		
Shuffle Master	105,700 a,b	4,405,576		
Sonic	113,100 a	3,835,221		
Standard Motor Products	141,200	1,959,856		
Stride Rite	229,400	2,722,978		
Sturm, Ruger & Co.	261,700	3,433,504		
TBC	143,500 a	3,954,860		
Toro	72,100	3,969,105		
Tractor Supply	134,500 a	5,759,290		
United Auto Group	118,700	3,368,706		
Wabash National	154,800 a	4,404,060		
Warnaco Group	118,700 a	2,077,250		
Wolverine World Wide	153,900	3,624,345		
Yankee Candle	58,200 a	1,631,928		
Zale	114,220 a	6,532,242		
		139,378,807		
Consumer Staples—1.9%				
Chiquita Brands International	89,000 a	2,022,970		
Flowers Foods	149,450	4,020,205		
Fresh Del Monte Produce	82,800 b	2,108,088		
Helen of Troy	104,900 a	3,055,737		
Ralcorp Holdings	87,500 a	2,809,625		
		14,016,625		
Energy—7.9%				
Cal Dive International	129,400 a	3,137,950		
Cimarex Energy	144,500 a	4,017,100		
Energen	102,200	4,243,344		
Evergreen Resources	79,580 a	2,618,182		
Frontier Oil	125,100	2,409,426		
Headwaters	129,400 a	3,078,426		
New Jersey Resources	78,645	3,059,291		
Oil States International	162,100 a	2,207,802		
Patina Oil & Gas	136,900	6,990,114		
Petroleum Development	186,680 a	5,339,048		
Plains Exploration & Production	207,400 a	3,382,694		
Southwestern Energy	196,900 a	4,422,374		
Stone Energy	100,900 a	4,544,536		
Unit	218,000 a	5,794,440		
Universal Compression Holdings	64,760 a	2,015,979		
World Fuel Services	75,600	2,672,460		
		59,933,166		
Health Care—10.3%				
Advanced Medical Optics	161,100 a	3,705,300		
American Medical Security Group	136,205 a	3,213,076		
Axcan Pharma	187,600 a	3,678,836		
CONMED	97,800 a	2,821,530		
Cephalon	80,100 a	4,752,333		
Charles River Laboratories International	42,400 a	1,825,744		
Cooper Cos.	105,380	4,985,528		
Diagnostic Products	75,890	3,660,934		
IDEXX Laboratories	90,630 a	4,628,474		
Mentor	65,400	1,868,478		
Merit Medical Systems	185,445 a	3,844,275		
Orthodontic Centers of America	478,400 a,b	3,583,216		
PSS World Medical	273,300 a	3,320,595		
Pediatrix Medical Group	97,800 a	6,088,050		
PolyMedica	117,800	2,993,298		
Priority Healthcare, Cl. B	167,500 a	3,701,750		
Sierra Health Services	188,100 a	6,288,183		

Mellon Small Cap Stock Fund (continued)

Common Stocks (continued)				
	Shares	Value (\$)	Shares	Value (\$)
Health Care (continued)			Internet Related-1.0%	
Techne	61,000 a	2,469,890	Akamai Technologies	152,100 a 2,281,500
US Oncology	386,300 a	4,809,435	GSI Commerce	149,900 a,b 1,412,058
United Therapeutics	85,000 a	1,788,400	j2 Global Communications	74,680 a,b 1,639,973
Wright Medical Group	110,700 a	3,619,890	SafeNet	58,360 a 2,219,431
		77,647,215		7,552,962
Interest Sensitive-13.9%			Other-.9%	
Accredited Home Lenders	91,100 a	3,062,782	iShares Russell 2000 Index	59,940 b 6,994,998
Affiliated Managers Group	28,100 a	2,374,450	Producer Goods & Services-19.3%	
Arch Capital Group	53,700 a	2,277,417	AGCO	117,100 a 2,183,915
BankUnited Financial, Cl. A	162,400 a	4,477,368	Alliant Techsystems	133,990 a 7,650,829
Bristol West Holdings	61,400 a	1,333,608	American Woodmark	30,100 1,914,360
CBL & Associates Properties	31,700	1,824,335	Applied Industrial Technologies	79,600 1,655,680
Central Freight Lines	72,100 a	1,351,875	AptarGroup	78,200 3,163,190
Commercial Capital Bancorp	190,799 a,b	3,951,467	Arch Coal	75,200 2,201,856
Commercial Net Lease Realty	149,500	2,892,825	Ashanti Goldfields, GDR	130,000 a 1,592,500
Equity One	197,600	3,697,096	Barnes Group	116,600 3,103,892
First American	78,600	2,401,230	Beazer Homes USA	21,500 2,298,350
First BanCorp	161,400	6,851,430	Building Materials Holding	239,900 4,073,502
First Midwest Bancorp	112,600	3,794,620	CLARCOR	30,100 1,298,815
FirstFed Financial	93,200 a	4,044,880	Chicago Bridge & Iron, NY Shares	101,000 2,833,050
Flagstar Bancorp	188,800	4,880,480	Corrections Corporation of America	120,100 a 4,031,757
Franklin Bank	9,500 a	180,690	Cummins	41,900 2,069,860
Government Properties Trust	47,200 a	656,080	Curtiss-Wright	81,900 3,932,838
Hudson United Bancorp	65,200	2,545,408	Engineered Support Systems	78,500 4,097,700
IPC Holdings	61,640	2,400,878	FMC	95,000 a 3,562,500
IndyMac Bancorp	127,400	4,484,480	Georgia Gulf	76,300 2,076,123
Irwin Financial	140,100	4,139,955	GrafTech International	291,200 a 3,951,584
Kinetic Concepts	4,700 a	189,645	Griffon	116,400 a 2,616,672
Knight Trading Group	157,000 a	2,176,020	Hercules	343,500 a 4,087,650
MAF Bancorp	80,800	3,591,560	Hovnanian Enterprises	24,500 a 1,976,905
New Century Financial	70,500	3,454,500	Hughes Supply	78,010 3,717,177
Newcastle Investment	131,900	3,803,996	Joy Global	125,600 a 3,465,304
Northwest Bancorp	114,900	2,911,566	Landstar System	82,900 a 2,958,701
R&G Financial, Cl. B	78,300	2,453,922	Lennox International	134,900 2,510,489
Raymond James Financial	68,500	2,618,070	M.D.C. Holdings	43,304 3,049,901
SWS Group	87,000	1,532,940	Minerals Technologies	46,500 2,530,995
Saxon Capital	77,470 a	2,097,888	OM Group	85,800 a 2,635,776
South Financial Group	187,700	5,784,914	Overnite	120,700 2,643,330
TRW Automotive Holdings	141,500 a,b	3,537,500	Overseas Shipholding Group	113,200 4,063,880
Tempur-Pedic International	48,100 a	798,460	Quanex	84,200 3,919,510
TrustCo Bank, NY	50,725	688,338	RTI International Metals	199,800 a 3,392,604
U.S.I. Holdings	164,900 a	2,236,044	Reliance Steel & Aluminum	56,500 1,776,360
Wintrust Financial	71,400	3,434,340	Schnitzer Steel Industries, Cl. A	61,310 2,973,535
		104,933,057		

Mellon Small Cap Stock Fund (continued)

Common Stocks (continued)					
	Shares	Value (\$)		Shares	Value (\$)
Producer Goods & Services (continued)			Technology (continued)		
Schweitzer-Mauduit International	87,600	2,921,460	Cabot Microelectronics	36,710 ^a	1,635,430
Simpson Manufacturing	92,000 ^a	4,343,320	Cerner	60,810 ^a	2,725,504
Standard Pacific	96,210	5,032,745	Checkpoint Systems	213,390 ^a	3,979,723
Teledyne Technologies	187,900 ^a	3,806,854	DSP Group	126,000 ^a	3,209,220
Timken	297,900	6,547,842	EMS Technologies	153,600 ^a	3,652,608
URS	193,100 ^a	5,908,860	Esterline Technologies	74,920 ^a	2,082,776
United Stationers	112,470 ^a	4,466,184	FLIR Systems	90,700 ^{a,b}	3,507,369
Watsco	116,400	3,184,704	Hyperion Solutions	86,500 ^a	3,091,510
Wellman	73,800	594,828	II-VI	7,550 ^a	187,919
Woodward Governor	51,980	3,158,305	Imagistics International	84,800 ^a	3,811,760
		145,976,192	InterDigital Communications	189,900 ^a	5,043,744
Services—7.3%			Komag	116,600 ^a	2,663,144
Armor Holdings	177,000 ^a	5,196,720	Manhattan Associates	80,700 ^a	2,312,862
BARRA	88,600	2,803,304	Mercury Computer Systems	60,000 ^a	1,756,800
Banta	52,600	2,333,336	Methode Electronics	192,100	2,401,250
Brightpoint	88,400 ^a	1,505,452	Microsemi	358,800 ^a	5,597,280
CACI International, CI. A	92,530 ^a	4,103,705	Nam Tai Electronics	106,460	2,954,265
CIBER	380,800 ^a	3,617,600	PTEK Holdings	252,500 ^a	2,494,700
Consolidated Graphics	90,830 ^a	3,384,326	Progress Software	146,400 ^a	3,046,584
eFunds	197,800 ^a	3,206,338	Rainbow Technologies	165,500 ^a	2,363,340
Global Payments	63,200	2,734,032	Renaissance Learning	57,170 ^b	1,457,263
Korn/Ferry International	202,000 ^a	2,506,820	Sapient	300,520 ^a	2,094,624
Kroll	152,600 ^a	3,579,996	Sigmatel	76,600 ^a	1,908,106
Labor Ready	298,400 ^a	3,730,000	Standard Microsystems	120,000 ^a	3,615,600
Navigant Consulting	225,600 ^a	4,394,688	Supertex	122,300 ^a	2,252,766
New England Business Service	45,600	1,427,280	TALX	118,300	2,264,262
Regis	137,770	5,954,419	Take-Two		
SM&A	197,800 ^a	2,059,098	Interactive Software	68,800 ^a	2,153,440
Watson Wyatt & Co. Holdings	107,900 ^a	2,557,230	Tradestation Group	384,500 ^a	2,914,510
		55,094,344	X-Rite	233,300	3,422,511
Technology—14.4%			Zoran	131,130 ^a	2,361,651
Acxiom	112,350	2,188,578			108,885,224
Aeroflex	178,740 ^a	2,505,935	Utilities—1.4%		
Anixter International	108,140 ^a	3,233,386	CH Energy Group	64,000	3,148,800
Arris Group	281,550 ^a	2,919,674	Cleco	197,000	3,737,090
Avid Technology	50,100 ^a	2,127,747	OGE Energy	153,100	3,942,325
Axcelis Technologies	536,500 ^a	6,137,560			10,828,215
Benchmark Electronics	139,250 ^a	4,847,292	Total Common Stocks		
Black Box	38,100	1,962,531	(cost \$570,794,359)		
					734,234,484

Mellon Small Cap Stock Fund (continued)

Short-Term Investments—1.7%	Principal Amount (\$)	Value (\$)	Investment of Cash Collateral for Securities Loaned—5.1%	Shares	Value (\$)
Repurchase Agreements;			Registered Investment Company;		
Salomon Smith Barney, Tri-Party Repurchase Agreement, 1.04% dated 2/27/2004, due 3/1/2004 in the amount of \$12,713,102 (fully collateralized by \$12,895,000 Federal Home Loan Mortgage Notes, 1.625%, 1/31/2005, value \$12,966,959) (cost \$12,712,000)	12,712,000	12,712,000	Dreyfus Institutional Preferred Money Market Fund (cost \$38,511,166)	38,511,166 ^c	38,511,166
			Total Investments (cost \$622,017,525)	104.0%	785,457,650
			Liabilities, Less Cash and Receivables	(4.0%)	(29,996,771)
			Net Assets	100.0%	755,460,879

^a Non-income producing.

^b All or a portion of these securities are on loan. At February 29, 2004, the total market value of the fund's securities on loan is \$35,108,621 and the total market value of the collateral held by the fund is \$38,511,166.

^c Investment in affiliated money market mutual fund.

See notes to financial statements.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon International Fund				
Common Stocks—95.5%	Shares	Value (\$)	Shares	Value (\$)
Australia—2.4%				
AMP	2,564,504	9,723,625		
National Australian Bank	389,633	9,316,289		
National Australian Bank, ADR	10,097	1,209,620		
Santos	1,800,331	8,456,094		
		28,705,628		
Belgium—2.5%				
Dexia	611,068	11,388,213		
Dexia (Strip VVPR)	199,820	2,495		
Fortis	818,347	19,033,314		
		30,424,022		
Denmark—.3%				
Danske Bank	141,300	3,327,241		
Finland—2.6%				
Nokia	126,700	2,790,140		
Nokia, ADR	359,680	7,830,234		
Sampo, Cl. A	818,410	9,231,152		
UPM-Kymmene	551,200	10,912,788		
		30,764,314		
France—6.5%				
Assurances Generales de France	101,044	6,525,266		
Aventis	135,810	10,449,841		
BNP Paribas	125,888	7,995,994		
Compagnie Generale des Etablissements Michelin, Cl. B	200,414	9,713,081		
L' Air Liquide	1	178		
PSA Peugeot Citroen	40,000	2,001,058		
Schneider Electric	112,890	7,544,084		
Thomson	719,575	13,724,999		
Total	61,970	11,378,789		
Total, ADR	87,711	8,068,535		
		77,401,825		
Germany—6.4%				
Deutsche Bank	97,550	8,431,999		
Deutsche Lufthansa	357,106	6,423,279		
Deutsche Post	468,220	11,246,735		
E.ON	250,875	17,031,549		
KarstadtQuelle	361,334	9,112,602		
Medion	37,357	1,563,198		
Schering	216,070	10,768,733		
Volkswagen	261,127	12,394,603		
		76,972,698		
Greece—.9%				
Hellenic Telecommunications Organization	681,350	10,297,998		
Hong Kong—1.2%				
Bank of East Asia	1,251,419	4,059,290		
MTR	3,654,023	5,797,280		
Swire Pacific, Cl. A	658,400	4,651,987		
		14,508,557		
Ireland—1.4%				
Bank of Ireland	1,230,660	16,294,504		
Italy—4.8%				
Banche Popolari Unite Scrl	192,829 ^a	3,441,928		
Benetton	339,635	3,839,355		
Eni	809,344	15,942,707		
Finmeccanica	14,057,490	12,045,619		
Luxottica	3,100	53,049		
Saipem	696,000	6,607,240		
San Paolo IMI	215,167	2,781,718		
UniCredito Italiano	2,340,700	12,396,778		
		57,108,394		
Japan—25.9%				
AIFUL	113,200	9,993,114		
ALPS ELECTRIC	515,000	6,729,899		
CANON	264,000	12,885,715		
Credit Saison	716,500	19,060,739		
DENTSU	1,119	5,687,225		
Eisai	394,800	10,719,616		
FUJI MACHINE MFG	153,200	1,809,780		
FUNAI ELECTRIC	50,600	7,103,461		
Fuji Heavy Industries	1,251,000	6,151,895		
Fuji Photo Film	333,000	10,398,627		
HONDA MOTOR	390,300	17,013,077		
Kao	569,000	12,010,486		
LAWSON	282,500	9,778,847		
MABUCHI MOTOR	139,600	9,306,667		
MINEBEA	1,513,600	7,013,567		
MURATA MANUFACTURING	154,800	8,604,725		
Matsumotokiyoshi	427,000 ^a	10,538,142		
NIPPON TELEGRAPH AND TELEPHONE	1,863	8,632,582		
Nippon Express	2,796,000	15,337,033		
RINNAI	392,400	9,774,066		
ROHM	36,200	4,094,047		
SFCG	59,787	8,814,750		
SKYLARK	559,800	9,473,539		
SOHGO SECURITY SERVICES	345,000	4,249,313		
SUMITO CHEMICAL	2,013,000	7,502,664		
77 Bank	1,555,000	8,444,276		
Sekisui House	661,600	6,313,069		

Mellon International Fund (continued)

Common Stocks (continued)				
	Shares	Value (\$)	Shares	Value (\$)
Japan (continued)			Spain-2.2%	
Shin-Etsu Chemical	273,400	10,640,568	Endesa	762,701 15,004,865
Shiseido	580,000	6,883,516	Repsol YPF, ADR	538,151 11,080,529
Sumitomo Bakelite	803,700	4,717,689		26,085,394
TDK	84,500	5,896,428	Sweden-.7%	
Takeda Chemical Industries	325,900	13,429,946	Investor, Cl. B	765,738 ^a 8,176,870
Toyota Motor	243,800	8,416,904	Switzerland-5.6%	
Yamaha Motor	926,000	10,837,253	Clariant	438,123 ^b 6,630,337
		308,263,225	Nestle	57,480 15,256,953
Luxembourg-.5%			Novartis	418,410 ^a 18,548,483
Arcelor	345,834	6,354,444	Swisscom	320 ^a 107,123
Netherlands-6.3%			UBS	212,219 ^a 15,688,165
ABN AMRO	357,335	8,297,594	Zurich Financial Services	62,705 ^{a,b} 10,334,078
Akzo Nobel	329,116	12,739,952		66,565,139
Buhrmann	208,238 ^b	2,192,728	United Kingdom-19.9%	
DSM	129,400	6,159,854	Allied Domecq	1,996,359 16,850,857
Heineken	210,798	9,005,126	BAA	869,470 8,519,588
Hunter Douglas	140,511	6,513,261	BAE SYSTEMS	2,533,534 8,996,138
Koninklijke (Royal)			BOC	617,436 10,722,920
Philips Electronics	32,000	977,295	BT	3,447,800 11,373,817
Koninklijke (Royal) Philips			Barclays	1,377,587 12,437,834
Electronics (New York Shares)	240,980	7,330,611	Bunzl	1,222,592 10,177,031
Royal Dutch Petroleum	209,950	10,411,267	Cadbury Schweppes	1,879,089 15,573,127
Vedior	2,700	42,629	Celltech	1 ^b 7
Wolters Kluwer	663,714	11,913,378	Centrica	2,263,200 9,060,558
		75,583,695	Diageo	86,300 1,199,973
New Zealand-1.0%			GKN	3,073,482 15,731,932
Carter Holt Harvey	2,711,611	3,558,094	GlaxoSmithKline	971,231 20,320,430
Telecom Corporation			J Sainbury	2,185,487 12,206,386
of New Zealand	2,011,067	7,916,585	Lloyds TSB	648,100 5,416,045
		11,474,679	Marks & Spencer	2,527,500 13,821,766
Norway-1.2%			Rexam	981,063 8,294,683
Norsk Hydro	132,020	9,522,711	Rio Tinto	454,764 12,230,798
Statoil	415,550	4,951,188	Royal Bank of Scotland	447,051 14,217,766
		14,473,899	Scottish and	
Portugal-1.4%			Southern Energy	899,130 11,359,088
Electricidade de Portugal	3,796,660 ^a	10,812,690	Shell Transport & Trading	2,613,543 17,950,734
Portugal Telecom	541,865	6,145,739		236,461,478
		16,958,429	Total Common Stocks	
Singapore-1.8%			(cost \$907,097,950)	1,137,293,863
DBS	1,546,740	13,382,624	Preferred Stocks-.1%	
MobileOne	5,562,000	5,074,221	Germany;	
Singapore			Hugo Boss	
Technologies Engineering	2,152,000	2,634,585	(cost \$569,065)	54,105 1,271,227
		21,091,430		

Mellon International Fund (continued)					
Short-Term Investments—3.2%	Principal Amount (\$)	Value (\$)	Investment of Cash Collateral for Securities Loaned—.3%	Shares	Value (\$)
Repurchase Agreements;			Registered Investment Company;		
Salomon Smith Barney, Repurchase Agreement, .875% dated 2/27/2004 due 3/1/2004 in the amount of \$37,902,764 (fully collateralized by \$26,580,000 U.S. Treasury Bills, 8.75%, 5/15/2017, value \$38,673,900) (cost \$37,900,000)	37,900,000	37,900,000	Dreyfus Institutional Preferred Money Market Fund (cost \$3,282,176)	3,282,176 ^c	3,282,176
			Total Investments (cost \$948,849,191)	99.1%	1,179,747,266
			Cash and Receivables (Net)	.9%	10,290,316
			Net Assets	100.0%	1,190,037,582

^a A portion of these securities are on loan. At February 29, 2004, the total market value of the fund's securities on loan is \$3,116,293 and the total market value of the collateral held by the fund is \$3,282,176.

^b Non-income producing

^c Investment in affiliated money market mutual fund.

See notes for financial statements.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon Emerging Markets Fund				
Common Stocks—93.0%	Shares	Value (\$)	Shares	Value (\$)
Brazil—5.7%				
Banco Itau, ADR	138,100	6,559,750		
Companhia Brasileira de Distribuicao Grupo Pao de Acucar, ADR	145,400	3,344,200		
Companhia de Saneamento Basico do Estado de Sao Paulo	132,120	6,950,335		
Empresa Brasileira de Aeronautica, ADR	260,950	7,878,081		
Petroleo Brasileiro, ADR	585,420	18,265,104		
Tele Celular Sul Participacoes, ADR	174,300	2,143,890		
Telecomunicacoes Brasileiras, ADR (Pfd Block)	214,600	7,006,690		
Ultrapar Participacoes, ADR	78,450	929,633		
		53,077,683		
China—1.4%				
Huadian Power International, Cl. H	18,479,000	7,240,429		
Qingling Motors, Cl. H	8,582,000	1,598,610		
Sinopec Yizheng Chemical Fibre, Cl. H	18,863,000	4,386,068		
		13,225,107		
Croatia—.5%				
Pliva, GDR	308,600 ^a	5,030,180		
Czech Republic—.7%				
CEZ	518,500	3,572,160		
Cesky Telecom	254,300	3,138,351		
		6,710,511		
Egypt—.5%				
Commercial International Bank, GDR	661,000 ^a	2,296,975		
Suez Cement, GDR	252,780 ^{a,b}	1,959,045		
		4,256,020		
Hong Kong—4.5%				
CNOOC	1,040,000	2,104,262		
China Mobile (Hong Kong)	68,900	1,214,707		
China Mobile (Hong Kong), ADR	6,284,000	22,119,370		
China Resources Enterprise	6,358,000	8,943,771		
China Resources Power Holdings	4,200,000 ^b	2,360,551		
Shanghai Industrial	1,865,700	4,901,411		
		41,644,072		
Hungary—3.2%				
EGIS	18,010	929,435		
Gedeon Richter	50,760	5,807,498		
MOL Magyar Olaj-es Gazipari	266,441	8,820,832		
Magyar Tavkozlesi	2,237,400	8,823,242		
OTP Bank	353,700 ^b	5,837,600		
		30,218,607		
India—8.9%				
Bajaj Auto	21,630	374,727		
Bajaj Auto, GDR	36,000 ^a	792,000		
Bharat Petroleum	490,247	4,549,642		
Gail India, GDR	236,500 ^a	6,976,750		
Hindalco Industries, GDR	299,100 ^a	9,062,730		
Hindustan Petroleum	497,000	4,599,440		
ICICI Bank	834,261	4,294,511		
ICICI Bank, ADR	178,525	2,660,023		
ITC	401,900	9,081,688		
Indian Hotels, GDR	71,700 ^a	671,637		
Mahanagar Telephone Nigam	2,745,000	7,875,531		
Mahanagar Telephone Nigam, ADR	306,450	2,188,053		
Mahindra & Mahindra	50,000	476,411		
Mahindra & Mahindra, GDR	344,100 ^a	3,423,795		
NIIT	293,755 ^b	1,132,902		
Patni Computer Systems	80,000	432,244		
Reliance Industries	1,329,700	14,926,508		
Satyam Computer Services	827,170	5,292,699		
State Bank of India, GDR	125,100 ^a	4,753,800		
		83,565,091		
Indonesia—2.5%				
PT Astra Agro Lestari	11,025,000	2,607,924		
PT Gudang Garam	2,694,000	4,492,655		
PT Indofood Sukses Makmur	51,627,500	5,190,228		
PT Indonesian Satellite	2,228,000	4,809,107		
PT Telekomunikasi Indonesia	7,471,000	6,450,420		
		23,550,334		
Israel—1.8%				
Bank Hapoalim	3,107,430	7,849,912		
Check Point Software Technologies	288,277	6,636,137		
Koor Industries	1 ^b	37		
Supersol	1,126,186	2,546,399		
		17,032,485		
Malaysia—3.3%				
Commerce Asset-Holding	2,182,100	3,014,743		
Gamuda	3,535,200	5,954,021		
Genting	1,325,600	6,628,000		
Malaysia International Shipping	1,451,200	4,964,632		
Sime Darby	6,508,200	10,447,374		
		31,008,770		

Mellon Emerging Markets Fund (continued)

Common Stocks (continued)	Shares	Value (\$)		Shares	Value (\$)
Mexico—8.8%				South Africa (continued)	
Cemex	1,490,981	8,759,774		Sasol	1,094,314 16,562,913
Coca-Cola Femsa, ADR	511,600 ^b	12,165,848		Shoprite Holdings	1,915,336 2,715,944
Consorcio ARA	536,900 ^b	1,649,984		Steinhoff International Holdings	4,462,070 5,995,623
Controladora Comercial Mexicana	4,880,300	6,484,423		Tiger Brands	578,974 7,261,541
Desc, Ser. B	4,122,700	1,743,954		Tongaat-Hulett Group	539,429 3,456,410
Grupo Continental	1,839,500	3,616,317			100,807,808
Grupo Financiero				South Korea—16.8%	
BBVA Bancomer, Cl. B	8,179,900 ^b	8,776,193		CJ	117,950 6,845,804
Kimberly-Clark de Mexico, Cl. A	4,520,000	11,978,705		Cheil Communications	3,920 598,727
Organizacion Soriana, Cl. B	653,500 ^b	1,943,341		Hyundai Development	97,490 ^b 1,071,273
Telefonos de Mexico, ADR	739,200	25,110,624		Hyundai Mobis	18,900 849,979
		82,229,163		Hyundai Motor	160,250 6,798,897
Philippines—.5%				INI Steel	302,800 3,237,403
ABS-CBN Broadcasting	1,288,700 ^b	532,190		Industrial Bank of Korea	550,000 3,794,230
Bank of the Philippine Islands	2,582,480	2,087,084		KT, ADR	737,150 14,020,593
Manila Electric, Cl. B	2,672,400 ^b	1,518,948		KT&G, GDR	420,550 ^{a,c} 4,899,408
		4,138,222		Kangwon Land	468,607 ^b 5,586,702
Poland—2.9%				Kia Motors	519,130 4,801,457
Bank Przemyslowo-Handlowy	46,392	4,667,203		Kookmin Bank	315,834 13,158,633
KGHM Polska Miedz	878,180 ^b	7,134,947		Kookmin Bank, ADR	73,840 3,066,575
Polski Koncern Naftowy Orlen	925,154	6,715,455		Korea Electric Power	1,404,480 ^b 24,669,271
Telekomunikacja Polska	2,010,926	8,450,775		Korea Exchange Bank	169,042 ^b 1,148,939
		26,968,380		Korea Fine Chemical	11,780 116,950
Russia—2.9%				POSCO	99,270 14,572,516
LUKOIL, ADR	175,900	19,757,294		POSCO, ADR	53,150 1,981,964
YUKOS, ADR	143,900	7,250,263		SK Telecom	42,600 8,603,140
		27,007,557		SK Telecom, ADR	55,400 1,385,554
South Africa—10.8%				Samsung	881,360 8,675,245
ABSA Group	999,054	7,074,195		Samsung Electro-Mechanics	94,370 ^b 3,515,352
Aveng	3,533,393	4,045,788		Samsung Electronics	34,100 15,769,622
BidBEE	197,034 ^b	1,107,117		Samsung Fire & Marine Insurance	127,110 8,164,809
Bidvest Group	1,403,867	11,284,078			157,333,043
Illovo Sugar	735,476	825,399		Taiwan—11.2%	
Imperial Holdings	455,413	4,834,680		Accton Technology	3,278,225 2,928,219
Metro Cash and Carry	10,146,193	3,523,732		Asustek Computer	4,190,750 11,028,290
Nampak	3,609,510	7,280,549		Chunghwa Telecom, ADR	587,500 9,658,500
Nedcor	1,511,079	14,666,665		Compal Electronics	7,621,000 10,314,135
Sanlam	3,084,000	4,279,566		Delta Electronics	4,255,000 5,758,647
Sappi	427,000	5,893,608			

Mellon Emerging Markets Fund (continued)

Common Stocks (continued)			Preferred Stocks—2.7%		
	Shares	Value (\$)		Shares	Value (\$)
Taiwan (continued)			Brazil—2.7%		
Elan Microelectronics	2,136,156	2,010,878	Banco Bradesco	723,910	3,636,362
First Financial	6,864,000 ^b	5,697,636	Companhia de Tecidos Norte de Minas	51,300	3,653,570
Nan Ya Plastics	3,236,478	4,389,930	Companhia Energetica de Minas Gerais	546,522	9,777,795
President Chain Store	1,678,000	3,381,233	Duratex	37,900	1,043,179
Quanta Computer	2,735,500	6,951,872	Telecomunicacoes de Sao Paulo	260,560	4,294,107
SinoPac Holdings	17,659,525	10,091,157	Telemar Norte Leste	72,800	1,485,305
Standard Foods	153,000	46,935	Telemig Celular Participacoes	858,130	1,753,756
Standard Foods, GDR	2,154 ^a	2,800	Total Preferred Stocks		25,644,074
Taiwan Cellular	7,775,806	7,530,254	(cost \$18,533,360)		
United Microelectronics	18,034,361	16,488,559			
United Microelectronics, ADR	590,077	3,074,301			
Yageo	8,987,960 ^b	4,838,631			
		104,191,977			
Thailand—2.2%			Short-Term Investments—3.8%		
Big C Supercenter	295,000	132,947		Principal Amount (\$)	Value (\$)
Charoen Pokphand Foods	13,041,700	1,325,590	Repurchase Agreements;		
Kasikornbank	3,366,000 ^b	4,246,136	Salomon Smith Barney,		
Krung Thai Bank	20,757,000	5,721,349	.875% dated 2/27/2004,		
PTT Exploration and Production	692,100	4,179,681	due 3/1/2004 in the amount of		
Siam Commercial Bank	4,337,300 ^b	4,952,705	\$35,002,552 (fully collateralized		
Siam Makro	343,400	365,197	by \$24,550,000 U.S. Treasury		
		20,923,605	Bills, 8.75%, 5/15/2017,		
Turkey—.7%			value \$35,720,250)		
Hurriyet Gazetecilik ve Matbaacilik	761,920,377	2,668,873	(cost \$35,000,000)		
Tupras-Turkiye Petrol Rafinerileri	423,349,000	3,507,977		35,000,000	35,000,000
		6,176,850	Investment of Cash Collateral		
United Kingdom—3.2%			for Securities Loaned—.2%		
Anglo American	678,064	16,996,184		Shares	Value (\$)
Old Mutual	7,401,200	13,122,920	Registered Investment Company;		
		30,119,104	Dreyfus Institutional		
Total Common Stocks			Preferred Money Market Fund		
(cost \$654,572,155)		869,214,569	(cost \$1,424,400)		
				1,424,400 ^d	1,424,400
			Total Investments		
			(cost \$709,529,915)		
				99.7%	931,283,043
			Cash and Receivables (Net)		
				.3%	3,158,748
			Net Assets		
				100.0%	934,441,791

^a Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At February 29, 2004, these securities amounted to \$39,869,120 or 4.3% of net assets.

^b Non-income producing

^c A portion of this security is on loan. At February 29, 2004, the total market value of the fund's security on loan is \$1,382,855 and the total market value of the collateral held by the fund is \$1,424,400.

^d Investment in affiliated money market mutual fund.

See notes to financial statements.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon Balanced Fund				
Common Stocks—44.3%	Shares	Value (\$)	Shares	Value (\$)
Alcohol & Tobacco—6%				
Altria Group	37,000	2,129,350		
Consumer Cyclical—5.1%				
BJ's Wholesale Club	20,930 ^a	497,088		
Bed Bath & Beyond	23,000 ^a	940,240		
Best Buy	20,860	1,110,795		
CVS	25,260	947,250		
Cendant	37,110	842,397		
Dana	41,400	885,546		
General Motors	35,670 ^b	1,716,440		
Home Depot	81,240	2,949,824		
Lear	10,690	658,825		
Limited Brands	58,910	1,163,473		
McDonald's	52,370	1,482,071		
NIKE, Cl. B	6,380	467,335		
Safeway	43,400 ^{a,b}	992,558		
Wal-Mart Stores	55,150	3,284,734		
Wendy's International	21,800	886,606		
		18,825,182		
Consumer Staples—2.6%				
Coca-Cola	48,250	2,410,570		
Fortune Brands	10,710	765,551		
Kimberly-Clark	21,940	1,419,079		
PepsiCo	42,690	2,215,611		
Procter & Gamble	26,870	2,754,444		
		9,565,255		
Energy—3.2%				
Apache	21,860	899,976		
ConocoPhillips	28,310	1,949,710		
Devon Energy	22,119	1,255,917		
Exxon Mobil	72,500	3,057,325		
Halliburton	48,490	1,549,740		
Nabors Industries	20,670 ^a	978,725		
Occidental Petroleum	31,390	1,393,716		
Valero Energy	14,910	894,600		
		11,979,709		
Health Care—6.0%				
Abbott Laboratories	38,630	1,653,364		
Aetna	16,470	1,330,611		
Amgen	25,190 ^a	1,600,321		
Boston Scientific	40,700 ^a	1,662,595		
Genzyme	10,270 ^a	521,511		
HCA	11,380	483,878		
Johnson & Johnson	53,930	2,907,366		
Health Care (continued)				
Merck & Co.	36,150	1,738,092		
Novartis, ADR	10,500 ^b	463,575		
Pfizer	140,833	5,161,529		
Teva Pharmaceutical, ADR	13,300	864,500		
UnitedHealth Group	28,890	1,791,180		
Varian Medical Systems	3,710 ^a	310,675		
Wyeth	43,550	1,720,225		
		22,209,422		
Interest Sensitive—10.6%				
Allstate	19,010	867,426		
American Express	27,350	1,461,037		
American International Group	49,436	3,658,264		
Bank of America	25,460	2,085,683		
Bank One	35,000	1,889,300		
Bear Stearns Cos.	8,130	714,139		
Capital One Financial	14,470	1,023,319		
Citigroup	104,326	5,243,425		
Fannie Mae	19,700	1,475,530		
Freddie Mac	25,630	1,587,010		
General Electric	130,640	4,248,413		
Goldman Sachs Group	17,000	1,799,790		
J.P. Morgan Chase & Co.	51,010	2,092,430		
Lehman Brothers Holdings	12,710	1,102,084		
MBNA	39,670	1,084,181		
Merrill Lynch	34,840	2,132,557		
Morgan Stanley	16,040	958,550		
New York Community Bancorp	18,173	638,247		
Radian Group	7,950	347,415		
RenaissanceRe Holdings	10,500	555,975		
SouthTrust	20,250	680,400		
Travelers Property Casualty, Cl. A	1	18		
Travelers Property Casualty, Cl. B	1	18		
U.S. Bancorp	45,776	1,305,989		
Wells Fargo	39,630	2,272,781		
		39,223,981		
Internet—.2%				
eBay	10,220 ^a	703,749		
Producer Goods & Services—4.8%				
Air Products & Chemicals	18,740	904,018		
Alcan	10,900	519,167		
Alcoa	13,200	494,604		

Mellon Balanced Fund (continued)

Common Stocks (continued)				
	Shares	Value (\$)	Shares	Value (\$)
Producer Goods & Services (continued)			Technology (continued)	
Cooper Industries, Cl. A	10,780	570,370	Seagate Technology	45,000 778,500
Deere & Co.	15,880	1,019,972	Symantec	27,150 ^a 1,116,951
E. I. du Pont de Nemours	24,220	1,092,080	Texas Instruments	51,990 1,593,493
Freeport-McMoRan Copper & Gold, Cl. B	22,900	980,523	VERITAS Software	20,440 ^a 621,785
Honeywell International	30,390	1,065,170	Xilinx	18,110 ^a 761,344
ITT Industries	8,380	632,690		26,214,900
Inco	20,710 ^a	769,584	Utilities—1.5%	
Ingersoll-Rand, Cl. A	15,880	1,055,702	Entergy	13,880 822,945
International Paper	15,210	673,195	Exelon	17,010 1,142,051
PPG Industries	15,050	883,285	FPL Group	12,950 850,167
Pentair	15,400	831,754	PPL	17,050 793,337
Phelps Dodge	11,940 ^a	1,029,944	SBC Communications	38,457 923,353
3M	17,410	1,358,328	Telefonos de Mexico, ADR	28,030 952,179
Tyco International	51,700	1,477,069		5,484,032
Union Pacific	16,810	1,069,788	Total Common Stocks	
United Technologies	16,990	1,564,949	(cost \$117,009,460)	163,959,209
		17,992,192		
Services—2.6%			Bonds and Notes—32.5%	
Comcast, Cl. A	33,780 ^a	1,014,751		Principal Amount (\$)
Manpower	11,610	519,548		Value (\$)
Nextel Communications, Cl. A	46,100 ^a	1,221,189	Banking/Finance—4.7%	
Sprint (PCS Group)	67,000 ^a	603,000	AXA Financial,	
The News, ADR	17,330 ^b	649,009	Sr. Notes, 7.75%, 8/1/2010	1,000,000 1,198,130
Time Warner	49,200 ^a	848,700	Bear Stearns Cos.,	
Tribune	14,160	707,150	Notes, 4.5%, 10/28/2010	250,000 255,783
Viavision Communications, Cl. A	22,600 ^a	805,238	Cit Group:	
Viacom, Cl. B	33,371	1,283,449	Sr. Notes, 4%, 5/8/2008	600,000 ^b 614,432
Walt Disney	74,610	1,979,403	Sr. Notes, 5.75%, 9/25/2007	620,000 675,722
		9,631,437	Citigroup,	
Technology—7.1%			Sub. Notes, 6.625%, 6/15/2032	1,045,000 1,169,530
Agilent Technologies	31,500 ^a	1,076,985	Countrywide Home Loan:	
Cisco Systems	121,970 ^a	2,817,507	Notes, 3.25%, 5/21/2008	1,075,000 1,072,408
Dell	63,770 ^a	2,082,091	Fleet Financial Group,	
EMC	83,030 ^a	1,188,990	Notes, 6.375%, 5/15/2008	750,000 839,944
Intel	59,680	1,744,446	Ford Motor,	
International Business Machines	18,340	1,769,810	Notes, 7.45%, 7/16/2031	1,650,000 1,662,312
KLA-Tencor	16,540 ^a	873,312	GMAC	
Lexmark International	9,600 ^a	789,984	Notes, 4.375%, 12/10/2007	1,550,000 1,574,358
Linear Technology	29,130	1,164,909	Goldman Sachs,	
Maxim Integrated Products	23,300	1,162,903	Notes, 4.75%, 7/15/2013	1,000,000 992,905
Microsoft	167,290	4,433,185	Heller Financial,	
Nortel Networks	108,000 ^a	861,840	Notes, 6.375%, 3/15/2006	220,000 240,661
QUALCOMM	21,700	1,376,865	Household Finance,	
			Notes, 7.625%, 5/17/2032	225,000 280,364
			International Lease Finance,	
			Notes, 4.55%, 10/15/2009	1,700,000 1,758,545

Mellon Balanced Fund (continued)				
Bonds and Notes (continued)	Principal Amount (\$)	Value (\$)	Principal Amount (\$)	Value (\$)
Banking/Finance (continued)			Foreign/Governmental--7%	
Kredit Wiederaufbau, Notes, 2.7%, 3/1/2007	885,000	888,711	Italy, Notes, 3.25%, 5/15/2009	875,000 873,311
Lehman Brothers, Notes, 7%, 2/1/2008	875,000	998,880	Province of Ontario: Notes, 5.125%, 7/17/2012	500,000 534,012
Morgan Stanley, Notes, 5.3%, 3/1/2013	750,000	783,503	Sr. Notes, 5.5%, 10/1/2008	865,000 ^b 949,109
Pemex Master Trust: Notes, 7.375%, 12/15/2014	925,000 ^c	1,016,575	Province of Quebec, Notes, 5%, 7/17/2009	315,000 337,483
Notes, 7.875%, 2/1/2009	1,250,000	1,432,500		2,693,915
		17,455,263	Industrial--1.8%	
Collateralized Mortgage Obligations--.5%			Conoco Funding Notes, 6.35%, 10/15/2011	615,000 700,275
Federal Home Loan Mortgage Corp. Multiclass Mortgage Participation Ctfs.: Ser. 2480, Cl. PD, 6%, 11/15/2031	990,000	1,033,997	Federated Department Stores, Notes, 6.3%, 4/1/2009	775,000 867,513
REMIC, Ser. 2503, Cl. PG, 6%, 4/15/2031	695,000	724,144	General Electric, Notes, 5%, 2/1/2013	1,000,000 1,036,579
		1,758,141	General Motors, Bonds, 8.375%, 7/15/2033	500,000 568,266
Commercial Mortgage Pass-Through Ctfs.--1.9%			IBM, Notes, 4.75%, 11/29/2012	500,000 513,464
ABN Amro Mortgage, Ser. 2002-1A, Cl. M, 5.633%, 6/25/2032	364,901	373,038	International Paper, Notes, 5.3%, 4/1/2015	1,000,000 1,005,366
Asset Securitization, Ser. 1995-MD IV, Cl. A1, 7.1%, 8/13/2029	584,592	626,595	Kellogg, Sr. Notes, 2.875%, 6/1/2008	700,000 ^b 689,241
Bank One Issuance Trust, Ser. 2003-C3, Cl. C3, 4.77%, 2/16/2016	1,800,000	1,765,907	Univision Communications, Sr. Notes, 3.5%, 10/15/2007	1,150,000 1,167,956
GS Mortgage Securities II, Ser. 1998-GLII, Cl. A2, 6.562%, 4/13/2031	2,375,000	2,630,384		6,548,660
Harley-Davidson Motorcycle Trust, Ser. 2003-4, Cl. A2, 2.69%, 4/15/2011	1,250,000	1,262,618	Media/Telecommunications--1.5%	
Washington Mutual Mortgage Securities Corp., Ser. 2002-AR5, Cl. 1A3, 4.695%, 6/25/2032	228,158	230,390	Comcast, Bonds, 7.05%, 3/15/2033	885,000 ^b 978,511
Wells Fargo Mortgage Backed Securities, Ser. 2002-B, Cl. B1, 6.15%, 6/25/2032	164,216	166,376	Comcast Cable Communications, Sr. Notes, 6.875%, 6/15/2009	925,000 1,053,329
		7,055,308	Sprint Capital, Gtd. Sr. Notes, 6.125%, 11/15/2008	950,000 1,035,268
			Time Warner, Gtd. Notes, 6.95%, 1/15/2028	1,750,000 1,894,753
			Verizon New York, Deb., 4.375%, 4/1/2032	500,000 ^b 569,894
				5,531,755
			Real Estate Investment Trusts--.5%	
			Liberty Property, Sr. Notes, 7.25%, 3/15/2011	1,500,000 1,740,937

Mellon Balanced Fund (continued)

Bonds and Notes (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Residential Mortgage Pass-Through Cdfs.—.4%			U.S. Government Agencies/ Mortgaged-Backed (continued)		
Washington Mutual, Ser. 2003-S4, Cl. 4A1, 4%, 2/25/2032	785,765	771,677	Federal Home Loan Mortgage Corp. (continued):		
Washington Mutual Mortgage Securities Corp., Ser. 2002-AR4, Cl. A7, 5.508%, 4/26/2032	568,649	576,649	7%, 8/1/2029	348,047	369,581
		1,348,326	8.5%, 6/1/2018	1,035,052 ^b	1,137,905
U.S. Governments—3.4%			Federal National Mortgage Association:		
U.S. Treasury Bonds, 5.375%, 2/15/2031	6,830,000 ^b	7,361,989	5%, 6/1/2018-3/1/2034	3,636,814	3,668,732
U.S. Treasury Notes: 4.375%, 5/15/2007	4,095,000 ^b	4,365,802	5.5%, 12/1/2017-1/1/2034	7,688,561	7,916,586
6%, 8/15/2009	750,000 ^b	860,415	6%, 8/1/2029-11/1/2032	5,752,767	5,997,127
		12,588,206	6.5%, 3/1/2017-8/1/2032	3,852,809	4,062,239
U.S. Government Agencies—4.7%			7%, 6/1/2009-6/1/2032	1,279,588	1,364,391
Federal Farm Credit Bank, Bonds, 2.125%, 7/17/2006	925,000	926,856	7.5%, 7/1/2032	725,766	777,702
Bonds, 2.375%, 10/2/2006	1,250,000	1,256,701	8%, 2/1/2013	468,452	501,974
Federal Home Loan Bank:			Ser. 333, Cl. 2, 5.5%, 3/1/2033 (Interest Only Obligation)	2,344,447	510,823
Bonds, 2.875%, 9/15/2006	390,000 ^b	397,206	Government National Mortgage Association I:		
Bonds, 3.5%, 4/22/2008	745,000	749,601	6%, 10/15/2008-10/15/2033	2,061,399	2,170,074
Bonds, 3.75%, 8/15/2007	670,000	694,476	6.5%, 2/15/2024-5/15/2028	2,239,669	2,372,438
Federal Home Loan Mortgage Corp.:			7%, 5/15/2023-11/15/2023	727,444	780,183
Notes, 2.75%, 10/6/2006	995,000	1,003,299	7.5%, 3/15/2027	345,111	372,178
Notes, 2.85%, 2/23/2007	925,000	934,631	8%, 2/15/2008	381,879	405,147
Notes, 3%, 10/27/2006-7/22/2008	2,870,000	2,885,673	9%, 12/15/2009	752,211	817,555
Notes, 3.05%, 1/19/2007	1,070,000	1,085,005	Government National Mortgage Association II:		
Notes, 3.125%, 8/25/2006	270,000	272,401	6.5%, 4/20/2031	353,657	372,886
Notes, 5.875%, 3/21/2011	1,115,000	1,232,491			43,231,076
Federal National Mortgage Association, Notes, 2.03%, 2/9/2006	920,000	924,285	Utilities—.7%		
Notes, 2.875%, 5/19/2008	1,015,000	1,004,383	Energy East, Notes, 6.75%, 6/15/2012	625,000	707,847
Bonds, 3.5%, 1/28/2008	3,090,000	3,120,310	FPL Group Capital, Notes, 6.125%, 5/15/2007	700,000	770,620
Notes, 4%, 12/15/2008	1,110,000	1,126,608	Florida Power & Light, Notes, 5.95%, 10/1/2033	500,000	526,917
		17,613,926	Virginia Electric & Power, Notes, 4.5%, 12/15/2010	500,000	510,692
U.S. Government Agencies/ Mortgaged-Backed—11.7%					2,516,076
Federal Home Loan Mortgage Corp.:			Total Bonds and Notes		120,081,589
4.5%, 6/1/2018	1,851,730	1,873,136	(cost \$116,098,185)		
5.5%, 9/1/2006-10/1/2033	3,709,252	3,817,410			
5.644%, 7/1/2031	445,004 ^d	455,070			
6%, 8/1/2032-11/1/2032	1,466,055	1,529,113			
6.5%, 8/1/2032	1,861,683	1,958,826			

Mellon Balanced Fund (continued)					
Other Investments—22.9%	Shares	Value (\$)	Short-Term Investments—1.0%	Principal Amount (\$)	Value (\$)
Registered Investment Companies:			Commercial Paper;		
Mellon Emerging Markets Fund, Class M Shares	830,936	15,588,355	American Express, 1.01%, 3/15/2004 (cost \$3,880,000)		3,880,000
Mellon International Fund, Class M Shares	2,015,121	28,957,291	Investment of Cash Collateral for Securities Loaned—4.3%		
Mellon Mid Cap Stock Fund, Class M Shares	2,080,264	26,668,983		Shares	Value (\$)
Mellon Small Cap Stock Fund, Class M Shares	864,723	13,351,329	Registered Investment Company;		
Total Other Investments (cost \$69,285,296)		84,565,958	Dreyfus Institutional Preferred Money Market Fund (cost \$16,089,310)	16,089,310 ^e	16,089,310
			Total Investments (cost \$322,362,251)		
				105.0%	388,576,066
			Liabilities, Less Cash and Receivables	(5.0%)	(18,550,247)
			Net Assets	100.0%	370,025,819

^a Non-income producing.

