

SEAMARK POOLED U.S. EQUITY FUND

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.

The U.S. Equity Fund seeks to preserve and enhance capital through a selection of companies offering current dividend income and good potential for long-term capital gains.

SEAMARK's 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 investment 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.

SEAMARK's U.S. equity investment philosophy is founded on the recognition that superior investment opportunities exist in U.S. growth companies. While leading companies in many attractive industries are held to provide diversification, there is a preference to focus on U.S. companies growing faster than the overall average.

Investments in U.S.-based multi-national companies also provide a geographically diversified base of earnings, and a low-risk participation in the growth of emerging economies.

Portfolio Manager's Commentary

The Fund represents a well-diversified portfolio of equity investments, maintaining exposure to all 11 industry subgroups. The Fund's security selections feature best of class and attractively valued companies. Many of the holdings are currently priced at a discount to typical market valuation metrics.

The Fund achieved its second annual double-digit return, registering a return of 17.7% in 2024. Although recording this positive result, the Fund underperformed its capitalization weighted benchmark, which was once again primarily driven by a few heavily weighted technology stocks. The lower return versus benchmark can be attributed to its broader diversification of equity holdings, an important tenet of prudently managing concentration risk for investors.

Many diverse companies in the Fund contributed meaningfully to performance. Shares of Amazon, JP Morgan and AT&T each achieved a 44% return, while Alphabet (Google) recorded a 35% return. Security enterprise Palo Alto Networks registered a 33% return, while shares of Bank of America came in with 34% and Apple added 30%.

The mania of chasing mega cap technology names to new valuation heights is now attracting warning signals not seen since the tech boom/bust of the 2000 era. This time, AI is the driver behind the euphoric push to ever higher capitalizations, and a concerning concentration of high-priced technology stocks in household name stock indexes and benchmarks. Barclays Bank and famed investor Howard Marks have recently dusted off the bubble word, sending a clear warning of caveat emptor – tech investors, be wary of overvaluation. The Fund recognizes the importance of technology in advanced economies but maintains a more prudent weight of the tech sector in the portfolio. The diversity of the Fund's holdings bodes well for unitholders when the current mania of chasing highly concentrated equity indexes subsides, or reverses direction.

Looking ahead to 2025 there is reason for cautious optimism by investors for the U.S. economy. By and large, the U.S. yield curve has largely reversed its inverted shape. The normalization of the curve is a positive development for the economy, and for the banking sector, which is well represented in the Fund. In recent months, the Federal Reserve has been trending toward a neutral stance on rates, a reversal from their tightening policies when inflation was running ahead of target. The table is set for an expansion of corporate earnings.

Notwithstanding the positive economic backdrop, there are potential headwinds for investors in 2025, including political actions threatened by the incoming U.S. administration. Inflationary tariff walls and saber rattling with its NATO allies would raise concerns for investors. Nor can investors ignore that unbridled enthusiasm for big tech has continued to drive market averages higher and raise prices to levels that reflect bubble valuations for this heavily weighted segment of the market indexes. Investors in the Fund can take comfort from SEAMARK's prudent investment management, and the Fund's diverse selection of attractively valued companies.

INVESTMENT TEAM

Bob McKim, CFA
Chairman & Co-Chief
Investment Officer



Don Wishart, CFA
President & Co-Chief
Investment Officer

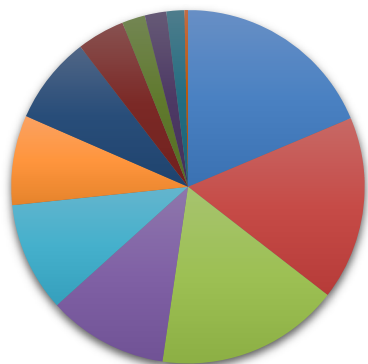


René Fantin, MBA, CFA
Portfolio Manager

Portfolio Activity

The Fund added a new position in biotechnology company Amgen during the quarter, capitalizing on a retreat in the stock due to fears that the sector could be in the crosshairs of president-elect Trump's top pick for health secretary, Robert Kennedy Jr., and weaker than expected efficacy in its latest obesity drug treatment.

Asset Mix



■ Technology Products & Services 18.7%	■ Pharma & Health Care 16.8%
■ Financial Services 16.8%	■ Communication Services 11.0%
■ Commercial & Industrial 10.0%	■ Discretionary Goods 8.2%
■ Staples Goods 8.0%	■ Metals & Minerals 4.4%
■ Utility Services 2.1%	■ Real Estate 2.0%
■ Oil & Gas 1.6%	■ Cash & Equivalents 0.3%

Top Ten Equity Holdings (% of Fund)

Apple Inc.....	4.6	State Street	3.3
Alphabet Inc.	4.3	Northern Trust	3.2
KLA Corporation	3.5	Expedia Group Inc.....	3.1
Emerson Electric	3.5	Visa Inc.	3.1
JPMorgan Chase & Co.....	3.4	Bank of America	3.1

Calendar Year Performance (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL PORTFOLIO (CAD\$)	18.7	13.8	13.6	3.3	1.9	19.6	10.8	31.0	-1.6	10.9	17.7
S&P 500 Index (CAD\$)	24.0	21.0	8.6	13.8	4.0	22.8	16.1	28.2	-12.5	23.3	35.9

Performance Information (%)

December 31, 2024

	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\$)	5.3	17.7	17.7	14.2	8.7	13.9	13.3	13.9	12.1	11.0	11.3	11.5	8.7
S&P 500 Index (CAD\$)	8.9	35.9	35.9	29.4	13.6	17.1	16.9	18.2	16.1	15.8	15.0	15.6	9.0

Fund Inception date: June 30, 1997

Take Advantage of Capital Gains Deferrals

SEAMARK's 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 U.S. Equity Fund's capital gain deferrals: \$21,045,474 (Audited Financial Statements, as at December 31, 2023).

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