

SEAMARK POOLED TOTAL EQUITY FUND

Our Philosophy and Strategy

SEAMARK's bottom-up, fundamental approach to equity investing seeks to identify companies with superior long-term investment merit based on proven management, competitive position, and strong balance sheets. Preference is given to companies with durable growth prospects.

Our focus is on individual companies, rather than on the stock market. This focus on "buying the company" is consistent with the objective of owning the company for the long-term. SEAMARK seeks to invest in companies when their current market price represents value relative to their long-term potential and maintains an investment so long as it continues to offer attractive return potential. This results in low turnover rates, and tax efficiency for the investor.

These company specific tenets have been integral to SEAMARK's Total Equity mandate, which had its genesis at the founding of the company, 30 years ago. The Canadian marketplace is predominantly cyclical in nature, resulting in high volatility inherent in the TSX. In order to avoid these extremes, and to practice as long-term investors, SEAMARK considerably expands the investible universe for its Total Equity mandate. Portfolio construction begins with leading companies in Canada, which are complimented with world class companies in the USA, typically in industries that are shallow or deficient within Canada. The portfolio is completed by the addition of exceptional international companies through the use of ADRs. Leading companies in many attractive industries across the world are then held to provide proper portfolio diversification.

The equity research effort behind Total Equity is carried out along industry lines, not country of domicile. This allows for a full-on comparison of companies in an effort to discover the best operators. The result is an integrated portfolio of our best ideas, versus a mere sum of the parts portfolio construction. Total Equity provides a properly diversified portfolio, constructed efficiently to deliver attractive returns and risk management to the investor.

The investment portfolio of the Total Equity Fund will consist primarily of large-cap companies. A portion of the investment portfolio of the Fund may be invested in medium-cap or small-cap companies as valuations warrant. The weight of a specific core holding at any time will reflect SEAMARK's confidence in the stability and durability of the idea, but will not exceed 5% of the book value of the Fund.

Portfolio Manager's Commentary

The first quarter saw world equity markets continue to recover from the declines suffered at the hands of the Covid-19 pandemic. Several markets recorded new recovery highs during the first quarter.

We are now about a year into the Covid-19 pandemic that has ravaged the world's economies and caused an initial sharp decline in equity prices. Investors can be thankful that central banks around the globe came to the rescue of the world economy with accommodative monetary policies and fiscal stimulus packages. The belief that 'the Bank has our backs' has allowed investors to stay invested for a significant market recovery, notwithstanding the carnage suffered by the real economy.

The Fund has participated in the sharp recoveries of global equity markets. In the recent quarter the Fund achieved an 8.6% return, well ahead of the 6.1% return of its Benchmark. This outperformance continued a trend that began in Q3 2020, when the global market's performance became broader based, rather than being led by just a few U.S. mega technology companies. For the one-year period, the Fund achieved a 39.6% return, essentially matching the return of its Benchmark. A rise in the value of the Canadian dollar to 79.52 from 78.54 at year-end, reduced returns on U.S. assets held in the Fund by 1.2% for Canadian investors.

Future returns will in part be dependent on successfully taming the Coronavirus. In this regard, the U.S. is leading the world. The urgency of the Trump Administration's facilitation of the development of several vaccines has been matched by Biden's focus on getting vaccine doses into arms. Canada is lagging the U.S. effort, but the pace of vaccine delivery is picking up. The rest of the world is a mixed bag. Some countries are so far behind, the virus will have sufficient opportunities to mutate into new variants that may be more resistant to the current vaccines.

The Biden administration is aggressively touting Relief and Recovery stimulus packages, in the order of \$1.9 Trillion and \$2.2 Trillion, respectively. Canada too has introduced stimulus, totaling almost \$500 billion. These types of packages, in concert with accommodative monetary authorities will likely buoy the world economy sufficiently to sustain the recovery's momentum. Many of the formerly employed are still out of work, so there is much slack to be taken up in the world economy.

Against this background, the Fund remains invested in high quality companies, broadly diversified across countries and several industry groups. Share prices may need a bit of a breather after a year of robust returns, but it is safe to say that we are in the early stages of a world economic recovery. The cyclical recovery in share prices should persist as earnings continue to expand with increased economic activity.

INVESTMENT TEAM



Bob McKim, CFA
CEO & Chief Investment Officer



Don Wishart, CFA
President

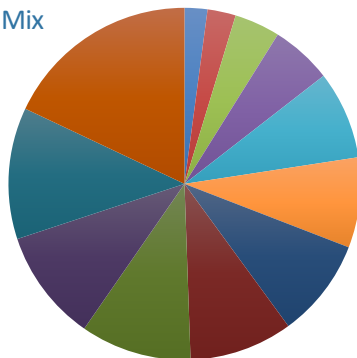


George Loughery, CFA
Chief Portfolio Manager

Portfolio Activity

During the quarter, new positions were established in shares of American Tower, VISA, and Teck Corporation, each purchase taking advantage of share price corrections. American Tower rents space on its towers to cell, cable, and dish companies to provide voice and data services for their clients. The advent of 5G will accelerate tower usage in the U.S., while the company expands its international presence through acquisition. VISA is expected to be a continued beneficiary of on-line purchases and pent-up consumer spending, post Covid. Teck Corporation's mining business should benefit from a rebound in economic activity and higher commodity prices as a new economic cycle gets underway. The Fund's holding of ABB Ltd. was sold early in the quarter.

Asset Mix



Real Estate 2.1 %	Utility Services 2.6 %
Discretionary Goods 4.2 %	Cash & Equivalents 5.6 %
Oil & Gas 8.1 %	Commercial & Industrial 8.3 %
Communication Services 9.1 %	Metals & Minerals 9.5 %
Pharma & Health Care 10.2 %	Staples Goods 10.3 %
Technology Products & Services 12.1 %	Financial Services 18 %

Top Ten Equity Holdings (% of Fund)

IA Financial Corp.	2.7	Applied Materials	2.3
Toronto Dominion Bank	2.7	KLA Corp.	2.2
Royal Bank	2.5	Cenovus Energy	2.2
Bank of Nova Scotia	2.3	Manulife Financial	2.0
Alphabet Inc.	2.3	Walt Disney	2.0

Calendar Year Performance (%)

	2014	2015	2016	2017	2018	2019	2020
TOTAL PORTFOLIO (CAD\$)	15.8	4.3	12.1	5.2	-6.2	19.6	3.7
BENCHMARK* (CAD\$)	14.2	5.3	13.2	12.1	-4.0	22.8	9.6

*50 % S&P/TSX Composite Index, 35% S&P 500 Index, 15% Morningstar Developed Markets ex North America GR Index

Performance Information (%)

March 31, 2021

	QTR	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	6 Yrs	7 Yrs	8 Yrs	9 Yrs	10 Yrs	Since Inception
TOTAL PORTFOLIO (CAD\$)	8.6	8.6	39.6	11.8	9.1	6.6	8.4	6.7	7.8	N/A	N/A	N/A	8.5
BENCHMARK* (CAD\$)	6.1	6.1	40.1	13.0	11.6	10.2	11.9	9.3	10.2	N/A	N/A	N/A	10.7

*50 % S&P/TSX Composite Index, 35% S&P 500 Index, 15% Morningstar Developed Markets ex North America GR Index
Fund Inception date: December 31, 2013

Take advantage of Capital Gains Deferrals

Our suite of Pooled Funds is in a unique position of offering the possibility to taxable investors to defer capital gains. Total amount available for the Total Equity Fund's capital gain deferrals: \$17,926,140 (Audited Financial Statements, as at December 31, 2020).

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