^b All or a portion of these securities are on loan. At February 29, 2004, the total market value of the fund's securities on loan is \$15,588,327 and the total market value of the collateral held by the fund is \$16,089,310.

^c Security exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions exempt from registration, normally to qualified institutional buyers. At February 29, 2004, this security amounted to \$1,016,575 or .3% of net assets.

^d Variable rate security—interest rate subject to periodic change.

^e Investment in affiliated money market mutual fund.

See notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES

February 29, 2004 (Unaudited)

	Mellon Large Cap Stock Fund	Mellon Income Stock Fund	Mellon Mid Cap Stock Fund	Mellon Small Cap Stock Fund
Assets (\$):				
Investments in securities— See Statement of Investments†–Note 2(c) (including securities on loan)††–Note 2(b):				
Unaffiliated issuers	1,676,973,466	270,315,332	1,248,752,288	746,946,484
Affiliated issuers	29,318,130	13,730,810	33,678,328	38,511,166
Cash	49,834	–	485,537	–
Receivable for investment securities sold	–	–	45,854,392	16,691,073
Dividends and interest receivable	2,586,234	728,564	947,451	560,218
Receivable for shares of Beneficial Interest subscribed	97,347	–	21,458	18,663
Prepaid expenses	32,001	11,844	23,139	10,372
	1,709,057,012	284,786,550	1,329,762,593	802,737,976
Liabilities (\$):				
Due to The Dreyfus Corporation and affiliates–Note 3(a)	883,137	142,856	750,057	500,737
Due to Administrator–Note 3(a)	181,912	29,389	134,442	80,733
Cash overdraft due to Custodian	–	618,264	–	169,333
Payable for investment securities purchased	–	–	44,730,523	6,938,430
Liability for securities on loan–Note 2(b)	29,318,130	13,730,810	33,678,328	38,511,166
Payable for shares of Beneficial Interest redeemed	649,294	556,162	968,312	1,028,054
Accrued expenses	37,931	18,210	59,714	48,644
	31,070,404	15,095,691	80,321,376	47,277,097
Net Assets (\$)	1,677,986,608	269,690,859	1,249,441,217	755,460,879
Composition of Net Assets (\$):				
Paid-in capital	1,363,401,442	169,043,603	926,913,226	597,790,033
Accumulated undistributed (distributions in excess of) investment income–net	420,341	(50)	453,505	–
Accumulated investment (loss)–net	–	–	–	(289,793)
Accumulated net realized gain (loss) on investments	(152,048,553)	22,625,773	42,918,734	(5,479,486)
Accumulated net unrealized appreciation (depreciation) on investments	466,213,378	78,021,533	279,155,752	163,440,125
Net Assets (\$)	1,677,986,608	269,690,859	1,249,441,217	755,460,879
Net Asset Value Per Share				
Class M Shares				
Net Assets (\$)	1,674,761,715	268,696,280	1,214,095,672	751,938,359
Shares Outstanding	181,945,043	27,780,828	94,680,322	48,715,597
Net Asset Value Per Share (\$)	9.20	9.67	12.82	15.44
Investor Shares				
Net Assets (\$)	3,224,893	994,579	21,351,637	3,522,520
Shares Outstanding	350,524	102,459	1,669,277	230,092
Net Asset Value Per Share (\$)	9.20	9.71	12.79	15.31
Dreyfus Premier Shares				
Net Assets (\$)	–	–	13,993,908	–
Shares Outstanding	–	–	1,104,002	–
Net Asset Value Per Share (\$)	–	–	12.68	–
† Investments at cost (\$):				
Unaffiliated issuers	1,210,760,088	192,293,799	969,596,536	583,506,359
Affiliated issuers	29,318,130	13,730,810	33,678,328	38,511,166
†† Value of securities on loan (\$)	28,638,300	13,514,120	33,021,020	35,108,621

See notes to financial statements.

	Mellon International Fund	Mellon Emerging Markets Fund	Mellon Balanced Fund
Assets (\$):			
Investments in securities—See Statement of Investments [†] –Note 2(c) (including securities on loan) ^{††} –Note 2(b):			
Unaffiliated issuers	1,176,465,090	929,858,643	372,486,756
Affiliated issuers	3,282,176	1,424,400	16,089,310
Cash	1,814,422	2,818,539	–
Cash denominated in foreign currencies ^{†††}	7,003,851	19,410,715	–
Receivable for investment securities sold	13,231,746	4,200,712	4,961,144
Dividends and interest receivable	1,695,049	2,051,495	1,176,945
Receivable for shares of Beneficial Interest subscribed	36,758	37,007	–
Paydowns receivable	–	–	97,783
Prepaid expenses	22,625	20,391	19,406
	1,203,551,717	959,821,902	394,831,344
Liabilities (\$):			
Due to The Dreyfus Corporation and affiliates—Note 3(a)	984,423	1,155,006	140,086
Due to Administrator—Note 3(a)	126,633	98,177	31,265
Cash overdraft due to Custodian	–	–	473,245
Payable for investment securities purchased	8,530,553	22,542,822	5,288,101
Liability for securities on loan—Note 2(b)	3,282,176	1,424,400	16,089,310
Bank loan payable—Note 5	–	–	2,750,000
Payable for shares of Beneficial Interest redeemed	542,605	81,780	9,400
Net unrealized depreciation on foreign currency exchange contracts—Note 2(f)	1,530	27,335	–
Interest payable—Note 5	–	–	651
Accrued expenses	46,215	50,591	23,467
	13,514,135	25,380,111	24,805,525
Net Assets (\$)	1,190,037,582	934,441,791	370,025,819
Composition of Net Assets (\$):			
Paid-in capital	992,159,046	695,444,844	318,479,318
Accumulated undistributed (distributions in excess of) investment income—net	(2,247,468)	(819,101)	331,406
Accumulated net realized gain (loss) on investments	(30,859,089)	17,944,726	(14,998,720)
Accumulated net unrealized appreciation (depreciation) on investments	–	–	66,213,815
Accumulated net unrealized appreciation (depreciation) on investments and foreign currency transactions	230,985,093	221,871,322	–
Net Assets (\$)	1,190,037,582	934,441,791	370,025,819
Net Asset Value Per Share			
Class M Shares			
Net Assets (\$)	1,189,561,407	933,778,390	369,448,034
Shares Outstanding	82,810,724	49,776,147	30,946,623
Net Asset Value Per Share (\$)	14.36	18.76	11.94
Investor Shares			
Net Assets (\$)	476,175	663,401	577,785
Shares Outstanding	31,999	35,146	48,323
Net Asset Value Per Share (\$)	14.88	18.88	11.96
[†] Investments at cost (\$):			
Unaffiliated issuers	945,567,015	708,105,515	306,272,941
Affiliated issuers	3,282,176	1,424,400	16,089,310
^{††} Value of securities on loan (\$)	3,116,293	1,382,855	15,588,327
^{†††} Cash denominated in foreign currencies (cost) (\$)	7,036,230	19,368,995	–

See notes to financial statements.

STATEMENT OF OPERATIONS

Six Months Ended February 29, 2004 (Unaudited)

	Mellon Large Cap Stock Fund	Mellon Income Stock Fund	Mellon Mid Cap Stock Fund	Mellon Small Cap Stock Fund
Investment Income (\$):				
Income:				
Cash dividends (net of \$7,252 and \$5,764 foreign taxes withheld at source for Mellon Income Stock Fund and Mellon Small Cap Stock Fund, respectively)	12,823,124	3,405,706	6,988,059	2,848,499
Interest	54,622	4,330	46,746	83,665
Income on securities lending	16,968	2,828	50,321	141,826
Total Income	12,894,714	3,412,864	7,085,126	3,073,990
Expenses:				
Investment advisory fee—Note 3(a)	5,113,577	867,174	4,341,538	2,812,392
Administration fee—Note 3(a)	1,089,307	184,770	801,509	457,994
Custodian fees—Note 3(c)	62,380	13,185	49,306	45,980
Trustees' fees and expenses—Note 3(d)	39,797	4,955	19,974	14,478
Registration fees	13,203	13,813	12,276	18,302
Legal fees	12,506	742	7,501	3,353
Auditing fees	9,173	11,403	7,031	6,693
Shareholder servicing costs—Note 3(c)	3,622	1,417	51,331	4,591
Prospectus and shareholders' reports	3,231	2,224	13,502	—
Distribution fees—Note 3(b)	—	—	53,230	—
Interest expense—Note 5	—	292	282	—
Miscellaneous	9,532	3,270	3,609	—
Total Expenses	6,356,328	1,103,245	5,361,089	3,363,783
Investment Income (Loss)—Net	6,538,386	2,309,619	1,724,037	(289,793)
Realized and Unrealized Gain (Loss) on Investments—Note 4 (\$):				
Net realized gain (loss) on investments	29,154,537	30,442,594	95,790,763	30,804,627
Net unrealized appreciation (depreciation) on investments	160,950,548	6,289,391	76,967,496	73,201,371
Net Realized and Unrealized Gain (Loss) on Investments	190,105,085	36,731,985	172,758,259	104,005,998
Net Increase in Net Assets Resulting from Operations	196,643,471	39,041,604	174,482,296	103,716,205

See notes to financial statements.

	Mellon International Fund	Mellon Emerging Markets Fund	Mellon Balanced Fund
Investment Income (\$):			
Income:			
Cash dividends (net of \$561,152 and \$641,454 foreign taxes withheld at source for Mellon International Fund and Mellon Emerging Markets Fund, respectively)	5,405,778	6,320,159	1,858,240
Interest	188,091	157,276	2,855,171
Income on securities lending	59,393	40,789	7,663
Total Income	5,653,262	6,518,224	4,721,074
Expenses:			
Investment advisory fee—Note 3(a)	4,234,020	4,198,758	821,706
Administration fee—Note 3(a)	689,430	505,167	193,915
Custodian fees—Note 3(c)	526,431	805,300	21,465
Registration fees	34,823	43,264	4,592
Trustees' fees and expenses—Note 3(d)	15,635	10,822	7,410
Auditing fees	11,394	12,167	9,611
Prospectus and shareholders' reports	3,464	2,748	2,635
Legal fees	2,663	2,239	1,989
Shareholder servicing costs—Note 3(c)	559	725	689
Interest expense—Note 5	—	—	651
Miscellaneous	5,531	2,934	6,047
Total Expenses	5,523,950	5,584,124	1,070,710
Less—reduction in investment advisory fee due to undertaking—Note 3(a)	(35,251)	(75,966)	—
Net Expenses	5,488,699	5,508,158	1,070,710
Investment Income—Net	164,563	1,010,066	3,650,364
Realized and Unrealized Gain (Loss) on Investments—Note 4 (\$):			
Net realized gain (loss) on investments	—	—	3,233,947
Net realized gain (loss) on investments and foreign currency transactions	22,995,426	29,179,835	—
Net realized gain (loss) on foreign currency exchange contracts	407,691	(122,605)	—
Net Realized Gain (Loss)	23,403,117	29,057,230	3,233,947
Net unrealized appreciation (depreciation) on investments	—	—	33,373,554
Net unrealized appreciation (depreciation) on investments and foreign currency transactions	184,066,227	148,711,692	—
Net Realized and Unrealized Gain (Loss) on Investments	207,469,344	177,768,922	36,607,501
Net Increase in Net Assets Resulting from Operations	207,633,907	178,778,988	40,257,865

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Mellon Large Cap Stock Fund		Mellon Income Stock Fund	
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a
Operations (\$):				
Investment income—net	6,538,386	11,088,535	2,309,619	4,545,065
Net realized gain (loss) on investments	29,154,537	(58,361,648)	30,442,594	(3,396,197)
Net unrealized appreciation (depreciation) on investments	160,950,548	127,750,849	6,289,391	8,554,469
Net Increase (Decrease) in Net Assets Resulting from Operations	196,643,471	80,477,736	39,041,604	9,703,337
Dividends to Shareholders from (\$):				
Investment income—net:				
Class M Shares	(6,756,901)	(11,001,406)	(2,460,963)	(4,470,560)
Investor Shares	(8,319)	(6,894)	(6,491)	(8,289)
Net realized gain on investments:				
Class M Shares	—	—	(3,983,636)	(2,323,741)
Investor Shares	—	—	(14,224)	(3,936)
Total Dividends	(6,765,220)	(11,008,300)	(6,465,314)	(6,806,526)
Beneficial Interest Transactions (\$):				
Net proceeds from shares sold:				
Class M Shares	90,051,428	241,867,720	7,340,429	28,517,810
Investor Shares	1,318,518	1,384,549	36,644	604,610
Dividends reinvested:				
Class M Shares	418,640	513,069	2,627,126	1,566,906
Investor Shares	6,980	4,899	20,715	11,433
Cost of shares redeemed:				
Class M Shares	(85,127,452)	(220,945,860)	(44,795,560)	(168,743,501)
Investor Shares	(535,518)	(166,053)	(279,514)	(150,287)
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	6,132,596	22,658,324	(35,050,160)	(138,193,029)
Total Increase (Decrease) In Net Assets	196,010,847	92,127,760	(2,473,870)	(135,296,218)
Net Assets (\$):				
Beginning of Period	1,481,975,761	1,389,848,001	272,164,729	407,460,947
End of Period	1,677,986,608	1,481,975,761	269,690,859	272,164,729
Undistributed (distributions in excess of) investment income—net	420,341	647,175	(50)	157,785
Capital Share Transactions (Shares):				
Class M Shares				
Shares sold	10,292,971	31,990,213	804,417	3,568,229
Shares issued for dividends reinvested	47,889	67,845	280,425	202,307
Shares redeemed	(9,769,541)	(29,340,146)	(4,958,688)	(21,472,599)
Net Increase (Decrease) in Shares Outstanding	571,319	2,717,912	(3,873,846)	(17,702,063)
Investor Shares				
Shares sold	153,576	178,317	4,108	71,813
Shares issued for dividends reinvested	797	633	2,222	1,442
Shares redeemed	(63,822)	(22,263)	(29,779)	(18,323)
Net Increase (Decrease) in Shares Outstanding	90,551	156,687	(23,449)	54,932

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.
See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS (continued)

	Mellon Mid Cap Stock Fund		Mellon Small Cap Stock Fund	
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^{a,b}	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a
Operations (\$):				
Investment income (loss)–net	1,724,037	4,471,729	(289,793)	(83,512)
Net realized gain (loss) on investments	95,790,763	(36,704,162)	30,804,627	(14,624,022)
Net unrealized appreciation (depreciation) on investments	76,967,496	165,666,943	73,201,371	112,536,737
Net Increase (Decrease) in Net Assets Resulting from Operations	174,482,296	133,434,510	103,716,205	97,829,203
Dividends to Shareholders from (\$):				
Investment income–net:				
Class M Shares	(3,197,924)	(3,035,413)	–	–
Investor Shares	(10,284)	(36,714)	–	–
Total Dividends	(3,208,208)	(3,072,127)	–	–
Beneficial Interest Transactions (\$):				
Net proceeds from shares sold:				
Class M Shares	68,944,136	171,878,442	121,630,423	202,921,762
Investor Shares	2,706,955	4,159,876	338,182	395,130
Dreyfus Premier Shares	132,549	1,126,540	–	–
Net assets received in connection with reorganization–Note 1:				
Class M Shares	–	184,065,900	–	–
Investor Shares	–	17,131,194	–	–
Dreyfus Premier Shares	–	18,147,908	–	–
Dividends reinvested:				
Class M Shares	668,015	602,680	–	–
Investor Shares	9,269	32,664	–	–
Cost of shares redeemed:				
Class M Shares	(95,583,835)	(249,328,670)	(31,081,789)	(92,875,422)
Investor Shares	(2,451,851)	(6,154,677)	(892,098)	(1,250,435)
Dreyfus Premier Shares	(3,207,813)	(4,885,386)	–	–
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	(28,782,575)	136,776,471	89,994,718	109,191,035
Total Increase (Decrease) In Net Assets	142,491,513	267,138,854	193,710,923	207,020,238
Net Assets (\$):				
Beginning of Period	1,106,949,704	839,810,850	561,749,956	354,729,718
End of Period	1,249,441,217	1,106,949,704	755,460,879	561,749,956
Undistributed investment income (loss)–net	453,505	1,937,676	(289,793)	–

	Mellon Mid Cap Stock Fund		Mellon Small Cap Stock Fund	
	Six Months Ended	Year Ended	Six Months Ended	Year Ended
	February 29, 2004 (Unaudited)	August 31, 2003 ^{a,b}	February 29, 2004 (Unaudited)	August 31, 2003 ^a
Capital Share Transactions:				
Class M Shares				
Shares sold	5,786,638	19,653,690	8,489,044	18,793,953
Shares issued in connection with reorganization—Note 1	—	18,726,817	—	—
Shares issued for dividends reinvested	55,576	63,574	—	—
Shares redeemed	(8,184,106)	(26,045,293)	(2,150,321)	(8,456,105)
Net Increase (Decrease) in Shares Outstanding	(2,341,892)	12,398,788	6,338,723	10,337,848
Investor Shares^c				
Shares sold	230,925	446,260	23,145	35,304
Shares issued in connection with reorganization—Note 1	—	1,746,630	—	—
Shares issued for dividends reinvested	773	3,453	—	—
Shares redeemed	(205,216)	(627,851)	(66,614)	(115,498)
Net Increase (Decrease) in Shares Outstanding	26,482	1,568,492	(43,469)	(80,194)
Dreyfus Premier Shares^c				
Shares sold	10,911	32,203	—	—
Shares issued in connection with reorganization—Note 1	—	1,850,160	—	—
Shares redeemed	(274,556)	(514,716)	—	—
Net Increase (Decrease) in Shares Outstanding	(263,645)	1,367,647	—	—

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b Mellon Mid Cap Stock Fund commenced selling Dreyfus Premier shares on September 6, 2002.

^c During the period ended February 29, 2004, 178,214 Dreyfus Premier shares of Mellon Mid Cap Stock Fund representing \$2,078,510 were automatically converted to 173,984 Investor shares and during the period ended August 31, 2003, 220,359 Dreyfus Premier shares of Mellon Mid Cap Stock Fund representing \$2,118,822 were automatically converted to 219,772 Investor shares.

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS (continued)

	Mellon International Fund		Mellon Emerging Markets Fund	
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a
Operations (\$):				
Investment income—net	164,563	11,996,706	1,010,066	4,324,967
Net realized gain (loss) on investments	23,403,117	(35,005,301)	29,057,230	571,352
Net unrealized appreciation (depreciation) on investments	184,066,227	99,096,713	148,711,692	80,847,122
Net Increase (Decrease) in Net Assets Resulting from Operations	207,633,907	76,088,118	178,778,988	85,743,441
Dividends to Shareholders from (\$):				
Investment income—net:				
Class M Shares	(13,996,941)	(7,490,466)	(5,321,756)	(1,699,272)
Investor Shares	(1,305)	(31,368)	(2,048)	(56)
Net realized gain on investments:				
Class M Shares	—	—	(10,285,746)	(3,966,227)
Investor Shares	—	—	(5,743)	(178)
Total Dividends	(13,998,246)	(7,521,834)	(15,615,293)	(5,665,733)
Beneficial Interest Transactions (\$):				
Net proceeds from shares sold:				
Class M Shares	196,184,760	319,838,213	250,659,315	324,252,671
Investor Shares	384,063	6,870,745	337,385	3,991,132
Dividends reinvested:				
Class M Shares	3,066,659	1,326,083	7,970,340	3,230,659
Investor Shares	1,241	196	6,955	159
Cost of shares redeemed:				
Class M Shares	(23,848,272)	(112,619,325)	(13,974,207)	(26,493,803)
Investor Shares	(262,668)	(9,260,128)	(83,019)	(4,525,995)
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	175,525,783	206,155,784	244,916,769	300,454,823
Total Increase (Decrease) In Net Assets	369,161,444	274,722,068	408,080,464	380,532,531
Net Assets (\$):				
Beginning of Period	820,876,138	546,154,070	526,361,327	145,828,796
End of Period	1,190,037,582	820,876,138	934,441,791	526,361,327
Undistributed (distributions in excess of) investment income—net	(2,247,468)	11,586,215	(819,101)	3,494,637
Capital Share Transactions (Shares):				
Class M Shares				
Shares sold	14,684,714	31,503,960	14,872,346	25,425,397
Shares issued for dividends reinvested	235,202	131,687	457,802	278,505
Shares redeemed	(1,806,588)	(11,218,300)	(819,367)	(2,213,278)
Net Increase (Decrease) in Shares Outstanding	13,113,328	20,417,347	14,510,781	23,490,624
Investor Shares				
Shares sold	27,197	654,446	19,287	290,749
Shares issued for dividends reinvested	92	19	397	14
Shares redeemed	(20,706)	(857,253)	(5,385)	(325,214)
Net Increase (Decrease) in Shares Outstanding	6,583	(202,788)	14,299	(34,451)

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares. See notes to financial statements.

	Mellon Balanced Fund	
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a
Operations (\$):		
Investment income—net	3,650,364	8,648,881
Net realized gain (loss) on investments	3,233,947	(6,281,359)
Net unrealized appreciation (depreciation) on investments	33,373,554	23,127,446
Net Increase (Decrease) in Net Assets Resulting from Operations	40,257,865	25,494,968
Dividends to Shareholders from (\$):		
Investment income—net:		
Class M Shares	(3,688,941)	(8,761,192)
Investor Shares	(3,620)	(9,327)
Total Dividends	(3,692,561)	(8,770,519)
Beneficial Interest Transactions (\$):		
Net proceeds from shares sold:		
Class M Shares	6,385,814	22,360,720
Investor Shares	95,129	1,173,458
Dividends reinvested:		
Class M Shares	56,365	129,079
Investor Shares	1,613	4,215
Cost of shares redeemed:		
Class M Shares	(21,911,743)	(62,887,729)
Investor Shares	—	(924,727)
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	(15,372,822)	(40,144,984)
Total Increase (Decrease) In Net Assets	21,192,482	(23,420,535)
Net Assets (\$):		
Beginning of Period	348,833,337	372,253,872
End of Period	370,025,819	348,833,337
Undistributed investment income—net	331,406	373,603
Capital Share Transactions (Shares):		
Class M Shares		
Shares sold	560,652	2,219,800
Shares issued for dividends reinvested	4,920	12,757
Shares redeemed	(1,906,347)	(6,154,751)
Net Increase (Decrease) in Shares Outstanding	(1,340,775)	(3,922,194)
Investor Shares		
Shares sold	8,224	114,744
Shares issued for dividends reinvested	141	415
Shares redeemed	—	(91,228)
Net Increase (Decrease) in Shares Outstanding	8,365	23,931

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.
See notes to financial statements.

FINANCIAL HIGHLIGHTS

The following tables describe the performance for each share class of each fund for the fiscal periods indicated. All information (except portfolio turnover rate) reflects financial results for a single fund share. Total return shows how much your investment in each fund would have increased (or decreased) during each period, assuming you had reinvested all dividends and distributions. These figures have been derived from each fund's financial statements.

	Class M Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003 ^a	2002	2001 ^b
Mellon Large Cap Stock Fund				
Per Share Data (\$):				
Net asset value, beginning of period	8.16	7.77	9.52	12.50
Investment Operations:				
Investment income—net ^c	.04	.06	.05	.03
Net realized and unrealized gain (loss) on investments	1.04	.39	(1.59)	(2.97)
Total from Investment Operations	1.08	.45	(1.54)	(2.94)
Distributions:				
Dividends from investment income—net	(.04)	(.06)	(.05)	(.03)
Dividends from net realized gain on investments	—	—	(.16)	(.01)
Total Distributions	(.04)	(.06)	(.21)	(.04)
Net asset value, end of period	9.20	8.16	7.77	9.52
Total Return (%)	13.35 ^d	5.76	(16.47)	(23.55) ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.40 ^d	.81	.81	.75 ^d
Ratio of net investment income to average net assets	.41 ^d	.83	.56	.27 ^d
Portfolio Turnover Rate	23.51 ^d	56.96	44.26	45.08 ^d
Net Assets, end of period (\$ x 1,000)	1,674,762	1,479,855	1,389,045	1,857,167

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b From October 2, 2000 (commencement of operations) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Not annualized.

See notes to financial statements.

	Investor Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003	2002	2001 ^a
Mellon Large Cap Stock Fund				
Per Share Data (\$):				
Net asset value, beginning of period	8.16	7.77	9.52	9.99
Investment Operations:				
Investment income (loss)—net ^b	.02	.04	.03	(.00) ^c
Net realized and unrealized gain (loss) on investments	1.05	.39	(1.59)	(.47)
Total from Investment Operations	1.07	.43	(1.56)	(.47)
Distributions:				
Dividends from investment income—net	(.03)	(.04)	(.03)	(.00) ^c
Dividends from net realized gain on investments	—	—	(.16)	—
Total Distributions	(.03)	(.04)	(.19)	(.00) ^c
Net asset value, end of period	9.20	8.16	7.77	9.52
Total Return (%)	13.09 ^d	5.50	(16.65)	(4.69) ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.53 ^d	1.07	1.07	.23 ^d
Ratio of net investment income (loss) to average net assets	.29 ^d	.56	.31	(.05) ^d
Portfolio Turnover Rate	23.51 ^d	56.96	44.26	45.08 ^d
Net Assets, end of period (\$ x 1,000)	3,225	2,121	803	1,496

^a From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^b Based on average shares outstanding at each month end.

^c Amount represents less than \$.01 per share.

^d Not annualized.

See notes to financial statements.

	Six Months Ended February 29, 2004 (Unaudited)	Class M Shares		
		Year Ended August 31,		
		2003 ^a	2002 ^b	2001 ^c
Mellon Income Stock Fund				
Per Share Data (\$):				
Net asset value, beginning of period	8.56	8.24	10.39	12.50
Investment Operations:				
Investment income—net ^d	.08	.12	.11	.09
Net realized and unrealized gain (loss) on investments	1.26	.37	(1.56)	(1.96)
Total from Investment Operations	1.34	.49	(1.45)	(1.87)
Distributions:				
Dividends from investment income—net	(.09)	(.12)	(.11)	(.09)
Dividends from net realized gain on investments	(.14)	(.05)	(.59)	(.15)
Total Distributions	(.23)	(.17)	(.70)	(.24)
Net asset value, end of period	9.67	8.56	8.24	10.39
Total Return (%)	15.73 ^e	6.19	(14.94)	(15.12) ^e
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.41 ^e	.83	.82	.77 ^e
Ratio of net investment income to average net assets	.86 ^e	1.48	1.19	.78 ^e
Portfolio Turnover Rate	40.27 ^e	12.82	30.35	30.28 ^e
Net Assets, end of period (\$ x 1,000)	268,696	271,085	406,875	631,743

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on fixed income securities on a scientific basis and including paydown gains and losses in interest income. There was no effect of this change for the period ended August 31, 2002 and the ratios were not affected by this change. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^c From October 2, 2000 (commencement of operations) to August 31, 2001.

^d Based on average shares outstanding at each month end.

^e Not annualized.

See notes to financial statements.

	Investor Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003	2002 ^a	2001 ^b
Mellon Income Stock Fund				
Per Share Data (\$):				
Net asset value, beginning of period	8.58	8.25	10.40	10.66
Investment Operations:				
Investment income—net ^c	.07	.10	.10	.02
Net realized and unrealized gain (loss) on investments	1.26	.38	(1.57)	(.27)
Total from Investment Operations	1.33	.48	(1.47)	(.25)
Distributions:				
Dividends from investment income—net	(.06)	(.10)	(.09)	(.01)
Dividends from net realized gain on investments	(.14)	(.05)	(.59)	—
Total Distributions	(.20)	(.15)	(.68)	(.01)
Net asset value, end of period	9.71	8.58	8.25	10.40
Total Return (%)	15.56 ^d	6.03	(15.15)	(2.32) ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.53 ^d	1.09	1.09	.20 ^d
Ratio of net investment income to average net assets	.74 ^d	1.21	1.08	.16 ^d
Portfolio Turnover Rate	40.27 ^d	12.82	30.35	30.28 ^d
Net Assets, end of period (\$ x 1,000)	995	1,080	586	163

^a As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on fixed income securities on a scientific basis and including paydown gains and losses in interest income. There was no effect of this change for the period ended August 31, 2002 and the ratios were not affected by this change. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^b From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Not annualized.

See notes to financial statements.

	Six Months Ended February 29, 2004 (Unaudited)	Class M Shares		
		Year Ended August 31,		
		2003 ^a	2002	2001 ^b
Mellon Mid Cap Stock Fund				
Per Share Data (\$):				
Net asset value, beginning of period	11.07	9.92	11.20	12.50
Investment Operations:				
Investment income—net ^c	.02	.05	.04	.02
Net realized and unrealized gain (loss) on investments	1.76	1.13	(1.29)	(1.32)
Total from Investment Operations	1.78	1.18	(1.25)	(1.30)
Distributions:				
Dividends from investment income—net	(.03)	(.03)	(.03)	(.00) ^d
Net asset value, end of period	12.82	11.07	9.92	11.20
Total Return (%)	16.14^e	11.94	(11.21)	(10.39)^e
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.45 ^e	.92	.93	.85 ^e
Ratio of net investment income to average net assets	.16 ^e	.47	.33	.14 ^e
Portfolio Turnover Rate	42.55 ^e	67.97	61.20	59.63 ^e
Net Assets, end of period (\$ x 1,000)	1,214,096	1,073,837	839,075	850,110

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b From October 2, 2000 (commencement of operations) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Amount represents less than \$.01 per share.

^e Not annualized.

See notes to financial statements.

	Investor Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003	2002	2001 ^a
Mellon Mid Cap Stock Fund				
Per Share Data (\$):				
Net asset value, beginning of period	11.03	9.90	11.19	11.32
Investment Operations:				
Investment income (loss)—net ^b	.00 ^c	.02	(.00) ^c	(.00) ^c
Net realized and unrealized gain (loss) on investments	1.77	1.13	(1.28)	(.13)
Total from Investment Operations	1.77	1.15	(1.28)	(.13)
Distributions:				
Dividends from investment income—net	(.01)	(.02)	(.01)	—
Net asset value, end of period	12.79	11.03	9.90	11.19
Total Return (%)	16.01 ^d	11.66	(11.44)	(1.15) ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.58 ^d	1.20	1.25	.20 ^d
Ratio of net investment income (loss) to average net assets	.03 ^d	.19	(.00) ^e	(.03) ^d
Portfolio Turnover Rate	42.55 ^d	67.97	61.20	59.63 ^d
Net Assets, end of period (\$ x 1,000)	21,352	18,117	736	140

^a From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^b Based on average shares outstanding at each month end.

^c Amount represents less than \$.01 per share.

^d Not annualized.

^e Amount represents less than .01%.

See notes to financial statements.

	Premier Shares	
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a
Mellon Mid Cap Stock Fund		
Per Share Data (\$):		
Net asset value, beginning of period	10.96	9.81
Investment Operations:		
Investment (loss)—net ^b	(.04)	(.06)
Net realized and unrealized gain (loss) on investments	1.76	1.21
Total from Investment Operations	1.72	1.15
Net asset value, end of period	12.68	10.96
Total Return (%)^c	15.69	11.72
Ratios/Supplemental Data (%):		
Ratio of expenses to average net assets ^c	.95	1.95
Ratio of net investment (loss) to average net assets ^c	(.34)	(.58)
Portfolio Turnover Rate	42.55 ^c	67.97
Net Assets, end of period (\$ x 1,000)	13,994	14,996

^a From the close of business on September 6, 2002 (date the fund began offering Dreyfus Premier shares) to August 31, 2003.

^b Based on average shares outstanding at each month end.

^c Not annualized.

See notes to financial statements.

Mellon Small Cap Stock Fund	Class M Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003 ^a	2002	2001 ^b
Per Share Data (\$):				
Net asset value, beginning of period	13.17	10.95	11.99	12.50
Investment Operations:				
Investment (loss)–net ^c	(.01)	(.00) ^d	(.03)	(.01)
Net realized and unrealized gain (loss) on investments	2.28	2.22	(1.01)	(.50)
Total from Investment Operations	2.27	2.22	(1.04)	(.51)
Net asset value, end of period	15.44	13.17	10.95	11.99
Total Return (%)	17.24 ^e	20.27	(8.67)	(4.08) ^e
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.50 ^e	1.03	1.05	.96 ^e
Ratio of net investment (loss) to average net assets	(.04) ^e	(.02)	(.27)	(.09) ^e
Decrease reflected in above expense ratios due to undertakings by the Investment Advisor and Administrator	–	.01	.02	.04 ^e
Portfolio Turnover Rate	40.77 ^e	91.99	76.66	101.57 ^e
Net Assets, end of period (\$ x 1,000)	751,938	558,172	350,873	151,440

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b From October 2, 2000 (commencement of operations) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Amount represents less than \$.01 per share.

^e Not annualized.

See notes to financial statements.

Mellon Small Cap Stock Fund	Investor Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003	2002	2001 ^a
Per Share Data (\$):				
Net asset value, beginning of period	13.08	10.90	11.98	11.95
Investment Operations:				
Investment (loss)–net ^b	(.02)	(.03)	(.06)	(.01)
Net realized and unrealized gain (loss) on investments	2.25	2.21	(1.02)	.04
Total from Investment Operations	2.23	2.18	(1.08)	.03
Net asset value, end of period	15.31	13.08	10.90	11.98
Total Return (%)	17.05 ^c	20.00	(9.02)	.25 ^c
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.63 ^c	1.28	1.30	.19 ^c
Ratio of net investment (loss) to average net assets	(.16) ^c	(.27)	(.51)	(.06) ^c
Decrease reflected in above expense ratios due to undertakings by the Investment Advisor and Administrator	–	.01	.02	.01 ^c
Portfolio Turnover Rate	40.77 ^c	91.99	76.66	101.57 ^c
Net Assets, end of period (\$ x 1,000)	3,523	3,578	3,857	1

^a From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^b Based on average shares outstanding at each month end.

^c Not annualized.

See notes to financial statements.

		Class M Shares		
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003 ^a	2002	2001 ^b
Mellon International Fund				
Per Share Data (\$):				
Net asset value, beginning of period	11.77	11.03	12.08	12.50
Investment Operations:				
Investment income—net ^c	.00 ^d	.20	.18	.16
Net realized and unrealized gain (loss) on investments	2.78	.68	(1.07)	(.58)
Total from Investment Operations	2.78	.88	(.89)	(.42)
Distributions:				
Dividends from investment income—net	(.19)	(.14)	(.15)	(.00) ^d
Dividends from net realized gain on investments	—	—	(.01)	—
Total Distributions	(.19)	(.14)	(.16)	(.00) ^d
Net asset value, end of period	14.36	11.77	11.03	12.08
Total Return (%)	23.84 ^e	8.19	(7.39)	(3.33) ^e
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.55 ^e	1.05	1.05	.96 ^e
Ratio of net investment income to average net assets	.02 ^e	1.99	1.59	1.31 ^e
Decrease reflected in above expense ratios due to undertakings by the Investment Adviser and Administrator	.00 ^{e,f}	.07	.07	.08 ^e
Portfolio Turnover Rate	17.71 ^e	36.52	24.63	34.27 ^e
Net Assets, end of period (\$ x 1,000)	1,189,561	820,568	543,566	398,759

^a Effective December 16, 2002, MPAM shares were as redesignated as Class M shares.

^b From October 2, 2000 (commencement of operations) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Amount represents less than \$.01 per share.

^e Not annualized.

^f Amount represents less than .01%.

See notes to financial statements.

	Investor Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
Mellon International Fund		2003	2002	2001 ^a
Per Share Data (\$):				
Net asset value, beginning of period	12.13	11.34	12.08	11.98
Investment Operations:				
Investment income (loss)—net ^b	(.00) ^c	.13	.24	(.00) ^c
Net realized and unrealized gain (loss) on investments	2.83	.78	(.97)	.10
Total from Investment Operations	2.83	.91	(.73)	.10
Distributions:				
Dividends from investment income—net	(.08)	(.12)	—	—
Dividends from net realized gain on investments	—	—	(.01)	—
Total Distributions	(.08)	(.12)	(.01)	—
Net asset value, end of period	14.88	12.13	11.34	12.08
Total Return (%)	23.44 ^d	8.24	(5.95)	.75 ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.67 ^d	1.30	1.30	.22 ^d
Ratio of net investment income (loss) to average net assets	(.04) ^d	1.10	2.16	(.01) ^d
Decrease reflected in above expense ratios due to undertakings by the Investment Adviser and Administrator	.00 ^{d,e}	.06	.08	.01 ^d
Portfolio Turnover Rate	17.71 ^d	36.52	24.63	34.27 ^d
Net Assets, end of period (\$ x 1,000)	476	308	2,588	28

^a From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^b Based on average shares outstanding at each month end.

^c Amount represents less than \$.01 per share.

^d Not annualized.

^e Amount represents less than .01%.

See notes to financial statements.

		Class M Shares		
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003 ^a	2002	2001 ^b
Mellon Emerging Markets Fund				
Per Share Data (\$):				
Net asset value, beginning of period	14.92	12.33	11.86	12.50
Investment Operations:				
Investment income—net ^c	.02	.22	.24	.28
Net realized and unrealized gain (loss) on investments	4.17	2.77	.75	(.87)
Total from Investment Operations	4.19	2.99	.99	(.59)
Distributions:				
Dividends from investment income—net	(.12)	(.12)	(.19)	(.05)
Dividends from net realized gain on investments	(.23)	(.28)	(.33)	(.00) ^d
Total Distributions	(.35)	(.40)	(.52)	(.05)
Net asset value, end of period	18.76	14.92	12.33	11.86
Total Return (%)	28.26 ^e	25.18	8.48	(4.68) ^e
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.75 ^e	1.35	1.35	1.24 ^e
Ratio of net investment income to average net assets	.14 ^e	1.77	1.86	2.24 ^e
Decrease reflected in above expense ratios due to undertakings by the Investment Adviser and Administrator	.01 ^e	.26	.33	.42 ^e
Portfolio Turnover Rate	17.71 ^e	26.43	55.00	44.74 ^e
Net Assets, end of period (\$ x 1,000)	933,778	526,049	145,144	54,863

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b From October 2, 2000 (commencement of operations) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Amount represents less than \$.01 per share.

^e Not annualized.

See notes to financial statements.

	Six Months Ended February 29, 2004 (Unaudited)	Investor Shares		
		Year Ended August 31,		
		2003	2002	2001 ^a
Mellon Emerging Markets Fund				
Per Share Data (\$):				
Net asset value, beginning of period	15.00	12.38	11.92	12.17
Investment Operations:				
Investment income (loss)–net ^b	(.00) ^c	.17	.11	.03
Net realized and unrealized gain (loss) on investments	4.19	2.82	.86	(.28)
Total from Investment Operations	4.19	2.99	.97	(.25)
Distributions:				
Dividends from investment income–net	(.08)	(.09)	(.18)	–
Dividends from net realized gain on investments	(.23)	(.28)	(.33)	–
Total Distributions	(.31)	(.37)	(.51)	–
Net asset value, end of period	18.88	15.00	12.38	11.92
Total Return (%)	28.11 ^d	24.99	8.26	(2.06) ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.87 ^d	1.60	1.60	.23 ^d
Ratio of net investment income (loss) to average net assets	(.02) ^d	1.12	.88	.03 ^d
Decrease reflected in above expense ratios due to undertakings by the Investment Adviser and Administrator	.01 ^d	.25	.30	.04 ^d
Portfolio Turnover Rate	17.71 ^d	26.43	55.00	44.74 ^d
Net Assets, end of period (\$ x 1,000)	663	313	684	1

^a From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^b Based on average shares outstanding at each month end.

^c Amount represents less than \$.01 per share.

^d Not annualized.

See notes to financial statements.

	Class M Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003 ^a	2002 ^b	2001 ^c
Mellon Balanced Fund				
Per Share Data (\$):				
Net asset value, beginning of period	10.79	10.28	11.39	12.50
Investment Operations:				
Investment income–net ^d	.11	.25	.31	.32
Net realized and unrealized gain (loss) on investments	1.16	.51	(.92)	(1.11)
Total from Investment Operations	1.27	.76	(.61)	(.79)
Distributions:				
Dividends from investment income–net	(.12)	(.25)	(.30)	(.32)
Dividends from net realized gain on investments	–	–	(.20)	–
Total Distributions	(.12)	(.25)	(.50)	(.32)
Net asset value, end of period	11.94	10.79	10.28	11.39
Total Return (%)	11.79 ^e	7.68	(5.70)	(6.38) ^e
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.29 ^e	.62	.63	.59 ^e
Ratio of net investment income to average net assets	1.01 ^e	2.41	2.81	2.70 ^e
Decrease reflected in above expense ratios due to undertakings by the Investment Adviser and Administrator	–	–	.00 ^f	.00 ^{e,f}
Portfolio Turnover Rate	32.73 ^e	83.22	90.36	75.62 ^e
Net Assets, end of period (\$ x 1,000)	369,448	348,402	372,089	412,801

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on fixed income securities on a scientific basis and including paydown gains and losses in interest income. The effect of this change for the period ended August 31, 2002 was to increase net investment income per share by \$.00, decrease net realized and unrealized gain (loss) on investments per share by \$.00 and increase the ratio of net investment income to average net assets from 2.79% to 2.81%. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^c From October 2, 2000 (commencement of operations) to August 31, 2001.

^d Based on average shares outstanding at each month end.

^e Not annualized.

^f Amount represents less than .01%.

See notes to financial statements.

	Six Months Ended February 29, 2004 (Unaudited)	Investor Shares		
		Year Ended August 31,		
		2003	2002 ^a	2001 ^b
Mellon Balanced Fund				
Per Share Data (\$):				
Net asset value, beginning of period	10.79	10.27	11.39	11.53
Investment Operations:				
Investment income—net ^c	.10	.23	.27	.04
Net realized and unrealized gain (loss) on investments	1.15	.51	(.91)	(.13)
Total from Investment Operations	1.25	.74	(.64)	(.09)
Distributions:				
Dividends from investment income—net	(.08)	(.22)	(.28)	(.05)
Dividends from net realized gain on investments	—	—	(.20)	—
Total Distributions	(.08)	(.22)	(.48)	(.05)
Net asset value, end of period	11.96	10.79	10.27	11.39
Total Return (%)	11.64 ^d	7.52	(5.91)	(.88) ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.42 ^d	.87	.89	.16 ^d
Ratio of net investment income to average net assets	.88 ^d	2.13	2.45	.32 ^d
Decrease reflected in above expense ratios due to undertakings by the Investment Adviser and Administrator	—	—	.00 ^e	—
Portfolio Turnover Rate	32.73 ^d	83.22	90.36	75.62 ^d
Net Assets, end of period (\$ x 1,000)	578	431	165	1

^a As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on fixed income securities on a scientific basis and including paydown gains and losses in interest income. The effect of this change for the period ended August 31, 2002 was to increase net investment income per share by \$.01, decrease net realized and unrealized gain (loss) on investments per share by \$.01 and increase the ratio of net investment income to average net assets from 2.43% to 2.45%. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^b From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Not annualized.

^e Amount represents less than .01%.

See notes to financial statements.

NOTE 1—General:

Mellon Funds Trust (the “Trust”) was organized as a Massachusetts business trust which is registered under the Investment Company Act of 1940, as amended (the “Act”), as an open-end management investment company and operates as a series company currently comprised of sixteen series including the following diversified equity funds and balanced fund: Mellon Large Cap Stock Fund, Mellon Income Stock Fund, Mellon Mid Cap Stock Fund, Mellon Small Cap Stock Fund, Mellon International Fund, Mellon Emerging Markets Fund and Mellon Balanced Fund (each, a “fund” and collectively, the “funds”). Mellon Large Cap Stock Fund seeks investment returns (consisting of capital appreciation and income) that are consistently superior to those of the Standard & Poor’s 500 Composite Stock Price Index. Mellon Income Stock Fund seeks to exceed the total return performance of the Russell 1000 Value Index over time. Mellon Mid Cap Stock Fund seeks investment returns (consisting of capital appreciation and income) that are consistently superior to those of the Standard & Poor’s MidCap 400 Index. Mellon Small Cap Stock Fund seeks total investment returns (consisting of capital appreciation and income) that surpass those of the Standard & Poor’s SmallCap 600 Index. Mellon International Fund and Mellon Emerging Markets Fund seek long-term capital growth. Mellon Balanced Fund seeks long-term growth of principal in conjunction with current income. Mellon Fund Advisers, a division of The Dreyfus Corporation (“Dreyfus”), serves as each fund’s investment adviser (“Investment Adviser”). Mellon Bank, N.A. (“Mellon”), which is a wholly-owned subsidiary of Mellon Financial Corporation, serves as administrator for the funds pursuant to an Administration Agreement with the Trust (the “Administration Agreement”). Mellon has entered into a Sub-Administration Agreement with Dreyfus pursuant to which Mellon pays Dreyfus for performing certain administrative services. Dreyfus is a wholly-owned subsidiary of Mellon. Dreyfus Service Corporation (the “Distributor”), a wholly-owned subsidiary of Dreyfus, is the Distributor of each fund’s shares, which are sold without a sales charge.

The Trust is authorized to issue an unlimited number of shares of beneficial interest, par value \$.001 per share, in each of the Class M and Investor class shares of each fund and in the Dreyfus Premier class shares of Mellon Mid Cap Stock Fund. Dreyfus Premier shares of Mellon Mid Cap Stock Fund are subject to a contingent deferred sales charge (“CDSC”) imposed on redemptions of Dreyfus Premier shares made within six years of purchase and automatically convert to Investor class shares after six years. Each class of shares has similar rights and privileges, except with respect to the expenses borne by and the shareholder services offered to each class, the shareholder services plan applicable to the Investor shares and Dreyfus Premier shares and the Rule 12b-1 plan applicable to the Dreyfus Premier shares and certain voting rights. Income, expenses (other than expenses attributable to a specific class), and realized and unrealized gains or losses on investments are allocated to each class of shares based on its relative net assets.

