

NBI Jarislowsky Fraser Select Canadian Equity Fund (E/F Series)

PERFORMANCE REVIEW (%)

Annualized for periods greater than 1 year

Annualized Returns / March 31, 2021	3 months	1 year	3 years	5 years	S.I.
NBI Jarislowsky Fraser Select Canadian Equity (E/F Series)	8.2	40.9	10.8	9.3	8.6
Benchmark	7.6	41.7	9.8	9.6	-

Calendar Year Returns / December 31	2020	2019	2018	2017	2016
NBI Jarislowsky Fraser Select Canadian Equity (E/F Series)	6.7	20.4	-5.5	5.0	16.1
Benchmark	5.5	21.8	-8.4	8.7	20.0

PORTFOLIO

REPRESENTATIVE HOLDINGS

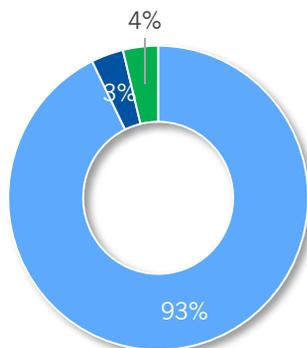
CANADIAN EQUITIES

Holdings	Industry
Enbridge	Energy
Canadian National Railway	Industrials
Brookfield Asset Management	Financials
Alimentation Couche-Tard	Consumer
Bank of Nova Scotia	Financials

FOREIGN EQUITIES

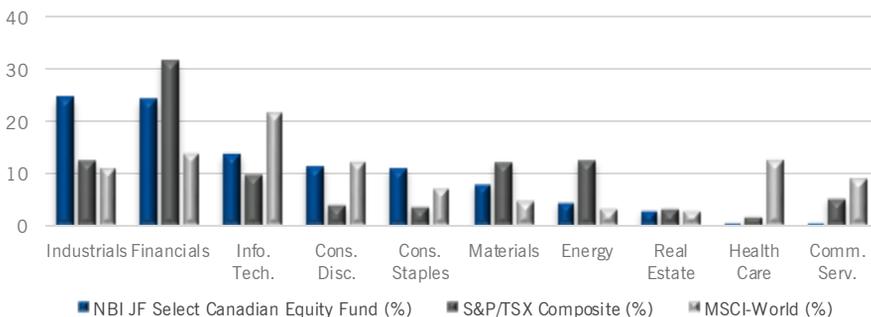
Holdings	Industry
Alphabet	Comm. Services.
Unilever	Consumer Staples
Microsoft	Technology
Atlas Copco	Industrials
Chubb Limited	Financials

ASSET MIX



- Canadian Equities (93%)
- Foreign Equities (3%)
- Cash (4%)

EQUITY SECTOR MIX



FUND OBJECTIVE

This Fund's investment objective is to achieve long-term capital growth. The Fund invests, directly or indirectly, in a diversified portfolio comprised mainly of large capitalization Canadian and selected global equity securities.

FUND FACTS

Inception Date	October 7, 2010
Price Per Unit	\$20.57
AUM (\$ Millions)	\$721.0

MER:

E-Series	0.90%
F-Series	0.93%

FUND CODES:

E-Series	NBC3902
F-Series	NBC3702

BENCHMARK:

- S&P/TSX Capped Composite (95%)
- FTSE Canada 91 Day T-Bills (5%)

ABOUT JARISLOWSKY, FRASER LIMITED

Founded in 1955, Jarislowsky, Fraser Limited is one Canada's largest investment management firms. Our primary goal is growing capital, over the long term, for our clients in a low risk manner. The firm's philosophy is founded upon time-proven principles of fundamental investing. This investment approach has produced consistent returns through changing economic environments and has been effective in minimizing the volatility prevalent in today's global markets.

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PORTFOLIO REVIEW

The portfolio provided strong returns for the quarter, outperforming its benchmark index. Most of the outperformance can be attributed to the decline in the gold sub-sector (-13.8%) within the index, given our relative underweight, and strong stock selection. The main drivers for the index were Energy (+20.3%), followed by Financial Services (+13.9%) and Consumer Discretionary (+12.5%), all sectors that rebounded with expectations of a vaccine-related improvement in the economy. Conversely, we saw Materials (-6.9%) decline, driven by lower prices of gold and gold producers, as well as Technology (-1.1%), following last year's exceptional price appreciation due to the acceleration of digital adoption. The decline in gold contributed strongly this quarter, partially offset by our underweight in Energy, where stocks reacted positively to favorable supply/demand conditions.

Notable contributors during the quarter were the engineering companies **Stantec** (+31%) and **SNC-Lavalin** (+24%), life insurance companies **Manulife** (+21%) and **Industrial Alliance** (+25%), as well as **CCL Industries** (+21%), a specialized labeling company, and **Magna** (+23%).

The cyclical upturn in energy prices, due to higher demand and continued output controls from OPEC, has led to a rally in energy companies. The rise in Canadian Natural Resources and Suncor during the quarter affected our portfolio's relative performance given our underweight in Energy, with **Enbridge** (+15%) being our only holding. That said, we continue to expect that long-term returns will be better for the companies in the portfolio that are less reliant on commodity prices.

In conclusion, despite the strong market appreciation in the first quarter, we believe that the companies in the portfolio will continue to provide attractive expected returns, which will be driven by an improving economy and expanding demand as the uncertainty around COVID dissipates. Our portfolio companies are poised to invest further due to improved confidence, as well as directly benefit from provincial and federal fiscal stimulus and pent-up demand.

STRATEGY & INVESTMENT
OUTLOOK

Global markets continue to recover as prospects improve for an eventual normalization. In many regions, the vaccine rollout has been slower than many would have liked; however, the second quarter should bring about a dramatic rise in vaccine availability in most major markets, hopefully paving the way for a return to a more normalized environment.

In the medium term, it will be once again important to monitor how the global economy reacts to a reduced level of monetary and fiscal stimulus. The unprecedented levels of support given as we faced this pandemic are unsustainable over the longer term, and there will undoubtedly be consequences as the stimulus is tapered off.

Our approach remains to focus our efforts on identifying higher quality, resilient businesses that can thrive in many scenarios. The future, as always, remains uncertain although a patient long-term approach with risk management at the forefront will likely provide long-term benefits in client portfolios.

The Bank of Nova Scotia (BNS) is the parent company of Jarislowsky, Fraser Limited. BNS securities held in the portfolio are related securities.

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Source of data: MSCI Inc., S&P Financial Services LLC., TSX Inc., Wilshire Analytics, Bloomberg.