

Fund Commentary

Performance Review

- For the first quarter of 2021, nine out of eleven GICS sectors posted positive total returns. The three best performing sectors included health care (+38.0), energy (+20.3%) and financials (+13.9%). Conversely, the three worst performing sectors for the quarter included materials (-6.9%), information technology (-1.1%) and consumer staples (2.5%).
- For the quarter, the fund's Series F shares returned 6.14%, and its benchmark, the Custom Frk. Bissett Canada Plus Equity Benchmark, returned 6.78%.

QUARTERLY KEY PERFORMANCE DRIVERS

	Stocks	Sectors
HELPED	TELUS International	Canadian materials
	JPMorgan Chase	Canadian information technology
	Wells Fargo	U.S. information technology
HURT	Walmart Inc.	Canadian consumer staples
	Merck & Co.	U.S. consumer staples
	Alimentation Couche-Tard	U.S. industrials

- Positive absolute total returns for the fund were driven by the performance of both U.S. and Canadian equity. Relative to the fund's benchmark, the fund experienced negative security selection and interaction from underperformance in both U.S. and Canadian equity.

Outlook & Strategy

- We will remain disciplined and stay true to our investment style, seeking out businesses that can achieve secular growth in intrinsic value driven by advances in sustainable profitability (return on capital relative to cost of capital) through cycles, maintain appropriate capital structures for the industry in which they operate, and allocate capital wisely.
- As risks and uncertainties remain, we can be certain that the future will bring threats and opportunities on which we can capitalize. We remain ready to take advantage of these dislocations as they present themselves, allowing us to build on our long-term track record of superior absolute, relative, and risk-adjusted returns.

Fund Details

Inception Date	07/17/2017
Benchmark Name	Custom Frk. Bissett Canada Plus Equity Benchmark, S&P/TSX Composite Index

Fund Description

The fund aims to achieve long-term capital appreciation by investing primarily in a diversified portfolio of Canadian and U.S. equities, with the intent of managing the overall volatility of the portfolio.

Performance Data

Performance (%) as of 03/31/2021

	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	Since Inception	Inception Date
Series A	5.73	5.85	5.85	21.19	7.48	5.41	07/17/2017
Series F	5.83	6.14	6.14	22.57	8.70	6.64	07/17/2017
Custom Frk. Bissett Canada Plus Equity Benchmark	3.54	6.78	6.78	42.40	12.48	11.85	-
S&P/TSX Composite Index	3.87	8.05	8.05	44.25	10.19	9.17	-

Indicated rates of return include changes in unit or share value and reinvestment of all distributions and dividends and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Please refer to the prospectus for further details. **For details on the respective series inception dates, please consult the Fund Facts or simplified prospectus for the fund.** Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. **Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.**

Investment Team

Garey J. Aitken, CFA
Years with Firm 23
Years Experience 29

Tim Caulfield, CFA
Years with Firm 14
Years Experience 21

Important Legal Information

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Series F is available to investors participating in programs that do not require Franklin Templeton to incur distribution costs in the form of trailing commissions to dealers. As a consequence, the management fee on Series F is lower than on Series A.

Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

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