On September 6, 2002, pursuant to an Agreement and Plan of Reorganization previously approved by the Trust’s Board, all of the assets, subject to the liabilities, of Dreyfus Premier Small Company Stock Fund (“Premier Small Company Fund”), a series of The Dreyfus/Laurel Funds, Inc., were transferred to MPAM Mid Cap Stock Fund (now known as Mellon Mid Cap Stock Fund) in exchange for shares of beneficial interest of MPAM Mid Cap Stock Fund’s MPAM shares, Investor shares and Dreyfus Premier shares of equal value. Holders of Class A, Class C and Class T shares of Premier Small Company Fund received Investor shares of MPAM Mid Cap Stock Fund, holders of Class B shares of Premier Small Company Fund received Dreyfus Premier shares of MPAM Mid Cap Stock Fund and holders of Class R shares of Premier Small Company Fund received MPAM shares (now designated as Class M shares) of MPAM Mid Cap Stock Fund, in each case in an amount equal to the aggregate net asset value of their respective investment in Premier Small Company Fund at the time of the exchange. MPAM Mid Cap Stock Fund’s net asset value on September 6, 2002 was \$9.83 per share for its MPAM shares, \$9.81 per share for its Investor shares and,

after the reorganization, \$9.81 per share for its Dreyfus Premier shares, and a total of 18,726,817 MPAM shares, 1,746,630 Investor shares and 1,850,160 Dreyfus Premier shares, representing net assets of \$184,065,900 MPAM shares, \$17,131,194 Investor shares and \$18,147,908 Dreyfus Premier shares (including \$13,268,450 net unrealized appreciation on investments), were issued to Premier Small Company Fund's shareholders in the exchange. The exchange was a tax-free event to shareholders.

The Trust accounts separately for the assets, liabilities and operations of each series. Expenses directly attributable to each series are charged to that series' operations; expenses that are applicable to all series are allocated among them on a pro rata basis.

The funds' financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

NOTE 2—Significant Accounting Policies:

(a) Portfolio valuation: Investments in securities are valued at the last sales price on the securities exchange on which such securities are primarily traded or at the last sales price on the national securities market. The funds price securities traded on the NASDAQ stock market using the NASDAQ official closing price. Securities not listed on an exchange or the national securities market, or securities for which there were no transactions, are valued at the average of the most recent bid and asked prices, except for open short positions, where the asked price is used for valuation purposes. Bid price is used when no asked price is available. Securities for which there are no such valuations are valued at fair value as determined in good faith under the direction of the Trust's Board. Investments denominated in foreign currencies are translated to U.S. dollars at the prevailing rates of exchange. Forward currency exchange contracts are valued at the forward rate.

Mellon Balanced Fund (Debt securities):

Investments in securities are valued each business day by an independent pricing service (the "Service") approved by the Trust's Board. Investments for which quoted bid prices are readily available and are representative of the bid side of the market in the judgment of the Service are valued at the mean between the quoted bid prices (as obtained by the Service from dealers in such securities) and asked prices (as calculated by the Service based upon its evaluation of the market for such securities). Other investments (which constitute a majority of each fund's debt securities) are carried at value as determined by the Service, based on methods which include consideration of: yields or prices of securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions. Securities for which there are no such valuations are valued at fair value as determined in good faith under the direction of the Trust's Board.

(b) Securities transactions and investment income:

Securities transactions are recorded on a trade date basis. Realized gain and loss from securities transactions are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date and interest income, including accretion of discount and amortization of premium on investments, is recognized on the accrual basis.

The funds may lend securities to certain qualified institutions. At origination, all loans are secured by collateral of at least 102% of the value of U.S. securities loaned and 105% of the value of foreign securities loaned. Collateral equivalent to at least 100% of the market value of securities on loan will be maintained at all times. Cash collateral is invested in certain money market mutual funds managed by Dreyfus as shown in the relevant funds' Statements of Investments. The funds are entitled to receive all income on securities loaned, in addition to income earned as a result of the lending transaction. Although each security loaned is fully collateralized, the funds would bear the risk of delay in recovery of, or loss

of rights in, the securities loaned should a borrower fail to return the securities in a timely manner.

(c) Repurchase agreements: The funds may engage in repurchase agreement transactions. Under the terms of a typical repurchase agreement, a fund, through its custodian and sub-custodian, takes possession of an underlying debt obligation subject to an obligation of the seller to repurchase, and the fund to resell, the obligation at an agreed-upon price and time, thereby determining the yield during the fund's holding period. This arrangement results in a fixed rate of return that is not subject to market fluctuations during the fund's holding period. The value of the collateral is at least equal, at all times, to the total amount of the repurchase obligation, including interest. In the event of a counterparty default, the fund has the right to use the collateral to offset losses incurred. There is potential loss to the fund in the event the fund is delayed or prevented from exercising its rights to dispose of the collateral securities, including the risk of a possible decline in the value of the underlying securities during the period while the fund seeks to assert its rights. The Investment Adviser reviews the value of the collateral and the creditworthiness of those banks and dealers with which the fund enters into repurchase agreements to evaluate potential risks.

(d) Affiliated issuers: Issuers in which the fund held investments in other investment companies advised by Dreyfus are defined as "affiliated" in the Act.

(e) Foreign currency transactions: Mellon Emerging Markets Fund and Mellon International Fund do not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in the market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

Net realized foreign exchange gains or losses arise from sales and maturities of short-term securities, sales of for-

eign currencies, currency gains or losses realized on securities transactions and the difference between the amount of dividends, interest, and foreign withholding taxes recorded on the fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities other than investments in securities, resulting from changes in exchange rates. Such gains and losses are included with net realized and unrealized gain or loss on investments.

(f) Foreign currency exchange contracts: Certain funds may enter into forward currency exchange contracts to hedge their exposure to changes in foreign currency exchange rates on their foreign portfolio holdings and to settle foreign currency transactions. When executing forward currency exchange contracts, a fund is obligated to buy or sell a foreign currency at a specified rate on a certain date in the future. With respect to sales of forward currency exchange contracts, a fund would incur a loss if the value of the contract increases between the date the forward contract is opened and the date the forward contract is closed. The fund realizes a gain if the value of the contract decreases between those dates. With respect to purchases of forward currency exchange contracts, a fund would incur a loss if the value of the contract decreases between the date the forward contract is opened and the date the forward contract is closed. A fund realizes a gain if the value of the contract increases between those dates. The fund is also exposed to credit risk associated with counterparty nonperformance on these forward currency exchange contracts, which is typically limited to the unrealized gain on each open contract. As of February 29, 2004, there were no open forward currency exchange contracts. Funds may also enter into foreign exchange contracts at the prevailing spot rate in order to facilitate the settlement of purchases and sales of foreign securities. **Table 1** summarizes open foreign exchange contracts for Mellon International Fund and Mellon Emerging Markets Fund at February 29, 2004.

(g) Concentration of risk: Mellon Emerging Markets Fund invests in equity securities traded on the stock markets of emerging market countries, which can be extremely volatile due to political, social and economic factors. Risks include changes in currency exchange rates, a lack of comprehensive company information, political instability, differing auditing and legal standards, less diverse, less mature economic structures and less liquidity.

(h) Dividends to shareholders: Dividends payable to shareholders are recorded by the funds on the ex-dividend date. Mellon Large Cap Stock Fund, Mellon Income Stock Fund and Mellon Balanced Fund declare and pay dividends from investment income-net monthly. Mellon Mid Cap Stock Fund, Mellon Small Cap Stock Fund, Mellon International Fund and Mellon

Emerging Markets Fund declare and pay dividends from investment income-net annually. With respect to each series, dividends from net realized capital gain, if any, are normally declared and paid annually, but the funds may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code of 1986, as amended (the "Code"). To the extent that net realized capital gain can be offset by capital loss carryovers of that fund, it is the policy of the fund not to distribute such gain. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from accounting principles generally accepted in the United States of America.

(i) Federal income taxes: It is the policy of each fund to continue to qualify as a regulated investment com-

Table 1.

Mellon International Fund				
Foreign Currency Exchange Contracts	Foreign Currency Amounts	Cost (\$)	Value (\$)	Unrealized Appreciation (Depreciation) (\$)
Purchases:				
Australian Dollar, expiring 3/2/2004	1,419,519	1,092,604	1,098,424	5,820
Japanese Yen, expiring 3/1/2004	6,685,910	611,149	612,268	1,119
Sales:		Proceeds (\$)		
Norwegian Krone, expiring 3/1/2004	2,711,653	383,815	386,931	(3,116)
Norwegian Krone, expiring 3/2/2004	6,165,425	874,404	879,757	(5,353)
Total				(1,530)
Mellon Emerging Markets Fund				
Foreign Currency Exchange Contracts	Foreign Currency Amounts	Cost (\$)	Value (\$)	Unrealized Appreciation (Depreciation) (\$)
Purchases:				
British Pound, expiring 3/2/2004	1,254,021	2,325,331	2,340,505	15,174
Hong Kong Dollar, expiring 3/1/2004	2,305,148	296,177	296,131	(46)
Hungarian Forint, expiring 3/2/2004	73,417,206	356,827	357,435	608
Israeli Shekel, expiring 3/1/2004	1,042,564	232,611	232,248	(363)
South African Rand, expiring 3/2/2004	16,568,078	2,504,622	2,512,675	8,053
Thai Baht, expiring 3/2/2004	50,107,966	1,276,636	1,225,875	(50,761)
Total				(27,335)

pany, if such qualification is in the best interests of its shareholders, by complying with the applicable provisions of the Code, and to make distributions of taxable income sufficient to relieve it from substantially all federal income and excise taxes. For federal income tax purposes, each series is treated as a single entity for the purpose of determining such qualification.

Table 2 summarizes each relevant fund's unused capital loss carryover available for federal income tax purposes to be applied against future net securities profits, if any, realized subsequent to August 31, 2003.

Table 3 summarizes each relevant fund's tax character of distributions paid to shareholders during the fiscal year ended August 31, 2003. The tax character of current year distributions, if any, will be determined at the end of the current fiscal year.

NOTE 3—Investment Advisory Fee, Administration Fee and Other Transactions With Affiliates:

(a) Fees payable by the funds pursuant to the provisions of an Investment Advisory Agreement with the Investment Adviser are payable monthly, computed on the average daily value of each fund's net assets at the following annual rates: .65 of 1% of the Mellon Large Cap Stock Fund, .65 of 1% of the Mellon Income Stock Fund, .75 of 1% of the Mellon Mid Cap Stock Fund, .85 of 1% of the Mellon Small Cap Stock Fund, .85 of 1% of the Mellon International Fund, 1.15% of the Mellon Emerging Markets Fund and .65 of 1% (equity investments), .40 of 1% (debt securities) and .15 of 1% (money market investments and other underlying Mellon funds) of the Mellon Balanced Fund.

Pursuant to the Administration Agreement with Mellon, Mellon provides or arranges for fund accounting, trans-

Table 2.

Expiring in fiscal	2008 (\$)†	2009 (\$)†	2010 (\$)†	2011 (\$)†	Total (\$)
Mellon Large Cap Stock Fund	—	—	62,558,771	99,471,400	162,030,171
Mellon Income Stock Fund	—	—	—	3,414,716	3,414,716
Mellon Mid Cap Stock Fund	—	9,524,340	5,739,855	28,035,151	43,299,346
Mellon Small Cap Stock Fund	5,772,526	11,067,443	3,135,651	15,193,163	35,168,783
Mellon International Fund	—	—	230,239	22,920,330	23,150,569
Mellon Balanced Fund	—	—	5,009,989	9,931,718	14,941,707

† If not applied, the carryovers expire in the above years.

Table 3.

	Ordinary Income (\$)	Long-Term Capital Gains (\$)
Mellon Large Cap Stock Fund	11,008,300	—
Mellon Income Stock Fund	4,478,849	2,327,677
Mellon Mid Cap Stock Fund	3,072,127	—
Mellon International Fund	7,521,834	—
Mellon Emerging Markets Fund	5,127,435	538,298
Mellon Balanced Fund	8,770,519	—

fer agency and other fund administration services and receives a fee based on the total net assets of the Trust based on the following rates:

0 up to \$6 billion	.15 of 1%
\$6 billion up to \$12 billion	.12 of 1%
In excess of \$12 billion	.10 of 1%

No administration fee is applied to assets held by the Mellon Balanced Fund which are invested in cash or money market instruments or shares of certain other series of the Trust.

Mellon has entered into a Sub-Administration Agreement with Dreyfus pursuant to which Mellon pays Dreyfus for performing certain administrative services.

Mellon had agreed, until September 30, 2003, to waive receipt of its fees and/or to reimburse a portion of the indicated fund's expenses, exclusive of taxes, interest, brokerage commissions, Shareholder Services Plan fees and extraordinary expenses, so that the fund's expenses would not exceed, in the aggregate, the rate per annum of the fund's average daily net assets listed below:

1.05% of the Mellon International Fund and 1.35% of the Mellon Emerging Markets Fund. **Table 4** summarizes the amounts waived during the period ended February 29, 2004.

Table 4.

Mellon International Fund	\$35,251
Mellon Emerging Markets Fund	75,966

During the period ended February 29, 2004, the Distributor retained \$13,132 from the contingent deferred sales charge on redemptions of the Mellon Mid Cap Stock Fund's Dreyfus Premier shares.

(b) Mellon Mid Cap Stock Fund has adopted a Distribution Plan (the "Plan") pursuant to Rule 12b-1 under the Act for distributing its Dreyfus Premier shares. Mellon Mid Cap Stock Fund pays the Distributor a fee at an annual rate of .75% of 1% of the value of the fund's average daily net assets attributable to its Dreyfus Premier shares. During the period ended February 29, 2004, Mellon Mid Cap Stock Fund's Dreyfus Premier

shares were charged \$53,230 pursuant to the Plan.

(c) The funds have adopted a Shareholder Services Plan with respect to their Investor shares and Mellon Mid Cap Stock Fund has adopted a Shareholder Services Plan with respect to its Dreyfus Premier shares, pursuant to which each fund pays the Distributor for the provision of certain services to holders of Investor shares and Dreyfus Premier shares a fee at an annual rate of .25 of 1% of the value of the average daily net assets attributable to Investor shares and Dreyfus Premier shares, respectively. The services provided may include personal services relating to shareholder accounts, such as answering shareholder inquiries regarding a fund, and providing reports and other information, and services related to the maintenance of such shareholder accounts. The Shareholder Services Plan allows the Distributor to make payments from the shareholder services fees it collects from each fund to compensate service agents (certain banks, securities brokers or dealers and other financial institutions) in respect of these services. **Table 5** summarizes the amounts Investor shares and Dreyfus Premier shares were charged during the period ended February 29, 2004, pursuant to the Shareholder Services Plan.

Table 5.

Mellon Large Cap Stock Fund	\$ 3,246
Mellon Income Stock Fund	1,334
Mellon Mid Cap Stock Fund, Investor shares	24,873
Mellon Mid Cap Stock Fund, Dreyfus Premier shares	17,743
Mellon Small Cap Stock Fund	4,040
Mellon International Fund	278
Mellon Emerging Markets Fund	512
Mellon Balanced Fund	611

All funds except Mellon International Fund and Mellon Emerging Markets Fund compensate Mellon under a Custody Agreement with Mellon, and Mellon International Fund and Mellon Emerging Markets Fund compensate Mellon Trust of New England, N.A. under

a Custody Agreement with Mellon Trust of New England, N.A. for providing custodial services for the relevant funds. **Table 6** summarizes the amounts the funds were charged during the period ended February 29, 2004, pursuant to the custody agreements.

Table 6.

Mellon Large Cap Stock Fund	\$62,380
Mellon Income Stock Fund	13,185
Mellon Mid Cap Stock Fund	49,306
Mellon Small Cap Stock Fund	45,980
Mellon International Fund	526,431
Mellon Emerging Markets Fund	805,300
Mellon Balanced Fund	21,465

(d) Each trustee who is not an “affiliated person” as defined in the Act receives from the Trust an annual fee of \$35,000 and an attendance fee of \$3,000 for each in-person meeting and \$500 for telephone meetings and is reimbursed for travel and out-of-pocket expenses.

(e) The Trust and Dreyfus have received an exemptive order from the SEC which, among other things, permits each fund to use collateral received in connection with lending the funds’ securities and other uninvested cash to purchase shares of one or more registered money market mutual funds advised by Dreyfus in excess of the limitations imposed by the Act.

NOTE 4—Securities Transactions:

Table 7 summarizes each fund’s aggregate amount of purchases and sales (including paydowns) of investment securities, excluding short-term securities and forward currency exchange contracts, during the period ended February 29, 2004.

Table 8 summarizes accumulated net unrealized appreciation on investments for each fund at February 29, 2004:

At February 29, 2004, the cost of investments for each fund for federal income tax purposes was substantially

Table 7.

	Purchases (\$)	Sales (\$)
Mellon Large Cap Stock Fund	376,248,157	366,758,976
Mellon Income Stock Fund	107,492,758	145,932,892
Mellon Mid Cap Stock Fund	490,531,181	526,184,783
Mellon Small Cap Stock Fund	343,778,913	262,831,111
Mellon International Fund	325,607,589	169,298,285
Mellon Emerging Markets Fund	338,870,926	122,863,813
Mellon Balanced Fund	116,789,913	126,203,705

Table 8.

	Gross Appreciation (\$)	Gross Depreciation (\$)	Net (\$)
Mellon Large Cap Stock Fund	477,175,680	10,962,302	466,213,378
Mellon Income Stock Fund	78,951,932	930,399	78,021,533
Mellon Mid Cap Stock Fund	294,486,334	15,330,582	279,155,752
Mellon Small Cap Stock Fund	171,779,601	8,339,476	163,440,125
Mellon International Fund	236,846,834	5,948,759	230,898,075
Mellon Emerging Markets Fund	227,102,806	5,349,678	221,753,128
Mellon Balanced Fund	67,466,195	1,252,380	66,213,815

the same as the cost for financial reporting purposes (see the Statements of Investments).

NOTE 5—Bank Line of Credit:

The funds participate with other Dreyfus-managed funds in a \$100 million unsecured line of credit primarily to be utilized for temporary or emergency purposes, including the financing of redemptions. Interest is charged to the funds based on prevailing market rates in effect at the time of borrowings. During the period ended February 29, 2004, the funds did not borrow under the line of credit with the exception of Mellon Mid Cap Stock Fund, Mellon Income Stock Fund and Mellon Balanced Fund.

The average daily amount of borrowings outstanding under the line of credit during the period ended February 29, 2004 for the Mellon Income Stock Fund was approximately \$39,000, with a related weighted average annualized interest rate of 1.48%.

The average daily amount of borrowings outstanding under the line of credit during the period ended February 29, 2004 for the Mellon Mid Cap Stock Fund was approximately \$18,200, with a related weighted average annualized interest rate of 1.56%.

The average daily amount of borrowings outstanding under the line of credit during the period ended February 29, 2004 for the Mellon Balanced Fund was approximately \$54,700, with a related weighted average annualized interest rate of 2.40%.

For More Information

To obtain information:

By telephone Private Wealth Management (PWM) Clients, please contact your Account Officer or call 1-888-281-7350. Brokerage Clients of Mellon Private Wealth Advisors (MPWA), please contact your financial representative or call 1-800-830-0549-Option 2. Individual Account holders, please call Dreyfus at 1-800-896-8167.

By mail PWM Clients, write to your Account Officer
c/o Mellon Bank, N.A.
One Mellon Bank Center
Pittsburgh, PA 15258

MPWA Brokerage Clients, write to your
financial representative
P.O. Box 9012
Hicksville, NY 11802-9012

Individual Account Holders, write to:
Mellon Funds
P.O. Box 55268
Boston, MA 02205-8502

A description of the policies and procedures that the fund uses to determine how to vote proxies relating to portfolio securities is available, without charge, by calling the telephone number listed above, or by visiting the SEC's website at <http://www.sec.gov>

Mellon Funds Trust

c/o The Dreyfus Corporation
200 Park Avenue
New York, NY 10166

Investment Adviser

Mellon Fund Advisers, a division of
The Dreyfus Corporation
200 Park Avenue
New York, NY 10166

Administrator

Mellon Bank, N.A.
One Mellon Bank Center
Pittsburgh, PA 15258

Sub-Administrator

The Dreyfus Corporation
200 Park Avenue
New York, NY 10166

Custodian

Domestic Equity Funds:
Mellon Bank, N.A.
One Mellon Bank Center
Pittsburgh, PA 15258

International and Emerging Markets Funds:
Mellon Trust of New England, N.A.
One Boston Place
Boston, MA 02108

Transfer Agent & Dividend Disbursing Agent

Dreyfus Transfer, Inc.
200 Park Avenue
New York, NY 10166

Distributor

Dreyfus Service Corporation
200 Park Avenue
New York, NY 10166

The Mellon Funds

Mellon National Intermediate Municipal Bond Fund

Mellon National Short-Term Municipal Bond Fund

Mellon Pennsylvania Intermediate Municipal Bond
Fund

Mellon Massachusetts Intermediate Municipal Bond
Fund

SEMIANNUAL REPORT

February 29, 2004

Contents

The Funds

Letter from the President	2
Discussion of Funds' Performance	
Mellon National Intermediate Municipal Bond Fund	3
Mellon National Short-Term Municipal Bond Fund	5
Mellon Pennsylvania Intermediate Municipal Bond Fund	7
Mellon Massachusetts Intermediate Municipal Bond Fund	9
Statements of Investments	11
Statements of Financial Futures	21, 37, 43
Statements of Assets and Liabilities	44
Statements of Operations	45
Statements of Changes in Net Assets	46
Financial Highlights	51
Notes to Financial Statements	61

For More Information

Back cover

The views expressed herein are current to the date of this report. These views and the composition of the funds' portfolios are subject to change at any time based on market and other conditions.

- Not FDIC-Insured
- Not Bank-Guaranteed
- May Lose Value

The Funds



LETTER FROM THE PRESIDENT

Dear Shareholder:

This semiannual report for The Mellon Funds covers the period from September 1, 2003, through February 29, 2004. On the following pages, you'll find important information on each fund's management during this period as well as discussions with each fund manager.

The stock market rally that began during the spring of 2003 remained in place through the end of the reporting period. With the U.S. and global economies on firmer footing, corporate spending and investment began to improve after several years of cost-cutting. Earnings reports generally contained more positive surprises than negative ones. Fixed-income yields have been volatile but are likely to remain at very low levels in the immediate future.

While we believe that the prospects for financial assets remain generally positive over the long term, investors should be prepared to weather day-to-day volatility in the broad markets. As always, we encourage you to talk with your portfolio manager regularly should you have any questions about your investments in The Mellon Funds, or any other matter relating to your relationship with Mellon.

Thank you for your continued confidence in Mellon.

Sincerely,

Lawrence P. Keblusek
President
The Mellon Funds
March 15, 2004



DISCUSSION OF FUND PERFORMANCE

John F. Flahive, Portfolio Manager

How did Mellon National Intermediate Municipal Bond Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund achieved total returns of 5.82% for Class M shares, 5.69%, for Investor shares and 5.43% for Dreyfus Premier shares.¹ In comparison, the Lehman Brothers 7-Year Municipal Bond Index, the fund's benchmark, achieved a total return of 6.44% for the same period.² In addition, the average total return for all funds reported in the Lipper Intermediate Municipal Debt Funds category was 5.25% for the same period.³

Municipal bonds were affected by stronger economic growth and a rising supply of newly issued securities during the reporting period. Although these influences produced heightened short-term market volatility, bond prices generally ended the reporting period at higher levels than where they began. While the fund produced lower returns than its benchmark, which is not subject to fund fees and expenses, it produced modestly higher returns than its Lipper category average, primarily because of our focus on bonds protected from early redemption by their issuers.

What is the fund's investment approach?

The fund seeks to maximize current income exempt from federal income tax to the extent consistent with the preservation of capital. To pursue its goal, the fund normally invests at least 80% of its assets in municipal bonds that provide income exempt from federal income tax. The fund may occasionally invest in taxable bonds for temporary defensive purposes. The fund's investments in municipal and taxable bonds must be of investment-grade quality at the time of purchase or, if unrated, deemed of comparable quality by the investment adviser. Generally, the fund's average effective portfolio maturity will be between three and 10 years, and its average effective portfolio duration

will not exceed eight years.

Rather than focusing on economic or market trends, we search for securities that, in our opinion, will help us enhance the fund's yield without sacrificing quality.

We use a more tactical approach with respect to the fund's average duration. If we expect the supply of securities to increase temporarily, we may reduce the fund's average duration to make cash available for the purchase of higher-yielding securities. This is due to the fact that yields generally tend to rise if issuers are competing for investor interest. If we expect demand to surge at a time when we anticipate little issuance and therefore lower yields, we may increase the fund's average duration to maintain current yields for as long as practical. At other times, we typically try to maintain a neutral average duration.

What other factors influenced the fund's performance?

The fund was affected during the reporting period by improving economic conditions, which raised the possibility that the Federal Reserve Board (the "Fed") might increase short-term interest rates to ward off potential inflationary pressures. As a result, when the reporting period began, the municipal bond market had just suffered one of the most severe declines in its history. However, when it later became clearer that few new jobs were being created during the early stages of the economic recovery, investors' inflation worries began to wane. For its part, the Fed reiterated its commitment to maintaining an accommodative monetary policy. As a result, municipal bond prices generally rallied in a volatile market.

Municipal bond yields were supported during the reporting period by relatively high volumes of new bond issuance. Because there historically has been a lag between stronger economic growth and the receipt of higher tax revenues by state and local governments, many tax-exempt bond issuers attempted to

bridge their budget gaps with borrowed money. As more tax-exempt securities competed for investor interest, their yields remained high relative to comparable taxable bonds.

In this environment, we maintained the fund's average duration — a measure of sensitivity to changing interest rates — in a range we considered slightly shorter than average. This relatively defensive posture, which was designed to keep funds available for higher-yielding investments if they became available, may have detracted slightly from the fund's performance relative to its benchmark. However, any adverse effects were offset by our security selection strategy, which included a focus on bonds that cannot be redeemed by their issuers over the next several years. The fund's holdings of "call-protected" bonds in the five-year and 10- to 15-year maturity ranges performed particularly well in the reporting period's low interest-rate environment.

What is the fund's current strategy?

Although the timing of the Fed's next move is uncertain, we currently believe it is likely to be toward higher

short-term interest rates. Accordingly, as of the reporting period's end, we have continued to maintain the fund's slightly shorter than average duration. At the same time, because of low yields among very short-term securities, we have attempted to keep the fund fully invested in intermediate-term municipal bonds. In our view, these are prudent strategies after the municipal bond market's strong performance over the past several years.

March 15, 2004

¹ Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price, yield and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost. Income may be subject to state and local taxes, and some income may be subject to the federal alternative minimum tax (AMT) for certain investors. Capital gains, if any, are fully taxable.

² SOURCE: LIPPER INC. — Reflects reinvestment of dividends and, where applicable, capital gain distributions. The Lehman Brothers 7-Year Municipal Bond Index is an unmanaged total return performance benchmark for the investment-grade, geographically unrestricted 7-year tax-exempt bond market, consisting of municipal bonds with maturities of 6-8 years. Index returns do not reflect the fees and expenses associated with operating a mutual fund.

³ SOURCE: LIPPER INC. — Category average returns reflect the fees and expenses of the funds composing the average.



DISCUSSION OF FUND PERFORMANCE

M. Collette O'Brien and Timothy J. Sanville,
Portfolio Managers

How did Mellon National Short-Term Municipal Bond Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund's Class M shares achieved a total return of 1.87%, and its Investor shares achieved a total return of 1.77%.¹ In comparison, the Lehman Brothers 3-Year Municipal Bond Index, the fund's benchmark, achieved a total return of 2.55% for the same period.² In addition, the average total return for all funds reported in the Lipper Short Municipal Debt Funds category was 1.73% for the same period.³

Despite investors' concerns regarding potentially higher interest rates in a recovering economy, yields of short-term securities were anchored by the 1% federal funds rate, which remained unchanged during the reporting period. The fund produced modestly higher returns than its Lipper category average, which we attribute to a relatively long average duration throughout most of the reporting period. The fund, however, produced lower returns than its benchmark, primarily because it does not reflect fund fees and expenses.

What is the fund's investment approach?

The fund seeks to maximize current income exempt from federal income tax to the extent consistent with the preservation of capital. To pursue its goal, the fund normally invests at least 80% of its assets in municipal bonds that provide income exempt from federal income tax. The fund occasionally, including for temporary defensive purposes, may invest in taxable bonds. The fund's investments in municipal and taxable bonds must be of investment-grade quality at the time of purchase or, if unrated, deemed of comparable quality by the investment adviser. Generally, the fund's average effective portfolio maturity and its average

effective portfolio duration will be less than three years.

Rather than focusing on economic or market trends, we search for securities that, in our opinion, will help us enhance the fund's yield without sacrificing quality. We use a more tactical approach with respect to the fund's average duration. If we expect the supply of securities to increase temporarily, we may reduce the fund's average duration to make cash available for the purchase of higher-yielding securities. This is due to the fact that yields generally tend to rise if issuers are competing for investor interest. If we expect demand to surge at a time when we anticipate little issuance and therefore lower yields, we may increase the fund's average duration to maintain current yields for as long as practical. At other times, we typically try to maintain a neutral average duration.

What other factors influenced the fund's performance?

In the weeks before the reporting period began, investors had reacted negatively to new signs of economic recovery. Fears of potential inflationary pressures caused investors to sell fixed-income securities, and prices of both taxable and tax-exempt bonds fell sharply. During the reporting period, however, it became clearer that the recovery was likely to be more moderate than many investors had feared. In addition, the Federal Reserve Board (the "Fed") reiterated its commitment to an accommodative monetary policy, suggesting that it could be patient in maintaining short-term interest rates near a 45-year low. As a result, municipal bond prices rallied over the reporting period, but longer-term securities benefited more than shorter-term ones.

At times during the reporting period, tax-exempt bonds offered higher yields than taxable bonds of comparable quality and maturity, due in part to

adverse effects of the previous economic downturn on tax receipts. This, in turn, put fiscal pressure on many states and municipalities, causing them to bridge budget gaps with money raised through the issuance of new debt. Because more securities competed for investor interest, tax-exempt yields stayed relatively high.

When it became evident to us that short-term interest rates were unlikely to rise during the reporting period, we extended the fund's average duration — a measure of sensitivity to changing interest rates — to a range we considered longer than its Lipper category average. This posture enabled us to capture incrementally higher yields when they were available.

In addition, as evidence emerged that the fiscal condition of certain issuers was likely to improve as the economy gained momentum, we felt more comfortable investing in higher-yielding securities with credit ratings toward the middle and lower end of the investment-grade range.

What is the fund's current strategy?

We have continued to maintain the fund's average duration in a range we consider longer than average. Also, when making new purchases, we generally have focused on non-callable, high-quality securities in the three- to

six-year maturity range. At the same time, we recently have attempted to reduce the fund's holdings of bonds whose income may be subject to the alternative minimum tax (AMT). As a result, AMT bonds represented less than 2% of the fund's assets as of the reporting period's end. In our view, these are effective strategies for today's low inflation, low interest-rate market environment.

March 15, 2004

¹ *Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price, yield and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost. Income may be subject to state and local taxes, and some income may be subject to the federal alternative minimum tax (AMT) for certain investors. Capital gains, if any, are fully taxable.*

² *SOURCE: LIPPER INC. — Reflects reinvestment of dividends and, where applicable, capital gain distributions. The Lehman Brothers 3-Year Municipal Bond Index is an unmanaged total return performance benchmark for the investment-grade, geographically unrestricted 3-year tax-exempt bond market, consisting of municipal bonds with maturities of 2-4 years. Index returns do not reflect the fees and expenses associated with operating a mutual fund.*

³ *SOURCE: LIPPER INC. — Category average returns reflect the fees and expenses of the funds composing the average.*



DISCUSSION OF FUND PERFORMANCE

John F. Flahive and M. Collette O'Brien,
Portfolio Managers

How did Mellon Pennsylvania Intermediate Municipal Bond Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund achieved total returns of 5.54% for its Class M shares and 5.41% for its Investor shares.¹ In comparison, the Lehman Brothers 7-Year Municipal Bond Index, the fund's benchmark, achieved a total return of 6.44% for the same period.² In addition, the average total return for all funds reported in the Lipper Pennsylvania Intermediate Municipal Debt Funds category was 5.41% for the same period.³

Municipal bonds generally were affected during the reporting period by stronger economic growth and a rising national supply of newly-issued securities. Although these influences produced heightened short-term market volatility, bond prices generally ended the reporting period higher than where they began. The fund produced lower returns than its benchmark, which contains bonds from many states, not just Pennsylvania, and does not reflect fees and other expenses. However, the fund produced modestly higher returns than its Lipper category average, which we attribute to our focus on bonds protected from early redemption by their issuers.

What is the fund's investment approach?

The fund seeks as high a level of income exempt from federal and Pennsylvania state income taxes as is consistent with the preservation of capital. To pursue its goal, the fund normally invests at least 80% of its assets in municipal bonds, the interest from which is exempt from federal and Pennsylvania state personal income taxes. The fund may also invest in municipal bonds that are exempt from federal income taxes, but not Pennsylvania personal income taxes, and in taxable bonds. The fund's investments in municipal and taxable bonds must be of investment-grade quality at the time of purchase or, if unrated, deemed of comparable

quality by the investment adviser. Generally, the fund's average effective portfolio maturity will be between three and 10 years, and its average effective portfolio duration will not exceed eight years.

Rather than focusing on economic or market trends, we search for securities that, in our opinion, will help us enhance the fund's yield without sacrificing quality. We use a more tactical approach with respect to the fund's average duration. If we expect the supply of securities to increase temporarily, we may reduce the fund's average duration to make cash available for the purchase of higher-yielding securities. This is due to the fact that yields generally tend to rise if issuers are competing for investor interest. If we expect demand to surge at a time when we anticipate little issuance and therefore lower yields, we may increase the fund's average duration to maintain current yields for as long as practical. At other times, we typically try to maintain a neutral average duration.

What other factors influenced the fund's performance?

The onset of improved U.S. economic growth in the weeks before the reporting period began raised the possibility that the Federal Reserve Board (the "Fed") might increase short-term interest rates to ward off potential inflationary pressures. As a result, municipal bonds suffered a severe summertime decline. However, when it later became clearer that few new jobs were being created during the early stages of the economic recovery, investors' inflation worries began to wane and municipal bond prices generally rallied.

Tax-exempt yields were supported during the reporting period by relatively high volumes of new bond issuance on a national level as many states and municipalities attempted to bridge their budget gaps with borrowed money. Because more tax-exempt securities competed for investor interest, their yields remained high relative to comparable taxable bonds. However, Pennsylvania's fiscal condition has been better than many other states, primarily because of its diverse eco-

nomic base and relatively stable, mature population. As a result, the supply of Pennsylvania bonds has been relatively limited, and we have invested a portion of the fund's assets in bonds from other states and U.S. territories.

During the reporting period, we maintained the fund's average duration — a measure of sensitivity to changing interest rates — in a range we considered slightly shorter than average. Although this relatively defensive posture may have detracted slightly from the fund's performance relative to its benchmark, any adverse effects were offset by our focus on bonds that cannot be redeemed by their issuers over the next several years. The fund's holdings of "call-protected" bonds in the five-year and 10- to 15-year maturity ranges performed particularly well in the low interest-rate environment.

What is the fund's current strategy?

Although the timing of the Fed's next move is uncertain, we currently believe it is likely to be toward higher short-term interest rates. Accordingly, as of the reporting

period's end, we have maintained the fund's slightly shorter than average duration. At the same time, because of low yields among very short-term securities, we have attempted to keep the fund fully invested in intermediate-term municipal bonds. In our view, these are prudent strategies after the municipal bond market's strong performance over the past several years.

March 15, 2004

¹ Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price, yield and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost. Income may be subject to state and local taxes for non-Pennsylvania residents, and some income may be subject to the federal alternative minimum tax (AMT) for certain investors. Capital gains, if any, are fully taxable.

² SOURCE: LIPPER INC. — Reflects reinvestment of dividends and, where applicable, capital gain distributions. The Lehman Brothers 7-Year Municipal Bond Index is an unmanaged total return performance benchmark for the investment-grade, geographically unrestricted 7-year tax-exempt bond market, consisting of municipal bonds with maturities of 6-8 years. Index returns do not reflect the fees and expenses associated with operating a mutual fund.

³ SOURCE: LIPPER INC. — Category average returns reflect the fees and expenses of the funds composing the average.



DISCUSSION OF FUND PERFORMANCE

John F. Flahive, Portfolio Manager

How did Mellon Massachusetts Intermediate Municipal Bond Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund achieved total returns of 5.60% for its Class M shares, 5.47% for its Investor shares and 5.12% for its Dreyfus Premier shares.¹ In comparison, the Lehman Brothers 7-Year Municipal Bond Index, the fund's benchmark, achieved a total return of 6.44% for the same period.² In addition, the average total return for all funds reported in the Lipper Massachusetts Intermediate Municipal Debt Funds category was 5.22% for the same period.³

Massachusetts municipal bonds generally were affected during the reporting period by stronger economic growth and a rising supply of newly-issued securities. Although these influences produced heightened short-term market volatility, bond prices generally ended the reporting period higher than where they began. The fund produced lower returns than its benchmark, which contains bonds from many states, not just Massachusetts, and does not reflect fees and other expenses. However, the fund produced modestly higher returns than its Lipper category average, primarily because of our focus on bonds protected from early redemption by their issuers.

What is the fund's investment approach?

The fund seeks as high a level of income exempt from federal and Massachusetts state income taxes as is consistent with the preservation of capital. To pursue its goal, the fund normally invests at least 80% of its assets in municipal bonds, the interest from which is exempt from federal and Massachusetts state personal income taxes. The fund may also invest in municipal bonds that are exempt from federal income taxes, but not Massachusetts personal income taxes, and in taxable bonds. The fund's investments in municipal and taxable bonds must be of investment-grade quality at the time of purchase or, if unrated, deemed of comparable

quality by the investment adviser. Generally, the fund's average effective portfolio maturity will be between three and 10 years, and its average effective portfolio duration will not exceed eight years.

Rather than focusing on economic or market trends, we search for securities that, in our opinion, will help us enhance the fund's yield without sacrificing quality. We use a more tactical approach with respect to the fund's average duration. If we expect the supply of securities to increase temporarily, we may reduce the fund's average duration to make cash available for the purchase of higher-yielding securities. This is because yields generally tend to rise if issuers are competing for investor interest. If we expect demand to surge at a time when we anticipate little issuance and therefore lower yields, we may increase the fund's average duration to maintain current yields for as long as practical. At other times, we typically try to maintain a neutral average duration.

What other factors influenced the fund's performance?

The onset of improved U.S. economic growth in the weeks before the reporting period began raised the possibility that the Federal Reserve Board (the "Fed") might increase short-term interest rates to ward off potential inflationary pressures. As a result, municipal bonds had just suffered one of the most severe declines in their history. However, when it later became clearer that few new jobs were being created during the early stages of the economic recovery, investors' inflation worries began to wane and municipal bond prices generally rallied.

Tax-exempt yields were supported during the reporting period by relatively high volumes of new bond issuance as many issuers, including Massachusetts and its municipalities, attempted to bridge their budget gaps with borrowed money. Because more tax-exempt securities competed for investor interest, their yields remained high relative to comparable taxable bonds. However, the Massachusetts state government has

taken steps to address its fiscal problems, and we recently have seen signs that the state's tax receipts appear to be beginning to improve.

Because of the rising supply of newly-issued securities during the reporting period, we maintained the fund's average duration — a measure of sensitivity to changing interest rates — in a range we considered shorter than average. This defensive posture was designed to keep funds available for higher-yielding securities if they became available, but it may have detracted slightly from the fund's performance relative to its benchmark when the market rallied. However, any adverse effects were offset by our focus on bonds that cannot be redeemed by their issuers over the next several years. The fund's holdings of "call-protected" bonds in the five-year and 10- to 15-year maturity ranges performed particularly well in the low interest-rate environment.

What is the fund's current strategy?

Although the timing of the Fed's next move is uncertain, we currently believe it is likely to be toward higher short-term interest rates. Accordingly, as of the reporting period's end, we have maintained the fund's shorter than

average duration. At the same time, because of low yields among very short-term securities, we have attempted to keep the fund fully invested in intermediate-term municipal bonds. In our view, these are prudent strategies after the municipal bond market's strong performance over the past several years.

March 15, 2004

¹ Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price, yield and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost. Income may be subject to state and local taxes for non-Massachusetts residents, and some income may be subject to the federal alternative minimum tax (AMT) for certain investors. Capital gains, if any, are fully taxable. Return figures provided reflect the voluntary waiver by The Dreyfus Corporation of a portion of its investment advisory fees. Had these fees not been waived, the fund's returns would have been lower.

² SOURCE: LIPPER INC. — Reflects reinvestment of dividends and, where applicable, capital gain distributions. The Lehman Brothers 7-Year Municipal Bond Index is an unmanaged total return performance benchmark for the investment-grade, geographically unrestricted 7-year tax-exempt bond market, consisting of municipal bonds with maturities of 6-8 years. Index returns do not reflect the fees and expenses associated with operating a mutual fund.

³ SOURCE: LIPPER INC. — Category average returns reflect the fees and expenses of the funds composing the average.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon National Intermediate Municipal Bond Fund				
Long-Term Municipal Investments—95.8%	Principal Amount (\$)	Value (\$)	Principal Amount (\$)	Value (\$)
Alabama—.9%			California (continued)	
Alabama 5%, 6/1/2009	2,295,000	2,600,555	California:	
Alabama Public School & College Authority, Capital Improvement 5.625%, 7/1/2013	3,000,000	3,512,159	6.80%, 10/1/2005	700,000 756,658
Alaska—.2%			4%, 2/1/2008	2,385,000 2,512,335
Anchorage, Electric Utility Revenue 8%, 12/1/2010 (Insured; MBIA)	1,000,000	1,322,049	5.75%, 3/1/2008	190,000 199,111
Arizona—3.8%			5.75%, 3/1/2008	
Arizona School Facilities Board, State School Improvement Revenue 5%, 7/1/2008	1,625,000	1,829,375	(Prerefunded 3/1/2005)	45,000 ^a 47,604
Maricopa County Unified School District:			5.75%, 3/1/2009	
(Paradise Valley):			(Insured; FGIC)	80,000 84,334
6.35%, 7/1/2010			5.75%, 3/1/2009	
(Insured; MBIA)	550,000	669,784	(Insured; FGIC,	
7%, 7/1/2011			Prerefunded 3/1/2005)	15,000 ^a 15,868
(Insured; MBIA)	1,905,000	2,427,636	6.60%, 2/1/2009	510,000 596,440
(Scottsdale School)			4%, 2/1/2010	2,460,000 2,575,743
6.60%, 7/1/2012	1,250,000	1,576,262	5%, 11/1/2012	1,000,000 1,088,800
Phoenix:			5.25%, 10/1/2013	
5.40%, 7/1/2007	1,000,000	1,122,029	(Insured; MBIA)	2,115,000 2,446,103
6.25%, 7/1/2016	1,250,000	1,572,737	5%, 2/1/2033	8,000,000 8,002,800
Phoenix Industrial Development Authority, SFMR 6.60%, 12/1/2029 (Collateralized; FNMA, GNMA)	1,170,000	1,182,553	California Department of Water Resources, Power Supply Revenue 5.50%, 5/1/2008	4,000,000 4,480,680
Pima County Unified School District No. 1 (Tucson) 4.625%, 7/1/2013 (Insured; FSA)	5,000,000	5,500,649	California Educational Facilities Authority:	
Salt River Project Agricultural Improvement & Power District, Electric System Revenue:			(Pepperdine University)	
5%, 1/1/2010	1,000,000	1,134,829	5.75%, 9/15/2030	3,250,000 3,671,200
5%, 1/1/2016	1,475,000	1,650,672	(Stanford University)	
5%, 1/1/2017	1,000,000	1,113,819	5%, 11/1/2011	3,000,000 3,479,310
Scottsdale 5.25%, 7/1/2007	1,000,000	1,118,899	California Housing Finance Agency, Home Mortgage Revenue 5.65%, 8/1/2006 (Insured; MBIA)	655,000 699,664
Scottsdale Industrial Development Authority, HR (Scottsdale Healthcare) 5.70%, 12/1/2021	1,000,000	1,078,400	California Infrastructure & Economic Development Bank, Revenue (Clean Water State Revolving Fund) 5%, 10/1/2017	2,500,000 2,749,875
Tucson 5%, 7/1/2012	1,265,000	1,447,982	California Rural Home Mortgage Finance Authority, SFMR (Mortgage Backed Securities Program)	
University Medical Center Corp., HR 5.25%, 7/1/2016	2,310,000	2,490,550	5.75%, 8/1/2009	5,000 5,079
California—14.5%			California Statewide Community Development Authority, Revenue:	
Agua Caliente Band, Cahuilla Indians Revenue:			(Kaiser Permanente):	
4%, 7/1/2006	1,000,000	1,004,180	3.70%, 6/1/2005	3,000,000 3,075,660
5.60%, 7/1/2013	1,815,000	1,850,556	3.85%, 8/1/2006	1,250,000 1,306,950
			Multi Family Housing:	
			(Archstone/LeClub)	
			5.30%, 6/1/2008	1,000,000 1,066,540
			(Archstone/Seascape)	
			5.25%, 6/1/2008	4,000,000 4,258,360
			(Equity Residential)	
			5.20%, 6/15/2009	3,000,000 3,296,670

Mellon National Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
California (continued)			California (continued)		
Foothill/Eastern Transportation Corridor Agency, Toll Road Revenue:			Southern California Public Power Authority, Power Project Revenue (San Juan Unit 3):		
0/5.80%, 1/15/2020	1,505,000 ^b	1,307,770	5.50%, 1/1/2013 (Insured; FSA)	3,010,000	3,533,138
0/5.875%, 1/15/2026 (Insured; MBIA)	8,000,000 ^b	6,728,560	5.50%, 1/1/2014 (Insured; FSA)	2,000,000	2,351,540
Golden State Tobacco Securitization Corp., Tobacco Settlement Revenue (Enhanced-Asset Backed):			Westside Unified School District 6%, 8/1/2014 (Insured; AMBAC)	385,000	476,649
5.75%, 6/1/2021	4,070,000	4,380,093	Colorado—3.5%		
5.75%, 6/1/2023	8,215,000	8,774,195	Colorado Department of Transportation, Transportation Revenue 5.25%, 6/15/2010 (Insured; MBIA)	1,000,000	1,154,920
5.375%, 6/1/2028	5,250,000	5,338,515	Colorado Housing Finance Authority:		
Kern High School District 6.40%, 2/1/2012 (Insured; MBIA)	2,750,000	3,361,600	6.75%, 4/1/2015	245,000	246,556
Long Beach, Harbor Revenue 5%, 5/15/2016 (Insured; FGIC)	3,000,000	3,357,600	6.70%, 10/1/2016	160,000	164,499
Los Angeles Department of Water & Power, Power Systems Revenue 5.25%, 7/1/2011 (Insured; MBIA)	2,250,000	2,624,940	7.15%, 10/1/2030 (Single Family Program):	340,000	352,930
Los Angeles Unified School District 5.75%, 7/1/2016 (Insured; MBIA)	2,000,000	2,428,760	7.10%, 5/1/2015	65,000	65,648
Modesto Wastewater Treatment Facility, Revenue 6%, 11/1/2009 (Insured; MBIA)	500,000	599,545	6.05%, 10/1/2016	440,000	456,298
Oakland Joint Powers Financing Authority, LR (Oakland Convention Centers) 5.50%, 10/1/2013 (Insured; AMBAC)	1,500,000	1,783,035	675%, 10/1/2021	805,000	810,707
Sacramento Municipal Utility District, Electric Revenue 5.30%, 7/1/2012	1,385,000	1,558,333	7.55%, 11/1/2027	100,000	101,026
San Diego County Regional Transportation Commission, Sales Tax Revenue 6%, 4/1/2004 (Insured; FGIC)	250,000	251,165	6.80%, 11/1/2028	130,000	131,351
San Francisco City & County Airports Commission, International Airport Revenue 5.625%, 5/1/2006 (Insured; FGIC)	500,000	543,880	Jefferson County School District: 5.25%, 12/15/2005 (Insured; MBIA)	1,680,000	1,802,959
San Jose Redevelopment Agency, Tax Allocation (Merged Area Redevelopment) 6%, 8/1/2009 (Insured; MBIA)	625,000	744,288	6.50%, 12/15/2010 (Insured; MBIA)	1,500,000	1,853,850
Santa Margarita-Dana Point Authority, Revenue 7.25%, 8/1/2007 (Insured; MBIA)	500,000	591,060	Northwest Parkway Public Highway Authority: 0/5.45%, 6/15/2017 (Insured; FSA)	7,690,000 ^b	6,143,695
			0/5.55%, 6/15/2018 (Insured; FSA)	5,000,000 ^b	3,962,450
			0/5.70%, 6/15/2021 (Insured; AMBAC)	7,345,000 ^b	5,675,482
			University of Colorado, Enterprise System Revenue: 5%, 6/1/2009	500,000	566,570
			5.50%, 6/1/2010	500,000	584,645
			Connecticut—2.1%		
			Connecticut: 5%, 11/15/2005	500,000	532,885
			5%, 3/1/2011	3,350,000	3,825,834
			5%, 3/1/2015	2,550,000	2,887,952
			Connecticut Health & Educational Facilities Authority, Revenue (Yale University) 5.125%, 7/1/2027	300,000	318,675

Mellon National Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)	Principal Amount (\$)	Value (\$)
Connecticut (continued)			Georgia (continued)	
Mohegan Tribe Indians Gaming Authority, Public Improvement (Priority Distribution):			Georgia:	
5.375%, 1/1/2011	1,400,000	1,539,692	5.95%, 3/1/2008	3,650,000
6%, 1/1/2016	1,750,000	1,937,198	5.40%, 11/1/2010	1,000,000
5.25%, 1/1/2033	2,725,000	2,735,192	5.75%, 9/1/2011	3,460,000
Stamford 6.60%, 1/15/2007	500,000	570,375	Georgia Municipal Electric Authority (Project One)	
			6%, 1/1/2006	1,275,000
Delaware--7%				1,378,836
Delaware Transportation Authority, Transportation System Revenue			Illinois--4.2%	
5%, 7/1/2009 (Insured; MBIA)	4,200,000	4,775,022	Chicago, SFMR 4.70%, 10/1/2017 (Collateralized; FNMA, GNMA)	455,000
				456,943
Florida--3.5%			Chicago Metropolitan Water Reclamation District (Chicago Capital Improvement)	
Broward County, RRR:			7.25%, 12/1/2012	8,500,000
(Wheelabrator North)				11,242,950
4.50%, 12/1/2011	130,000	137,809	Chicago O'Hare International Airport, Revenue Passenger Facility Charge 6%,	
(Wheelabrator South)			1/1/2005 (Insured; AMBAC)	2,165,000
4.50%, 6/1/2011	235,000	249,438		2,254,739
Capital Trust Agency, Revenue (Seminole Tribe Convention):			Du Page County Community High School District (Downers Grove) 5.50%,	
8.95%, 10/1/2033	2,820,000	3,324,329	12/1/2014 (Insured; FSA)	1,000,000
10%, 10/1/2033	7,315,000	9,113,978		1,154,190
Florida Municipal Loan Council, Revenue 5.75%,			Illinois Health Facilities Authority, Revenue (Loyola University Health System) 5.75%, 7/1/2011	3,500,000
11/1/2015 (Insured; MBIA)	520,000	611,156		3,900,400
Hillsborough County Educational Facilities Authority (University of Tampa Project)			Lake County Community Unitary School District (Waukegan) 5.625%,	
5.75%, 4/1/2018	3,275,000	3,737,594	12/1/2011 (Insured; FSA)	3,150,000
Key West Utility Board, Electric Revenue 5.75%,				3,671,294
10/1/2006 (Insured; FGIC)	1,000,000	1,109,220	Regional Transportation Authority:	
Palm Beach County, Public Improvement Revenue (Convention Center Project)			7.75%, 6/1/2009	
5%, 11/1/2011 (Insured; FGIC)	5,000,000	5,732,700	(Insured; FGIC)	1,000,000
				1,263,120
Georgia--2.4%			7.75%, 6/1/2010	
Atlanta, Water & Wastewater Revenue 5%, 11/1/2029 (Prerefunded 5/1/2009)	1,435,000	1,640,951	(Insured; FGIC)	1,620,000
Chatham County Hospital Authority (Memorial Health Medical Center)			7.75%, 6/1/2012	
6.125%, 1/1/2024	2,480,000	2,702,704	(Insured; FGIC)	1,890,000
DeKalb County, Water & Sewer Revenue 6.25%, 10/1/2005	1,000,000	1,080,250		2,526,873
			Iowa--5%	
			Muscatine, Electric Revenue	
			5.50%, 1/1/2011	
			(Insured; AMBAC)	3,000,000
				3,504,270
			Kansas--6%	
			Wyandotte County/Kansas City, Unified Government PCR (General Motors Corporation Project) 6%, 6/1/2025	4,000,000
				4,270,880

Mellon National Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Kentucky--.8%			Michigan--.6%		
Kentucky Property & Buildings Commission, Revenue 6%, 2/1/2014 (Prerefunded 2/1/2010)	2,000,000 ^a	2,391,680	Fowlerville Community School District 6.50%, 5/1/2006 (Insured; MBIA)	555,000	616,316
Kentucky Turnpike Authority, EDR (Revitalization's Projects):			Michigan Hospital Finance Authority, Revenue (Genesys Regional Medical Hospital) 5.50%, 10/1/2008	1,505,000	1,733,309
6.50%, 7/1/2007	1,000,000	1,155,910	Michigan Municipal Board Authority, Revenue (Drinking Water Revolving Fund) 5.50%, 10/1/2015	1,000,000	1,189,760
5.50%, 7/1/2011	225,000	230,292	Saint Johns Public Schools (School Bond Loan Fund) 6.50%, 5/1/2006 (Insured; FGIC)	525,000	583,118
5.50%, 7/1/2012 (Insured; AMBAC)	1,250,000	1,475,588	Minnesota--.7%		
Maine--.3%			Minneapolis (Special School District No. 1) 5%, 2/1/2014	2,350,000	2,626,877
Maine Municipal Bond Bank 5.875%, 11/1/2013 (Insured; FSA)	1,660,000	1,970,154	Minnesota 5.40%, 8/1/2008	2,000,000	2,115,480
Massachusetts--5.3%			Mississippi--.3%		
Massachusetts:			Mississippi 5.50%, 12/1/2017	1,250,000	1,491,600
5.50%, 2/1/2007 (Insured; MBIA)	1,000,000	1,109,520	Mississippi Higher Education Assistance Corporation, Student Loan Revenue 6.05%, 9/1/2007	140,000	141,694
Consolidated Loan: 5.50%, 11/1/2010 (Insured; FSA)	10,000,000	11,727,400	Mississippi University Educational Building Corp., Revenue 5.25%, 8/1/2016 (Insured; MBIA)	400,000	462,392
5.75%, 9/1/2013 (Prerefunded 9/1/2009)	500,000 ^a	591,735	Missouri--.9%		
5%, 8/1/2016	3,000,000	3,336,180	Missouri Environmental Improvement & Energy Resource Authority, Water Pollution Control Revenue (Revolving Fund Program) 5.50%, 7/1/2014	1,250,000	1,489,888
Massachusetts Development Finance Agency, Revenue (Comb Jewish Philanthropies) 4.75%, 2/1/2015	4,135,000	4,498,177	Missouri Highways & Transport Commission, Road Revenue: 5.50%, 2/1/2010	2,000,000	2,326,940
Massachusetts Municipal Wholesale Electric Company, Power Supply System Revenue: (Project Number 6): 5%, 7/1/2006 (Insured; MBIA)	4,250,000	4,603,133	5.50%, 2/1/2011	2,000,000	2,345,840
5.25%, 7/1/2012 (Insured; MBIA)	2,000,000	2,309,240	Nebraska--2.5%		
(Stony Brook Intermediate) 4.50%, 7/1/2006 (Insured; MBIA)	1,800,000	1,928,880	Lincoln, Electric System Revenue 5%, 9/1/2026	14,225,000	15,012,638
Massachusetts Port Authority, Revenue: 5.75%, 7/1/2010	1,325,000	1,552,807	Municipal Energy Agency of Nebraska Power Supply System 5%, 4/1/2025 (Insured; FSA)	2,000,000	2,108,240
6%, 7/1/2012	2,035,000	2,346,864	Nevada--.3%		
Weston: 5.625%, 3/1/2017	650,000	753,545	Humboldt County, PCR (Sierra Pacific) 6.55%, 10/1/2013 (Insured; AMBAC)	2,000,000	2,081,600
5.625%, 3/1/2018	665,000	769,219	New Hampshire--.3%		
Worcester, Municipal Purpose Loan 5.75%, 10/1/2014 (Insured; MBIA, Prerefunded 10/1/2005)	1,000,000 ^a	1,093,020	Nashua, Capital Improvement 5.50%, 7/15/2018	560,000	640,175

Mellon National Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
New Hampshire (continued)			New York (continued)		
New Hampshire Business Finance Authority, PCR (Central Maine Power Co.) 5.375%, 5/1/2014	1,000,000	1,097,740	Metropolitan Transportation Authority: Commuter Facilities Revenue: 5.50%, 7/1/2007 (Insured; AMBAC, Escrowed to Maturity) 5.50%, 7/1/2011 (Grand Central Terminal) 5.70%, 7/1/2024 (Insured; FSA, Prerefunded 7/1/2005)	1,000,000 1,000,000 200,000 ^a	1,126,660 1,151,240 214,310
New Jersey—3.6%			Service Contract Revenue 5.75%, 1/1/2018	1,500,000	1,781,310
Gloucester County Improvement Authority, Solid Waste Resource Recovery Revenue: 6.85%, 12/1/2009	4,000,000	4,734,600	Transit Facilities Revenue 6.30%, 7/1/2007 (Insured; MBIA)	5,250,000	6,051,203
7%, 12/1/2009	1,000,000	1,185,120	Municipal Assistance Corporation For the City of New York 6%, 7/1/2005 (Insured; AMBAC)	100,000	106,708
New Jersey 6%, 2/15/2011	1,000,000	1,202,160	New York City: 5.40%, 8/1/2004	1,300,000	1,324,128
New Jersey Economic Development Authority: School Facilities Construction Revenue 5.25%, 6/15/2018 (Insured; AMBAC)	5,375,000	5,996,243	7%, 8/1/2006	300,000	338,283
Transportation Sublease (New Jersey Transit Corp. Light Rail Transit System) 5.875%, 5/1/2014 (Insured; FSA, Prerefunded 5/1/2009)	1,000,000 ^a	1,177,170	6.25%, 2/15/2007 (Prerefunded 2/15/2005)	1,250,000 ^a	1,325,413
New Jersey Highway Authority, General Revenue (Garden State Parkway): 5%, 1/1/2009 (Insured; FGIC)	1,060,000	1,195,913	6.20%, 8/1/2007 (Prerefunded 8/1/2004)	795,000 ^a	824,773
5%, 1/1/2010 (Insured; FGIC)	1,110,000	1,264,845	6.20%, 8/1/2007 (Prerefunded 8/1/2004)	205,000 ^a	212,677
New Jersey Transit Corp., COP: 5.50%, 9/15/2009 (Insured; AMBAC)	5,000,000	5,773,300	6%, 8/1/2008	600,000	620,130
6%, 9/15/2015 (Insured; AMBAC, Prerefunded 9/15/2010)	2,000,000 ^a	2,419,680	6%, 4/15/2009	4,000,000	4,479,080
New Mexico—.3%			5.50%, 8/1/2010	2,000,000	2,337,760
New Mexico, Highway Commission Tax Revenue 6%, 6/15/2015	2,000,000	2,361,740	5.75%, 8/1/2012	545,000	612,433
New York—13.5%			5.75%, 8/1/2013	1,650,000	1,863,296
Greece Central School District: 6%, 6/15/2010	225,000	271,782	New York City Municipal Water Finance Authority, Water & Sewer Systems Revenue 5.75%, 6/15/2026 (Insured; MBIA)	1,255,000	1,376,823
6%, 6/15/2011	950,000	1,155,704	New York City Transitional Finance Authority, Revenue: 5.50%, 11/1/2011	3,000,000	3,494,460
6%, 6/15/2012	950,000	1,163,294	6.125%, 11/15/2014 (Prerefunded 5/15/2010)	825,000 ^a	1,007,771
6%, 6/15/2013	950,000	1,168,985	6.125%, 11/15/2014	175,000	211,290
6%, 6/15/2014	950,000	1,174,732	6.125%, 11/15/2015 (Prerefunded 5/15/2010)	2,000,000 ^a	2,443,080
6%, 6/15/2015	950,000	1,179,587	5.25%, 2/1/2029	11,000,000	12,522,730
Long Island Power Authority, Electric System Revenue: 5%, 6/1/2009	2,000,000	2,222,880	New York State Dorm Authority, Revenue: (Consolidated City University System) 5.75%, 7/1/2018 (Insured; FSA)	200,000	242,190
5%, 4/1/2010 (Insured; AMBAC)	2,500,000	2,836,550			

Mellon National Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
New York (continued)			North Carolina—2.5%		
New York State Dorm Authority, Revenue:			Charlotte-Mecklenberg Hospital Authority, Health Care System Revenue 5.60%, 1/15/2011	1,000,000	1,088,720
(FIT Student Housing) 5.75%, 7/1/2006 (Insured; AMBAC)	130,000	143,010	Concord, COP 5.50%, 6/1/2011 (Insured; MBIA)	1,000,000	1,172,800
(Mental Health Services Facilities): 6%, 8/15/2005			Durham County 5.50%, 4/1/2010	1,000,000	1,171,050
(Escrowed to Maturity) 6%, 8/15/2005	15,000	16,066	Guilford County, Public Improvement 5.10%, 10/1/2014	1,500,000	1,701,450
(North Shore Long Island Jewish Group) 5%, 5/1/2018	4,000,000	4,196,320	Mecklenburg County: 5.50%, 4/1/2011	1,195,000	1,410,948
(Vassar College) 6%, 7/1/2005	250,000	266,283	Public Improvement Revenue 4.75%, 4/1/2008	1,000,000	1,111,530
New York State Environmental Facilities Corp., Clean Water & Drinking Water Revenue (New York City Municipal Water Project) 5.50%, 6/15/2017	3,500,000	4,187,470	North Carolina Eastern Municipal Power Agency, Power System Revenue 5.375%, 1/1/2016	1,500,000	1,621,515
New York State Power Authority, General Purpose Revenue 7%, 1/1/2018 (Prerefunded 1/1/2010)	300,000 ^a	374,913	North Carolina Municipal Power Agency, Electric Revenue (No. 1 Catawba) 5%, 1/1/2005	1,000,000	1,030,660
New York State Thruway Authority: (Highway & Bridge Trust Fund): 5.50%, 4/1/2007			Raleigh Durham Airport Authority, Revenue 5.25%, 11/1/2013 (Insured; FGIC)	2,890,000	3,251,712
(Insured; FGIC) 5.50%, 4/1/2013	500,000	557,910	Wake County 5.75%, 2/1/2015	2,000,000	2,296,500
(Insured; FGIC) 6%, 4/1/2014 (Insured; FSA, Prerefunded 4/1/2010)	1,000,000	1,164,730	Wake County Industrial Facilities & Pollution Control Financing Authority, Revenue (Carolina Power & Light Co.) 5.375%, 2/1/2017	1,000,000	1,091,000
6%, 4/1/2016 (Insured; FSA, Prerefunded 4/1/2010)	2,000,000 ^a	2,422,560			
1,000,000 ^a	1,211,280		Ohio—3.4%		
Service Contract Revenue (Local Highway & Bridge): 6%, 4/1/2005	2,490,000	2,624,460	Akron, Sewer Systems Revenue 6%, 12/1/2014	500,000	596,440
6%, 4/1/2005	4,510,000	4,744,881	Butler County Transportation Improvement District 6%, 4/1/2011 (Insured; FSA)	1,000,000	1,165,410
New York State Urban Development Corp., Revenue (Correctional Capital Facilities): 6%, 1/1/2010			Columbus 6%, 6/15/2008	3,000,000	3,496,020
(Prerefunded 1/1/2005) 5%, 1/1/2011	3,000,000 ^a	3,185,130	Cuyahoga County, Revenue (Cleveland Clinic Health System): 6%, 1/1/2015	2,265,000	2,597,094
(Higher Education Technology Grants) 5.75%, 4/1/2015	5,000,000	5,589,800	6%, 1/1/2017	3,900,000	4,403,919
(Insured; MBIA) 500,000	533,725		Erie County, Hospital Facilities Revenue (Firelands Regional Medical Center) 4.50%, 8/15/2006	1,200,000	1,269,552
Orange County 5.50%, 11/15/2007	250,000	284,195	Ohio Infrastructure Improvements 5.625%, 2/1/2009	1,000,000	1,155,310
Port Authority of New York and New Jersey 5.50%, 10/15/2006 (Insured; MBIA)	3,045,000	3,353,854			
Westchester County 6.625%, 11/1/2004	250,000	259,698			

Mellon National Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Ohio (continued)			Pennsylvania (continued)		
Ohio Building Authority: (Adult Correction Building) 5.25%, 4/1/2013	2,000,000	2,249,960	Scranton-Lackawanna Health & Welfare Authority Catholic Healthcare Revenue (Mercy Health) 5.10%, 1/1/2007 (Insured; MBIA)	100,000	109,356
(Juvenile Correction Facilities) 5.50%, 4/1/2014	3,295,000	3,816,434	State Public School Building Authority, College Revenue (Harrisburg Community College) 6.25%, 4/1/2008 (Insured; MBIA)	795,000	925,984
(Sports Building Fund) 5.50%, 4/1/2014	1,945,000	2,252,796	Rhode Island-.8%		
Oklahoma-.2%			Rhode Island Health & Educational Building Corp., Higher Educational Revenue: (Providence College): 4.50%, 11/1/2017	795,000	833,430
Oklahoma Capital Improvement Authority, State Highway Capital Improvement Revenue 5%, 6/1/2006 (Insured; MBIA)	1,200,000	1,298,736	4.50%, 11/1/2018	615,000	639,194
Oklahoma Housing Finance Agency, SFMR 6.80%, 9/1/2016	190,000	192,043	5%, 11/1/2022 (Insured; XLCA)	250,000	265,245
Oregon-.8%			(Roger Williams University): 4%, 11/15/2016	1,070,000	1,063,099
Jackson County School District: (Central Point) 5.75%, 6/15/2016 (Insured; FGIC)	2,265,000	2,629,484	4.25%, 11/15/2018	1,275,000	1,275,434
(Eagle Point) 5.625%, 6/15/2014	1,500,000	1,758,705	4.40%, 11/15/2019	1,325,000	1,330,645
Portland Urban Renewal & Redevelopment (Convention Center) 5.75%, 6/15/2018 (Insured; AMBAC)	1,150,000	1,342,890	South Carolina-4.0%		
Pennsylvania-2.5%			Greenville County School District, Installment Purchase Revenues (Building Equity Sooner Tomorrow): 5.25%, 12/1/2010	10,000,000	11,356,000
Allegheny County Hospital Development Authority, Revenue (University of Pittsburgh Medical Center) 5.25%, 6/15/2015	1,620,000	1,772,458	5.25%, 12/1/2011	5,750,000	6,530,045
Chester County 5%, 11/15/2010	3,420,000	3,935,907	5.875%, 12/1/2018	3,000,000	3,441,660
Montgomery County Industrial Development Authority, PCR (Peco Energy Co. Project) 5.30%, 10/1/2004	2,500,000	2,545,500	5%, 12/1/2024	1,000,000	1,037,080
Pennsylvania Higher Educational Facilities Authority, Health Services Revenue: (University of Pennsylvania): 5.35%, 1/1/2008	3,750,000	3,981,713	South Carolina Jobs-Economic Development Authority, Revenue: Economic Development (Waste Management of South Carolina Inc.) 4.10%, 11/1/2004	1,000,000	1,014,860
7%, 1/1/2008	1,800,000	1,843,272	Hospital Facilities (Georgetown Memorial Hospital) 5.25%, 2/1/2021	1,250,000	1,319,500
Pittsburgh Water & Sewer Authority, Water & Sewer System Revenue 4%, 9/1/2016 (Insured; FSA)	300,000	305,112	South Carolina Public Service Authority, Revenue 5%, 1/1/2017 (Insured; FSA)	1,750,000	1,930,600
			South Carolina School Facilities 5%, 1/1/2009	1,000,000	1,128,710
			Tennessee-.0%		
			Shelby County Health Educational & Housing Facilities Board, Revenue (St. Jude's Children's Research) 5%, 7/1/2009	300,000	330,270

Mellon National Intermediate Municipal Bond Fund (continued)				
Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)	Principal Amount (\$)	Value (\$)
Texas—3.6%			Virginia (continued)	
Austin Independent School District 5.70%, 8/1/2011	1,530,000	1,674,157	Fairfax County, Public Improvement: 5%, 6/1/2007	4,000,000 4,430,640
Cypress-Fairbanks Independent School District (Schoolhouse) 5%, 2/15/2009	3,130,000	3,521,344	5%, 6/1/2007	2,455,000 2,719,305
Dallas Fort Worth, International Airport Revenue 5.50%, 11/1/2031 (Insured; FGIC)	1,000,000	1,071,960	Louisa Industrial Development Authority, PCR (Virginia Electric & Power Co.) 5.25%, 12/1/2008	3,000,000 3,222,330
Harris County, Toll Road Revenue 6%, 8/1/2009 (Insured; FGIC)	5,150,000	6,091,575	Newport News Industrial Development Authority, Revenue (Advanced Shipbuilding Carrier) 5.50%, 9/1/2010	1,000,000 1,173,850
Laredo Independent School District 6%, 8/1/2014 (Prerefunded 8/1/2009)	1,000,000 a	1,189,900	Peninsula Ports Authority, Coal Terminal Revenue (Dominion Terminal Associates) 6%, 4/1/2033	7,685,000 8,094,764
Lewisville Independent School District Building Bonds: 7.50%, 8/15/2006	650,000	747,533	Washington—1.1%	
7.50%, 8/15/2007	600,000	718,260	Cowlitz County, Special Sewer Revenue (CSOB Wastewater Treatment) 5.50%, 11/1/2019 (Insured; FGIC)	1,500,000 1,761,045
Mission Consolidated Independent School District 5.875%, 2/15/2009	1,690,000	1,921,902	Seattle Municipal Light & Power, Revenue 5.50%, 12/1/2010	1,000,000 1,164,750
North Forest Independent School District: 5.25%, 8/15/2005 (Escrowed to Maturity)	135,000	143,169	Washington Public Power Supply System, Revenue (Nuclear Project Number 1): 6%, 7/1/2005 (Insured; AMBAC)	3,000,000 3,194,970
5.25%, 8/15/2005	865,000	916,900	6%, 7/1/2006 (Insured; MBIA)	500,000 552,915
San Antonio Electric & Gas Revenue General Improvement 5.90%, 2/1/2016	500,000	581,320	7%, 7/1/2008 (Escrowed to Maturity)	380,000 459,640
Texas Public Finance Authority 5.50%, 10/1/2007	2,750,000	3,109,233	7%, 7/1/2008	620,000 744,490
Trinity River Authority, Regional Wastewater System Revenue 5%, 8/1/2006 (Insured; MBIA)	2,500,000	2,716,450	Wisconsin—.2%	
Utah—.8%			Kenosha, Waterworks Revenue 5%, 12/1/2012 (Insured; FGIC)	750,000 844,403
Intermountain Power Agency, Power Supply Revenue: 6%, 7/1/2008 (Insured; MBIA)	4,200,000	4,879,434	Wisconsin Health & Educational Facilities Authority, Revenue (Aurora Medical Group Inc.) 5.75%, 11/15/2007 (Insured; FSA)	500,000 569,710
6.25%, 7/1/2009 (Insured; FSA)	750,000	893,370	U.S. Related—5.5%	
Vermont—.8%			Puerto Rico Commonwealth: 5%, 7/1/2008 (Insured; FGIC)	10,000,000 11,271,000
Burlington, Electric Revenue: 6.25%, 7/1/2011 (Insured; MBIA)	2,000,000	2,449,880	6.25%, 7/1/2011 (Insured; MBIA)	950,000 1,171,493
6.25%, 7/1/2012 (Insured; MBIA)	2,500,000	3,080,150	6%, 7/1/2013	1,500,000 1,714,140
Virginia—3.3%			6.25%, 7/1/2013 (Insured; MBIA)	1,380,000 1,723,261
Chesterfield County Industrial Development Authority, PCR 5.875%, 6/1/2017	3,000,000	3,298,890		

Mellon National Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)	Short-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)
U.S. Related (continued)			Illinois-1.9%		
Puerto Rico Commonwealth Highway & Transportation Authority, Transportation Revenue			Illinois Health Facilities Authority, Revenue VRDN: (Bromenn Healthcare)		
6.25%, 7/1/2009 (Insured; MBIA)	150,000	180,008	.98% (LOC; Harris Trust & Savings Bank)	1,300,000 ^c	1,300,000
5.875%, 7/1/2035 (Insured; MBIA, Prerefunded 7/1/2010)	1,405,000 ^a	1,709,716	(Resurrection Health)		
5.875%, 7/1/2035 (Insured; MBIA)	2,595,000	3,052,706	.99% (Insured; FSA)	11,480,000 ^c	11,480,000
Puerto Rico Electric Power Authority, Power Revenue:			Massachusetts-.5%		
6.50%, 7/1/2006 (Insured; MBIA)	625,000	699,713	Massachusetts, VRDN (Central Artery) .99%	2,100,000 ^c	2,100,000
5.25%, 7/1/2015 (Insured; MBIA)	2,000,000	2,346,800	Massachusetts Industrial Finance Agency, Revenue, VRDN (Showa Women's Institute) 1% (LOC; Mizuho Corporate Bank and Bank of New York)	1,400,000 ^c	1,400,000
5.25%, 7/1/2029 (Insured; FSA)	2,000,000	2,149,080	Mississippi-.8%		
Puerto Rico Public Buildings Authority, Government Facility Revenue:			Jackson County Port Facility, Revenue VRDN (Chevron USA Incorporated Project) .99%	5,200,000 ^c	5,200,000
6.25%, 7/1/2010 (Insured; AMBAC)	750,000	913,785	Oklahoma-1.9%		
5.50%, 7/1/2014	1,000,000	1,168,020	Tulsa County Industrial Authority, First Mortgage Revenue VRDN (Montereau) .99%		
5.50%, 7/1/2015	1,000,000	1,163,960	(LOC; BNP Paribas)	13,000,000 ^c	13,000,000
5.50%, 7/1/2016	2,000,000	2,327,060	Texas-.5%		
5.75%, 7/1/2017	1,945,000	2,313,111	North Central Texas Health Facility Development Corp., Revenue, VRDN (Methodist Hospitals of Dallas) .99%	3,600,000 ^c	3,600,000
University of Puerto Rico, University Revenue:			Total Short-Term Municipal Investments		
5.375%, 6/1/2030 (Insured; MBIA)	3,000,000	3,149,940	(cost \$40,580,000)		40,580,000
6.25%, 6/1/2008 (Insured; MBIA)	750,000	881,393	Total Investments		
Total Long-Term Municipal Investments			(cost \$646,165,599)	101.8%	698,032,070
(cost \$605,585,599)		657,452,070	Liabilities, Less		
Short-Term Municipal Investments-6.0%			Cash and Receivables	(1.8%)	(12,027,939)
California-.4%			Net Assets		
Tahoe Forest Hospital District, Health Facility Revenue VRDN .95% (LOC; U.S. Bank National Association)	2,500,000 ^c	2,500,000		100.0%	686,004,131

Summary of Abbreviations

AMBAC	American Municipal Bond Assurance Corporation	LR	Lease Revenue
COP	Certificate of Participation	MBIA	Municipal Bond Investors Assurance Insurance Corporation
EDR	Economic Development Revenue	PCR	Pollution Control Revenue
FGIC	Financial Guaranty Insurance Company	SFMR	Single Family Mortgage Revenue
FNMA	Federal National Mortgage Association	RRR	Resources Recovery Revenue
FSA	Financial Security Assurance	VRDN	Variable Rate Demand Notes
GNMA	Government National Mortgage Association	XLCA	XL Capital Assurance
HR	Hospital Revenue		
LOC	Letter of Credit		

Summary of Combined Ratings (Unaudited)

Fitch	or	Moody's	or	Standard & Poor's	Value (%)
AAA		Aaa		AAA	49.5
AA		Aa		AA	21.9
A		a		A	14.4
BBB		Baa		BBB	7.1
F1		MIG1/P1		SP1/A1	5.3
Not Rated ^d		Not Rated ^d		Not Rated ^d	1.8
					100.0

^a Bonds which are prerefunded are collateralized by U.S. Government securities which are held in escrow and are used to pay principal and interest on the municipal issue and to retire the bonds in full at the earliest refunding date.

^b Zero Coupon until a specified date at which time the stated coupon rate becomes effective until maturity.

^c Securities payable on demand. The interest rate, which is subject to change, is based upon bank prime rates or an index of market interest rates.

^d Securities which, while not rated by Fitch, Moody's and Standard & Poor's, have been determined by the Investment Adviser to be of comparable quality to those rated securities in which the fund may invest.

See notes to financial statements.

STATEMENT OF FINANCIAL FUTURES

February 29, 2004 (Unaudited)

	Contracts	Market Value Covered by Contracts (\$)	Expiration	Unrealized (Depreciation) at 2/29/2004 (\$)
Financial Futures Sold Short				
U.S. Treasury Futures 5 Year Note	100	11,376,562	March 2004	(281,055)
U.S. Treasury Futures 10 Year Note	100	11,537,500	March 2004	(437,500)
				(718,555)

See notes to financial statements.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon National Short-Term Municipal Bond Fund				
Long-Term Municipal Investments—96.1%	Principal Amount (\$)	Value (\$)	Principal Amount (\$)	Value (\$)
Alabama—1.2%				
State of Alabama 5.25%, 6/1/2007	1,205,000	1,342,466		
Mobile 5%, 2/15/2005 (Insured; AMBAC)	1,440,000	1,495,339		
Arizona—2.2%				
Maricopa County Community College District:				
6.50%, 7/1/2004	1,420,000	1,446,682		
6.50, 7/1/2009 (Prerefunded 7/1/2006)	1,510,000 ^a	1,706,662		
Tucson:				
5%, 7/1/2005	1,160,000	1,221,074		
Water Revenue 5%, 7/1/2004 (Insured; FGIC)	725,000	734,976		
California—5.2%				
Agua Caliente Band of Cahuilla Indians, Revenue:				
4%, 7/1/2006	500,000	502,090		
4.60%, 7/1/2008	800,000	806,536		
California Statewide Communities Development Authority, Revenue: (Kaiser Permanente):				
3.70%, 6/1/2005	1,000,000	1,025,220		
3.85%, 8/1/2006	1,000,000	1,045,560		
Solid Waste Development (Waste Management Inc. Project) 4.95%, 4/1/2011	500,000	501,480		
California Department of Water Resources, Power Supply Revenue:				
5%, 2/1/2008	1,000,000	1,090,530		
5.50%, 5/1/2008	3,500,000	3,920,595		
Santa Clara Transitional Authority, Sales Tax Revenue 4%, 10/2/2006	3,000,000	3,201,330		
Connecticut—1.5%				
State of Connecticut:				
4%, 12/15/2005	1,000,000	1,050,980		
Airport Revenue:				
7.65%, 10/1/2012 (Insured; FGIC)	830,000	860,054		
7.65%, 10/1/2012 (Insured; FGIC) (Prerefunded 10/1/2004)	370,000 ^a	384,663		
Mashantucket Western Pequot Tribe, Special 6.50%, 9/1/2006 (Prerefunded 9/1/2006)	495,000 ^a	558,400		
Connecticut (continued)				
Mohegan Tribe of Indians, Gaming Authority Priority Distribution Payment Public Improvement 5%, 1/1/2008			600,000	648,342
Florida—7.6%				
Escambia County Health Facilities Authority, Revenue (Ascension Health Credit):				
5%, 11/15/2006			1,000,000	1,088,340
5%, 11/15/2007			400,000	442,008
Florida Department of Transportation 4%, 7/1/2004			2,675,000	2,702,820
Miami Beach Health Facilities Authority, HR (Mount Sinai Medical Center) 5.50%, 11/15/2035			985,000	986,438
Orlando Utilities Commission, Water and Electric Revenue 5%, 10/1/2006			1,000,000	1,089,920
Palm Beach County, Public Improvement Revenue (Convention Center Revenue) 5%, 11/1/2030 (Insured; FGIC)			2,500,000	2,866,350
Pinellas County, Capital Improvement Revenue 4.50%, 1/1/2006			4,000,000	4,236,640
Saint Johns County Industrial Development Authority, IDR (Professional Golf Hall of Fame Project) 5.875%, 9/1/2023 (Insured; MBIA) (Prerefunded 9/1/2006)			1,085,000 ^a	1,217,196
Tampa-Hillsborough County Expressway Authority, Revenue 5%, 7/1/2004 (Insured; FGIC)			2,140,000	2,169,596
Volusia County School Board, Sales Tax Revenue 5%, 10/1/2004 (Insured; FSA)			1,000,000	1,023,850
Georgia—2.3%				
College Park Business and Industrial Development Authority, Revenue (Civic Center Project) 5.80%, 9/1/2005 (Insured; FSA)			1,165,000	1,247,109

Mellon National Short-Term Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Georgia (continued)			Massachusetts (continued)		
De Kalb County Development Authority, Revenue (Emory University Project) 5.375%, 11/1/2005	3,000,000	3,211,260	Massachusetts Health and Educational Facilities Authority, Revenue: (Boston College) 5%, 6/1/2007	1,000,000	1,103,960
State of Georgia 6%, 3/1/2004	1,000,000	1,000,560	(Springfield College) 4%, 10/15/2007	1,220,000	1,302,289
Illinois-4.1%			Massachusetts Development Finance Agency, Revenue (Combined Jewish Philanthropies) 3.50%, 2/1/2008	1,880,000	1,948,958
Chicago, Sales Tax Revenue 5.375%, 1/1/2030 (Insured FGIC)	2,000,000	2,304,720	Michigan-3.0%		
Chicago Transit Authority, Capital Grant Receipt Revenue (Douglas Branch Reconstruction) 5%, 6/1/2007 (Insured; AMBAC)	7,000,000	7,330,610	State of Michigan (Environmental Project) 5%, 5/1/2009	2,000,000	2,265,040
Indiana-.4%			Michigan Building Authority, Revenue (Facilities Program): 5.50%, 10/15/2006 5.625%, 10/1/2008 (Prerefunded 10/1/2004)	1,250,000 1,000,000 ^a	1,383,975 1,047,650
Indiana Development Finance Authority, SWDR (Waste Management Inc. Project) 2.70%, 10/1/2004	1,000,000	1,004,820	Michigan Municipal Bond Authority, Revenue (Clean Water State Revolving Fund): 4.50%, 10/1/2006 5%, 10/1/2006	1,000,000 1,000,000	1,079,900 1,091,260
Kansas-.7%			Minnesota-1.2%		
Crawford County Unified School District No. 250 6%, 9/1/2004 (Insured; FSA)	565,000	579,351	State of Minnesota 5%, 10/1/2006	2,000,000	2,187,360
Kansas Development Finance Authority, Revenue (Water Pollution Control Revolving Fund) 5%, 11/1/2006	1,000,000	1,094,490	Willmar Independent School District No. 347 5.15%, 2/1/2009	400,000	426,160
Kentucky-1.6%			Mississippi-1.4%		
Kentucky Economic Development Finance Authority, Health System Revenue (Norton Healthcare Inc.) 6.25%, 10/1/2012	1,000,000	1,103,000	State of Mississippi, Highway Revenue, Four Lane Highway Program 5.25%, 6/1/2006	3,000,000	3,262,080
Logan/Todd Regional Water Commission, Revenue 4%, 2/1/2007	2,500,000	2,672,100	Missouri-2.9%		
Maryland-1.6%			Missouri, Water Pollution Control 4%, 10/1/2007	3,000,000	3,249,930
Washington Suburban Sanitary District, Sewage Disposal 5%, 6/1/2006	3,500,000	3,792,880	Missouri Board of Public Buildings, State Office Building Special Obligation 5.50%, 5/1/2005	3,365,000	3,541,763
Massachusetts-2.1%			Nevada-.9%		
Massachusetts College Building Authority, Project Revenue 4%, 5/1/2006	535,000	565,377	Clarke County, PCR (Southern California Edison Co.) 3.25%, 3/2/2009	2,000,000	2,002,100

Mellon National Short-Term Municipal Bond Fund (continued)				
Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)	Principal Amount (\$)	Value (\$)
New Hampshire--.5%				
State of New Hampshire 4%, 7/15/2005	1,000,000	1,040,200		
New Jersey--5.7%				
New Jersey Building Authority, State Building Revenue 5.25%, 12/15/2007	2,500,000	2,820,450		
New Jersey Economic Development Authority, Exempt Facilities Revenue (Waste Management of New Jersey Inc. Project) 4%, 11/1/2004	2,800,000	2,840,124		
New Jersey Transit Corp., Capital Grant Anticipation Notes 5.50%, 2/1/2005 (Insured; AMBAC)	5,000,000	5,204,400		
New Jersey Transportation Trust Fund Authority 5%, 12/15/2006	1,000,000	1,094,500		
University of Medicine and Dentistry, COP 6.75%, 12/1/2009 (Insured; MBIA)	1,220,000	1,225,600		
New York--6.0%				
Metropolitan Transportation Authority, Service Contract 5%, 1/1/2006	1,425,000	1,517,924		
Municipal Assistance Corp. for the City of New York: 5.50%, 7/1/2004	1,000,000	1,015,890		
5.25%, 7/1/2006	1,415,000	1,545,520		
New York City 5.25%, 11/15/2007	2,095,000	2,328,111		
New York City Transitional Finance Authority, Revenue (New York City Recovery) 5%, 11/01/2006	1,250,000	1,365,113		
New York State Dormitory Authority, Revenue (Lutheran Medical Center) 4%, 8/1/2007 (Insured; MBIA)	1,000,000	1,071,870		
New York State Thruway Authority, Service Contract Revenue, Local Highway and Bridge 5%, 4/1/2006	1,000,000	1,071,780		
Tobacco Settlement Financing Corp. 5.50%, 6/1/2009	4,000,000	4,200,840		
North Carolina--2.8%				
Guilford County 4%, 10/1/2020	2,000,000	2,151,740		
State of North Carolina, Public Improvement 5%, 3/1/2006	1,000,000	1,074,910		
			North Carolina (continued)	
			North Carolina Eastern Municipal Power Agency, Power System Revenue 5%, 1/1/2007	655,000 702,186
			North Carolina Municipal Power Agency Number 1, Catawba Electric Revenue 5%, 1/1/2005	500,000 515,330
			Wake County, Public Improvement 5%, 4/1/2006	2,000,000 2,155,620
			Ohio--3.5%	
			Columbus 5%, 7/1/2008	1,000,000 1,125,770
			Ohio Higher Education Capital Facilities: 5.25%, 5/1/2005	2,500,000 2,623,900
			5.25%, 5/1/2006	1,000,000 1,084,410
			Ohio Building Authority, State Facilities, Adult Correctional 5.75%, 4/1/2005	2,250,000 2,365,133
			University of Cincinnati, General Receipts 5.50%, 6/1/2005 (Insured; FGIC)	800,000 844,520
			Oklahoma--2.2%	
			Oklahoma Capital Improvement Authority, State Highway Capital Improvement Revenue 5%, 6/1/2005 (Insured; MBIA)	1,700,000 1,784,558
			Tulsa 4%, 5/1/2007	2,200,000 2,361,370
			Tulsa County Independent School District Number 1, Combined Purpose 4.50%, 3/1/2004	1,000,000 1,000,390
			Pennsylvania--8.9%	
			Berks County 5.50%, 11/15/2005 (Insured; AMBAC)	1,835,000 1,970,918
			Dauphin County 5.25%, 9/1/2009 (Insured; FSA)	1,295,000 1,471,366
			Delaware County Industrial Development Authority, PCR (Peco Energy Co.) 5.20%, 10/1/2004	1,000,000 1,018,780
			Greater Latrobe School Authority, School Building Revenue 4%, 10/1/2007 (Insured; FGIC)	2,000,000 2,160,080
			Lehigh County Industrial Development Center, PCR (Peoples Electric Utility Corp.) 3.125%, 11/1/2008 (Insured; AMBAC)	1,250,000 1,305,525

Mellon National Short-Term Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Pennsylvania (continued)			Texas (continued)		
Peninsula Ports Authority, Coal Terminal Revenue (Dominion Terminal Association Project) 3.30%, 10/1/2008	2,400,000	2,452,920	North Texas Thruway Authority, Dallas North Thruway System Revenue 5%, 7/1/2008 (Insured; AMBAC)	2,000,000	2,234,280
State of Pennsylvania: 5.30%, 5/1/2004	1,375,000	1,385,519	Texas Public Finance Authority 5.75%, 10/1/2014	4,000,000	4,450,960
5.125%, 9/15/2006 (Insured; AMBAC)	1,175,000	1,286,237	Tarrant Regional Water District, Water Revenue 4.50%, 3/1/2006 (Insured; FSA)	1,000,000	1,063,150
5%, 10/1/2008 (Insured; FGIC)	1,000,000	1,130,340	Texas A & M University, Financing System Revenues 5.625%, 5/15/2016 (Insured; AMBAC) (Prerefunded 5/15/2006)	2,500,000 ^a	2,736,900
Pennsylvania Industrial Development Authority, EDR 7%, 7/1/2007 (Insured; AMBAC)	440,000	514,316	Texas Turnpike Authority, Central Texas Turnpike System Revenue 5%, 6/1/2007	2,500,000	2,759,900
Philadelphia, Gas Works Revenue 5%, 8/1/2007 (Insured; FSA)	1,555,000	1,724,713	Trinity River Authority, Regional Wastewater System Revenue 5%, 8/1/2005 (Insured; MBIA)	4,000,000	4,220,640
Pittsburgh 5%, 3/1/2008 (Insured; FGIC)	2,000,000	2,107,680	Utah-3.0%		
Spring Grove Area School District 5.625%, 4/1/2017 (Insured; FGIC) (Prerefunded 4/1/2005)	820,000 ^a	861,402	Intermountain Power Agency, Power Supply Revenue 4.50%, 7/1/2007 (Insured; AMBAC)	2,500,000	2,727,025
Sayre Health Care Facilities Authority, Revenue (Guthrie Healthcare System) 5.50%, 12/1/2004	1,310,000	1,349,379	Jordan School District (Local School Board Program) 5.25%, 6/15/2007	3,000,000	3,347,370
South Carolina-.5%			State of Utah: 5.50%, 7/1/2005	915,000	969,772
Greenville County School District, Installment Purchase Revenue (Building Equity Sooner for Tomorrow) 5%, 12/1/2007	1,000,000	1,104,360	5.50%, 7/1/2005 (Prerefunded 7/1/2005)	85,000 ^a	90,041
Tennessee-.9%			Virginia-3.5%		
Humpheys Industrial Development Board, SWDR (E.I. Dupont Denemours and Co. Project) 6.70%, 5/1/2024	2,000,000	2,056,280	Alexandria, Capital Improvement 5%, 6/1/2007	3,625,000	4,025,599
Texas-11.3%			Hampton, Public Improvement 4%, 8/1/2005	1,000,000	1,041,620
Dallas Civic Center, Improvement 4.80%, 8/15/2011 (Insured; MBIA)	3,050,000	3,371,043	Fairfax County, Public Improvement 5%, 6/1/2006	1,000,000	1,030,120
Dallas, Waterworks and Sewage System Revenue 5%, 10/1/2007	1,000,000	1,113,280	Louisa Industrial Development Authority, PCR (Virginia Electric and Power Co.) 5.25%, 12/1/2008	2,000,000	2,148,220
Gulf Coast Waste Disposal Authority, SWDR (Waste Management of Texas) 2.85%, 4/30/2004	1,750,000	1,752,905			
Houston, Public Improvement 5%, 3/1/2005 (Insured; MBIA)	2,000,000	2,079,840			
Killeen Independent School District 4.50%, 2/15/2007 (Guaranteed; Public School Fund)	500,000	541,165			

Mellon National Short-Term Municipal Bond Fund (continued)					
Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)	Short-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)
Washington--1.9%			Mississippi--2.1%		
Washington Public Power Supply System, Revenue: (Nuclear Project No. 1) 6%, 7/1/2005 (Insured; AMBAC)	2,000,000	2,129,980	Jackson County, Port Facility Revenue, VRDN (Chevron Inc. USA Project) .99%	4,800,000 ^b	4,800,000
(Nuclear Project No. 3) 6%, 7/1/2007 (Insured; AMBAC)	2,050,000	2,332,839	Missouri--1.0%		
West Virginia--.5%			Missouri Development Finance Board, LR, VRDN (Missouri Association of Municipal Utilities Lease Financing Program) 1.03% (LOC; U.S. Bank National Association)	800,000 ^b	800,000
West Virginia Higher Education Policy Commission Revenue (University Facilities) 5%, 4/1/2005 (Insured; MBIA)	1,000,000	1,043,250	Missouri Health and Educational Facilities Authority, Educational Facilities Revenue, VRDN (Southwest Baptist University Project) 1.03%, (LOC; Bank of America)	1,600,000 ^b	1,600,000
Wyoming--.9%			Oklahoma--.1%		
Uinta County, PCR (Amoco Project) 2.25%, 7/1/2007	2,000,000	2,030,880	Oklahoma Development Finance Authority, Revenue, VRDN (Iverness Village--Continuing Care Community) 1.03% (LOC; KBC Bank)	300,000 ^b	300,000
U.S. Related--4.1%			Pennsylvania--.5%		
Commonwealth of Puerto Rico: 5%, 7/1/2008 (Insured; FGIC)	1,500,000	1,690,650	Allegheny County Hospital Development Authority, Revenue, VRDN (Presbyterian University Hospital) .98% (LOC; Bank One N.A.)	1,025,000 ^b	1,025,000
Public Improvement 5.375%, 7/1/2025 (Insured; FSA) (Prerefunded 7/1/2007)	1,000,000 ^a	1,122,960	Washington--.3%		
Puerto Rico Highway and Transportation Authority, Highway Revenue: 5%, 7/1/2005	2,500,000	2,630,250	Washington Housing Finance Commission, Nonprofit Housing Revenue, VRDN (YMCA of Greater Seattle) 1% (LOC; U.S. Bank of Washington)	800,000 ^b	800,000
5%, 7/1/2006	2,500,000	2,704,100	Wisconsin--.5%		
Puerto Rico Municipal Finance Agency 4%, 8/1/2006 (Insured; FSA)	1,355,000	1,443,089	Wisconsin Health and Educational Facilities Authority, Revenue, VRDN (Alverno College Project) 1.03% (LOC; Allied Irish Bank)	1,200,000 ^b	1,200,000
Total Long-Term Municipal Investments (cost \$219,099,828)		224,028,641	Total Short-Term Municipal Investments (cost \$12,925,000)		12,925,000
Short-Term Investments--5.5%			Total Investments (cost \$232,024,828)	101.6%	236,953,641
Colorado--.1%			Liabilities, Less		
Colorado Housing and Finance Authority, Multifamily Revenue, VRDN (Windridge Apartments) .95% (Guaranteed; FNMA)	300,000 ^b	300,000	Cash and Receivables	(1.6%)	(3,852,062)
Idaho--.6%			Net Assets	100.0%	233,101,579
Idaho Health Facilities Authority, Revenue, VRDN (Saint Luke's Regional Medical Center) .98% (LOC; Harris Trust and Savings)	1,400,000 ^b	1,400,000			
Illinois--.3%					
Illinois Health Facilities Authority, Revenue, VRDN (Resurrection Health) .99% (SBPA; Bank One Illinois)	700,000 ^b	700,000			

Summary of Abbreviations

AMBAC	American Municipal Bond Assurance Corporation	LOC	Letter of Credit
COP	Certificate of Participation	LR	Lease Revenue
EDR	Economic Development Revenue	MBIA	Municipal Bond Investors Assurance Insurance Corporation
FGIC	Financial Guaranty Insurance Company	PCR	Pollution Control Revenue
FNMA	Federal National Mortgage Association	SBPA	Standby Bond Purchase Agreement
FSA	Financial Security Assurance	SWDR	Solid Waste Disposal Revenue
HR	Hospital Revenue	VRDN	Variable Rate Demand Notes
IDR	Industrial Development Revenue		

Summary of Combined Ratings (Unaudited)

Fitch	or	Moody's	or	Standard & Poor's	Value (%)
AAA		Aaa		AAA	51.5
AA		Aa		AA	26.3
A		A		A	8.2
BBB		Baa		BBB	6.6
F1		MIG1 /P1		SP1 /A1	6.6
Not Rated ^c		Not Rated ^c		Not Rated ^c	.8
					100.0

^a Bonds which are prerefunded are collateralized by U.S. Government securities which are held in escrow and are used to pay principal and interest on the municipal issue and to retire the bonds in full at the earliest refunding date.

^b Securities payable on demand. Variable interest rate—subject to periodic change.

^c Securities which, while not rated by Fitch, Moody's and Standard & Poor's, have been determined by the Investment Adviser to be of comparable quality to those rated securities in which the fund may invest.

See notes to financial statements.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon Pennsylvania Intermediate Municipal Bond Fund					
Long-Term Municipal Investments-96.4%	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Arizona-.9%			Massachusetts-.4%		
Tucson Unified School District Number 1 of Pima County 4.75%, 7/1/2014 (Insured; FSA)	5,000,000 ^a	5,496,150	Massachusetts Water Pollution Abatement Trust (Pool Program Bonds) 5%, 8/1/2032	3,000,000	3,138,210
University Medical Center Corp., HR 5.25%, 7/1/2015	1,160,000 ^a	1,262,799	Michigan-.3%		
California-3.0%			Detroit City School District 5.25%, 5/1/2017 (Insured; FGIC)	2,000,000	2,322,040
Agua Caliente Band Cahuilla Indians, Revenue 6%, 7/1/2018	1,500,000	1,525,605	Missouri-.2%		
California: 5.25%, 11/1/2017	2,500,000	2,705,800	Missouri Housing Development Commission, SFMR 6.40%, 9/1/2029	1,445,000	1,546,092
5%, 2/1/2033	9,000,000	9,003,150	New Hampshire-.2%		
Foothill/Eastern Transportation Corridor Agency, Toll Road Revenue: 0/5.875%, 1/15/2027 (Insured; MBIA)	6,000,000 ^b	5,035,260	New Hampshire Business Finance Authority, PCR (Central Maine Power Co.) 5.375%, 5/1/2014	1,015,000	1,114,206
0/5.875%, 1/15/2029 (Insured; MBIA)	2,000,000 ^b	1,671,020	New Jersey-.5%		
5.75%, 1/15/2040	2,000,000	2,073,400	New Jersey Transportation Corp., Federal Transportation Administration Grants COP 5.50%, 9/15/2012 (Insured; AMBAC)	3,000,000	3,517,410
Colorado-.5%			New York-1.5%		
Northwest Parkway Public Highway Authority, Senior Revenue 0/5.70%, 6/15/2021 (Insured; AMBAC)	5,000,000 ^b	3,863,500	New York City Transitional Finance Authority, Revenue (Future Tax Secured) 5.50%/14%, 11/1/2026	4,000,000 ^c	4,659,280
Connecticut-.6%			New York State Dormitory Authority, Revenue: (Mental Health Services Facilities): 6%, 8/15/2007 (Prerefunded 2/15/2007)	20,000 ^d	22,937
Mohegan Tribe of Indians of Connecticut Gaming Authority, Priority Distribution Payment, Public Improvement Bonds: 6.25%, 1/1/2021	2,500,000	2,724,950	6%, 8/15/2007	2,480,000	2,811,328
5.125%, 1/1/2023	1,350,000	1,364,472	(North Shore Long Island Jewish Group) 5%, 5/1/2018	2,000,000	2,098,160
Florida-1.7%			(School Program) 5.25%, 7/1/2011	1,200,000	1,338,816
Capital Trust Agency, Revenue (Seminole Tribe of Florida Convention and Resort Hotel Facilities): 8.95%, 10/1/2033	1,875,000	2,210,325	North Carolina-.4%		
10%, 10/1/2033	8,500,000	10,590,405	North Carolina Eastern Municipal Power Agency, Power System, Revenue: 5.30%, 1/1/2015	1,500,000	1,626,420
Illinois-.7%			5.125%, 1/1/2023	1,500,000	1,527,660
Chicago 5.50%, 1/1/2016 (Insured; FSA)	2,305,000	2,698,648	Ohio-.8%		
Illinois Educational Facilities Authority (University of Chicago) 5.25%, 7/1/2011	1,960,000	2,215,447	Cuyahoga County, Revenue (Cleveland Clinic Health System) 6%, 1/1/2016	5,000,000	5,687,300
Kentucky-.2%					
Kentucky Property and Buildings Commission, Revenue (Project Number 68) 5.75%, 10/1/2010	1,500,000	1,778,610			

Mellon Pennsylvania Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Pennsylvania-70.3%				Pennsylvania (continued)	
Allegheny County:				Bucks County Technical School Authority, School Revenue:	
5.75%, 12/1/2004	600,000	621,882		5.10%, 8/15/2008	
5.80%, 9/15/2009 (Insured; MBIA)				(Insured; AMBAC)	1,000,000
(Prerefunded 9/15/2004)	10,000 ^d	10,267		5.40%, 8/15/2011	
Allegheny County Hospital Development Authority, Revenue:				(Insured; AMBAC)	1,500,000
(Pittsburgh Mercy Health System):				Butler County 5.25%,	
5.60%, 8/15/2005				7/15/2016 (Insured; FGIC)	2,410,000
(Insured; AMBAC)	2,020,000	2,151,886		Carlisle Area School District	
5.60%, 8/15/2006				5%, 3/1/2012 (Insured; MBIA)	1,295,000
(Insured; AMBAC)	2,135,000	2,356,101		Central York School District:	
(University of Pittsburgh Medical Center):				5%, 6/1/2012 (Insured; FGIC)	2,305,000
4.95%, 12/1/2007				5.50%, 6/1/2014 (Insured; FGIC)	1,000,000
(Insured; MBIA)	690,000	740,501		Chester County Health and Education Facilities Authority, Health System Revenue (Main Line Health System) 5.50%, 5/15/2015	2,000,000
5.15%, 12/1/2009					2,046,260
(Insured; MBIA)	750,000	797,835		Conestoga Valley School District:	
5%, 6/15/2014	9,820,000	10,590,183		5%, 5/1/2010 (Insured; FGIC)	2,070,000
Allegheny County Industrial Development Authority, PCR 4.35%, 12/1/2013 (Insured; AMBAC)	2,500,000	2,702,025		5%, 5/1/2011 (Insured; FGIC)	1,500,000
Allegheny County Port Authority, Special Transportation Revenue:				Conrad Weiser Area School District:	
5.50%, 6/1/2008				6.05%, 12/15/2004	
(Insured; MBIA)	4,000,000	4,568,120		(Insured; MBIA)	980,000
5.375%, 3/1/2011				5.20%, 12/15/2010	
(Insured; FGIC)	2,500,000	2,911,025		(Insured; MBIA)	1,000,000
5.50%, 3/1/2014				5.25%, 12/15/2014	
(Insured; FGIC)	2,500,000	2,895,125		(Insured; MBIA)	3,890,000
5.50%, 3/1/2016					4,205,051
(Insured; FGIC)	1,360,000	1,554,888		Cumberland County Municipal Authority, College Revenue:	
6%, 3/1/2019 (Insured; MBIA)				(Dickerson College):	
(Prerefunded 3/1/2009)	5,000,000 ^d	5,937,700		5.25%, 11/1/2008	
Athens Area School District				(Insured; AMBAC)	1,000,000
4.75%, 4/15/2011				5.25%, 11/1/2009	
(Insured; FGIC)	1,740,000	1,959,397		(Insured; AMBAC)	1,170,000
Bethlehem Area School District				(Messiah College)	
5.50%, 9/1/2007 (Insured; FGIC)	4,000,000	4,520,040		5.50%, 10/1/2006	
Blair County:				(Insured; AMBAC)	5,760,000
5.375%, 8/1/2015					6,132,557
(Insured; AMBAC)	1,880,000	2,204,789		Delaware County	
5.375%, 8/1/2016				5.50%, 10/1/2015	280,000
(Insured; AMBAC)	1,980,000	2,326,342			297,576
Bucks County Community College Authority, College Building Revenue:				Delaware County Authority, College Revenue (Haverford College):	
5.65%, 6/15/2006	1,135,000	1,245,946		5.875%, 11/15/2021	1,500,000
5.70%, 6/15/2007	1,205,000	1,361,035		5.75%, 11/15/2025	3,000,000
					3,402,900
				Delaware County Industrial Development Authority, PCR (Peco Energy Co. Project)	
				5.20%, 10/1/2004	4,565,000
					4,650,731

Mellon Pennsylvania Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Pennsylvania (continued)			Pennsylvania (continued)		
Delaware County Regional Water Quality Control Authority, Sewer Revenue 4.75%, 5/1/2010 (Insured; FGIC)	1,945,000	2,185,947	Lancaster County Vocational-Technical School Authority, LR: 5.25%, 2/15/2009 (Insured; FGIC)	1,000,000	1,138,210
Downingtown Area School District: 5.25%, 2/1/2008	4,870,000	5,474,367	5.25%, 2/15/2010 (Insured; FGIC)	1,500,000	1,723,110
5.375%, 2/1/2009	5,020,000	5,743,984	Lancaster Higher Education Authority, College Revenue (Franklin and Marshall College) 5.25%, 4/15/2016	1,815,000	2,029,025
Erie County 5.375%, 9/1/2016 (Insured; MBIA)	2,445,000	2,812,092	Lehigh County General Purpose Authority, Revenue (Lehigh Valley Hospital): 5.75%, 7/1/2005 (Insured; MBIA)	1,200,000	1,275,324
Exeter Township School District 5.15%, 5/15/2010 (Insured; FGIC)	2,500,000	2,689,625	5.75%, 7/1/2006 (Insured; MBIA)	1,270,000	1,397,102
Fleetwood Area School Authority 5.70%, 4/1/2006 (Insured; FGIC)	1,160,000	1,265,989	Montgomery County: 5%, 9/15/2010	1,165,000	1,337,979
Fleetwood Area School District 5%, 4/1/2011 (Insured; FGIC)	1,500,000	1,712,505	5%, 9/15/2011	2,155,000	2,484,952
Harrisburg Authority, Resource Recovery Facility Revenue 5%, 12/1/2033 (Insured; FSA)	4,000,000	4,470,200	Montgomery County Higher Education and Health Authority, HR (Abington Memorial Hospital) 5%, 6/1/2007 (Insured; AMBAC)	2,940,000	3,241,027
Harrisburg Authority, School Revenue, Harrisburg Project: 5%, 4/1/2008 (Insured; FGIC)	1,000,000	1,117,980	Montgomery County Industrial Development Authority, PCR (Peco Energy Co. Project): 5.30%, 10/1/2004	1,500,000	1,527,300
5%, 4/1/2009 (Insured; FGIC)	1,000,000	1,128,820	5.20%, 10/1/2030	2,500,000	2,546,950
5%, 4/1/2010 (Insured; FGIC)	2,500,000	2,842,125	Muhlenberg School District 5.375%, 4/1/2015	1,000,000	1,142,960
Hazleton Area School District: 6.50%, 3/1/2006 (Insured; FSA)	1,155,000	1,273,156	North Pennsylvania School District 5.50%, 3/1/2006	1,350,000	1,463,373
6.50%, 3/1/2007 (Insured; FSA)	1,000,000	1,141,010	North Pennsylvania School District Authority, School Revenue (Mongomery and Bucks County) 6.20%, 3/1/2007	860,000	945,725
6.50%, 3/1/2008 (Insured; FSA)	1,300,000	1,522,326	North Wales Water Authority, Water Revenue 5.40%, 11/1/2010 (Insured; FGIC)	1,000,000	1,066,820
Hazleton City Authority, Water Revenue 5.75%, 4/1/2006 (Insured; FGIC)	570,000	622,297	Northampton County Higher Education Authority, Revenue (Lehigh University) 5.50%, 11/15/2011	2,500,000	2,958,750
Kennett Consolidated School District, GO 5.50%, 2/15/2015 (Insured; FGIC)	1,310,000	1,508,858			
Lancaster County Solid Waste Management Authority, RRR: 5.25%, 12/15/2008 (Insured; AMBAC)	3,940,000	4,414,573			
5.25%, 12/15/2009 (Insured; AMBAC)	4,230,000	4,759,384			
5.25%, 12/15/2010 (Insured; AMBAC)	2,000,000	2,253,760			

Mellon Pennsylvania Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Pennsylvania (continued)			Pennsylvania (continued)		
Northeastern Hospital and Education Authority, College Revenue (Luzerne County Community College):			Pennsylvania Higher Educational Facilities Authority, Revenue: (State Systems) (continued):		
5.25%, 8/15/2006 (Insured; MBIA)	1,115,000	1,220,167	5.30%, 6/15/2008 (Insured; AMBAC)	3,200,000	3,239,328
5.25%, 8/15/2007 (Insured; MBIA)	1,170,000	1,310,295	5.75%, 6/15/2010 (Insured; AMBAC)	3,045,000	3,602,814
Northwestern Lehigh School District:			(State Systems Higher Education):		
5%, 3/15/2008 (Insured; FSA)	1,190,000	1,329,147	5%, 6/15/2009 (Insured; AMBAC)	2,665,000	3,019,019
5%, 3/15/2009 (Insured; FSA)	1,190,000	1,342,403	5%, 6/15/2010 (Insured; AMBAC)	2,785,000	3,174,482
5%, 3/15/2010 (Insured; FSA)	1,245,000	1,414,618	5%, 6/15/2011 (Insured; AMBAC)	2,935,000	3,358,315
Owen J. Roberts School District, GO			(Temple University) 5.25%, 4/1/2014 (Insured; MBIA)	2,500,000	2,813,500
5.50%, 8/15/2018 (Insured; FSA)	1,440,000	1,647,058	(University of Scranton) 5.75%, 11/1/2016 (Insured; AMBAC)	1,690,000	1,958,456
Parkland School District:			(UPMC Health System):		
5.25%, 9/1/2011 (Insured; FGIC)	2,220,000	2,583,192	5%, 1/15/2010	1,630,000	1,786,431
5.375%, 9/1/2014 (Insured; FGIC)	3,110,000	3,668,618	5.125%, 1/15/2011	1,550,000	1,708,115
5.375%, 9/1/2016 (Insured; FGIC)	1,490,000	1,752,046	5.25%, 8/1/2012 (Insured; FSA)	3,000,000	3,358,530
Penn Manor School District:			6%, 1/15/2022	2,500,000	2,711,100
5.20%, 6/1/2012 (Insured; FGIC) (Prerefunded 6/1/2006)	355,000 ^d	385,928	College and University:		
5.20%, 6/1/2012 (Insured; FGIC)	395,000	426,015	(Allegheny College Project)		
Pennsylvania:			6.10%, 11/1/2008 (Insured; MBIA)	2,150,000	2,201,794
5.30%, 5/1/2005 (Prerefunded 5/1/2004)	905,000 ^d	925,589	(Bryn Mawr College) 5.25%, 12/1/2012 (Insured; AMBAC)	3,000,000	3,494,400
5.30%, 5/1/2005 (Prerefunded 5/1/2004)	95,000 ^d	97,161	(College of Pharmacy and Science) 5.35%, 11/1/2011 (Insured; MBIA)	2,000,000	2,157,740
5%, 6/1/2006 (Insured; MBIA)	1,500,000	1,623,765	(Drexel University):		
5.375%, 5/15/2009 (Insured; FGIC) (Prerefunded 5/15/2006)	3,000,000 ^d	3,311,670	5.50%, 5/1/2007 (Insured; MBIA)	1,275,000	1,426,661
5.25%, 10/15/2009	10,000,000	11,519,800	5.30%, 5/1/2010 (Insured; MBIA)	3,910,000	4,384,205
5.25%, 10/15/2010	10,000,000	11,608,700	(University of Pennsylvania):		
5.25%, 2/1/2011	7,850,000	9,078,996	5.30%, 9/1/2006	1,000,000	1,057,820
6%, 1/15/2012 (Prerefunded 1/15/2010)	2,500,000 ^d	3,008,450	5.40%, 9/1/2007	2,000,000	2,124,260
5.25%, 2/1/2012	1,000,000	1,159,060			
Pennsylvania Higher Educational Facilities Authority, Revenue: (Lafayette College Project)					
6%, 5/1/2030 (La Salle University)	5,000,000	5,815,400			
5.50%, 5/1/2034	2,250,000	2,328,638			
(State Systems):					
5.20%, 6/15/2007 (Insured; AMBAC)	1,000,000	1,012,060			

Mellon Pennsylvania Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Pennsylvania (continued)			Pennsylvania (continued)		
Pennsylvania Higher Educational Facilities Authority, Revenue (continued):			Philadelphia:		
Health Services			5.25%, 3/15/2011		
(University of Pennsylvania):			(Insured; FSA)	3,500,000	3,979,080
5.60%, 1/1/2005	2,750,000	2,814,570	5.25%, 3/15/2012	235,000	266,939
5.80%, 1/1/2007	2,000,000	2,045,980	5.25%, 3/15/2013		
6%, 1/1/2010	3,000,000	3,066,930	(Insured; FSA)	2,000,000	2,273,860
5.60%, 11/15/2010	2,000,000	2,238,300	5.25%, 3/15/2014	1,000,000	1,128,300
5.875%, 1/1/2015	2,000,000	2,088,320	(Insured; FSA)		
Pennsylvania Housing Finance Agency:			Water and Wastewater Revenue:		
(Rental Housing)			5.625%, 6/15/2009		
5.45%, 7/1/2006	10,000	10,227	(Insured; AMBAC)	5,000,000	5,802,950
(Single Family Mortgage):			5.25%, 12/15/2012		
5.35%, 10/1/2009	1,165,000	1,230,193	(Insured; AMBAC)	10,000,000	11,651,900
5.45%, 10/1/2010	3,025,000	3,291,321	Philadelphia Authority For		
5.50%, 10/1/2011	1,325,000	1,431,768	Industrial Development, Revenue		
5.55%, 10/1/2012	3,060,000	3,289,959	(Girard Estates Facilities Leasing		
5.75%, 10/1/2013	5,040,000	5,337,713	Project) 5%, 5/15/2019	2,400,000	2,474,184
5.45%, 10/1/2014	365,000	373,092	Philadelphia Hospital and Higher		
6%, 10/1/2015	3,045,000	3,203,644	Education Facilities Authority,		
Pennsylvania Industrial			Revenue (Jefferson Health		
Development Authority, EDR:			System) 5.50%, 5/15/2008	1,000,000	1,114,260
6%, 7/1/2008			Philadelphia Parking Authority,		
(Insured; AMBAC)	5,600,000	6,503,392	Parking Revenue:		
5.80%, 1/1/2009			5.25%, 2/1/2013		
(Insured; AMBAC)	5,000,000	5,789,050	(Insured; AMBAC)	1,935,000	2,196,670
5.50%, 7/1/2012			5.25%, 2/1/2014		
(Insured; AMBAC)	5,335,000	6,289,165	(Insured; AMBAC)	2,040,000	2,299,080
Pennsylvania State University			Airport 5.75%, 9/1/2009		
5%, 3/1/2009	3,000,000	3,382,080	(Insured; AMBAC)	2,255,000	2,636,185
Pennsylvania Turnpike			Philadelphia School District:		
Commission, Revenue:			5%, 10/1/2008		
5%, 6/1/2009 (Insured; FGIC)	3,275,000	3,711,033	(Insured; MBIA)	10,000,000	11,270,600
5%, 6/1/2011 (Insured; FGIC)	3,000,000	3,435,480	5.75%, 2/1/2011		
5.50%, 12/1/2011			(Insured; FSA)	4,000,000	4,737,760
(Insured; FGIC)	2,510,000	2,976,233	5.75%, 2/1/2013		
5.50%, 12/1/2012			(Insured; FSA)	3,000,000	3,534,720
(Insured; FGIC)	2,000,000	2,371,100	5.25%, 4/1/2014		
5.50%, 6/1/2015	1,500,000	1,713,345	(Insured; MBIA)	2,500,000	2,817,950
Oil Franchise Tax:			5.50%, 2/1/2017		
5.50%, 12/1/2006			(Insured; FSA)	1,770,000	2,025,039
(Insured; AMBAC)			5.50%, 2/1/2019		
(Escrowed to Maturity)	1,325,000	1,472,791	(Insured; FSA)	1,310,000	1,485,330
5.50%, 12/1/2006			Pittsburgh School District:		
(Insured; AMBAC)	980,000	1,088,172	5.50%, 9/1/2016		
Perkiomen Valley School District:			(Insured; FSA)	4,000,000	4,696,120
5.25%, 3/1/2013			5.50%, 9/1/2017		
(Insured; FSA)	1,230,000	1,403,393	(Insured; FSA)	2,000,000	2,350,900
5.25%, 3/1/2014			5.50%, 9/1/2018		
(Insured; FSA)	1,290,000	1,466,962	(Insured; FSA)	1,000,000	1,174,200

Mellon Pennsylvania Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Pennsylvania (continued)			Pennsylvania (continued)		
Pittsburgh Water and Sewer Authority, Water and Sewer System Revenue 4%, 9/1/2016 (Insured; FSA)	1,600,000	1,627,264	Susquehanna Area Regional Airport Authority, Airport System, Revenue: 5.375%, 1/1/2018	6,000,000	6,133,020
Scranton-Lackawanna Health and Welfare Authority, Revenue: (Community Medical Center Project): 5.50%, 7/1/2010 (Insured; MBIA)	3,035,000	3,425,392	5.50%, 1/1/2020 (Insured; AMBAC)	4,370,000	4,787,510
5.50%, 7/1/2011 (Insured; MBIA)	3,195,000	3,605,973	5%, 1/1/2033 (Insured; AMBAC)	2,400,000	2,519,688
(University of Scranton Project): 5.50%, 11/1/2006 (Insured; AMBAC)	2,295,000	2,541,919	Swarthmore Borough Authority, College Revenue: 5.50%, 9/15/2011	17,500,000	20,667,850
5.50%, 11/1/2007 (Insured; AMBAC)	3,040,000	3,446,357	5.25%, 9/15/2016	1,000,000	1,131,330
Southeastern Pennsylvania Transportation Authority, Special Revenue 5.90%, 3/1/2010 (Insured; FGIC) (Prerefunded 3/1/2005)	125,000 ^d	132,360	5.25%, 9/15/2017	1,000,000	1,125,740
Springfield School District (Delaware County): 4.75%, 3/15/2010 (Insured; FSA)	1,145,000	1,285,045	University Area Joint Authority, Sewer Revenue 5%, 11/1/2011 (Insured; MBIA)	1,430,000	1,642,527
4.75%, 3/15/2011 (Insured; FSA)	780,000	877,695	Upper Darby School District 5%, 2/15/2010 (Insured; AMBAC)	1,100,000	1,248,478
4.75%, 3/15/2012 (Insured; FSA)	1,085,000	1,217,327	Upper Saint Clair Township School District 5.20%, 7/15/2027	7,000,000	7,204,540
State Public School Building Authority: College Revenue: (Harrisburg Community College) 5.10%, 10/1/2006 (Insured; MBIA)	1,000,000	1,094,610	Wallenpaupack Area School District: 5.50%, 3/1/2007 (Insured; FGIC)	1,985,000	2,209,960
(Westmoreland County Community College) 5.45%, 10/15/2011 (Insured; MBIA) (Prerefunded 10/15/2005)	1,000,000 ^d	1,070,160	5.50%, 3/1/2008 (Insured; FGIC)	2,090,000	2,372,505
School Revenue: (Lease-Philadelphia School District Project) 5%, 6/1/2029 (Insured; FSA)	5,000,000	5,270,600	Warwick School District, Lancaster County 5.25%, 2/15/2011 (Insured; FGIC)	1,000,000	1,155,790
(Tuscarora School District Project) 5.25%, 4/1/2017 (Insured; FSA)	1,035,000	1,167,697	Wilson Area School District 5%, 2/15/2011 (Insured; FGIC)	1,910,000	2,177,515
			Wilson School District: 5.375%, 5/15/2015 (Insured; FSA)	1,785,000	2,042,522
			5.375%, 5/15/2016 (Insured; FSA)	1,500,000	1,709,355
			Wyoming Valley Sanitary Authority, Sewer Revenue 5%, 11/15/2007 (Insured; MBIA)	1,960,000	2,188,281
			York County 5%, 6/1/2017 (Insured; AMBAC)	1,100,000	1,217,117
			York County Solid Waste and Refuse Authority, Solid Waste System Revenue 5.50%, 12/1/2014 (Insured; FGIC)	1,000,000	1,190,360.

Mellon Pennsylvania Intermediate Municipal Bond Fund (continued)				
Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)	Principal Amount (\$)	Value (\$)
South Carolina—.3%				
Greenville County School District, Installment Purchase Revenue (Building Equity Sooner Tomorrow) 5.875%, 12/1/2018	2,000,000	2,294,440		
Texas—.4%				
Cities of Dallas and Fort Worth, Dallas/Fort Worth International Airport, Joint Revenue Improvement 5.50%, 11/1/2031 (Insured; FGIC)	2,000,000	2,143,920		
North Texas Health Facilities Development Corp., HR (Regional Health Care System Inc. Project) 5.25%, 9/1/2007 (Insured; MBIA)	770,000	857,349		
Virginia—2.0%				
Charles City County Industrial Development Authority, Solid Waste Disposal Facility Revenue (Waste Management Virginia Inc. Project) 4.875%, 2/1/2009	6,600,000	7,089,522		
Louisa Industrial Development Authority, PCR (Virginia Electric and Power Co.) 5.25%, 12/1/2008	5,000,000	5,370,550		
Peninsula Ports Authority, Coal Terminal Revenue (Dominion Terminal Associates) 6%, 4/1/2033	2,300,000	2,422,636		
Wisconsin—.1%				
Appleton Area School District 6.75%, 2/15/2006	500,000	551,865		
			U.S. Related—11.4%	
			Commonwealth of Puerto Rico, Public Improvement: 5.50%, 7/1/2014 (Insured; FGIC)	10,000,000 11,967,600
			5.50%, 7/1/2014 (Insured; MBIA)	7,500,000 8,975,700
			5.50%, 7/1/2018 (Insured; FGIC)	9,545,000 11,425,842
			Puerto Rico Electric Power Authority, Power Revenue: 5.25%, 7/1/2014 (Insured; MBIA)	7,875,000 9,245,171
			5.50%, 7/1/2017 (Insured; MBIA)	6,000,000 7,195,740
			5.25%, 7/1/2029 (Insured; FSA)	5,000,000 5,372,700
			Puerto Rico Highway and Transportation Authority: Highway Revenue: 6.25%, 7/1/2008 Series Y (Insured; MBIA)	1,295,000 1,525,536
			6.25%, 7/1/2008 Series Z (Insured; MBIA)	1,000,000 1,178,020
			5.50%, 7/1/2013 (Insured; FSA)	1,500,000 1,785,360
			5.50%, 7/1/2013 (Insured; MBIA)	4,000,000 4,760,960
			Transportation Revenue 5.25%, 7/1/2010	4,000,000 4,577,160
			Puerto Rico Municipal Finance Agency: 5.50%, 8/1/2007 (Insured; FSA)	6,305,000 7,122,380
			5.50%, 8/1/2009 (Insured; FSA)	7,090,000 8,261,835
			Total Long-Term Municipal Investments	707,830,583
			(cost \$649,069,316)	

Mellon Pennsylvania Intermediate Municipal Bond Fund (continued)

Short-Term Municipal Investments—3.8%	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Illinois—.7%			Pennsylvania (continued)		
Illinois Health Facilities Authority, Revenue, VRDN (Resurrection Health) .99% (Insured; FSA)	5,200,000 e	5,200,000	Pennsylvania Higher Educational Facilities Authority, College and University Revenues, VRDN (Temple University) .95% (LOC; Landesbank Hessen-Thüringen Girozentrale)	1,000,000 e	1,000,000
Massachusetts—.1%			Philadelphia Hospitals and Higher Education Facilities Authority, Revenue, VRDN (Childrens Hospital Project).98% (Insured; MBIA)	4,250,000 e	4,250,000
Massachusetts Central Artery, VRDN .99%	1,100,000 e	1,100,000	Tennessee—1.3%		
Mississippi—.1%			Clarksville Public Building Authority, Revenue Pooled Financing, VRDN (Tennessee Municipal Bond Fund) 1% (LOC; Bank of America)	5,200,000 e	5,200,000
Jackson County, Port Facility Revenue, VRDN (Chevron USA Inc. Project) .99%	300,000 e	300,000	Montgomery County Public Building Authority, Pooled Financing Revenue (Tennessee County Loan Pool) 1% (LOC; Bank of America)	4,700,000 e	4,700,000
North Carolina—.4%			Total Short-Term Municipal Investments (cost \$28,215,000)		28,215,000
North Carolina Medical Care Commission, Revenue, VRDN (Carolina Meadows Inc. Project) .98% (LOC; Wachovia Bank)	2,900,000 e	2,900,000	Total Investments (cost \$677,284,316)	100.2%	736,045,583
Pennsylvania—1.2%			Liabilities, Less Cash and Receivables	(.2%)	(1,410,453)
Allegheny County Hospital Development Authority, Revenue, VRDN (Presbyterian University Hospital) .98% (LOC; Bank One)	375,000 e	375,000	Net Assets	100.0%	734,635,130
Lehigh County General Purpose Authority, HR, VRDN (Lehigh Valley Hospital) .94% (Insured; AMBAC)	3,190,000 e	3,190,000			

Summary of Abbreviations

AMBAC	American Municipal Bond Assurance Corporation	LOC	Letter of Credit
COP	Certificate of Participation	LR	Lease Revenue
EDR	Economic Development Revenue	MBIA	Municipal Bond Investors Assurance Insurance Corporation
FGIC	Financial Guaranty Insurance Company	PCR	Pollution Control Revenue
FSA	Financial Security Assurance	RRR	Resource Recovery Revenue
GO	General Obligation	SFMR	Single Family Mortgage Revenue
HR	Hospital Revenue	VRDN	Variable Rate Demand Notes

Summary of Combined Ratings (Unaudited)

Fitch	or	Moody's	or	Standard & Poor's	Value (%)
AAA		Aaa		AAA	61.6
AA		Aa		AA	20.1
A		A		A	8.4
BBB		Baa		BBB	4.9
F1		MIG1/P1		SP1/A1	3.3
Not Rated ^f		Not Rated ^f		Not Rated ^f	1.7
					100.0

^a Purchased on a delayed delivery basis.

^b Zero coupon until a specified date, at which time, the stated coupon rate becomes effective until maturity.

^c Subject to interest rate change on November 1, 2011.

^d Bonds which are prerefunded are collateralized by U.S. Government securities which are held in escrow and are used to pay principal and interest on the municipal issue and to retire the bonds in full at the earliest refunding date.

^e Securities payable on demand. Variable interest rate—subject to periodic change.

^f Securities which, while not rated by Fitch, Moody's and Standard & Poor's, have been determined by the Investment Adviser to be of comparable quality to those rated securities in which the fund may invest.

^g At February 29, 2004, the fund had \$184,980,992 (25.2% of net assets) invested in securities whose payment of principal is dependent upon revenues generated from education projects.

See notes to financial statements.

STATEMENT OF FINANCIAL FUTURES

February 29, 2004 (Unaudited)

	Contracts	Market Value Covered by Contracts (\$)	Expiration	Unrealized (Depreciation) at 2/29/2004 (\$)
Financial Futures Sold Short				
U.S. Treasury Futures 5 Year Note	120	13,651,875	March 2004	(336,407)
U.S. Treasury Futures 10 Year Note	120	13,845,000	March 2004	(525,000)
				(861,407)

See notes to financial statements.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon Massachusetts Intermediate Municipal Bond Fund				
Long-Term Municipal Investments—94.7%	Principal Amount (\$)	Value (\$)	Principal Amount (\$)	Value (\$)
Massachusetts—84.9%			Massachusetts (continued)	
Andover 6%, 12/1/2005	700,000	759,843	Massachusetts	
Bellingham 5.375%, 3/1/2014 (Insured; AMBAC)	1,685,000	1,947,574	Commonwealth (continued):	
Boston 5.75%, 2/1/2010	2,000,000	2,362,780	Consolidated Loan (continued):	
Boston Water and Sewer Commission, Revenue 9.25%, 1/1/2011	100,000	138,009	5%, 6/1/2014	2,000,000 2,264,940
Burlington:			5.5%, 6/1/2015 (Insured; FGIC)	1,000,000 1,180,160
5.25%, 2/1/2012	200,000	232,424	5.625%, 8/1/2015 (Insured; MBIA, Prerefunded 8/1/2005)	1,000,000 ^a 1,074,140
5.25%, 2/1/2013	250,000	289,143	5.25%, 10/1/2021 (Prerefunded 10/1/2013)	2,500,000 ^a 2,905,200
Cambridge 5%, 12/15/2011	510,000	590,391	5%, 8/1/2027 (Insured; MBIA)	2,000,000 2,094,580
Capital Trust Agency, Revenue (Seminole Tribe Convention):			Federal Highway:	
8.95%, 10/1/2033	965,000	1,137,581	5.75%, 6/15/2010 (Grant Anticipation Notes)	2,000,000 2,360,020
10%, 10/1/2033	1,575,000	1,962,340	5.125%, 6/15/2015 (Insured; MBIA)	1,500,000 1,708,155
Easton 6%, 9/15/2006	105,000	107,562	Massachusetts Bay	
Everett 6.125%, 12/15/2014 (Insured; MBIA)	1,000,000	1,205,910	Transportation Authority:	
Fall River 4%, 2/1/2008 (Insured; FSA)	1,680,000	1,811,443	Assessment Revenue	
Framingham 5.75%, 3/1/2005	1,145,000	1,200,269	5.75%, 7/1/2011	2,000,000 2,359,680
Franklin 6.25%, 11/15/2005 (Insured; MBIA)	430,000	467,470	General Transportation System:	
Golden State Tobacco Securitization Corp., Tobacco Settlement Revenue (Enhanced-Asset Backed) 5.375%, 6/1/2028	2,000,000	2,033,720	5.50%, 3/1/2009	2,000,000 2,301,800
Holden 6%, 3/1/2014 (Insured; FGIC)	1,000,000	1,198,120	5.50%, 3/1/2014 (Insured; FGIC)	1,000,000 1,182,980
Lynn 5.25%, 2/15/2008	1,500,000	1,689,585	5.25%, 3/1/2015 (Insured; FGIC)	1,000,000 1,154,310
Mashpee:			Sales Tax Revenue	
5.625%, 11/15/2015 (Insured; FGIC, Prerefunded 11/15/2010)	500,000 ^a 601,820		5.25%, 7/1/2021	2,000,000 2,295,500
6.25%, 2/1/2006 (Insured; MBIA)	1,000,000	1,094,690	Massachusetts Development	
Massachusetts Commonwealth:			Finance Agency:	
5.50%, 2/1/2007 (Insured; MBIA)	1,000,000	1,109,520	Combined Jewish Philanthropies	
6.50%, 8/1/2008	600,000	709,662	5.25%, 2/1/2022	1,000,000 1,089,700
Consolidated Loan:			Education Revenue (Belmont Hill School) 5%, 9/1/2015	500,000 546,255
5.50%, 7/1/2008 (Prerefunded 7/1/2005)	2,500,000 ^a 2,672,225		Higher Education Revenue (Smith College)	
5.50%, 11/1/2010 (Insured; FSA)	1,000,000	1,172,740	5.75%, 7/1/2029 (Prerefunded 7/1/2010)	1,000,000 ^a 1,202,980
5.375%, 6/1/2011	6,350,000	7,400,100	Milton Academy 5%, 9/1/2019	900,000 977,661
5.50%, 6/1/2013	1,000,000	1,175,840	Revenue:	
5.75%, 6/1/2013 (Prerefunded 6/1/2010)	5,000,000 ^a 5,962,400		(Massachusetts College of Pharmacy):	
			6%, 7/1/2008	310,000 343,272
			6.30%, 7/1/2010	350,000 395,255
			6.40%, 7/1/2011	370,000 413,471
			6.50%, 7/1/2012	395,000 439,189
			6.375%, 7/1/2023	1,000,000 1,080,120

Mellon Massachusetts Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Massachusetts (continued)				Massachusetts (continued)	
Massachusetts Development Finance Agency (continued):				Massachusetts Housing Finance Agency, SFHR 6%, 6/1/2014 (Insured; MBIA)	425,000 429,463
Revenue (continued):				Massachusetts Industrial Finance Agency:	
(Suffolk University)				Electric Revenue (Nantucket	
5.85%, 7/1/2029	1,000,000	1,036,900		Electric Co. Project)	
RRR				6.75%, 7/1/2006	
(Waste Management, Inc)				(Insured; AMBAC)	1,400,000 1,565,732
6.90%, 12/1/2009	1,000,000	1,178,790		Museum Revenue, (Museum of	
Massachusetts Education				Fine Arts of Boston) 5.375%,	
Loan Authority, Education				1/1/2007 (Insured; MBIA)	1,000,000 1,104,100
Loan Revenue 6.20%,				Revenue:	
7/1/2013 (Insured; AMBAC)	435,000	441,843		(Babson College) 5.75%,	
Massachusetts Educational				10/1/2007 (Insured; MBIA)	555,000 633,150
Financing Authority, Education				(Concord Academy):	
Loan Revenue 4.70%,				5.45%, 9/1/2017	500,000 526,910
1/1/2010 (Insured; AMBAC)	910,000	948,839		5.50%, 9/1/2027	1,250,000 1,283,100
Massachusetts Health				(College of The Holy Cross)	
and Educational Facilities				5.50%, 3/1/2007	
Authority, Revenue:				(Insured; MBIA)	1,145,000 1,256,099
(Boston College)				(Phillips Academy)	
5.125%, 6/1/2037	2,000,000	2,099,400		5.375%, 9/1/2023	
(Dartmouth-Hitchcock)				(Prerefunded 9/1/2008)	2,500,000 ^a 2,910,425
5.125%, 8/1/2022				(St. John's School, Inc.)	
(Insured; FSA)	2,000,000	2,147,280		5.70%, 6/1/2018	1,000,000 1,051,870
(Harvard University)				(The Tabor Academy)	
5%, 7/15/2022	1,500,000	1,624,665		5.40%, 12/1/2028	500,000 512,900
(Jordan Hospital):				(Tufts University):	
5%, 10/1/2010	500,000	493,440		5.50%, 2/15/2007	
6.875%, 10/1/2015	950,000	952,214		(Insured; MBIA)	750,000 834,068
(Northeastern University)				5.50%, 2/15/2008	
5.50%, 10/1/2009				(Insured; MBIA)	1,595,000 1,809,783
(Insured; MBIA)	420,000	489,086		5.50%, 2/15/2011	
(Partners				(Insured; MBIA)	500,000 586,455
Healthcare Systems):				(Wentworth Institute	
5.25%, 7/1/2013	1,595,000	1,740,703		of Technology)	
5%, 7/1/2016	1,045,000	1,135,528		5.55%, 10/1/2013	500,000 540,945
5.125%, 7/1/2019	1,000,000	1,054,030		(Worcester Polytechnic)	
(South Shore Hospital)				5.35%, 9/1/2006	850,000 933,691
4.75%, 7/1/2004	700,000	709,002		Massachusetts Municipal	
(Springfield College				Wholesale Electric Company,	
Radianassurance)				Power Supply System Revenue:	
4%, 10/15/2008	1,255,000	1,341,783		(Project 6) 5%,	
(Tufts University):				7/1/2006 MBIA	3,000,000 3,249,270
5.5%, 8/15/2014	1,000,000	1,188,970		(Stony Brook Intermediate) 4.50%,	
5.50%, 2/15/2036	1,000,000	1,076,990		7/1/2006 (Insured; MBIA)	1,500,000 1,607,400
(Wellesley College)				Power Supply System Revenue:	
5%, 7/1/2024	1,000,000	1,058,480		(Nuclear Project 5) 5%,	
(Winchester Hospital)				7/1/2011 (Insured; MBIA)	120,000 136,770
6.75%, 7/1/2030	1,600,000	1,743,520		(Nuclear Project 4) 5.25%,	
				7/1/2012 (Insured; MBIA)	2,000,000 2,309,240

Mellon Massachusetts Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Massachusetts (continued)				Massachusetts (continued)	
Massachusetts Port Authority, Revenue:				Quabbin Regional School District	
5.75%, 7/1/2011	3,500,000	4,131,330		6%, 6/15/2008 (Insured; AMBAC)	780,000 908,965
5%, 7/1/2012 (Insured; MBIA)	1,020,000	1,165,115		Sandwich 5.75%,	
6%, 7/1/2013	2,500,000	2,858,725		8/15/2013 (Insured; MBIA)	1,050,000 1,244,176
Massachusetts Water Pollution Abatement Trust:				Somerville:	
(Pool Loan Program):				6%, 2/15/2007 (Insured; FSA)	775,000 873,533
6.125%, 2/1/2007				5%, 2/15/2010 (Insured; FGIC)	1,000,000 1,139,140
(Insured; FSA)	1,000,000	1,127,930		Southeastern University Building	
5.25%, 2/1/2009	500,000	569,715		Authority, Project Revenue 5.90%,	
5.625%, 8/1/2013	1,000,000	1,174,440		5/1/2010 (Insured; AMBAC)	500,000 536,800
5.25%, 2/1/2014	1,300,000	1,476,020		Springfield 5.50%,	
5.50%, 8/1/2014	1,085,000	1,263,700		8/1/2014 (Insured; FGIC)	1,500,000 1,758,045
5.625%, 2/1/2015				University of Massachusetts Building	
(Prerefunded 2/1/2007)	2,000,000 ^a	2,251,980		Authority, Project Revenue 5.50%,	
5%, 8/1/2018	3,985,000	4,355,525		11/1/2014 (Insured; AMBAC)	1,000,000 1,165,550
5%, 8/1/2032	2,000,000	2,092,140		Uxbridge, Municipal Purpose Loan:	
Water Pollution Abatement Revenue:				6.125%, 11/15/2005	
(MWRA Loan Program)				(Insured; MBIA)	500,000 542,600
5.25%, 8/1/2009	2,275,000	2,622,097		6.125%, 11/15/2007	
(New Bedford Loan Program)				(Insured; MBIA)	525,000 608,517
5.25%, 2/1/2012	500,000	577,240		Westborough 5%, 11/15/2019	1,710,000 1,873,134
(SESD Loan Program)				Westfield:	
6.375%, 2/1/2015	195,000	199,762		4%, 9/1/2007 (Insured; MBIA)	1,135,000 1,225,947
Massachusetts Water Resource Authority:				6.50%, 5/1/2017 (Insured; FGIC,	
5.50%, 8/1/2008				Prerefunded 5/1/2010)	735,000 ^a 912,804
(Insured; MBIA)	500,000	573,155		Worcester:	
5.30%, 11/1/2010				6.20%, 5/1/2010 (Insured;	
(Insured; FGIC)	1,000,000	1,103,070		MBIA, Prerefunded 5/1/2005)	1,440,000 ^a 1,555,214
5.50%, Series B, 8/1/2011				5.625%, 8/15/2015	
(Insured; FSA)	1,100,000	1,296,933		(Insured; FGIC)	1,000,000 1,169,660
5.50%, Series D, 8/1/2011				Municipal Purpose Loan:	
(Insured; FSA)	1,000,000	1,179,030		6.25%, 7/1/2010	
6%, 8/1/2014				(Insured; MBIA)	755,000 914,448
(Insured; MBIA)	1,000,000	1,234,070		5.25%, 11/1/2010	
5.25%, 8/1/2018				(Insured; MBIA)	1,000,000 1,140,650
(Insured; FSA)	500,000	579,635		U.S. Related-9.8%	
Mendon Upton Regional School District				Guam Economic	
6%, 6/1/2007 (Insured; FGIC)	600,000	683,172		Development Authority:	
North Attleborough 5.50%,				0/5.15%, 5/15/2011	250,000 ^b 211,642
3/1/2006 (Insured; AMBAC)	1,000,000	1,084,190		0/5.20%, 5/15/2012	300,000 ^b 252,129
Northbridge 5.25%,				0/5.20%, 5/15/2013	1,175,000 ^b 972,007
2/15/2017 (Insured; AMBAC)	1,000,000	1,126,470		5.40%, 5/15/2031	485,000 466,580
Pittsfield Massachusetts:				Puerto Rico Commonwealth:	
5%, 4/15/2012 (Insured; MBIA)	1,000,000	1,144,290		5%, 7/1/2008 (Insured; FGIC)	3,400,000 3,832,140
5.50%, 4/15/2014 (Insured; MBIA)	500,000	584,055		6.25%, 7/1/2011 (Insured; MBIA)	1,050,000 1,294,807
				6%, 7/1/2013	2,500,000 2,856,900
				Public Improvement:	
				5.50%, 7/1/2014 (Insured; MBIA)	500,000 598,380
				5.50%, 7/1/2015 (Insured; FSA)	1,350,000 1,615,653

Mellon Massachusetts Intermediate Municipal Bond Fund (continued)

Long-Term Municipal Investments (continued)	Principal Amount (\$)	Value (\$)	Short-Term Municipal Investments—4.5%	Principal Amount (\$)	Value (\$)
U.S. Related (continued)			Massachusetts:		
Puerto Rico Commonwealth Highway and Transportation Authority, Highway Revenue 6.25%, 7/1/2009 (Insured; MBIA)	1,000,000	1,200,050	Massachusetts, VRDN (Central Artery): (Series A) .99% (Series B) .99%	2,600,000 ^c 700,000 ^c	2,600,000 700,000
Transportation Revenue: 5.50%, 7/1/2012 (Insured; FSA)	1,000,000	1,186,140	Massachusetts Health and Educational Facilities Authority, Revenue, VRDN (Capital Asset Program) .98% (Insured; MBIA)	600,000	600,000
5.50%, 7/1/2016 (Insured; FSA)	1,760,000	2,109,325	Massachusetts Industrial Finance Agency, Revenue, VRDN (Showa Women's Institute, Inc.) 1% (LOC; Mizuho Corporate Bank & Bank of New York)	5,100,000 ^c	5,100,000
Puerto Rico Electric Power Authority, Power Revenue 6.50%, 7/1/2006 (Insured; MBIA)	1,000,000	1,119,540	Total Short-Term Municipal Investments (cost \$9,000,000)		9,000,000
Puerto Rico Public Buildings Authority, Revenue 6.75%, 7/1/2005 (Insured; AMBAC)	1,000,000	1,075,810			
University of Puerto Rico, University Revenue 6.25%, 6/1/2005	750,000	799,215	Total Investments (cost \$184,583,016)	99.2%	198,758,653
Total Long-Term Municipal Investments (cost \$175,583,016)		189,758,653	Cash and Receivables (Net)	.8%	1,547,404
			Net Assets	100.0%	200,306,057

Summary of Abbreviations

AMBAC	American Municipal Bond Assurance Corporation	MBIA	Municipal Bond Investors Assurance Insurance Corporation
FGIC	Financial Guaranty Insurance Company	RRR	Resources Recovery Revenue
FSA	Financial Security Assurance	SFHR	Single Family Housing Revenue
LOC	Letter of Credit	VRDN	Variable Rate Demand Notes

Summary of Combined Ratings (Unaudited)

Fitch	or	Moody's	or	Standard & Poor's	Value (%)
AAA		Aaa		AAA	60.1
AA		Aa		AA	23.6
A		A		A	3.2
BBB		Baa		BBB	7.0
F1		MIG1/P1		SP1/A1	4.5
Not Rated ^d		Not Rated ^d		Not Rated ^d	1.6
					100.0

^a Bonds which are prerefunded are collateralized by U.S. Government securities which are held in escrow and are used to pay principal and interest on the municipal issue and to retire the bonds in full at the earliest refunding date.

^b Zero coupon until a specified date, at which time, the stated coupon rate becomes effective until maturity.

^c Securities payable on demand. Variable interest rate—subject to periodic change.

^d Security which, while not rated by Fitch, Moody's and Standard & Poor's, have been determined by the Investment Adviser to be of comparable quality to those rated securities in which the fund may invest.

See notes to financial statements.

STATEMENT OF FINANCIAL FUTURES

February 29, 2004 (Unaudited)

	Contracts	Market Value Covered by Contracts (\$)	Expiration	Unrealized (Depreciation) at 2/29/2004 (\$)
Financial Futures Sold Short				
U.S. Treasury Futures 5 Year Note	30	3,412,969	March 2004	(84,531)
U.S. Treasury Futures 10 Year Note	30	3,461,250	March 2004	(131,250)
				(215,781)

See notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES

February 29, 2004 (Unaudited)

	Mellon National Intermediate Municipal Bond Fund	Mellon National Short-Term Municipal Bond Fund	Mellon Pennsylvania Intermediate Municipal Bond Fund	Mellon Massachusetts Intermediate Municipal Bond Fund
Assets (\$):				
Investments in securities— See Statement of Investments [†]	698,032,070	236,953,641	736,045,583	198,758,653
Cash on Initial Margin	200,000	—	240,000	135,000
Interest receivable	7,717,984	2,704,291	9,077,402	1,992,445
Receivable for shares of Beneficial Interest subscribed	—	—	39,595	1,500
Prepaid expenses	32,316	14,043	21,771	16,108
	705,982,370	239,671,975	745,424,351	200,903,706
Liabilities (\$):				
Due to The Dreyfus Corporation and affiliates—Note 3(a)	199,555	64,693	291,337	48,143
Due to Administrator—Note 3(a)	74,101	25,369	79,750	21,620
Cash overdraft due to Custodian	1,498,467	351,769	2,019,112	226,676
Payable for investment securities purchased	17,908,099	4,356,535	6,653,644	—
Payable for shares of Beneficial Interest redeemed	100,355	1,723,902	1,493,576	211,769
Payable for futures variation margin—Note 2(c)	75,000	—	90,000	22,500
Payable to broker for swaps opened—Note 2(c)	63,238	—	79,047	15,809
Accrued expenses and other liabilities	59,424	48,128	82,755	51,132
	19,978,239	6,570,396	10,789,221	597,649
Net Assets (\$)	686,004,131	233,101,579	734,635,130	200,306,057
Composition of Net Assets (\$):				
Paid-in capital	631,529,770	228,173,546	673,234,333	186,937,316
Accumulated undistributed investment income—net	395,519	36,172	396,439	114,611
Accumulated net realized gain (loss) on investments	2,994,164	(36,952)	3,183,545	(689,916)
Accumulated net unrealized (depreciation) [including (\$718,555), (\$861,407) and (\$215,781) net unrealized (depreciation) on financial futures and (\$63,238), (\$79,047) and (\$15,809) net unrealized (depreciation) on swap transactions for Mellon National Intermediate Municipal Bond Fund, Mellon Pennsylvania Intermediate Municipal Bond Fund, and Mellon Massachusetts Intermediate Municipal Bond Fund, respectively]	51,084,678	4,928,813	57,820,813	13,944,046
Net Assets (\$)	686,004,131	233,101,579	734,635,130	200,306,057
Net Asset Value Per Share				
Class M Shares				
Net Assets (\$)	646,862,194	232,945,570	731,165,680	186,570,940
Shares Outstanding	47,730,838	17,995,424	54,628,226	14,306,853
Net Asset Value Per Share (\$)	13.55	12.94	13.38	13.04
Investor Shares				
Net Assets (\$)	32,098,512	156,009	3,469,450	12,804,193
Shares Outstanding	2,371,206	12,066	259,373	981,990
Net Asset Value Per Share (\$)	13.54	12.93	13.38	13.04
Dreyfus Premier Shares				
Net Assets (\$)	7,043,425	—	—	930,924
Shares Outstanding	520,231	—	—	71,269
Net Asset Value Per Share (\$)	13.54	—	—	13.06
† Investments at cost (\$)	646,165,599	232,024,828	677,284,316	184,583,016

See notes to financial statements.

STATEMENT OF OPERATIONS

Six Months Ended February 29, 2004 (Unaudited)

	Mellon National Intermediate Municipal Bond Fund	Mellon National Short-Term Municipal Bond Fund	Mellon Pennsylvania Intermediate Municipal Bond Fund	Mellon Massachusetts Intermediate Municipal Bond Fund
Investment Income (\$):				
Interest Income	14,640,595	3,141,788	16,487,141	4,044,829
Expenses:				
Investment advisory fee—Note 3(a)	1,175,858	386,199	1,841,864	332,712
Administration fee—Note 3(a)	465,287	152,791	510,367	131,641
Shareholder servicing costs—Note 3(c)	53,445	208	3,956	17,992
Custodian fees—Note 3(c)	32,653	5,996	27,427	7,370
Registration fees	22,047	14,888	12,827	18,418
Distribution fees—Note 3(b)	18,540	—	—	2,304
Trustees' fees and expenses—Note 3(d)	12,965	4,013	12,361	3,308
Auditing fees	10,387	9,269	11,660	11,633
Legal fees	2,711	1,067	3,627	3,948
Prospectus and shareholders' reports	6,636	5,912	682	5,667
Miscellaneous	26,004	12,933	31,321	16,062
Total Expenses	1,826,533	593,276	2,456,092	551,055
Less—reduction in investment advisory fee due to undertaking—Note 3(a)	(1,210)	(1,968)	—	(56,320)
Net Expenses	1,825,323	591,308	2,456,092	494,735
Investment Income—Net	12,815,272	2,550,480	14,031,049	3,550,094
Realized and Unrealized Gain (Loss) on Investments—Note 4 (\$):				
Net realized gain (loss) on investments	4,962,239	75,726	5,140,753	738,911
Net realized gain (loss) on financial futures	1,024,423	—	1,201,352	275,381
Net realized gain (loss) on swaps	(354,165)	—	(442,707)	(88,541)
Net Realized Gain (Loss)	5,632,497	75,726	5,899,398	925,751
Net unrealized (depreciation) on investments [including (\$2,508,633), (\$2,978,009) and (\$714,023) (depreciation) on financial futures and (\$63,238), (\$79,047) and (\$15,809) net unrealized (depreciation) on swap transactions for Mellon National Intermediate Municipal Bond Fund, Mellon Pennsylvania Intermediate Municipal Bond Fund and Mellon Massachusetts Intermediate Municipal Bond Fund, respectively]	19,674,322	1,496,226	20,072,603	5,852,085
Net Realized and Unrealized Gain (Loss) on Investments	25,306,819	1,571,952	25,972,001	6,777,836
Net Increase in Net Assets Resulting from Operations	38,122,091	4,122,432	40,003,050	10,327,930

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Mellon National Intermediate Municipal Bond Fund		Mellon National Short-Term Municipal Bond Fund	
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^{a,b}	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a
Operations (\$):				
Investment income—net	12,815,272	25,018,890	2,550,480	4,769,851
Net realized gain (loss) on investments	5,632,497	(341,339)	75,726	(130,416)
Net unrealized appreciation (depreciation) on investments	19,674,322	1,297,630	1,496,226	(596,305)
Net Increase (Decrease) in Net Assets Resulting from Operations	38,122,091	25,975,181	4,122,432	4,043,130
Dividends to Shareholders from (\$):				
Investment income—net:				
Class M Shares	(12,062,577)	(23,375,868)	(2,548,569)	(4,737,562)
Investor Shares	(594,166)	(1,199,309)	(1,353)	(9,396)
Dreyfus Premier Shares	(114,365)	(237,252)	—	—
Net realized gain on investments:				
Class M Shares	(1,938,956)	(787,928)	—	(178,859)
Investor Shares	(101,785)	(52,036)	—	(1,164)
Dreyfus Premier Shares	(22,614)	(11,920)	—	—
Total Dividends	(14,834,463)	(25,664,313)	(2,549,922)	(4,926,981)
Beneficial Interest Transactions (\$):				
Net proceeds from shares sold:				
Class M Shares	35,401,931	105,449,236	56,052,068	126,614,938
Investor Shares	575,469	5,422,496	153,185	1,085,443
Dreyfus Premier Shares	13,477	134,142	—	—
Net assets received in connection with reorganization—Note 1:				
Class M Shares	—	53,205,282	—	—
Investor Shares	—	43,759,122	—	—
Dreyfus Premier Shares	—	9,678,625	—	—
Dividends reinvested:				
Class M Shares	1,778,196	1,782,766	211,632	543,117
Investor Shares	441,838	787,988	1,321	327
Dreyfus Premier Shares	67,408	125,822	—	—
Cost of shares redeemed:				
Class M Shares	(37,750,055)	(87,567,743)	(35,463,815)	(54,365,394)
Investor Shares	(4,746,647)	(18,751,524)	(32,794)	(1,058,043)
Dreyfus Premier Shares	(1,152,568)	(2,316,620)	—	—
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	(5,370,951)	111,709,592	20,921,597	72,820,388
Total Increase (Decrease) In Net Assets	17,916,677	112,020,460	22,494,107	71,936,537
Net Assets (\$):				
Beginning of Period	668,087,454	556,066,994	210,607,472	138,670,935
End of Period	686,004,131	668,087,454	233,101,579	210,607,472
Undistributed investment income—net	395,519	137,832	36,172	27,924

	Mellon National Intermediate Municipal Bond Fund		Mellon National Short-Term Municipal Bond Fund	
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^{a,b}	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a
Capital Share Transactions:				
Class M Shares				
Shares sold	2,648,667	7,977,882	4,347,704	9,804,486
Shares issued in connection with reorganization—Note 1	—	4,358,772	—	—
Shares issued for dividends reinvested	133,308	134,875	16,393	42,096
Shares redeemed	(2,830,897)	(6,606,243)	(2,748,783)	(4,208,802)
Net Increase (Decrease) in Shares Outstanding	(48,922)	5,865,286	1,615,314	5,637,780
Investor Shares^c				
Shares sold	43,221	407,652	11,902	84,579
Shares issued in connection with reorganization—Note 1	—	3,539,573	—	25
Shares issued for dividends reinvested	33,081	59,616	103	—
Shares redeemed	(356,423)	(1,424,219)	(2,543)	(82,082)
Net Increase (Decrease) in Shares Outstanding	(280,121)	2,582,622	9,462	2,522
Dreyfus Premier Shares^c				
Shares sold	1,010	10,203	—	—
Shares issued in connection with reorganization—Note 1	—	756,607	—	—
Shares issued for dividends reinvested	5,048	9,516	—	—
Shares redeemed	(86,468)	(175,685)	—	—
Net Increase (Decrease) in Shares Outstanding	(80,410)	600,641	—	—

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b Mellon National Intermediate Municipal Bond Fund commenced selling Dreyfus Premier shares on October 11, 2002.

^c During the period ended February 29, 2004, 17,827 Dreyfus Premier shares of Mellon National Intermediate Municipal Bond Fund representing \$237,270 were automatically converted to 17,831 Investor shares and during the period ended August 31, 2003, 57,678 Dreyfus Premier shares of Mellon National Intermediate Municipal Bond Fund representing \$761,453 were automatically converted to 57,648 Investor shares.

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS (continued)

	Mellon Pennsylvania Intermediate Municipal Bond Fund	
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a
Operations (\$):		
Investment income-net	14,031,049	30,826,337
Net realized gain (loss) on investments	5,899,398	160,566
Net unrealized appreciation (depreciation) on investments	20,072,603	(11,693,089)
Net Increase (Decrease) in Net Assets Resulting from Operations	40,003,050	19,293,814
Dividends to Shareholders from (\$):		
Investment income-net:		
Class M Shares	(13,959,036)	(30,665,595)
Investor Shares	(56,061)	(54,474)
Net realized gain on investments:		
Class M Shares	(1,786,516)	—
Investor Shares	(8,199)	—
Total Dividends	(15,809,812)	(30,720,069)
Beneficial Interest Transactions (\$):		
Net proceeds from shares sold:		
Class M Shares	14,774,447	42,326,658
Investor Shares	573,638	2,331,507
Dividends reinvested:		
Class M Shares	1,035,713	191,642
Investor Shares	17,931	30,310
Cost of shares redeemed:		
Class M Shares	(49,320,596)	(128,013,055)
Investor Shares	(170,589)	(312,500)
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	(33,089,456)	(83,445,438)
Total Increase (Decrease) In Net Assets	(8,896,218)	(94,871,693)
Net Assets (\$):		
Beginning of Period	743,531,348	838,403,041
End of Period	734,635,130	743,531,348
Undistributed investment income-net	396,439	157,764
Capital Share Transactions:		
Class M Shares		
Shares sold	1,120,751	3,207,705
Shares issued for dividends reinvested	78,768	14,576
Shares redeemed	(3,739,193)	(9,744,925)
Net Increase (Decrease) in Shares Outstanding	(2,539,674)	(6,522,644)
Investor Shares		
Shares sold	43,538	175,546
Shares issued for dividends reinvested	1,358	2,313
Shares redeemed	(12,903)	(23,718)
Net Increase (Decrease) in Shares Outstanding	31,993	154,141

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.
See notes to financial statements.

	Mellon Massachusetts Intermediate Municipal Bond Fund	
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^{a,b,c}
Operations (\$):		
Investment income—net	3,550,094	7,368,432
Net realized gain (loss) on investments	925,751	(685,203)
Net unrealized appreciation (depreciation) on investments	5,852,085	(2,391,615)
Net Increase (Decrease) in Net Assets Resulting from Operations	10,327,930	4,291,614
Dividends to Shareholders from (\$):		
Investment income—net:		
Class M Shares	(3,311,292)	(6,717,053)
Investor Shares	(224,468)	(505,031)
Dreyfus Premier Shares	(13,877)	(35,527)
Total Dividends	(3,549,637)	(7,257,611)
Beneficial Interest Transactions (\$):		
Net proceeds from shares sold:		
Class M Shares	16,585,443	28,631,002
Investor Shares	196,208	592,342
Dreyfus Premier Shares	—	881
Dividends reinvested:		
Class M Shares	747,269	1,616,376
Investor Shares	120,706	266,173
Dreyfus Premier Shares	3,655	15,377
Cost of shares redeemed:		
Class M Shares	(10,362,842)	(24,222,384)
Investor Shares	(933,475)	(3,204,026)
Dreyfus Premier Shares	(47,023)	(542,660)
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	6,309,941	3,153,081
Total Increase (Decrease) in Net Assets	13,088,234	187,084
Net Assets (\$):		
Beginning of Period	187,217,823	187,030,739
End of Period	200,306,057	187,217,823
Undistributed investment income—net	114,611	39,818

STATEMENT OF CHANGES IN NET ASSETS (continued)

	Mellon Massachusetts Intermediate Municipal Bond Fund	
	Six Months Ended	Year Ended
	February 29, 2004	August 31, 2003 ^{a,b,c}
	(Unaudited)	
Capital Share Transactions:		
Class M Shares		
Shares sold	1,289,230	2,243,279
Shares issued for dividends reinvested	58,074	126,480
Shares redeemed	(809,721)	(1,895,585)
Net Increase (Decrease) in Shares Outstanding	537,583	474,174
Investor Shares^d		
Shares sold	15,361	46,959
Shares issued for dividends reinvested	9,377	20,839
Shares redeemed	(72,940)	(250,586)
Net Increase (Decrease) in Shares Outstanding	(48,202)	(182,788)
Dreyfus Premier Shares^d		
Shares sold	—	68
Shares issued for dividends reinvested	284	1,200
Shares redeemed	(3,694)	(42,420)
Net Increase (Decrease) in Shares Outstanding	(3,410)	(41,152)

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b Mellon Massachusetts Intermediate Municipal Bond Fund commenced selling each class of its shares as of close of business on September 6, 2002.

^c Represents information for the fund's predecessor, Dreyfus Premier Massachusetts Limited Term Municipal Fund (the Premier Massachusetts Fund). Premier Massachusetts Fund has changed its fiscal year end from June 30 to August 31.

^d During the period ended February 29, 2004, 1,648 Dreyfus Premier shares of Mellon Massachusetts Intermediate Municipal Bond Fund representing \$20,729 were automatically converted to 1,650 Investor shares and during the period ended August 31, 2003, 503 Dreyfus Premier shares of Mellon Massachusetts Intermediate Municipal Bond Fund representing \$6,481 were automatically converted to 504 Investor shares.

See notes to financial statements.

FINANCIAL HIGHLIGHTS

The following tables describe the performance for each share class of each fund for the fiscal periods indicated. All information (except portfolio turnover rate) reflects financial results for a single fund share. Total return shows how much your investment in each fund would have increased (or decreased) during each period, assuming you had reinvested all dividends and distributions. These figures have been derived from each fund's financial statements.

	Class M Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003 ^a	2002 ^b	2001 ^c
Mellon National Intermediate Municipal Bond Fund				
Per Share Data (\$):				
Net asset value, beginning of period	13.09	13.25	13.24	12.50
Investment Operations:				
Investment income—net	.25 ^d	.50 ^d	.52 ^d	.51
Net realized and unrealized gain (loss) on investments	.50	(.14)	.14	.74
Total from Investment Operations	.75	.36	.66	1.25
Distributions:				
Dividends from investment income—net	(.25)	(.50)	(.52)	(.51)
Dividends from net realized gain on investments	(.04)	(.02)	(.13)	(.00) ^e
Total Distributions	(.29)	(.52)	(.65)	(.51)
Net asset value, end of period	13.55	13.09	13.25	13.24
Total Return (%)	5.82 ^f	2.77	5.16	10.21 ^f
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.52 ^g	.52	.52	.52 ^g
Ratio of net investment income to average net assets	3.83 ^g	3.77	4.04	4.33 ^g
Decrease reflected in above expense ratios due to undertakings by the Administrator	.00 ^{g,h}	.01	.01	.01 ^g
Portfolio Turnover Rate	28.64 ^f	50.68	60.12	47.78 ^f
Net Assets, end of period (\$ x 1,000)	646,862	625,558	555,158	477,595

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on a scientific basis for debt securities on a daily basis. The effect of this change for the period ended August 31, 2002 was to increase net investment income per share by less than \$.01, decrease net realized and unrealized gain (loss) on investments per share by less than \$.01 and increase the ratio of net investment income to average net assets from 4.02% to 4.04% for Class M shares. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^c From October 2, 2000 (commencement of operations) to August 31, 2001. Effective July 11, 2001, shares of the fund were redesignated as MPAM shares and the fund commenced selling Investor shares.

^d Based on average shares outstanding at each month end.

^e Amount represents less than \$.01 per share.

^f Not annualized.

^g Annualized.

^h Amount represents less than .01%.

See notes to financial statements.

	Investor Shares			
	Six Months Ended	Year Ended August 31,		
Mellon National Intermediate Municipal Bond Fund	February 29, 2004 (Unaudited)	2003	2002 ^a	2001 ^b
Per Share Data (\$):				
Net asset value, beginning of period	13.08	13.24	13.23	12.91
Investment Operations:				
Investment income—net	.24 ^c	.50 ^c	.50 ^c	.07
Net realized and unrealized gain (loss) on investments	.50	(.18)	.13	.32
Total from Investment Operations	.74	.32	.63	.39
Distributions:				
Dividends from investment income—net	(.24)	(.46)	(.49)	(.07)
Dividends from net realized gain on investments	(.04)	(.02)	(.13)	—
Total Distributions	(.28)	(.48)	(.62)	(.07)
Net asset value, end of period	13.54	13.08	13.24	13.23
Total Return (%)	5.69 ^d	2.36	4.98	3.05 ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.77 ^e	.77	.77	.77 ^e
Ratio of net investment income to average net assets	3.59 ^e	3.52	3.74	3.91 ^e
Decrease reflected in above expense ratios due to undertakings by the Administrator	.00 ^{e,f}	.02	.07	.08 ^e
Portfolio Turnover Rate	28.64 ^d	50.68	60.12	47.78 ^d
Net Assets, end of period (\$ x 1,000)	32,099	34,673	909	1

^a As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on a scientific basis for debt securities on a daily basis. The effect of this change for the period ended August 31, 2002 was to increase net investment income per share by less than \$.01, decrease net realized and unrealized gain (loss) on investments per share by less than \$.01 and increase the ratio of net investment income to average net assets from 3.73% to 3.74% for Class M shares and Investor shares, respectively. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^b From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Not annualized.

^e Annualized.

^f Amount represents less than .01%.

See notes to financial statements.

Mellon National Intermediate Municipal Bond Fund	Dreyfus Premier Shares	
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a
Per Share Data (\$):		
Net asset value, beginning of period	13.08	13.37
Investment Operations:		
Investment income—net ^b	.20	.36
Net realized and unrealized gain (loss) on investments	.50	(.28)
Total from Investment Operations	.70	.08
Distributions:		
Dividends from investment income—net	(.20)	(.35)
Dividends from net realized gain on investments	(.04)	(.02)
Total Distributions	(.24)	(.37)
Net asset value, end of period	13.54	13.08
Total Return (%)^c	5.43	.58
Ratios/Supplemental Data (%):		
Ratio of expenses to average net assets ^d	1.27	1.27
Ratio of net investment income to average net assets ^d	3.09	3.03
Decrease reflected in above expense ratios due to undertakings by the Administrator ^d	.00 ^e	.02
Portfolio Turnover Rate ^c	28.64	50.68
Net Assets, end of period (\$ x 1,000)	7,043	7,856

^a From close of business on October 11, 2002 (date the fund began offering Dreyfus Premier shares) to August 31, 2003.

^b Based on average shares outstanding at each month end.

^c Not annualized.

^d Annualized.

^e Amount represents less than .01%.

See notes to financial statements.

	Class M Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003 ^a	2002 ^b	2001 ^c
Mellon National Short-Term Municipal Bond Fund				
Per Share Data (\$):				
Net asset value, beginning of period	12.86	12.91	12.90	12.50
Investment Operations:				
Investment income—net	.15 ^d	.34 ^d	.46 ^d	.48
Net realized and unrealized gain (loss) on investments	.08	(.03)	.10	.40
Total from Investment Operations	.23	.31	.56	.88
Distributions:				
Dividends from investment income—net	(.15)	(.35)	(.46)	(.48)
Dividends from net realized gain on investments	—	(.01)	(.09)	—
Total Distributions	(.15)	(.36)	(.55)	(.48)
Net asset value, end of period	12.94	12.86	12.91	12.90
Total Return (%)	1.87 ^e	2.35	4.43	7.15 ^e
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.54 ^f	.52	.52	.52 ^f
Ratio of net investment income to average net assets	2.31 ^f	2.66	3.56	4.11 ^f
Decrease reflected in above expense ratios due to undertakings by the Administrator	.00 ^{f,g}	.03	.05	.06 ^f
Portfolio Turnover Rate	13.74 ^e	22.15	50.86	44.18 ^e
Net Assets, end of period (\$ x 1,000)	232,946	210,574	138,670	119,026

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on a scientific basis for debt securities on a daily basis. The effect of this change for the period ended August 31, 2002 was to increase net investment income per share and decrease net realized and unrealized gain (loss) on investments per share by less than \$.01 and increase the ratio of net investment income to average net assets by less than .01% for Class M shares. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^c From October 2, 2000 (commencement of operations) to August 31, 2001. Effective July 11, 2001, shares of the fund were redesignated as MPAM shares and the fund commenced selling Investor shares.

^d Based on average shares outstanding at each month end.

^e Not annualized.

^f Annualized.

^g Amount represents less than .01%.

See notes to financial statements.

	Investor Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003	2002 ^a	2001 ^b
Mellon National Short-Term Municipal Bond Fund				
Per Share Data (\$):				
Net asset value, beginning of period	12.84	12.91	12.90	12.78
Investment Operations:				
Investment income—net	.15 ^c	.29 ^c	.42 ^c	.07
Net realized and unrealized gain (loss) on investments	.08	(.04)	.10	.12
Total from Investment Operations	.23	.25	.52	.19
Distributions:				
Dividends from investment income—net	(.14)	(.31)	(.42)	(.07)
Dividends from net realized gain on investments	—	(.01)	(.09)	—
Total Distributions	(.14)	(.32)	(.51)	(.07)
Net asset value, end of period	12.93	12.84	12.91	12.90
Total Return (%)	1.77 ^d	2.01	4.16	1.48 ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.81 ^e	.76	.67	.77 ^e
Ratio of net investment income to average net assets	2.12 ^e	2.44	4.15	3.76 ^e
Decrease reflected in above expense ratios due to undertakings by the Administrator	.00 ^{e,f}	.05	.05	.19 ^e
Portfolio Turnover Rate	13.74 ^d	22.15	50.86	44.18 ^d
Net Assets, end of period (\$ x 1,000)	156	33	1	1

^a As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on a scientific basis for debt securities on a daily basis. The effect of this change for the period ended August 31, 2002 was to increase net investment income per share and decrease net realized and unrealized gain (loss) on investments per share by less than \$.01 and increase the ratio of net investment income to average net assets by less than .01% for Investor shares. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^b From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Not annualized.

^e Annualized.

^f Amount represents less than .01%.

See notes to financial statements.

	Class M Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003 ^a	2002 ^b	2001 ^c
Mellon Pennsylvania Intermediate Municipal Bond Fund				
Per Share Data (\$):				
Net asset value, beginning of period	12.95	13.15	13.16	12.50
Investment Operations:				
Investment income—net	.25 ^d	.51 ^d	.53 ^d	.50
Net realized and unrealized gain (loss) on investments	.46	(.20)	.11	.66
Total from Investment Operations	.71	.31	.64	1.16
Distributions:				
Dividends from investment income—net	(.25)	(.51)	(.53)	(.50)
Dividends from net realized gain on investments	(.03)	—	(.12)	(.00) ^e
Total Distributions	(.28)	(.51)	(.65)	(.50)
Net asset value, end of period	13.38	12.95	13.15	13.16
Total Return (%)	5.54 ^f	2.35	5.03	9.50 ^f
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.67 ^g	.67	.67	.67 ^g
Ratio of net investment income to average net assets	3.81 ^g	3.88	4.09	4.25 ^g
Decrease reflected in above expense ratios due to undertakings by the Administrator	—	.00 ^h	.01	.01 ^g
Portfolio Turnover Rate	11.15 ^f	17.58	34.50	39.32 ^f
Net Assets, end of period (\$ x 1,000)	731,166	740,587	837,441	879,711

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on a scientific basis for debt securities on a daily basis. The effect of this change for the period ended August 31, 2002 was to increase net investment income per share and decrease net realized and unrealized gain (loss) on investments per share by less than \$.01 and increase the ratio of net investment income to average net assets from 4.08% to 4.09% for Class M shares. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^c From October 2, 2000 (commencement of operations) to August 31, 2001. Effective July 11, 2001, shares of the fund were redesignated as MPAM shares and the fund commenced selling Investor shares.

^d Based on average shares outstanding at each month end.

^e Amount represents less than \$.01 per share.

^f Not annualized.

^g Annualized.

^h Amount represents less than .01%.

See notes to financial statements.

	Investor Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003	2002 ^a	2001 ^b
Mellon Pennsylvania Intermediate Municipal Bond Fund				
Per Share Data (\$):				
Net asset value, beginning of period	12.95	13.14	13.16	12.90
Investment Operations:				
Investment income—net	.23 ^c	.48 ^c	.54 ^c	.07
Net realized and unrealized gain (loss) on investments	.46	(.20)	.06	.26
Total from Investment Operations	.69	.28	.60	.33
Distributions:				
Dividends from investment income—net	(.23)	(.47)	(.50)	(.07)
Dividends from net realized gain on investments	(.03)	—	(.12)	—
Total Distributions	(.26)	(.47)	(.62)	(.07)
Net asset value, end of period	13.38	12.95	13.14	13.16
Total Return (%)	5.41 ^d	2.09	4.69	2.58 ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.92 ^e	.92	.92	.92 ^e
Ratio of net investment income to average net assets	3.55 ^e	3.59	3.84	3.86 ^e
Decrease reflected in above expense ratios due to undertakings by the Administrator	—	.01	.02	.22 ^e
Portfolio Turnover Rate	11.15 ^d	17.58	34.50	39.32 ^d
Net Assets, end of period (\$ x 1,000)	3,469	2,944	963	230

^a As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on a scientific basis for debt securities on a daily basis. The effect of this change for the period ended August 31, 2002 was to increase net investment income per share and decrease net realized and unrealized gain (loss) on investments per share by less than \$.01 and increase the ratio of net investment income to average net assets from 3.83% to 3.84% for Investor shares. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^b From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Not annualized.

^e Annualized.

See notes to financial statements.

FINANCIAL HIGHLIGHTS

Please note that the financial highlights information in the following tables for the fund's Investor shares, Class M shares and Dreyfus Premier shares represents the financial highlights of the Class A shares, Class R shares and Class B shares, respectively, of the fund's predecessor, Dreyfus Premier Limited Term Massachusetts Municipal Fund (the Premier Massachusetts Fund) before the fund commenced operations as of the close of business on September 6, 2002, and represents the performance of the fund's Investor shares, Class M shares and Dreyfus Premier shares thereafter. Before the fund commenced operations, substantially all of the assets of the Premier Massachusetts Fund were transferred to the fund in a tax-free reorganization. Total Return for the periods before the fund commenced operations shows how much an investment in the Premier Massachusetts Fund's Class A shares, Class R shares and Class B shares would have increased (or decreased) during those periods, assuming all dividends and distributions were reinvested. Total Return for the period since the fund commenced operations also reflects how much an investment in the fund's Investor shares, Class M shares and Dreyfus Premier shares would have increased (or decreased), assuming all dividends and distributions were reinvested.

Mellon Massachusetts Intermediate Municipal Bond Fund	Class M Shares						
	Six Months Ended	Year Ended	Two Months Ended	Year Ended June 30,			
	February 29, 2004 (Unaudited)	August 31, 2003 ^a	August 31, 2002 ^b	2002 ^c	2001	2000	1999
Per Share Data (\$):							
Net asset value, beginning of period	12.59	12.79	12.62	12.38	11.89	12.04	12.34
Investment Operations:							
Investment income—net	.24 ^d	.50 ^d	.09 ^d	.52 ^d	.55	.54	.54
Net realized and unrealized gain (loss) on investments	.45	(.21)	.17	.24	.49	(.15)	(.29)
Total from Investment Operations	.69	.29	.26	.76	1.04	.39	.25
Distributions:							
Dividends from investment income—net	(.24)	(.49)	(.09)	(.52)	(.55)	(.54)	(.54)
Dividends from net realized gain on investments	—	—	—	—	—	—	(.01)
Total Distributions	(.24)	(.49)	(.09)	(.52)	(.55)	(.54)	(.55)
Net asset value, end of period	13.04	12.59	12.79	12.62	12.38	11.89	12.04
Total Return (%)	5.60 ^e	2.23	2.10 ^e	6.19	8.90	3.37	1.93
Ratios/Supplemental Data (%):							
Ratio of expenses to average net assets	.50 ^f	.50	.50 ^f	.50	.50	.50	.50
Ratio of net investment income to average net assets	3.75 ^f	3.93	3.94 ^f	4.18	4.49	4.58	4.35
Decrease reflected in above expense ratios due to undertakings by the Administrator	.06 ^f	.08	—	—	—	—	—
Portfolio Turnover Rate	11.01 ^e	15.54	4.48 ^e	11.45	14.88	31.89	16.35
Net Assets, end of period (\$ x 1,000)	186,571	173,311	170,030	162,413	126,264	96,832	70,901

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b The Premier Massachusetts Fund has changed its fiscal year end from June 30 to August 31.

^c As required, effective July 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on a scientific basis for debt securities on a daily basis. The effect of this change for the period ended June 30, 2002 was to increase net investment income per share and decrease net realized and unrealized gain (loss) on investments per share by less than \$.01 and increase the ratio of net investment income to average net assets by less than .01%. Per share data and ratios/supplemental data for periods prior to July 1, 2001 have not been restated to reflect this change in presentation.

^d Based on average shares outstanding at each month end.

^e Not annualized.

^f Annualized.

See notes to financial statements.

Mellon Massachusetts Intermediate Municipal Bond Fund	Investor Shares						
	Six Months Ended	Year Ended	Two Months Ended	Year Ended June 30,			
	February 29, 2004 (Unaudited)	August 31, 2003	August 31, 2002 ^a	2002 ^b	2001	2000	1999
Per Share Data (\$):							
Net asset value, beginning of period	12.59	12.79	12.61	12.38	11.89	12.03	12.34
Investment Operations:							
Investment income—net	.22 ^c	.47 ^c	.08 ^c	.49 ^c	.52	.51	.51
Net realized and unrealized gain (loss) on investments	.45	(.20)	.18	.23	.49	(.14)	(.30)
Total from Investment Operations	.67	.27	.26	.72	1.01	.37	.21
Distributions:							
Dividends from investment income—net	(.22)	(.47)	(.08)	(.49)	(.52)	(.51)	(.51)
Dividends from net realized gain on investments	—	—	—	—	—	—	(.01)
Total Distributions	(.22)	(.47)	(.08)	(.49)	(.52)	(.51)	(.52)
Net asset value, end of period	13.04	12.59	12.79	12.61	12.38	11.89	12.03
Total Return (%)	5.47 ^e	1.97 ^e	2.06 ^{d,e}	5.92 ^d	8.63 ^d	3.21 ^d	1.60 ^d
Ratios/Supplemental Data (%):							
Ratio of expenses to average net assets	.75 ^f	.75 ^f	.75 ^f	.75	.75	.75	.75
Ratio of net investment income to average net assets	3.51 ^f	3.68 ^f	3.69 ^f	3.93	4.24	4.32	4.10
Decrease reflected in above expense ratios due to undertakings by the Administrator	.06 ^f	.08 ^f	—	—	—	—	—
Portfolio Turnover Rate	11.01 ^e	15.54 ^e	4.48 ^e	11.45	14.88	31.89	16.35
Net Assets, end of period (\$ x 1,000)	12,804	12,965	13,866	13,553	12,850	12,581	15,045

^a The Premier Massachusetts Fund has changed its fiscal year end from June 30 to August 31.

^b As required, effective July 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on a scientific basis for debt securities on a daily basis. The effect of this change for the period ended June 30, 2002 was to increase net investment income per share and decrease net realized and unrealized gain (loss) on investments per share by less than \$.01 and increase the ratio of net investment income to average net assets by less than .01%. Per share data and ratios/supplemental data for periods prior to July 1, 2001 have not been restated to reflect this change in presentation.

^c Based on average shares outstanding at each month end.

^d Exclusive of sales charge which was applicable to Class A shares of the Premier Massachusetts Fund.

^e Not annualized.

^f Annualized.

See notes to financial statements.

Mellon Massachusetts Intermediate Municipal Bond Fund	Dreyfus Premier Shares						
	Six Months Ended	Year Ended	Two Months Ended	Year Ended June 30,			
	February 29, 2004 (Unaudited)	August 31, 2003	August 31, 2002 ^a	2002 ^b	2001	2000	1999
Per Share Data (\$):							
Net asset value, beginning of period	12.61	12.81	12.64	12.40	11.92	12.06	12.37
Investment Operations:							
Investment income—net	.19 ^c	.40 ^c	.07 ^c	.43 ^c	.46	.45	.44
Net realized and unrealized gain (loss) on investments	.45	(.20)	.17	.24	.48	(.14)	(.30)
Total from Investment Operations	.64	.20	.24	.67	.94	.31	.14
Distributions:							
Dividends from investment income—net	(.19)	(.40)	(.07)	(.43)	(.46)	(.45)	(.44)
Dividends from net realized gain on investments	—	—	—	—	—	—	(.01)
Total Distributions	(.19)	(.40)	(.07)	(.43)	(.46)	(.45)	(.45)
Net asset value, end of period	13.06	12.61	12.81	12.64	12.40	11.92	12.06
Total Return (%)	5.12 ^e	1.55 ^e	1.98 ^{d,e}	5.40 ^d	8.00 ^d	2.70 ^d	1.09 ^d
Ratios/Supplemental Data (%):							
Ratio of expenses to average net assets	1.25 ^f	1.25 ^f	1.25 ^f	1.25	1.25	1.25	1.25
Ratio of net investment income to average net assets	3.01 ^f	3.19 ^f	3.17 ^f	3.41	3.74	3.80	3.56
Decrease reflected in above expense ratios due to undertakings by the Administrator	.06 ^f	.08 ^f	—	—	—	—	—
Portfolio Turnover Rate	11.01 ^e	15.54 ^e	4.48 ^e	11.45	14.88	31.89	16.35
Net Assets, end of period (\$ x 1,000)	931	941	1,484	1,251	862	738	901

^a The Premier Massachusetts Fund has changed its fiscal year end from June 30 to August 31.

^b As required, effective July 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on a scientific basis for debt securities on a daily basis. The effect of this change for the period ended June 30, 2002 was to increase net investment income per share and decrease net realized and unrealized gain (loss) on investments per share by less than \$.01 and increase the ratio of net investment income to average net assets from 3.40% to 3.41%. Per share data and ratios/supplemental data for periods prior to July 1, 2001 have not been restated to reflect this change in presentation.

^c Based on average shares outstanding at each month end.

^d Exclusive of sales charge which was applicable to Class B shares of the Premier Massachusetts Fund.

^e Not annualized.

^f Annualized.

See notes to financial statements.

NOTE 1—General:

Mellon Funds Trust (the “Trust”) was organized as a Massachusetts business trust which is registered under the Investment Company Act of 1940, as amended (the “Act”), as an open-end management investment company and operates as a series company currently comprised of sixteen series including the following non-diversified municipal bond funds: Mellon National Intermediate Municipal Bond Fund, Mellon National Short-Term Municipal Bond Fund, Mellon Pennsylvania Intermediate Municipal Bond Fund and Mellon Massachusetts Intermediate Municipal Bond Fund (each, a “fund” and collectively, the “funds”). Mellon National Intermediate Municipal Bond Fund and Mellon National Short-Term Municipal Bond Fund seek to maximize current income exempt from federal income tax to the extent consistent with the preservation of capital. Mellon Pennsylvania Intermediate Municipal Bond Fund seeks as high a level of income exempt from federal and Pennsylvania state income taxes as is consistent with the preservation of capital. Mellon Massachusetts Intermediate Municipal Bond Fund seeks as high a level of income exempt from federal and Massachusetts state income taxes as is consistent with the preservation of capital. Mellon Fund Advisers, a division of The Dreyfus Corporation (“Dreyfus”), serves as each fund’s investment adviser (“Investment Adviser”). Mellon Bank, N.A. (“Mellon”), which is a wholly-owned subsidiary of Mellon Financial Corporation, serves as administrator for the funds pursuant to an Administration Agreement with the Trust (the “Administration Agreement”). Mellon has entered into a Sub-Administration Agreement with Dreyfus pursuant to which Mellon pays Dreyfus for performing certain administrative services. Dreyfus is a wholly-owned subsidiary of Mellon. Dreyfus Service Corporation (the “Distributor”), a wholly-owned subsidiary of Dreyfus, is the Distributor of each fund’s shares, which are sold without front-end sales charge.

The Trust is authorized to issue an unlimited number of shares of beneficial interest, par value \$.001 per share, in

each of the Class M and Investor class shares of each fund and in the Dreyfus Premier class shares of Mellon National Intermediate Municipal Bond Fund and Mellon Massachusetts Intermediate Municipal Bond Fund. Dreyfus Premier shares of Mellon National Intermediate Municipal Bond Fund and Mellon Massachusetts Intermediate Municipal Bond Fund are subject to a contingent deferred sales charge (“CDSC”) imposed on redemptions of Dreyfus Premier shares made within six years of purchase and automatically convert to Investor class shares after six years. Each class of shares has similar rights and privileges, except with respect to the expenses borne by and the shareholder services offered to each class, the shareholder services plan applicable to the Investor shares and Dreyfus Premier shares and the Rule 12b-1 plan applicable to the Dreyfus Premier shares and certain voting rights.

On October 11, 2002, pursuant to an Agreement and Plan of Reorganization previously approved by the Trust’s Board, all of the assets, subject to the liabilities, of Dreyfus Premier Limited Term Municipal Fund (“Premier Municipal Fund”), a series of The Dreyfus/Laurel Tax-Free Funds, were transferred to MPAM National Intermediate Municipal Bond Fund (now known as Mellon National Intermediate Municipal Bond Fund), in exchange for shares of beneficial interest of MPAM National Intermediate Municipal Bond Fund’s MPAM shares, Investor shares and Dreyfus Premier shares of equal value. Holders of Class A and Class C shares of Premier Municipal Fund received Investor shares of MPAM National Intermediate Municipal Bond Fund, holders of Class B shares of Premier Municipal Fund received Dreyfus Premier shares of MPAM National Intermediate Municipal Bond Fund and holders of Class R shares of Premier Municipal Fund received MPAM shares (now designated as Class M shares) of MPAM National Intermediate Municipal Bond Fund, in each case in an amount equal to the aggregate net asset value of their respective investment in Premier Municipal Fund at the time of the exchange. MPAM National Intermediate

Municipal Bond Fund's net asset value on October 11, 2002 was \$13.38 per share for its MPAM shares, \$13.37 per share for its Investor shares and, after the reorganization, \$13.37 per share for its Dreyfus Premier shares, and a total of 4,358,772 MPAM shares, 3,539,573 Investor shares and 756,607 Dreyfus Premier shares, representing net assets of \$58,320,367 MPAM shares, \$47,324,085 Investor shares and \$10,115,836 Dreyfus Premier shares (including \$9,117,259 net unrealized appreciation on investments), were issued to Premier Municipal Fund's shareholders in the exchange. The exchange was a tax-free event to shareholders.

The Trust accounts separately for the assets, liabilities and operations of each series. Expenses directly attributable to each series are charged to that series' operations; expenses that are applicable to all series are allocated among them on a pro rata basis.

The funds' financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

NOTE 2—Significant Accounting Policies:

(a) Portfolio valuation: Investments in municipal securities (excluding options, financial futures on municipal, U.S. Treasury securities and swaps) are valued each business day by an independent pricing service (the "Service") approved by the Trust's Board. Investments for which quoted bid prices are readily available and are representative of the bid side of the market in the judgment of the Service are valued at the mean between the quoted bid prices (as obtained by the Service from dealers in such securities) and asked prices (as calculated by the Service based upon its evaluation of the market for such securities). Other investments (which constitute a majority of each fund's securities) are valued by the Service, based on methods which include consideration of: yields or prices of municipal securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions. Financial futures on municipal and U.S. Treasury securi-

ties are valued at the last sales price on the securities exchange on which such securities are primarily traded or at the last sales price on the national securities market on each business day.

Options traded over-the-counter are priced at the mean between the bid prices and the asked prices. Swap transactions are valued based on future cash flows and other factors, such as interest rates and underlying securities.

(b) Securities transactions and investment income: Securities transactions are recorded on a trade date basis. Realized gain and loss from securities transactions are recorded on the identified cost basis. Interest income, adjusted for accretion of discount and amortization of premium on investments, is earned from settlement date and recognized on the accrual basis. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled a month or more after the trade date.

(c) Financial futures: The funds may invest in financial futures contracts in order to gain exposure to or protect against changes in the market. The funds are exposed to market risk as a result of changes in the value of the underlying financial instruments. Investments in financial futures require the funds to "mark to market" on a daily basis, which reflects the change in the market value of the contract at the close of each day's trading. Accordingly, variation margin payments are received or made to reflect daily unrealized gains or losses. When the contracts are closed, the funds recognize a realized gain or loss. These investments require initial margin deposits with a broker, which consist of cash or cash equivalents, up to approximately 10% of the contract amount. The amount of these deposits is determined by the exchange or Board of Trade on which the contract is traded and is subject to change. Contracts open at February 29, 2004, are set forth in the relevant fund's Statement of Financial Futures.

(d) Concentration of risk: Mellon Pennsylvania Intermediate Municipal Bond Fund and Mellon Massachusetts Intermediate Municipal Bond Fund follow an investment policy of investing primarily in

municipal obligations of one state. Economic changes affecting the state and certain of its public bodies and municipalities may affect the ability of issuers within the state to pay interest on, or repay principal of, municipal obligations held by the fund.

(e) Dividends to shareholders: The funds declare dividends daily from investment income-net; such dividends are paid monthly. With respect to each series, dividends from net realized capital gain, if any, are normally declared and paid annually, but the funds may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code of 1986, as amended (the “Code”). To the extent that net realized capital gain can be offset by capital loss carryovers of that fund, if any, it is the policy of the fund not to distribute such gain. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from accounting principles generally accepted in the United States of America.

(f) Federal income taxes: It is the policy of each fund to continue to qualify as a regulated investment company, which can distribute tax exempt dividends, by

complying with the applicable provisions of the Code, and to make distributions of income and net realized capital gain sufficient to relieve it from substantially all federal income and excise taxes. For federal income tax purposes, each series is treated as a single entity for the purpose of determining such qualification.

Table 1 summarizes each fund’s capital loss carryover available to be applied against future net securities profits, if any, realized subsequent to August 31, 2003.

Table 2 summarizes each fund’s tax character of distributions paid to shareholders during the fiscal year ended August 31, 2003. The tax character of current year distributions will be determined at the end of the current fiscal year.

NOTE 3—Investment Advisory Fee, Administration Fee and Other Transactions With Affiliates:

(a) Fees payable by the funds pursuant to the provisions of an Investment Advisory Agreement with the Investment Adviser are payable monthly, computed on the average daily value of each fund’s net assets at the following annual rates: .35 of 1% of the Mellon National Intermediate Municipal Bond Fund, .35 of 1% of the

Table 1.

Expiring in fiscal†	2006 (\$)	2007 (\$)	2008 (\$)	2009 (\$)	2010 (\$)	2011 (\$)	Total (\$)
Mellon National Intermediate Municipal Bond Fund	—	—	—	—	—	—	—
Mellon National Short-Term Municipal Bond Fund	—	—	—	—	—	104,988	104,988
Mellon Pennsylvania Intermediate Municipal Bond Fund	—	—	—	—	—	—	—
Mellon Massachusetts Intermediate Municipal Bond Fund	35,893	204,898	242,092	59,454	388,128	117,202	1,047,667

† If not applied, the carryovers expire in the above year.

Table 2.

	Tax-Exempt Income (\$) 2003	Ordinary Income (\$) 2003	Long-Term Capital Gains (\$) 2003
Mellon National Intermediate Municipal Bond Fund	24,812,429	729,468	122,416
Mellon National Short-Term Municipal Bond Fund	4,746,958	97,518	82,505
Mellon Pennsylvania Intermediate Municipal Bond Fund	30,720,069	—	—
Mellon Massachusetts Intermediate Municipal Bond Fund	7,257,611	—	—

Mellon National Short-Term Municipal Bond Fund, .50 of 1% of the Mellon Pennsylvania Intermediate Municipal Bond Fund and .50 of 1% of the Mellon Massachusetts Intermediate Municipal Bond Fund.

Pursuant to the Administration Agreement with Mellon, Mellon provides or arranges for fund accounting, transfer agency and other fund administration services and receives a fee based on the total net assets of the Trust based on the following rates:

0 up to \$6 billion	.15 of 1%
\$6 billion up to \$12 billion	.12 of 1%
In excess of \$12 billion	.10 of 1%

Mellon has entered into a Sub-Administration Agreement with Dreyfus pursuant to which Mellon pays Dreyfus for performing certain administrative services.

Mellon had agreed, until September 30, 2003, with respect to Mellon National Intermediate Municipal Bond Fund and Mellon National Short-Term Municipal Bond Fund, to waive receipt of its fees and/or to reimburse a portion of each fund's expenses, exclusive of taxes, interest, brokerage commissions, Rule 12b-1 fees, Shareholder Services Plan fees and extraordinary expenses, so that the fund's expenses would not exceed, in the aggregate, the rate per annum of the fund's average daily net assets as follows:

.52 of 1% of the Mellon National Intermediate Municipal Bond Fund, .52 of 1% of the Mellon National Short-Term Municipal Bond Fund.

Mellon has agreed, until September 30, 2007, with respect to Mellon Massachusetts Intermediate Municipal Bond Fund, to waive receipt of its fees and/or reimburse a portion of the fund's expenses, exclusive of taxes, interest, brokerage commissions, Rule 12b-1 fees, Shareholder Services Plan fees and extraordinary expenses, so that the fund's expenses, in the aggregate, do not exceed an annual rate of .50 of 1% of the value of the fund's average daily net assets. **Table 3** summarizes the amounts waived during the period ended February 29, 2004.

Table 3.

Mellon National Intermediate Municipal Bond Fund	\$ 1,210
Mellon National Short-Term Municipal Bond Fund	1,968
Mellon Massachusetts Intermediate Municipal Bond Fund	56,320

During the period ended February 29, 2004, the Distributor retained \$11,954 from contingent deferred sales charges on redemptions of the Mellon National Intermediate Municipal Bond Fund's Dreyfus Premier shares, and \$520 from contingent deferred sales charges on redemptions of the Mellon Massachusetts Intermediate Municipal Bond Fund's Dreyfus Premier shares.

(b) Mellon National Intermediate Municipal Bond Fund and Mellon Massachusetts Intermediate Municipal Bond Fund have adopted a Distribution Plan (the "Plan") pursuant to Rule 12b-1 under the Act for distributing its Dreyfus Premier shares. The funds each pay the Distributor a fee at an annual rate of .50 of 1% of the value of the fund's average daily net assets attributable to its Dreyfus Premier shares. During the period ended February 29, 2004, Mellon National Intermediate Municipal Bond Fund and Mellon Massachusetts Intermediate Municipal Bond Fund, Dreyfus Premier shares were charged \$18,540 and \$2,304, respectively, pursuant to the Plan.

(c) The funds have adopted a Shareholder Services Plan with respect to its Investor shares, and Mellon National Intermediate Municipal Bond Fund and Mellon Massachusetts Intermediate Municipal Bond Fund have adopted a Shareholder Services Plan with respect to its Dreyfus Premier shares, pursuant to which each fund pays the Distributor for the provision of certain services to holders of Investor shares and Dreyfus Premier shares a fee at an annual rate of .25 of 1% of the value of the average daily net assets attributable to Investor shares and Dreyfus Premier shares, respectively. The services provided may include personal services relating to shareholder accounts, such as answering shareholder inquiries

regarding a fund, and providing reports and other information, and services related to the maintenance of such shareholder accounts. The Shareholder Services Plan allows the Distributor to make payments from the shareholder services fees it collects from each fund to compensate service agents (certain banks, securities brokers or dealers and other financial institutions) in respect of these services. **Table 4** summarizes the amounts Investor shares and Dreyfus Premier shares were charged during the period ended February 29, 2004, pursuant to the Shareholder Services Plan.

Table 4.

Mellon National Intermediate Municipal Bond Fund (Investor Shares)	\$41,502
Mellon National Intermediate Municipal Bond Fund (Dreyfus Premier Shares)	9,270
Mellon National Short-Term Municipal Bond Fund	161
Mellon Pennsylvania Intermediate Municipal Bond Fund	3,956
Mellon Massachusetts Intermediate Municipal Bond Fund (Investor Shares)	15,976
Mellon Massachusetts Intermediate Municipal Bond Fund (Dreyfus Premier Shares)	1,152

The funds compensate Mellon under a Custody Agreement for providing custodial services for the funds. **Table 5** summarizes the amounts the funds were charged during the period ended February 29, 2004 pursuant to the custody agreement.

Table 5.

Mellon National Intermediate Municipal Bond Fund	\$ 32,653
Mellon National Short-Term Municipal Bond Fund	5,996
Mellon Pennsylvania Intermediate Municipal Bond Fund	27,427

Table 6.

	Purchases (\$)	Sales (\$)
Mellon National Intermediate Municipal Bond Fund	187,549,980	198,264,953
Mellon National Short-Term Municipal Bond Fund	56,972,721	28,802,420
Mellon Pennsylvania Intermediate Municipal Bond Fund	80,623,694	128,129,023
Mellon Massachusetts Intermediate Municipal Bond Fund	20,505,811	20,361,940

Mellon Massachusetts Intermediate
Municipal Bond Fund

7,370

(d) Each trustee who is not an “affiliated person” as defined in the Act receives from the Trust an annual fee of \$35,000 and an attendance fee of \$3,000 for each in-person meeting and \$500 for telephone meetings and is reimbursed for travel and out-of-pocket expenses.

NOTE 4—Securities Transactions:

Table 6 summarizes each fund’s aggregate amount of purchases and sales of investment securities, excluding short-term securities and financial futures, during the period ended February 29, 2004.

Table 7 summarizes the cost of investments for federal income tax purposes and accumulated net unrealized appreciation (depreciation) on investments for each fund at February 29, 2004.

Each fund may enter into swap agreements to exchange the interest rate on, or return generated by, one nominal instrument for the return generated by another nominal instrument.

Table 8 summarizes interest rate swaps entered into by the Mellon National Intermediate Municipal Bond Fund, **Table 9** summarizes interest rate swaps entered into by the Mellon Pennsylvania Intermediate Municipal Bond Fund, and **Table 10** summarizes interest rate swaps entered into by the Mellon Massachusetts Intermediate Municipal Bond Fund at February 29, 2004.

The funds may enter into interest rate swaps which involve the exchange of commitments to pay and receive interest based on a notional principal amount. Net periodic interest payments to be received or paid are

accrued daily and are recorded in the Statement of Operations as an adjustment to interest income. Interest rate swaps are marked-to-market daily and change, if any, is recorded as unrealized appreciation or depreciation in the Statement of Operations.

Realized gains or losses on maturity or termination of swaps are presented in the Statement of Operations. Risks may arise upon entering into these agreements from the potential inability of the counterparties to meet the terms of the agreement and are generally limited to

Table 7.

	Gross Appreciation (\$)	Gross (Depreciation) (\$)	Net (\$)
Mellon National Intermediate Municipal Bond Fund	52,227,091	360,621	51,866,470
Mellon National Short-Term Municipal Bond Fund	4,928,813	–	4,928,813
Mellon Pennsylvania Intermediate Municipal Bond Fund	58,761,267	–	58,761,267
Mellon Massachusetts Intermediate Municipal Bond Fund	14,203,951	28,315	14,175,636

Table 8.

Notional Amount (\$)	Description	Unrealized (Depreciation) (\$)
8,000,000	Municipal Swaps Agreement with Merrill Lynch terminating May 24, 2019	(63,238)

Table 9.

Notional Amount (\$)	Description	Unrealized (Depreciation) (\$)
10,000,000	Municipal Swaps Agreement with Merrill Lynch terminating May 24, 2019	(79,047)

Table 10.

Notional Amount (\$)	Description	Unrealized (Depreciation) (\$)
2,000,000	Municipal Swaps Agreement with Merrill Lynch terminating May 24, 2019	(15,809)

For More Information

Mellon Funds Trust

c/o The Dreyfus Corporation
200 Park Avenue
New York, NY 10166

Investment Adviser

Mellon Fund Advisers, a division of
The Dreyfus Corporation
200 Park Avenue
New York, NY 10166

Administrator

Mellon Bank, N.A.
One Mellon Bank Center
Pittsburgh, PA 15258

Sub-Administrator

The Dreyfus Corporation
200 Park Avenue
New York, NY 10166

Custodian

Mellon Bank, N.A.
One Mellon Bank Center
Pittsburgh, PA 15258

Transfer Agent & Dividend Disbursing Agent

Dreyfus Transfer, Inc.
200 Park Avenue
New York, NY 10166

Distributor

Dreyfus Service Corporation
200 Park Avenue
New York, NY 10166

To obtain information:

By telephone Private Wealth Management (PWM) Clients, please contact your Account Officer or call 1-888-281-7350. Brokerage Clients of Mellon Private Wealth Advisors (MPWA), please contact your financial representative or call 1-800-830-0549-Option 2. Individual Account holders, please call Dreyfus at 1-800-896-8167.

By mail PWM Clients, write to your Account Officer
c/o Mellon Bank, N.A.
One Mellon Bank Center
Pittsburgh, PA 15258

MPWA Brokerage Clients, write to your
financial representative
P.O. Box 9012
Hicksville, NY 11802-9012

Individual Account Holders, write to:
Mellon Funds
P.O. Box 55268
Boston, MA 02205-8502

The Mellon Funds

Mellon Bond Fund

Mellon Intermediate Bond Fund

Mellon Short-Term U.S. Government Securities Fund

SEMIANNUAL REPORT

February 29, 2004

Contents

The Funds

Letter from the President	2
Discussion of Funds' Performance	
Mellon Bond Fund	3
Mellon Intermediate Bond Fund	5
Mellon Short-Term U.S. Government Securities Fund	7
Statements of Investments	9
Statements of Assets and Liabilities	17
Statements of Operations	18
Statements of Changes in Net Assets	19
Financial Highlights	21
Notes to Financial Statements	27

For More Information

Back cover

The views expressed herein are current to the date of this report. These views and the composition of the funds' portfolios are subject to change at any time based on market and other conditions.

- Not FDIC-Insured
- Not Bank-Guaranteed
- May Lose Value

The Funds



LETTER FROM THE PRESIDENT

Dear Shareholder:

This semiannual report for The Mellon Funds covers the period from September 1, 2003, through February 29, 2004. On the following pages, you'll find important information on each fund's management during this period as well as discussions with each fund manager.

The stock market rally that began during the spring of 2003 remained in place through the end of the reporting period. With the U.S. and global economies on firmer footing, corporate spending and investment began to improve after several years of cost-cutting. Earnings reports generally contained more positive surprises than negative ones. Fixed-income yields have been volatile but are likely to remain at very low levels in the immediate future.

While we believe that the prospects for financial assets remain generally positive over the long term, investors should be prepared to weather day-to-day volatility in the broad markets. As always, we encourage you to talk with your portfolio manager regularly should you have any questions about your investments in The Mellon Funds, or any other matter relating to your relationship with Mellon.

Thank you for your continued confidence in Mellon.

Sincerely,

Lawrence P. Keblusek
President
The Mellon Funds
March 15, 2004



DISCUSSION OF FUND PERFORMANCE

Eric N. Gutterson, CFA, Portfolio Manager

How did Mellon Bond Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund's Class M shares achieved a total return of 4.65%, and its Investor shares achieved a total return of 4.51%.¹ In comparison, the Lehman Brothers U.S. Aggregate Index (the "Index"), the fund's benchmark, achieved a total return of 4.92% for the same period.² The average total return of all funds reported in the Lipper Intermediate Investment Grade Debt Funds category was 4.66% for the same period.³

We attribute the fund and bond market's performance to the Federal Reserve Board's (the "Fed") patient approach by not raising short-term interest rates despite an improving U.S. economy. The fund's total returns were in line with the Lipper category average and slightly lower than the Index, which we attribute to its relatively defensive investment posture, including an average duration — a measure of sensitivity to changing interest rates — that was shorter than average for most of the reporting period.

What is the fund's investment approach?

The fund seeks to outperform the Lehman Brothers U.S. Aggregate Index while maintaining a similar risk level. To pursue its goal, the fund actively manages bond market and maturity exposure and invests at least 80% of its assets in bonds, such as U.S. Treasury and government agency bonds, corporate bonds, mortgage-related securities and foreign corporate and government bonds. The fund's investments in debt securities must be of investment-grade quality at the time of purchase or, if unrated, deemed of comparable quality by the investment adviser. Generally, the fund's average effective portfolio duration will not exceed eight

years.

What other factors influenced the fund's performance?

The fund was influenced by the growing asymmetry between a recovering U.S. economy and the Fed's still accommodative monetary policy. Historically, when the economy begins to expand at a relatively rapid rate, the Fed attempts to forestall inflationary pressures by raising short-term interest rates. However, the current economic recovery appears to be somewhat different from past rebounds in that inflationary pressures so far appear to be virtually absent, as evidenced by benign inflation measures to date such as the Consumer Price Index, which, until recently, kept the Fed more concerned about potential deflationary forces than inflationary ones. An additional factor has been the relatively weak domestic labor market. As a result, the Fed has kept the federal funds rate unchanged at 1% during the reporting period, and it has repeatedly reaffirmed its commitment to keeping interest rates low.

The conflicting signals sent by a growing economy and an accommodative Fed policy led to heightened short-term volatility in most segments of the bond market. However, when viewed from the perspective of the overall reporting period, long-term bond prices rose modestly, producing total returns slightly greater than their coupons.

In this uncertain market environment, we defensively positioned the fund's average duration in a range we considered shorter than average to guard against the eroding effects of potentially higher interest rates. This positioning modestly hurt the fund's returns when bond yields ended the reporting period at slightly lower levels than at the start of the reporting period. In addition, the fund's performance relative to its

benchmark was hurt by its overweight position in mortgage-backed securities, which produced relatively lackluster returns as many homeowners continued to refinance their mortgages, increasing return of principal to bondholders through higher prepayments.

However, the fund's emphasis on corporate bonds early in the reporting period proved beneficial to the fund's performance. Corporate bonds continued to perform well as business conditions improved in the recovering economy. The fund received particularly strong results from bonds of issuers in the cable television, media and automobile industries.

What is the fund's current strategy?

Because we believe that the Fed's next move — the timing of which is uncertain — is more likely to be an increase in short-term interest rates, we have continued to maintain the fund's relatively conservative investment posture. As of the end of the reporting period, the fund's average duration remained slightly shorter than average. In addition, we have positioned the portfolio with a "barbell" structure in which the fund's average duration is a blend of concentrations of securities at the short and long ends of the maturity range, rather than focusing on securities with maturities in the middle of the range. This strategy is designed to better position the fund for anticipated higher interest rates.

In addition, we have taken steps to upgrade the fund's credit quality by reducing its holdings of corporate bonds, locking in profits on corporate issues that have reached what we consider to be full valuations. We have redeployed a portion of those proceeds into U.S. government agency securities, which in some cases we believe represent more attractive values than similar maturity, higher-quality corporate bonds. As a result, the fund ended the reporting period with only a slightly greater exposure to corporate bonds than the Index, but with an emphasis on select longer-maturity issues that we believe are still fundamentally attractive. We are maintaining a generally underweight position in U.S. Treasury securities, which we believe continue to offer unattractively low yields. Of course, we are prepared to change the fund's composition and duration management strategy as market conditions evolve.

March 15, 2004

¹ Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price, yield and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost.

² SOURCE: LIPPER INC. — Reflects reinvestment of dividends and, where applicable, capital gain distributions. The Lehman Brothers U.S. Aggregate Index is a widely accepted, unmanaged total return index of corporate, U.S. government and U.S. government agency debt instruments, mortgage-backed securities and asset-backed securities with an average maturity of 1-10 years.

³ SOURCE: LIPPER INC. — Category average returns reflect the fees and expenses of the funds composing the average.



DISCUSSION OF FUND PERFORMANCE

Lawrence R. Dunn, Portfolio Manager

How did Mellon Intermediate Bond Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund's Class M shares achieved a total return of 3.99%, and its Investor shares achieved a total return of 3.87%.¹ In comparison, the Lehman Brothers Intermediate Government/Credit Bond Index (the "Index"), the fund's benchmark, achieved a 4.32% total return for the same period.² The average total return of all funds reported in the Lipper Intermediate Investment Grade Debt Funds category was 4.66% for the same period.³

Although bond prices generally ended the reporting period slightly higher from where they began at the start of the reporting period, these results masked heightened day-to-day market volatility as investors generally reacted to a strengthening economy and the possibility of higher short-term interest rates. While the fund's relatively short average duration — a measure of sensitivity to changing interest rates — helped it weather the market's volatility, it also caused the fund to produce lower total returns than the Index and the Lipper category average during the reporting period.

What is the fund's investment approach?

The fund seeks to outperform the Lehman Brothers Intermediate Government/Credit Bond Index while maintaining a similar risk level. To pursue its goal, the fund actively manages bond market and maturity exposure and invests at least 80% of its assets in bonds, such as U.S. government and agency bonds, corporate bonds, mortgage-related securities, foreign corporate and government bonds and municipal bonds. The fund's investments in debt securities must be of investment-grade quality at the time of purchase or, if unrated, deemed of comparable quality by the invest-

ment adviser. Generally, the fund's average effective portfolio maturity will be between three and 10 years, and its average effective portfolio duration will be between 2.5 and 5.5 years.

When managing the fund, we use a disciplined process to select securities and manage risk. We generally choose individual securities based on their yields, credit quality, the level of interest rates and inflation, general economic and financial trends and our outlook for the securities markets. Our management process also includes computer modeling and scenario testing of possible changes in market conditions.

What other factors influenced the fund's performance?

The fund and bond market's performance was primarily influenced by investors' changing expectations for the U.S. economy. When the reporting period began, the bond market had just experienced a sharp summertime sell-off among intermediate-term securities as new data suggested that the economy was recovering more robustly than many investors previously expected. Indeed, it was later revealed that U.S. Gross Domestic Product expanded at an 8.2% annualized rate during the third quarter of 2003, its highest quarterly growth rate in nearly 20 years.

Although investors' reactions to the strengthening economy caused bond prices to fluctuate over the near term, the market gradually recovered as it became clearer that the U.S. labor market remained weak and there were few inflationary pressures that might cause the Federal Reserve Board (the "Fed") to begin raising interest rates. In fact, throughout the reporting period, the Fed kept the federal funds rate unchanged at 1%, a 45-year low.

In this uncertain market environment, we adopted a defensive investment posture, setting the fund's average duration in a range we considered shorter than aver-

age. This positioning was designed to manage potential market volatility and give us the flexibility we needed to capture higher yields if interest rates began to rise. However, short-term rates remained steady and longer-term bond yields declined modestly as investors' inflation concerns waned, causing the fund's total returns to lag the Index.

The fund offset some of the effects of its relatively short average duration by maintaining a slightly longer than average duration among its holdings of corporate bonds, which performed well as business conditions generally improved for issuers. The fund's holdings of corporate bonds from issuers in the automobile industry provided particularly strong results during the reporting period. The fund also benefited from small positions in asset-backed securities and commercial mortgage-backed securities, which are not contained in the Index.

The fund's composition changed somewhat during the reporting period as we gradually reduced its holdings of mortgage-backed securities issued by U.S. government agencies. Although these securities performed relatively well when mortgage refinancing activity among homeowners began to abate from record levels, during the reporting period we found what we believed to be better values among U.S. government agency debentures, and we shifted assets from mortgage-backed securities to agency debt.

What is the fund's current strategy?

Although the timing of the Fed's next move is uncertain, we currently believe it is likely it will move toward raising short-term interest rates. Therefore, we have continued to maintain the fund's defensive posture, including an average duration that is modestly shorter than that of the Index. The fund also had a slightly overweight position in short-term U.S. government agency debentures. However, in an effort to capture incrementally higher yields, we have allocated slightly more assets to corporate bonds than the Index holds. Of course, we are prepared to change our strategies as bond market conditions evolve.

March 15, 2004

¹ Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price, yield and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost.

² SOURCE: LIPPER – Reflects reinvestment of dividends and, where applicable, capital gain distributions. The Lehman Brothers Intermediate Government/Credit Bond Index is a widely accepted, unmanaged index of government and corporate bond market performance composed of U.S. government, Treasury and agency securities, fixed-income securities and nonconvertible investment-grade corporate debt, with an average maturity of 1-10 years.

³ SOURCE: LIPPER INC. — Category average returns reflect the fees and expenses of the funds composing the average.



DISCUSSION OF FUND PERFORMANCE

Lawrence R. Dunn, Portfolio Manager

How did Mellon Short-Term U.S. Government Securities Fund perform relative to its benchmark?

For the six-month period ended February 29, 2004, the fund achieved total returns of 1.86% for its Class M shares and 1.46% for its Investor shares.¹ In comparison, the Lehman Brothers 1-3 Year U.S. Government Index (the “Index”), the fund’s benchmark, achieved a total return of 1.94% for the same period.² The average total return of all funds reported in the Lipper Short U.S. Government Funds category was 1.52% for the same period.³

The fund’s performance was primarily influenced during the reporting period by greater economic growth and the possibility that the Federal Reserve Board (the “Fed”) might raise short-term interest rates if renewed inflationary forces begin to emerge. Although the fund maintained a relatively defensive investment posture in the uncertain interest-rate environment, its sector allocation and security selection strategies enabled it to produce total returns that were better than its Lipper category average, and slightly lower than the Index.

What is the fund’s investment approach?

The fund seeks to provide as high a level of current income as is consistent with the preservation of capital. To pursue this goal, the fund invests at least 80% of its assets in securities issued or guaranteed by the U.S. government or its agencies or instrumentalities and in repurchase agreements. The fund may invest up to 35% of its net assets in mortgage-related securities issued by U.S. government agencies or instrumentalities, such as mortgage pass-through securities issued by the Government National Mortgage Association (“Ginnie Mae”), the Federal National Mortgage Association (“Fannie Mae”) and the Federal Home

Loan Mortgage Corporation (“Freddie Mac”). The fund may also invest in collateralized mortgage obligations (“CMOs”), including stripped mortgage-backed securities. Generally, the fund’s average effective portfolio maturity and its average effective portfolio duration will be less than three years.

When choosing securities, we typically first examine U.S. and global economic conditions and other market factors to estimate long- and short-term interest rates. Using a research-driven investment process, we then seek to identify what we believe are potentially profitable sectors before they are widely perceived by the market. We also seek to identify underpriced or mispriced securities that appear likely to perform well over time.

What other factors influenced the fund’s performance?

Short-term U.S. government securities were primarily influenced during the reporting period by investors’ changing expectations for the U.S. economy. Although short-term securities were affected less than longer-term bonds, the overall market had just experienced a sharp summertime sell-off when the reporting period began, as new data suggested that the economy was recovering more robustly than many investors previously expected. It was later revealed that U.S. Gross Domestic Product expanded at an 8.2% annualized rate during the third quarter of 2003, its highest quarterly growth rate in nearly 20 years.

As the reporting period progressed, however, it became clearer that the U.S. labor markets remained weak and few inflationary pressures had emerged that might cause the Fed to begin raising interest rates. In fact, throughout the reporting period, the Fed kept the federal funds rate unchanged at 1%, a 45-year low, and it repeatedly stated its commitment to maintaining low interest rates to stimulate further economic growth.

In this environment, we adopted a relatively defensive investment posture, setting the fund's average duration — a measure of sensitivity to changing interest rates — in a range that was slightly shorter than that of the Index. This positioning was designed to manage potential market volatility and give us the flexibility we needed to capture higher yields if interest rates began to rise. However, short-term rates remained steady, and the fund's defensive duration posture proved to be a slight drag on its performance.

We offset the effects of the fund's shorter than average duration with a sector allocation strategy that generally emphasized higher-yielding mortgage-backed securities from U.S. government agencies and de-emphasized lower-yielding U.S. Treasury securities. As more homeowners prepaid existing mortgages and refinanced at lower rates, effectively returning principal to bondholders, the fund's holdings of shorter-term mortgage-backed securities saw their durations shrink. We attempted to maintain the fund's overall duration posture by selling some of its shorter-term mortgages and reinvesting the proceeds in securities with somewhat longer maturities, including "seasoned" 15-year mortgages.

What is the fund's current strategy?

Although the timing of the Fed's next move is uncertain, we currently believe it is likely it will move toward raising short-term interest rates. Therefore, we have continued to maintain the fund's defensive posture, including an average duration that is modestly shorter than that of the Index. In addition, because yield differences among U.S. government securities of various maturities currently have been narrower than historical norms, it has made little sense to us to incur the additional risks a longer duration posture typically entails. Of course, we are prepared to change our strategies as bond market conditions evolve.

March 15, 2004

¹ Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price, yield and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost.

² SOURCE: LEHMAN BROTHERS — Reflects reinvestment of dividends and, where applicable, capital gain distributions. The Lehman Brothers 1-3 Year U.S. Government Index is a widely accepted, unmanaged index of government bond market performance composed of U.S. Treasury and agency securities with maturities of 1-3 years.

³ SOURCE: LIPPER INC. — Category average returns reflect the fees and expenses of the funds composing the average.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon Bond Fund				
	Principal Amount (\$)	Value (\$)	Principal Amount (\$)	Value (\$)
Bonds and Notes—98.2%				
Asset-Backed Ctfs.—				
Automobile Receivables—1.0%				
Harley-Davidson Motorcycle Trust, Ser. 2003-4, Cl. A2, 2.69%, 2011	8,470,000	8,555,501		
Asset-Backed Ctfs.—				
Credit Cards—1.3%				
Bank One Issuance Trust, Ser. 2003-C3, Cl. C3, 4.77%, 2016	11,000,000	10,791,653		
Automotive—1.5%				
Ford Motor, Global Landmark Securities, 7.45%, 2031	8,745,000	8,810,255		
General Motors, Sr. Notes, 8.375%, 2033	3,300,000	3,750,559		
		12,560,814		
Bank & Finance—10.0%				
Axa Financial, Sr. Notes, 7.75%, 2010	5,650,000	6,769,435		
Bank of America, Sr. Notes, 3.25%, 2008	8,850,000 ^a	8,858,885		
Bear Stearns & Cos., Notes, 4.5%, 2010	2,000,000	2,046,268		
CIT Group:: Sr. Notes, 4%, 2008	1,800,000 ^a	1,843,297		
Sr. Notes, 5.75%, 2007	3,000,000 ^a	3,269,625		
Citigroup: Sr. Notes, 6.2%, 2009	1,825,000	2,060,186		
Sub. Notes, 6.625%, 2032	1,700,000	1,902,584		
Countrywide Home Loans, Notes, 3.25%, 2008	5,265,000	5,252,306		
Fleet Financial, Notes, 6.375%, 2008	4,475,000	5,011,664		
GMAC, Notes, 4.375%, 2007	8,275,000 ^a	8,405,042		
Goldman Sachs, Notes, 4.75%, 2013	6,500,000	6,453,883		
Household Finance, Notes, 7.625%, 2032	2,275,000	2,834,793		
International Lease Finance, Notes, 4.55%, 2009	9,425,000	9,749,578		
KfW, Gtd. Global Notes, (Gtd. by Federal Rep. of Germany) 2.7%, 2007	6,030,000 ^b	6,055,284		
Lehman Brothers, Notes, 7%, 2008	4,000,000	4,566,308		
Merrill Lynch & Co., Notes, Ser. B, 3.125%, 2008	2,425,000	2,405,195		
			Bank & Finance (continued)	
			Morgan Stanley, Notes, 5.3%, 2013	4,000,000 4,178,684
			Wells Fargo & Co., Notes, 3.12%, 2008	2,425,000 2,408,944
				84,071,961
Collateralized Mortgage Obligations—4.1%				
ABN Amro Mortgage,				
Ser. 2002-1A,				
Cl. M, 5.638%, 2032				
			2,230,825 ^b	2,280,571
Federal Home Loan Mortgage Corp., Multiclass Mortgage Participation Ctfs., REMIC:				
Ser. 1660, Cl. H,				
6.5%, 1/15/2009				
			4,879,551	5,165,590
Ser. 2480, Cl. PD,				
6%, 11/15/2031				
			5,573,000	5,820,671
Ser. 2503, Cl. PG,				
6%, 4/15/2031				
			4,940,000	5,147,155
Federal National Mortgage Association, REMIC Trust, Pass-Through Ctfs.,				
Ser. 1992-18, Cl. HC,				
7.5%, 3/25/2007				
			918,693	967,291
Ser. 333, Cl. 2, 5.5%,				
3/1/2033				
(Interest Only Obligation)				
			15,391,804 ^c	3,353,665
Washington Mutual Mortgage Securities:				
Ser. 2002-AR4, Cl. A1,				
5.59%, 2032				
			1,202,496 ^b	1,226,930
Ser. 2002-AR4, Cl. A7,				
5.5963%, 2032				
			3,176,824 ^b	3,221,512
Ser. 2002-AR5, Cl. 1A3,				
4.695%, 2032				
			1,231,533 ^b	1,243,580
Ser. 2003-S4, Cl. 4A1,				
4%, 2032				
			5,521,755	5,422,760
Wells Fargo Mortgage Backed Securities Trust,				
Ser. 2002-B, Cl. B1, 6.15%, 2032				
			774,821 ^b	785,011
				34,634,736
Commercial Mortgage Pass-Through Ctfs.—1.5%				
Asset Securitization, Ser.1995-MD				
IV, Cl. A-1, 7.1%, 2029				
			2,551,623	2,736,552
GS Mortgage Securities II,				
Ser. 1998-GLII, Cl. A-2,				
6.562%, 2031				
			8,750,000	9,690,888
				12,427,440

Mellon Bond Fund (continued)				
Bonds and Notes (continued)	Principal Amount (\$)	Value (\$)	Principal Amount (\$)	Value (\$)
Foreign/Governmental—2.9%				
Korea Development Bank, Notes, 5.75%, 2013	1,600,000	1,696,589		
Province of Ontario: Notes, 5.125%, 2012	3,500,000	3,738,084		
Sr. Bonds, 5.5%, 2008	6,500,000 ^a	7,132,034		
Province of Quebec, Notes, 5%, 2009	5,400,000	5,785,420		
Republic of Italy, Notes, 3.25%, 2009	5,930,000	5,918,555		
		24,270,682		
Industrials—6.4%				
Conoco Funding, Notes, 7.25%, 2031	5,000,000	6,059,210		
Emerson Electric, Notes, 5%, 2014	4,290,000	4,425,092		
Federated Department Stores, Notes, 6.3%, 2009	4,000,000	4,477,484		
General Electric, Notes, 5%, 2013	7,000,000	7,256,053		
IBM, Sr. Notes, 4.75%, 2012	3,750,000	3,850,980		
International Paper, Notes, 5.3%, 2015	6,200,000	6,233,269		
Pemex Project Funding Master Trust: Bonds, 7.875%, 2009	7,840,000	8,984,640		
Notes, 7.375%, 2014	6,925,000	7,610,575		
Waste Management, Sr. Notes, 6.5%, 2008	3,865,000	4,340,975		
		53,238,278		
Media & Telecommunications—5.4%				
Comcast: Bonds, 7.05%, 2033	2,395,000 ^a	2,648,060		
Notes, 5.3%, 2014	2,975,000	3,024,183		
Comcast Cable Communications, Sr. Notes, 6.875%, 2009	4,775,000	5,437,455		
Sprint Capital: Notes, 6.875%, 2028	2,500,000	2,574,835		
Sr. Notes, 6.125%, 2008	4,800,000 ^a	5,230,829		
Time Warner, Debs., 6.95%, 2028	5,250,000 ^a	5,684,259		
Univision Communications, Sr. Notes, 3.5%, 2007	7,500,000	7,617,105		
Verizon New York, Debs., Ser. B, 7.375%, 2032	4,500,000 ^a	5,129,046		
			Media & Telecommunications (continued)	
			Verizon Virginia, Debs., Ser. A, 4.625%, 2013	1,625,000 1,596,852
			Vodafone: Notes, 7.75%, 2010	1,325,000 1,587,139
			Notes, 7.875%, 2030	3,850,000 4,843,870
				45,373,633
			Real Estate Investment Trust—1.3%	
			Liberty Property, Sr. Notes, 7.25%, 2011	9,300,000 10,793,813
			U.S. Government—12.7%	
			U.S. Treasury Bonds, 5.375%, 2/15/2031	37,385,000 ^a 40,296,918
			U.S. Treasury Notes: 4.25%, 11/15/2013	4,130,000 ^a 4,224,990
			4.375%, 5/15/2007	30,945,000 ^a 32,991,393
			6%, 8/15/2009	5,000,000 ^a 5,736,100
			6.5%, 10/15/2006	17,450,000 ^a 19,469,663
			U.S. Treasury Strip Principal, 0%, 11/15/2027	12,500,000 3,608,750
				106,327,814
			U.S. Government Agencies—13.4%	
			Federal Farm Credit Bank: Bonds, 2.125%, 7/17/2006	6,375,000 6,387,795
			Bonds, 2.25%, 9/1/2006	3,960,000 ^a 3,973,321
			Bonds, 2.375%, 10/2/2006	8,935,000 8,982,901
			Federal Home Loan Banks: Bonds, Ser. 419, 3.5%, 4/22/2008	5,220,000 5,252,239
			Bonds, Ser. 430, 2.875%, 9/15/2006	8,575,000 ^a 8,733,432
			Bonds, Ser. 439, 3.625%, 11/14/2008	4,430,000 4,519,561
			Bonds, Ser. S107, 3.75%, 8/15/2007	1,920,000 1,990,139
			Federal Home Loan Mortgage Corp.: Notes, 2.75%, 10/6/2006	6,850,000 6,907,136
			Notes, 2.85%, 2/23/2007	6,375,000 6,441,376
			Notes, 3%, 10/27/2006	7,585,000 7,668,534
			Notes, 3%, 7/22/2008	8,595,000 8,578,764
			Notes, 3.05%, 1/19/2007	7,060,000 7,159,002
			Notes, 3.125%, 8/25/2006	4,580,000 4,620,721
			Notes, 5.875%, 3/21/2011	7,465,000 ^a 8,251,609
			Federal National Mortgage Association: Bonds, 3.5%, 1/28/2008	9,250,000 9,340,733
			Notes, 2.03%, 2/9/2006	6,040,000 6,068,134
			Notes, 4%, 12/15/2008	7,590,000 7,703,562
				112,578,959

Mellon Bond Fund (continued)

		Principal		Principal	
Bonds and Notes (continued)		Amount (\$)	Value (\$)	Amount (\$)	Value (\$)
U.S. Government Agencies/ Mortgage Backed—34.6%					
Federal Home Loan Mortgage Corp.:					
4.5%, 6/1/2018	16,591,503	16,783,301			
5.5%, 9/1/2006-10/1/2033	31,052,805	31,938,442			
5.644%, 7/1/2031	2,169,395 ^b	2,218,467			
6%, 7/1/2017-11/1/2032	16,976,902	17,800,583			
6.5%, 8/1/2031-7/1/2032	6,016,853	6,332,189			
7%, 4/1/2032	2,087,943	2,216,476			
8.5%, 6/1/2018	5,590,058 ^a	6,145,542			
Federal National Mortgage Association:					
5%	17,855,000 ^d	17,888,389			
5%, 6/1/2018	8,793,123	9,040,386			
5.5%, 12/1/2017-1/1/2034	52,554,595	54,121,095			
6%, 10/1/2032-11/1/2032	36,031,337	37,551,139			
6.5%	7,860,000 ^d	8,267,698			
6.5%, 3/1/2017-8/1/2032	19,304,056	20,380,805			
7%, 6/1/2009-6/1/2032	11,638,692	12,380,807			
7.5%, 7/1/2032	3,720,990	3,987,264			
8%, 7/1/2007-2/1/2013	2,931,153	3,127,692			
Government National Mortgage Association I:					
6%, 10/15/2008-10/15/2033	13,761,190	14,429,783			
6.5%, 2/15/2024-5/15/2028	8,618,994	9,129,656			
7%, 5/15/2023-12/15/2023	5,904,469	6,285,372			
7.5%, 3/15/2027	1,856,744	2,002,368			
8%, 5/15/2007-2/15/2008	1,841,676	1,941,991			
9%, 12/15/2009	3,255,868	3,538,705			
Government National Mortgage Association II,					
6.5%, 4/20/2031	1,748,639	1,843,713			
		289,351,863			
Utilities—2.1%					
Energy East,					
Notes, 6.75%, 2012	5,765,000	6,529,180			
FPL Group Capital,					
Debs., 6.125%, 2007	6,000,000	6,605,310			
Utilities (continued)					
Florida Power & Light,					
First Mortgage, 5.95%, 2033	3,500,000	3,688,419			
Virginia Electric and Power,					
Notes, 4.5%, 2010	800,000	817,108			
		17,640,017			
Total Bonds and Notes					
(cost \$801,079,422)					822,617,164
Short-Term Investments—4.9%					
Commercial Paper—3.1%					
American Express,					
1.01%, 3/15/2004	26,064,000	26,064,000			
Repurchase Agreement—1.8%					
JPMorgan Chase & Co.,					
.92%, dated 2/27/2004, due					
3/1/2004 in the amount of					
14,590,118 (fully collateralized					
by \$13,590,000 U.S. Treasury					
Notes, 5%, 2/15/2011					
value \$14,907,042)	14,589,000	14,589,000			
Total Short-Term Investments					
(cost \$40,653,000)					40,653,000
Investment of Cash Collateral for Securities Loaned—13. 1%				Shares	Value (\$)
Registered Investment Company;					
Dreyfus Institutional Preferred					
Money Market Fund					
(cost \$109,826,897)				109,826,897 ^e	109,826,897
Total Investments					
(cost \$951,559,319)				116.2%	973,097,061
Liabilities, Less Cash and Receivables				(16.2%)	(135,725,820)
Net Assets				100.0%	837,371,241

^a All or a portion of these securities are on loan. At February 29, 2004 the total market value of the fund's securities on loan is \$114,465,961 and the total market value of the collateral held by the fund is \$118,411,647, consisting of cash collateral of \$109,826,897 and letters of credit valued at \$8,584,750.

^b Variable rate security—interest rate subject to periodic change.

^c Notional face amount shown.

^d Purchased on a forward commitment basis.

^e Investment in affiliated money market mutual fund.

See notes to financial statements.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon Intermediate Bond Fund				
Bonds and Notes—96.2%	Principal Amount (\$)	Value (\$)	Principal Amount (\$)	Value (\$)
Asset-Backed Ctfs.- Automobile Receivables—.8%			Bank & Finance (continued)	
Harley-Davidson Motorcycle Trust, Ser. 2003-4, Cl. A2, 2.69%, 2011	4,500,000	4,545,426	International Lease Finance, Medium-Term Notes, 4.55%, 2009	2,040,000 2,110,254
Asset-Backed Ctfs.- Credit Cards—.8%			J.P. Morgan Chase & Co., Sub. Notes, 6.75%, 2011	1,750,000 2,001,900
Bank One Issuance Trust, Ser. 2003-C3, Cl. C3, 4.77%, 2016	4,275,000	4,194,029	KfW, Gtd. Global Notes, (Gtd. by Federal Rep. of Germany), 2.7%, 2007	7,365,000 7,395,881
Bank & Finance—22.7%			Lehman Brothers, Notes, 7%, 2008	2,880,000 3,287,742
AXA Financial, Sr. Notes, 7.75%, 2010	3,625,000 ^a	4,343,221	Merrill Lynch & Co., Medium-Term Notes, Ser.B, 3.125%, 2008	5,000,000 4,959,165
Bank of America, Sr. Notes, 3.25%, 2008	4,300,000	4,304,317	Morgan Stanley Dean Witter: Notes, 5.3%, 2013	2,275,000 2,376,627
Bank of New York, Sr. Notes, 3.625%, 2009	4,575,000	4,616,047	Notes, 6.1%, 2006	5,545,000 5,985,805
BankBoston, Sub. Notes, 6.375%, 2008	2,225,000	2,492,576	Wachovia: Sr. Notes, 3.625%, 2009	3,500,000 3,528,371
Bear Stearns & Cos., Notes, 4.5%, 2010	2,100,000	2,148,581	Sub. Notes, 6.375%, 2009	1,000,000 1,126,014
CIT Group: Sr. Notes, 4%, 2008	900,000 ^a	921,649	Wells Fargo & Co., Notes, 3.12%, 2008	5,000,000 4,966,895
Sr. Notes, 5.75%, 2007	1,380,000	1,504,028		117,529,937
Citigroup, Sr. Notes, 6.2%, 2009	6,415,000	7,241,695	Collateralized Mortgage Obligations—2.8%	
Countrywide Home Loans, Medium-Term Notes, 3.25%, 2008	4,630,000	4,618,837	ABN Amro Mortgage, Ser. 2002-1A, Cl. M, 5.638%, 2032	929,514 ^b 950,241
Fifth Third Bancorp, Notes, 3.375%, 2008	2,800,000	2,824,836	Federal Home Loan Mortgage Corp., Multiclass Mortgage Participation Ctfs., REMIC: Ser. 2134, Cl. PM, 5.5%, 3/15/2014	4,656,641 4,893,757
Fleet Financial, Notes, 6.375%, 2008	1,750,000	1,959,869	Ser. 2480, Cl. PD, 6%, 11/15/2031	2,475,000 2,584,992
Ford Motor Credit: Notes, 6.5%, 2007	3,970,000	4,248,253	Ser. 2503, Cl. PG, 6%, 4/15/2031	1,735,000 1,807,756
Notes, 6.75%, 2008	8,000,000	8,522,096	Federal National Mortgage Association Gtd. Pass- Through Ctfs., (Interest Only Obligation) Ser. 333, Cl. 2, 5.5%, 3/1/2033	9,173,923 ^c 1,998,873
GMAC: Medium-Term Notes, 4.375%, 2007	3,525,000	3,580,395	Washington Mutual Mortgage Securities: Ser. 2002-AR4, Cl. A1, 5.504%, 2032	526,679 ^b 537,380
Notes, 7.25%, 2011	8,750,000	9,621,623	Ser. 2002-AR4, Cl. A7, 5.504%, 2032	1,429,566 ^b 1,449,676
General Electric Capital, Notes, 3.5%, 2008	5,885,000 ^a	5,972,993		
Goldman Sachs: Notes, 4.125%, 2008	3,000,000	3,112,491		
Notes, 4.75%, 2013	2,375,000	2,358,149		
Household Finance, Notes, 4.75%, 2013	5,400,000	5,399,627		

Mellon Intermediate Bond Fund (continued)

Bonds and Notes (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
Collateralized Mortgage Obligations (continued)			Media & Telecommunication (continued)		
Wells Fargo Mortgage Backed Securities Trust, Ser. 2002-B, Cl. B1, 6.15%, 2032	346,935 ^b	351,498	Comcast: Notes, 5.3%, 2014	3,600,000	3,659,515
		14,574,173	Sr. Notes, 6.875%, 2009	1,950,000 ^a	2,220,531
Commercial Mortgage- Pass-Through Cdfs-.9%			Sprint Capital: Notes, 8.375%, 2012	3,000,000 ^a	3,602,745
GS Mortgage Securities II, Ser. 1998-GLII, Cl. A-2, 6.562%, 2031	4,250,000	4,707,002	Sr. Notes, 6.125%, 2008	2,250,000	2,451,951
Foods-1.4%			Univision Communications, Sr. Notes, 3.5%, 2007	4,965,000	5,042,524
Kellogg, Sr. Notes, 2.875%, 2008	3,000,000	2,953,890	Verizon Virginia, Debs., Ser. A, 4.625%, 2013	6,500,000	6,387,407
Sara Lee, Notes, 3.875%, 2013	4,540,000	4,311,461	Vodafone Group, Notes, 7.75%, 2010	4,000,000	4,791,364
		7,265,351			35,617,130
Foreign/Governmental-6.4%			Oil & Gas-.2%		
Korea Development Bank, Notes, 5.75%, 2013	3,725,000	3,949,871	EnCana, Sr. Notes, 4.75%, 2013	1,150,000	1,162,872
Province of Ontario: Bonds, 2.65%, 2006	6,500,000 ^a	6,531,850	Real Estate Investment Trust-1.5%		
Notes, 5.125%, 2012	2,200,000	2,349,653	Liberty Property, Sr. Notes, 7.25%, 2011	6,705,000	7,781,991
Sr. Bonds, 5.5%, 2008	7,200,000	7,900,099	Technology-.9%		
Province of Quebec, Notes, 5%, 2009	5,000,000	5,356,870	IBM, Sr. Notes, 4.75%, 2012	4,500,000	4,621,176
Republic of Italy, Notes, 3.25%, 2009	7,275,000	7,260,959	U.S. Government-21.1%		
		33,349,302	U.S. Treasury Notes: 4.25%, 8/15/2013	7,905,000 ^a	8,105,099
Industrial-4.2%			4.25%, 11/15/2013	19,710,000 ^a	20,163,330
Conoco Funding, Notes, 6.35%, 2011	5,100,000	5,807,161	4.375%, 5/15/2007	19,910,000 ^a	21,226,648
Federated Department Stores, Notes, 6.3%, 2009	1,750,000	1,958,899	5.75%, 11/15/2005	13,165,000 ^a	14,113,802
International Paper, Notes, 5.3%, 2015	3,250,000	3,267,439	6%, 8/15/2009	1,900,000 ^a	2,179,718
Pemex Project Funding Master Trust: Notes, 7.375%, 2014	4,150,000	4,560,850	6.5%, 10/15/2006	38,870,000 ^a	43,368,814
Notes, 7.875%, 2009	3,600,000	4,125,600			109,157,411
Waste Management, Sr. Notes, 6.5%, 2008	1,960,000 ^a	2,201,374	U.S. Government Agencies-21.8%		
		21,921,323	Federal Farm Credit Banks: Bonds, 2.125%, 7/17/2006	7,700,000	7,715,454
Media & Telecommunication-6.9%			Bonds, 2.25%, 9/1/2006	4,500,000 ^a	4,515,138
AOL Time Warner, Notes, 6.875%, 2012	6,575,000	7,461,093	Bonds, 2.375%, 10/2/2006	4,770,000	4,795,572
			Federal Home Loan Banks: Bonds, Ser. 1Y06, 2.375%, 2/15/2006	6,480,000	6,551,662
			Bonds, Ser. 392, 2.5%, 3/15/2006	4,500,000	4,562,640
			Bonds, Ser. 419, 3.5%, 4/22/2008	2,715,000	2,731,768
			Bonds, Ser. 430, 2.875%, 9/15/2006	7,000,000	7,129,332

Mellon Intermediate Bond Fund (continued)

Bonds and Notes (continued)	Principal Amount (\$)	Value (\$)		Principal Amount (\$)	Value (\$)
U.S. Government Agencies (continued)			Utilities—1.6%		
Federal Home Loan Banks (continued):			Energy East, Notes, 6.75%, 2012	2,970,000	3,363,688
Bonds, Ser. S107, 3.75%, 8/15/2007	6,990,000	7,245,352	FPL Group Capital, Gtd. Debs., 6.125%, 2007	3,250,000	3,577,876
Bonds, Ser. S706, 5.375%, 5/15/2006	3,930,000	4,220,132	Virginia Electric and Power, Notes, 4.5%, 2010	1,225,000	1,251,198
Federal Home Loan Mortgage Corp.:					8,192,762
Notes, 2.375%, 5/19/2006	5,895,000	5,909,643			
Notes, 2.75%, 10/6/2006	5,685,000	5,732,419			
Notes, 2.85%, 2/23/2007	7,700,000	7,780,172			
Notes, 3%, 10/27/2006	730,000	738,039			
Notes, 3%, 7/22/2008	7,255,000	7,241,295			
Notes, 3.05%, 1/19/2007	6,490,000	6,581,009			
Notes, 3.125%, 8/25/2006	6,350,000	6,406,458			
Notes, 5.875%, 3/21/2011	4,915,000 ^a	5,432,908			
Federal National Mortgage Association:					
Notes, 2.03%, 2/9/2006	5,635,000	5,661,248			
Notes, 2.625%, 1/19/2007	3,685,000	3,692,377			
Notes, 2.875%, 5/19/2008	1,695,000	1,677,271			
Notes, 4%, 12/15/2008	6,730,000	6,830,695			
		113,150,584			
U.S. Government Agencies/ Mortgage-Backed—2.2%			Total Bonds and Notes (cost \$487,532,617)		
Federal Home Loan Mortgage Corp.:					498,619,505
3.5%, 5/1/2008	1,768,219	1,780,915			
4.5%, 11/1/2007	2,689,274	2,748,089			
4.924%, 11/1/2032	2,220,570 ^b	2,289,292			
6%, 12/1/2004	346,644	353,358			
Federal National Mortgage Association:					
5.5%, 6/1/2006	829,237	846,336			
7%, 6/1/2009	753,439	808,530			
Government National Mortgage Association I:					
6.5%, 9/15/2013	1,250,941	1,339,670			
8%, 2/15/2008	643,629	682,846			
		10,849,036			
			Short-Term Investments—3.2%		
			Repurchase Agreements;		
			JP Morgan Chase & Co., .92%, dated 2/27/2004 due 3/1/2004 in the amount of \$16,433,260 (fully collateralized by \$15,307,000 U.S. Treasury Notes, 5%, 2/15/2011, value \$16,790,441) (cost \$16,432,000)	16,432,000	16,432,000
			Investment of Cash Collateral for Securities Loaned—25.5%		
				Shares	Value (\$)
			Registered Investment Company;		
			Dreyfus Institutional Preferred Money Market Fund (cost \$132,422,615)	132,422,615 ^d	132,422,615
			Total Investments (cost \$636,387,232)	124.9%	647,474,120
			Liabilities, Less Cash and Receivables	(24.9%)	(129,130,615)
			Net Assets	100.0%	518,343,505

^a All or a portion of these securities are on loan. At February 29, 2004, the total market value of the fund's securities on loan is \$136,971,139 and the total market value of the collateral held by the fund is \$140,930,982, consisting of cash collateral of \$132,422,615, U.S. Government and agency securities valued at \$2,159,017 and letters of credit valued at \$6,349,350.

^b Variable rate security—interest rate subject to periodic change.

^c Notional face amount shown.

^d Investment in affiliated money market mutual fund.

See notes to financial statements.

STATEMENT OF INVESTMENTS

February 29, 2004 (Unaudited)

Mellon Short-Term U.S. Government Securities Fund				
	Principal Amount (\$)	Value (\$)	Principal Amount (\$)	Value (\$)
Bonds and Notes—96.5%				
Asset-Backed Ctfs.—.2%				
Student Loan Mortgage Association, Ser. 2003-4, Cl. A1, 1.19%, 3/16/2009	395,729 a	396,006		
Collateralized Mortgage Obligations—2.4%				
Federal Home Loan Mortgage Corp., Multiclass Mortgage Participation Ctfs. REMIC, Ser. 2495, Cl. UC, 5%, 7/15/2032	586,695	601,914		
Federal National Mortgage Association, REMIC Trust, Gtd. Pass-Through Ctfs., Ser. 2002-91, Cl. QA, 5%, 10/25/2005	390,565	391,791		
Vendee Mortgage Trust, Ser. 2003-2, Cl. A, 5%, 2013	2,843,348	2,891,774		
		3,885,479		
U.S. Government—41.0%				
U.S. Treasury Notes:				
2%, 11/30/2004	6,000,000	6,042,426		
4.375%, 5/15/2007	4,000,000 b	4,264,520		
5.625%, 2/15/2006	5,210,000 b	5,616,015		
5.75%, 11/15/2005	12,500,000 b	13,400,875		
5.875%, 11/15/2004	12,750,000 b	13,180,313		
6.5%, 10/15/2006	10,000,000 b	11,157,400		
6.75%, 5/15/2005	12,750,000 b	13,593,668		
		67,255,217		
U.S. Government Agencies—37.0%				
Federal Farm Credit Bank:				
Bonds, 1.875%, 11/16/2007	2,000,000	1,974,886		
Bonds, 2.125%, 8/15/2005	3,340,000	3,369,749		
Bonds, 2.125%, 7/17/2006	2,470,000	2,474,957		
Bonds, 2.25%, 9/1/2006	1,000,000 b	1,003,364		
Bonds, 2.375%, 10/2/2006	1,425,000	1,432,639		
Bonds, 2.625%, 12/15/2005	500,000	508,124		
Federal Home Loan Banks:				
Bonds, Ser. 1Y06, 2.375%, 2/15/2006	2,815,000	2,846,131		
Bonds, Ser. 375, 2.5%, 12/15/2005	1,000,000	1,014,941		
Bonds, Ser. 392, 2.5%, 3/15/2006	2,000,000	2,027,840		
Bonds, Ser. 407, 2.5%, 3/24/2006	1,110,000	1,110,921		
			U.S. Government Agencies (continued)	
			Federal Home Loan Banks (continued):	
			Bonds, Ser. EY06, 5.25%, 8/15/2006	1,225,000 1,317,353
			Bonds, Ser. S706, 5.375%, 5/15/2006	1,605,000 1,723,489
			Federal Home Loan Mortgage Corp., Bonds, 2.1%, 10/7/2005	605,000 605,562
			Notes, 2.14%, 2/24/2006	1,000,000 1,006,182
			Notes, 2.2%, 12/30/2005	1,500,000 1,511,525
			Notes, 2.25%, 2/17/2006	1,765,000 1,773,534
			Notes, 2.375%, 5/19/2006	1,650,000 1,654,099
			Notes, 2.5%, 9/26/2006	1,500,000 1,501,248
			Notes, 2.5%, 12/4/2006	1,000,000 1,002,454
			Notes, 2.75%, 10/6/2006	1,130,000 1,139,425
			Notes, 2.85%, 2/23/2007	2,470,000 2,495,718
			Notes, 3%, 4/25/2007	2,000,000 2,026,632
			Notes, 3%, 7/22/2008	1,470,000 1,467,223
			Notes, 3.05%, 1/19/2007	1,295,000 1,313,160
			Notes, 3.5%, 8/16/2005	930,000 939,786
			Notes, 3.5%, 5/19/2008	2,000,000 2,010,424
			Notes, 3.65%, 1/23/2008	2,440,000 2,507,278
			Notes, 5.25%, 1/15/2006	1,000,000 b 1,064,936
			Federal National Mortgage Association:	
			Notes, 2.03%, 2/9/2006	1,500,000 1,506,987
			Notes, 2.16%, 12/8/2005	1,000,000 1,007,146
			Notes, 2.17%, 11/14/2005	2,700,000 2,705,532
			Notes, 2.32%, 10/1/2005	1,000,000 1,001,611
			Notes, 2.375%, 3/17/2006	1,110,000 1,110,458
			Notes, 2.5%, 5/12/2006	1,009,000 1,011,579
			Notes, 2.625%, 1/19/2007	745,000 746,491
			Notes, 2.875%, 5/19/2008	2,500,000 2,473,850
			Notes, 3%, 12/15/2006	1,000,000 1,007,130
			Notes, 3.05%, 4/20/2007	1,000,000 1,010,800
			Notes, 5.15%, 5/3/2007	1,500,000 1,567,355
			Tennessee Valley Authority, Debs., Ser. A, 6.375%, 6/15/2005	793,000 843,687
				60,816,206
			U.S. Government Agencies/ Mortgage-Backed—15.9%	
			Federal Home Loan Mortgage Corp.:	
			3.5%, 5/1/2008-9/1/2008	7,182,986 7,234,560
			4%, 2/1/2008-3/1/2010	7,167,722 7,299,742
			4.5%, 11/1/2007-12/1/2007	2,368,317 2,423,856

Mellon Short-Term U.S. Government Securities Fund (continued)					
Bonds and Notes (continued)	Principal Amount (\$)	Value (\$)	Short-Term Investments—2.9%	Principal Amount (\$)	Value (\$)
U.S. Government Agencies/ Mortgage-Backed (continued)			Repurchase Agreements;		
Federal Home Loan Mortgage Corp. (continued):			JPMorgan Chase & Co., .92%, dated 2/27/2004, due 3/1/2004 in the amount of \$4,811,369 (fully collateralized by \$4,481,000 U.S. Treasury Bonds, 5%, 2/15/2011 value \$4,915,265) (cost \$4,811,000)	4,811,000	4,811,000
4.924%, 11/1/2032	555,142 ^a	572,323			
5.644%, 7/1/2031	222,502 ^a	227,535			
6%, 12/1/2004	112,134	114,306			
Federal National Mortgage Association:			Investment of Cash Collateral for Securities Loaned—24.7%	Shares	Value (\$)
4.5%, 12/1/2009	676,236	689,970			
4.581%, 4/1/2032	412,743 ^a	425,901			
4.65%, 6/1/2032	1,057,674 ^a	1,094,693			
4.712%, 5/1/2032	684,494 ^a	709,895			
4.917%, 5/1/2032	266,205 ^a	274,939			
5.057%, 3/1/2032	333,114 ^a	344,470			
5.574%, 6/1/2032	459,790 ^a	476,897			
5.718%, 3/1/2032	127,261 ^a	130,930			
5.851%, 6/1/2032	959,827 ^a	990,561			
Government National Mortgage Association I, 6%, 12/15/2008-4/15/2009	2,853,615	3,033,687	Registered Investment Company;		
		26,044,265	Dreyfus Institutional Preferred Money Market Fund (cost \$40,427,165)	40,427,165 ^c	40,427,165
Total Bonds and Notes			Total Investment		
(cost \$157,513,058)		158,397,173	(cost \$202,751,223)	124.1%	203,635,338
			Liabilities, Less		
			Cash and Receivables	(24.1%)	(39,495,507)
			Net Assets	100.0%	164,139,831

^a Variable rate security—interest rate subject to periodic change.

^b All or a portion of these securities are on loan. At February 29, 2004, the total market value of the fund's securities on loan is \$48,217,584 and the total market value of the collateral held by the fund is \$49,781,754, consisting of cash collateral of \$40,427,165, U.S. Government and agency securities valued at \$6,144,439 and letters of credit valued at \$3,210,150.

^c Investment in affiliated money market mutual fund.

See notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES

February 29, 2004 (Unaudited)

	Mellon Bond Fund	Mellon Intermediate Bond Fund	Mellon Short-Term U.S. Government Securities Fund
Assets (\$):			
Investments in securities— See Statement of Investments+—Note 2(c) (including securities on loan)+—Note 2(b):			
Unaffiliated issuers	863,270,164	515,051,505	163,208,173
Affiliated issuers	109,826,897	132,422,615	40,427,165
Cash	—	59,777	—
Receivable for investment securities sold	9,693,851	7,279,196	—
Dividend and interest receivable	6,718,434	5,679,806	1,503,585
Paydowns receivable	502,773	76,469	43,203
Receivable for shares of Beneficial Interest subscribed	46,401	42,400	—
Prepaid expenses	24,159	9,818	10,566
	990,082,679	660,621,586	205,192,692
Liabilities (\$):			
Due to The Dreyfus Corporation and affiliates—Note 3(a)	281,296	167,990	47,498
Due to Administrator—Note 3(a)	98,558	55,485	17,697
Cash overdraft due to Custodian	2,315,351	—	283,508
Liability for securities on loan—Note 2(b)	109,826,897	132,422,615	40,427,165
Payable for investment securities purchased	35,720,863	9,599,802	—
Payable for shares of Beneficial Interest redeemed	4,442,072	372	258,698
Accrued expenses	26,401	31,817	18,295
	152,711,438	142,278,081	41,052,861
Net Assets (\$)	837,371,241	518,343,505	164,139,831
Composition of Net Assets (\$):			
Paid-in capital	817,587,085	507,225,112	164,452,449
Accumulated distributions in excess of investment income—net	(1,948,879)	(1,536,450)	(1,110,060)
Accumulated net realized gain (loss) on investments	195,293	1,567,955	(86,673)
Accumulated net unrealized appreciation (depreciation) on investments	21,537,742	11,086,888	884,115
Net Assets (\$)	837,371,241	518,343,505	164,139,831
Net Asset Value Per Share			
Class M Shares			
Net Assets (\$)	833,941,304	517,861,766	164,093,932
Shares Outstanding	64,414,427	39,932,900	12,935,009
Net Asset Value Per Share (\$)	12.95	12.97	12.69
Investor Shares			
Net Assets (\$)	3,429,937	481,739	45,900
Shares Outstanding	265,212	37,007	3,620
Net Asset Value Per Share (\$)	12.93	13.02	12.68
+ Investments at cost (\$):			
Unaffiliated issuers	841,732,422	503,964,617	162,324,058
Affiliated issuers	109,826,897	132,422,615	40,427,165
** Value of securities on loan (\$)	109,829,897	136,971,139	48,217,584

See notes to financial statements.

STATEMENT OF OPERATIONS

Year Ended February 29, 2004 (Unaudited)

	Mellon Bond Fund	Mellon Intermediate Bond Fund	Mellon Short-Term U.S. Government Securities Fund
Investment Income (\$):			
Income:			
Interest	18,896,925	9,427,566	1,892,462
Income on securities lending	46,075	44,617	11,670
Total Income	18,943,000	9,472,183	1,904,132
Expenses:			
Investment advisory fee—Note 3(a)	1,679,704	974,265	258,979
Administration fee—Note 3(a)	589,190	337,282	102,448
Custodian fees—Note 3(b)	37,852	21,037	9,617
Trustees' fees and expenses—Note 3(c)	15,598	10,485	2,777
Registration fees	12,461	22,560	16,207
Auditing fees	8,185	14,006	10,456
Prospectus and shareholders' reports	4,401	3,553	2,425
Legal fees	4,207	2,259	779
Shareholder servicing costs—Note 3(b)	4,313	633	43
Miscellaneous	18,956	5,321	4,101
Total Expenses	2,374,867	1,391,401	407,832
Less—reduction in investment advisory fee due to undertaking—Note 3(a)	(15,203)	(1,491)	(985)
Net Expenses	2,359,664	1,389,910	406,847
Investment Income—Net	16,583,336	8,082,273	1,497,285
Realized and Unrealized Gain (Loss) on Investments—Note 4 (\$):			
Net realized gain (loss) on investments	743,773	1,678,634	70,838
Net unrealized appreciation (depreciation) on investments	20,971,969	9,388,073	1,145,655
Net Realized and Unrealized Gain (Loss) on Investments	21,715,742	11,066,707	1,216,493
Net Increase in Net Assets Resulting from Operations	38,299,078	19,148,980	2,713,778

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Mellon Bond Fund		Mellon Intermediate Bond Fund	
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a
Operations (\$):				
Investment income—net	16,583,336	39,193,876	8,082,273	17,851,680
Net realized gain (loss) on investments	743,773	21,021,492	1,678,634	11,634,071
Net unrealized appreciation (depreciation) on investments	20,971,969	(16,559,641)	9,388,073	(8,743,236)
Net Increase (Decrease) in Net Assets Resulting from Operations	38,299,078	43,655,727	19,148,980	20,742,515
Dividends to Shareholders from (\$):				
Investment income—net:				
Class M Shares	(19,002,545)	(42,669,078)	(10,086,910)	(20,497,599)
Investor Shares	(71,788)	(166,606)	(8,116)	(11,727)
Net realized gain on investments:				
Class M Shares	(17,018,671)	(1,932,363)	(9,166,862)	(3,417,469)
Investor Shares	(61,689)	(7,703)	(8,352)	(1,910)
Total Dividends	(36,154,693)	(44,775,750)	(19,270,240)	(23,928,705)
Beneficial Interest Transactions (\$):				
Net proceeds from shares sold:				
Class M Shares	40,111,935	69,550,829	70,633,746	114,141,992
Investor Shares	477,126	1,365,325	276,091	252,744
Dividends reinvested:				
Class M Shares	13,373,123	5,946,666	6,921,839	3,875,914
Investor Shares	61,829	60,655	11,472	7,230
Cost of shares redeemed:				
Class M Shares	(68,131,770)	(194,103,171)	(27,197,051)	(84,328,525)
Investor Shares	(990,360)	(1,238,201)	(109,661)	(74,088)
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	(15,098,117)	(118,417,897)	50,536,436	33,875,267
Total Increase (Decrease) In Net Assets	(12,953,732)	(119,537,920)	50,415,176	30,689,077
Net Assets (\$):				
Beginning of Period	850,324,973	969,862,893	467,928,329	437,239,252
End of Period	837,371,241	850,324,973	518,343,505	467,928,329
Undistributed (distributions in excess of) investment income—net	(1,948,879)	542,118	(1,536,450)	476,303
Capital Share Transactions (Shares):				
Class M Shares				
Shares sold	3,076,985	5,306,287	5,419,184	8,676,341
Shares issued for dividends reinvested	1,041,509	454,834	537,992	295,911
Shares redeemed	(5,233,582)	(14,835,802)	(2,081,936)	(6,433,388)
Net Increase (Decrease) in Shares Outstanding	(1,115,088)	(9,074,681)	3,875,240	2,538,864
Investor Shares				
Shares sold	37,068	102,758	21,006	19,158
Shares issued for dividends reinvested	4,799	4,641	885	547
Shares redeemed	(75,817)	(93,660)	(8,303)	(5,502)
Net Increase (Decrease) in Shares Outstanding	(33,950)	13,739	13,588	14,203

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.
See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS (continued)

	Mellon Short-Term U.S. Government Securities Fund	
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31, 2003 ^a
Operations (\$):		
Investment income—net	1,497,285	3,211,179
Net realized gain (loss) on investments	70,838	836,692
Net unrealized appreciation (depreciation) on investments	1,145,655	(2,354,548)
Net Increase (Decrease) in Net Assets Resulting from Operations	2,713,778	1,693,323
Dividends to Shareholders from (\$):		
Investment income—net:		
Class M Shares	(2,693,641)	(4,057,467)
Investor Shares	(18)	(2,853)
Net realized gain on investments:		
Class M Shares	(198,147)	(271,963)
Investor Shares	(1)	(66)
Total Dividends	(2,891,807)	(4,332,349)
Beneficial Interest Transactions (\$):		
Net proceeds from shares sold:		
Class M Shares	42,971,235	90,188,195
Investor Shares	44,804	2,261,752
Dividends reinvested:		
Class M Shares	513,226	713,842
Investor Shares	20	816
Cost of shares redeemed:		
Class M Shares	(19,183,985)	(56,893,927)
Investor Shares	(72)	(2,264,845)
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	24,345,228	34,005,833
Total Increase (Decrease) In Net Assets	24,167,199	31,366,807
Net Assets (\$):		
Beginning of Period	139,972,632	108,605,825
End of Period	164,139,831	139,972,632
Undistributed (distributions in excess of) investment income—net	(1,110,060)	86,314
Capital Share Transactions (Shares):		
Class M Shares		
Shares sold	3,379,161	6,979,242
Shares issued for dividends reinvested	40,446	55,364
Shares redeemed	(1,508,350)	(4,403,984)
Net Increase (Decrease) in Shares Outstanding	1,911,257	2,630,622
Investor Shares		
Shares sold	3,533	175,049
Shares issued for dividends reinvested	2	63
Shares redeemed	(5)	(175,104)
Net Increase (Decrease) in Shares Outstanding	3,530	8

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.
See notes to financial statements.

FINANCIAL HIGHLIGHTS

The following tables describe the performance for each share class of each fund for the fiscal periods indicated. All information (except portfolio turnover rate) reflects financial results for a single fund share. Total return shows how much your investment in each fund would have increased (or decreased) during each period, assuming you had reinvested all dividends and distributions. These figures have been derived from each fund's financial statements.

	Class M Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003 ^a	2002 ^b	2001 ^c
Mellon Bond Fund				
Per Share Data (\$):				
Net asset value, beginning of period	12.92	12.95	13.15	12.50
Investment Operations:				
Investment income—net	.26 ^d	.56 ^d	.67 ^d	.70
Net realized and unrealized gain (loss) on investments	.34	.06	(.02)	.65
Total from Investment Operations	.60	.62	.65	1.35
Distributions:				
Dividends from investment income—net	(.30)	(.62)	(.69)	(.70)
Dividends from net realized gain on investments	(.27)	(.03)	(.16)	—
Total Distributions	(.57)	(.65)	(.85)	(.70)
Net asset value, end of period	12.95	12.92	12.95	13.15
Total Return (%)	4.65 ^e	4.73	5.11	11.05 ^e
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.56 ^f	.55	.55	.56 ^f
Ratio of net investment income to average net assets	3.95 ^f	4.30	5.19	5.96 ^f
Decrease reflected in above expense ratios due to undertakings by the Administrator	.00 ^{f,g}	.02	.02	.02 ^f
Portfolio Turnover Rate	62.77 ^{e,h}	134.12	163.78	120.55 ^e
Net Assets, end of period (\$ x 1,000)	833,941	846,464	966,170	675,666

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on fixed income securities on a scientific basis and including paydown gains and losses in interest income. The effect of this change for the period ended August 31, 2002 was to decrease net investment income per share by \$.02, increase net realized and unrealized gain (loss) on investments per share by \$.02 and decrease the ratio of net investment income to average net assets from 5.32% to 5.19%. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^c From October 2, 2000 (commencement of operations) to August 31, 2001. Effective July 11, 2001, shares of the fund were redesignated as MPAM shares and the fund commenced selling Investor shares.

^d Based on average shares outstanding at each month end.

^e Not annualized.

^f Annualized.

^g Amount represents less than .01%.

^h The portfolio turnover rate excluding mortgage dollar rollover transactions was 59.63%.

See notes to financial statements.

	Six Months Ended February 29, 2004 (Unaudited)	Investor Shares		
		Year Ended August 31,		
		2003	2002 ^a	2001 ^b
Mellon Bond Fund				
Per Share Data (\$):				
Net asset value, beginning of period	12.90	12.94	13.15	12.94
Investment Operations:				
Investment income—net	.24 ^c	.54 ^c	.63 ^c	.10
Net realized and unrealized gain (loss) on investments	.34	.04	(.02)	.23
Total from Investment Operations	.58	.58	.61	.33
Distributions:				
Dividends from investment income—net	(.28)	(.59)	(.66)	(.12)
Dividends from net realized gain on investments	(.27)	(.03)	(.16)	—
Total Distributions	(.55)	(.62)	(.82)	(.12)
Net asset value, end of period	12.93	12.90	12.94	13.15
Total Return (%)	4.51 ^d	4.48	4.73	2.54 ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.81 ^e	.80	.80	.81 ^e
Ratio of net investment income to average net assets	3.69 ^e	4.11	4.96	6.03 ^e
Decrease reflected in above expense ratios due to undertakings by the Administrator	.00 ^{e,f}	.02	.02	.53 ^e
Portfolio Turnover Rate	62.77 ^{d,g}	134.12	163.78	120.55 ^d
Net Assets, end of period (\$ x 1,000)	3,430	3,861	3,693	957

^a As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on fixed income securities on a scientific basis and including paydown gains and losses in interest income. The effect of this change for the period ended August 31, 2002 was to decrease net investment income per share by \$.02, increase net realized and unrealized gain (loss) on investments per share by \$.02 and decrease the ratio of net investment income to average net assets from 5.08% to 4.96%. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^b From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Not annualized.

^e Annualized.

^f Amount represents less than .01%.

^g The portfolio turnover rate excluding mortgage dollar rollover transactions was 59.63%.

See notes to financial statements.

Mellon Intermediate Bond Fund	Class M Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003 ^a	2002 ^b	2001 ^c
Per Share Data (\$):				
Net asset value, beginning of period	12.97	13.04	13.08	12.50
Investment Operations:				
Investment income—net	.21 ^d	.51 ^d	.62 ^d	.68
Net realized and unrealized gain (loss) on investments	.30	.11	.15	.58
Total from Investment Operations	.51	.62	.77	1.26
Distributions:				
Dividends from investment income—net	(.27)	(.59)	(.67)	(.68)
Dividends from net realized gain on investments	(.24)	(.10)	(.14)	—
Total Distributions	(.51)	(.69)	(.81)	(.68)
Net asset value, end of period	12.97	12.97	13.04	13.08
Total Return (%)	3.99 ^e	4.77	6.09	10.29 ^e
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.57 ^f	.56	.56	.56 ^f
Ratio of net investment income to average net assets	3.32 ^f	3.88	4.81	5.77 ^f
Decrease reflected in above expense ratios due to undertakings by the Administrator	.00 ^{f,g}	.01	.02	.03 ^f
Portfolio Turnover Rate	64.57 ^e	104.98	106.09	134.69 ^e
Net Assets, end of period (\$ x 1,000)	517,862	467,627	437,119	398,959

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on fixed income securities on a scientific basis and including paydown gains and losses in interest income. The effect of this change for the period ended August 31, 2002 was to decrease net investment income per share by \$.04, increase net realized and unrealized gain (loss) on investments per share by \$.04 and decrease the ratio of net investment income to average net assets from 5.15% to 4.81%. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^c From October 2, 2000 (commencement of operations) to August 31, 2001.

^d Based on average shares outstanding at each month end.

^e Not annualized.

^f Annualized.

^g Amount represents less than .01%.

See notes to financial statements.

	Six Months Ended February 29, 2004 (Unaudited)	Investor Shares		
		Year Ended August 31,		
		2003	2002 ^a	2001 ^b
Mellon Intermediate Bond Fund				
Per Share Data (\$):				
Net asset value, beginning of period	13.02	13.08	13.09	12.90
Investment Operations:				
Investment income—net	.20 ^c	.48 ^c	.56 ^c	.20
Net realized and unrealized gain (loss) on investments	.29	.12	.20	.10
Total from Investment Operations	.49	.60	.76	.30
Distributions:				
Dividends from investment income—net	(.25)	(.56)	(.63)	(.11)
Dividends from net realized gain on investments	(.24)	(.10)	(.14)	—
Total Distributions	(.49)	(.66)	(.77)	(.11)
Net asset value, end of period	13.02	13.02	13.08	13.09
Total Return (%)	3.87 ^d	4.51	6.05	2.31 ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.83 ^e	.81	.81	.81 ^e
Ratio of net investment income to average net assets	3.07 ^e	3.57	4.51	5.14 ^e
Decrease reflected in above expense ratios due to undertakings by the Administrator	.00 ^{e,f}	—	.02	.12 ^e
Portfolio Turnover Rate	64.57 ^d	104.98	106.09	134.69 ^d
Net Assets, end of period (\$ x 1,000)	482	305	121	148

^a As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on fixed income securities on a scientific basis and including paydown gains and losses in interest income. The effect of this change for the period ended August 31, 2002 was to decrease net investment income per share by \$.04, increase net realized and unrealized gain (loss) on investments per share by \$.04 and decrease the ratio of net investment income to average net assets from 4.90% to 4.51%. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^b From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Not annualized.

^e Annualized.

^f Amount represents less than .01%.

See notes to financial statements.

	Class M Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
Mellon Short-Term U.S. Government Securities Fund		2003 ^a	2002 ^b	2001 ^c
Per Share Data (\$):				
Net asset value, beginning of period	12.70	12.94	12.87	12.50
Investment Operations:				
Investment income—net	.13 ^d	.34 ^d	.52 ^d	.63
Net realized and unrealized gain (loss) on investments	.11	(.11)	.22	.37
Total from Investment Operations	.24	.23	.74	1.00
Distributions:				
Dividends from investment income—net	(.23)	(.44)	(.58)	(.63)
Dividends from net realized gain on investments	(.02)	(.03)	(.09)	(.00) ^e
Total Distributions	(.25)	(.47)	(.67)	(.63)
Net asset value, end of period	12.69	12.70	12.94	12.87
Total Return (%)	1.86 ^f	1.68	5.87	8.20 ^f
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.55 ^g	.55	.55	.55 ^g
Ratio of net investment income to average net assets	2.02 ^g	2.68	4.07	5.41 ^g
Decrease reflected in above expense ratios due to undertakings by the Administrator	.00 ^{g,h}	.01	.04	.04 ^g
Portfolio Turnover Rate	21.75 ^f	88.05	97.19	89.21 ^f
Net Assets, end of period (\$ x 1,000)	164,094	139,971	108,605	88,732

^a Effective December 16, 2002, MPAM shares were redesignated as Class M shares.

^b As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on fixed income securities on a scientific basis and including paydown gains and losses in interest income. The effect of this change for the period ended August 31, 2002 was to decrease net investment income per share by \$.05, increase net realized and unrealized gain (loss) on investments per share by \$.05 and decrease the ratio of net investment income to average net assets from 4.47% to 4.07% for Class M shares. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^c From October 2, 2000 (commencement of operations) to August 31, 2001. Effective July 11, 2001, shares of the fund were redesignated as MPAM shares and the fund commenced selling Investor shares.

^d Based on average shares outstanding at each month end.

^e Amount represents less than \$.01.

^f Not annualized.

^g Annualized.

^h Amount represents less than .01%.

See notes to financial statements.

Mellon Short-Term U.S. Government Securities Fund	Investor Shares			
	Six Months Ended February 29, 2004 (Unaudited)	Year Ended August 31,		
		2003	2002 ^a	2001 ^b
Per Share Data (\$):				
Net asset value, beginning of period	12.73	12.93	12.88	12.82
Investment Operations:				
Investment income—net	.12 ^c	.30 ^c	.46 ^c	.09
Net realized and unrealized gain (loss) on investments	.06	(.06)	.21	.08
Total from Investment Operations	.18	.24	.67	.17
Distributions:				
Dividends from investment income—net	(.21)	(.41)	(.53)	(.11)
Dividends from net realized gain on investments	(.02)	(.03)	(.09)	—
Total Distributions	(.23)	(.44)	(.62)	(.11)
Net asset value, end of period	12.68	12.73	12.93	12.88
Total Return (%)	1.46 ^d	1.78	5.28	1.29 ^d
Ratios/Supplemental Data (%):				
Ratio of expenses to average net assets	.80 ^e	.80	.80	.80 ^e
Ratio of net investment income to average net assets	1.72 ^e	2.38	3.54	4.86 ^e
Decrease reflected in above expense ratios due to undertakings by the Administrator	.00 ^{e,f}	.03	.10	.20 ^e
Portfolio Turnover Rate	21.75 ^d	88.05	97.19	89.21 ^d
Net Assets, end of period (\$ x 1,000)	46	1	1	1

^a As required, effective September 1, 2001, the fund has adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began amortizing discount or premium on fixed income securities on a scientific basis and including paydown gains and losses in interest income. The effect of this change for the period ended August 31, 2002 was to decrease net investment income per share by \$.05, increase net realized and unrealized gain (loss) on investments per share by \$.05 and decrease the ratio of net investment income to average net assets from and 3.94% to 3.54%. Per share data and ratios/supplemental data for periods prior to September 1, 2001 have not been restated to reflect this change in presentation.

^b From July 11, 2001 (date the fund began offering Investor shares) to August 31, 2001.

^c Based on average shares outstanding at each month end.

^d Not annualized.

^e Annualized.

^f Amount represents less than .01%.

See notes to financial statements.

NOTE 1—General:

Mellon Funds Trust (the “Trust”) was organized as a Massachusetts business trust which is registered under the Investment Company Act of 1940, as amended (the “Act”), as an open-end management investment company and operates as a series company currently comprised of sixteen series including the following diversified fixed income funds: Mellon Bond Fund, Mellon Intermediate Bond Fund and Mellon Short-Term U.S. Government Securities Fund (each, a “fund” and collectively, the “funds”). Mellon Bond Fund investment objective is to seek to outperform the Lehman Brothers Aggregate Bond Index while maintaining a similar risk level. Mellon Intermediate Bond Fund investment objective is to seek to outperform the Lehman Brothers Intermediate Government/Credit Bond Index while maintaining a similar risk level. Mellon Short-Term U.S. Government Securities Fund investment objective is to seek to provide as high a level of current income as is consistent with the preservation of capital. Mellon Fund Advisers, a division of The Dreyfus Corporation (“Dreyfus”), serves as each fund’s investment adviser (“Investment Adviser”). Mellon Bank, N.A. (“Mellon”), which is a wholly-owned subsidiary of Mellon Financial Corporation, serves as administrator for the funds pursuant to an Administration Agreement with the Trust (the “Administration Agreement”). Mellon has entered into a Sub-Administration Agreement with Dreyfus pursuant to which Mellon pays Dreyfus for performing certain administrative services. Dreyfus is a wholly-owned subsidiary of Mellon. Dreyfus Service Corporation (the “Distributor”), a wholly-owned subsidiary of Dreyfus, is the Distributor of each fund’s shares, which are sold without a sales charge.

The Trust is authorized to issue an unlimited number of shares of beneficial interest, par value \$.001 per share, in each of the Class M and Investor class shares of each fund. Each class of shares has similar rights and privileges, except with respect to the expenses borne by and the shareholder services offered to each class and the shareholder services plan applicable to the Investor shares and certain voting rights. Income, expenses (other than expenses attribut-

able to a specific class), and realized and unrealized gains or losses on investments are allocated to each class of shares based on its relative net assets.

The Trust accounts separately for the assets, liabilities and operations of each series. Expenses directly attributable to each series are charged to that series’ operations; expenses that are applicable to all series are allocated among them on a pro rata basis.

The funds’ financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

NOTE 2—Significant Accounting Policies:

(a) Portfolio valuation: Investments in securities are valued each business day by an independent pricing service (the “Service”) approved by the Trust’s Board. Investments for which quoted bid prices are readily available and are representative of the bid side of the market in the judgment of the Service are valued at the mean between the quoted bid prices (as obtained by the Service from dealers in such securities) and asked prices (as calculated by the Service based upon its evaluation of the market for such securities). Other investments (which constitute a majority of each fund’s debt securities) are valued by the Service, based on methods which include consideration of: yields or prices of securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions. Securities for which there are no such valuations are valued at fair value as determined in good faith under the direction of the Trust’s Board.

(b) Securities transactions and investment income: Securities transactions are recorded on a trade date basis. Realized gain and loss from securities transactions are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date and interest income, including accretion of discount and amortization of premium on investments, is recognized on the accrual basis. The funds may lend securities to certain qualified insti-

tutions. At origination, all loans are secured by collateral of at least 102% of the value of U.S. securities loaned and 105% of the value of foreign securities loaned. Collateral equivalent to at least 100% of the market value of securities on loan will be maintained at all times. Cash collateral is invested in certain money market mutual funds managed by Dreyfus as shown in the relevant funds' Statements of Investments. The funds will be entitled to receive all income on securities loaned, in addition to income earned as a result of the lending transaction. Although each security loaned is fully collateralized, the funds would bear the risk of delay in recovery of, or loss of rights in, the securities loaned should a borrower fail to return the securities in a timely manner.

(c) Affiliated issuers: Issuers in which the fund held investments in other investment companies advised by Dreyfus are defined as "affiliated" in the Act.

(d) Repurchase agreements: The funds may engage in repurchase agreement transactions. Under the terms of a typical repurchase agreement, a fund, through its custodian and sub-custodian, takes possession of an underlying debt obligation subject to an obligation of the seller to repurchase, and the fund to resell, the obligation at an agreed-upon price and time, thereby determining the yield during the fund's holding period. This arrangement results in a fixed rate of return that is not subject to market fluctuations during the fund's holding period. The value of the collateral is at least equal, at all times, to the total amount of the repurchase obligation, including interest. In the event of a counter party default, the fund has the right to use the collateral to offset losses incurred. There is potential loss to the fund in the event the fund is delayed or prevented from exercising its rights to dispose of the collateral securities, including the risk of a possible decline in the value of the underlying securities during the period while the fund seeks to assert its rights. The Investment Adviser reviews the value of the collateral and the creditworthiness of those banks and dealers with which the fund enters into repurchase agreements to evaluate potential risks.

(e) Dividends to shareholders: Dividends payable to

shareholders are recorded by the funds on the ex-dividend date. The funds declare and pay dividends from investment income-net monthly. With respect to each series, dividends from net realized capital gain, if any, are normally declared and paid annually, but the funds may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code of 1986, as amended (the "Code"). To the extent that net realized capital gain can be offset by capital loss carryovers of that fund, if any, it is the policy of the fund not to distribute such gain. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. Income and capital gain distributions are determined in accordance with incomes tax regulations, which may differ from accounting principles generally accepted in the United States.

(f) Federal income taxes: It is the policy of each fund to continue to qualify as a regulated investment company, if such qualification is in the best interests of its shareholders, by complying with the applicable provisions of the Code, and to make distributions of taxable income sufficient to relieve it from substantially all federal income and excise taxes. For federal income tax purposes, each series is treated as a single entity for the purpose of determining such qualification.

Table 1 summarizes each fund's tax character of distributions paid to shareholders during the fiscal year ended August 31, 2003. The tax character of current year distributions will be determined at the end of the current fiscal year.

NOTE 3—Investment Advisory Fee, Administration Fee and Other Transactions With Affiliates:

(a) Fees payable by the funds pursuant to the provisions of an Investment Advisory Agreement with the Investment Adviser are payable monthly, computed on the average daily value of each fund's net assets at the following annual rates: .40 of 1% of the Mellon Bond Fund, .40 of 1% of the Mellon Intermediate Bond Fund and .35 of 1% of the Mellon Short-Term U.S. Government Securities Fund.

Table 1.

	Ordinary Income (\$)	Long-Term Capital Gains (\$)
Mellon Bond Fund	44,477,811	297,939
Mellon Intermediate Bond Fund	21,131,03	2,797,674
Mellon Short-Term U.S. Government Securities Fund	4,182,321	150,028

Pursuant to the Administration Agreement with Mellon, Mellon provides or arranges for fund accounting, transfer agency and other fund administration services and receives a fee based on the total net assets of the Trust based on the following rates:

0 up to \$6 billion	.15 of 1%
\$6 billion up to \$12 billion	.12 of 1%
In excess of \$12 billion	.10 of 1%

Mellon has entered into a Sub-Administration Agreement with Dreyfus pursuant to which Mellon pays Dreyfus for performing certain administrative services.

Mellon had agreed, until September 30, 2003, to waive receipt of its fees and/or to reimburse a portion of each fund's expenses, exclusive of taxes, interest, brokerage commissions, Shareholder Services Plan fees and extraordinary expenses, so that the fund's expenses do not exceed, in the aggregate, the rate per annum of the fund's average daily net assets listed below:

.55 of 1% of the Mellon Bond Fund, .56 of 1% of the Mellon Intermediate Bond Fund and .55 of 1% of the Mellon Short-Term U.S. Government Securities Fund. **Table 2** summarizes the amounts waived during the period ended September 30, 2003.

Table 2.

Mellon Bond Fund	\$15,203
Mellon Intermediate Bond Fund	1,491
Mellon Short-Term U.S. Government Securities Fund	985

(b) The funds have adopted a Shareholder Services Plan with respect to its Investor shares pursuant to which each fund pays the Distributor for the provision of cer-

tain services to holders of Investor shares a fee at an annual rate of .25 of 1% of the value of the average daily net assets attributable to Investor shares. The services provided may include personal services relating to shareholder accounts, such as answering shareholder inquiries regarding a fund, and providing reports and other information, and services related to the maintenance of such shareholder accounts. The Shareholder Services Plan allows the Distributor to make payments from the shareholder services fees it collects from each fund to compensate service agents (certain banks, securities brokers or dealers and other financial institutions) in respect of these services. **Table 3** summarizes the amounts Investor shares were charged during the period ended February 29, 2004, pursuant to the Shareholder Services Plan.

Table 3.

Mellon Bond Fund	\$4,271
Mellon Intermediate Bond Fund	506
Mellon Short-Term U.S. Government Securities Fund	2

The funds compensate Mellon Bank, N.A., an affiliate of the Manager under a Custody Agreement for providing custodial services for the funds. **Table 4** summarizes the amounts the funds were charged during the period ended February 29, 2004, pursuant to the custody agreements.

Table 4.

Mellon Bond Fund	\$37,852
Mellon Intermediate Bond Fund	21,037
Mellon Short-Term U.S. Government Securities Fund	9,617

(c) Each trustee who is not an “affiliated person” as defined in the Act receives from the Trust an annual fee of \$35,000 and an attendance fee of \$3,000 for each in-person meeting and \$500 for telephone meetings and is reimbursed for travel and out-of-pocket expenses.

(d) The Trust and Dreyfus have received an exemptive order from the SEC which, among other things, permits each Fund to use cash collateral received in connection with lending the Fund’s securities and other uninvested cash to purchase shares of one or more registered money market funds advised by Dreyfus in excess of the limitations imposed by the 1940 Act.

NOTE 4—Securities Transactions:

Table 5 summarizes each fund’s aggregate amount of purchases and sales of investment securities (including paydowns) excluding short-term securities, during the period ended February 29, 2004, of which 26,010,355 in purchases and 26,109,963 in sales were from dollar roll transactions in the Mellon Bond Fund.

Table 6 summarizes the cost of investments for federal income tax purposes and accumulated net unrealized appreciation (depreciation) on investments for each fund at February 29, 2004.

At February 29, 2004, the cost of investments for federal income tax purposes was substantially the same as the cost for financial reporting purposes (see the Statement of Investments).

NOTE 5—Bank Line of Credit:

The funds participate with other Dreyfus-managed funds in a \$100 million unsecured line of credit primarily to be utilized for temporary or emergency purposes, including the financing of redemptions. Interest is charged to the funds based on prevailing market rates in effect at the time of borrowings. During the period ended February 29, 2004, the funds did not borrow under the line of credit.

Table 5.

	Purchases (\$)	Sales (\$)
Mellon Bond Fund	519,823,434	551,564,264
Mellon Intermediate Bond Fund	346,981,082	307,267,324
Mellon Short-Term U.S. Government Securities Fund	58,958,561	31,465,476

Table 6.

	Gross Appreciation (\$)	Gross (Depreciation) (\$)	Net (\$)
Mellon Bond Fund	27,688,250	2,150,508	21,537,742
Mellon Intermediate Bond Fund	12,396,219	1,309,331	11,086,888
Mellon Short-Term U.S. Government Securities Fund	1,062,412	178,297	884,115

For More Information

Mellon Funds Trust

c/o The Dreyfus Corporation
200 Park Avenue
New York, NY 10166

Investment Adviser

Mellon Fund Advisers, a division of
The Dreyfus Corporation
200 Park Avenue
New York, NY 10166

Administrator

Mellon Bank, N.A.
One Mellon Bank Center
Pittsburgh, PA 15258

Sub-Administrator

The Dreyfus Corporation
200 Park Avenue
New York, NY 10166

Custodian

Mellon Bank, N.A.
One Mellon Bank Center
Pittsburgh, PA 15258

Transfer Agent & Dividend Disbursing Agent

Dreyfus Transfer, Inc.
200 Park Avenue
New York, NY 10166

Distributor

Dreyfus Service Corporation
200 Park Avenue
New York, NY 10166

To obtain information:

By telephone Private Wealth Management (PWM) Clients, please contact your Account Officer or call 1-888-281-7350. Brokerage Clients of Mellon Private Wealth Advisors (MPWA), please contact your financial representative or call 1-800-830-0549-Option 2. Individual Account holders, please call Dreyfus at 1-800-896-8167.

By mail PWM Clients, write to your Account Officer
c/o Mellon Bank, N.A.
One Mellon Bank Center
Pittsburgh, PA 15258

MPWA Brokerage Clients, write to your
financial representative
P.O. Box 9012
Hicksville, NY 11802-9012

Individual Account Holders, write to:
Mellon Funds
P.O. Box 55268
Boston, MA 02205-8502

A description of the policies and procedures that the fund uses to determine how to vote proxies relating to portfolio securities is available, without charge, by calling the telephone number listed above, or by visiting the SEC's website at <http://www.sec.gov>