ICM SMALL COMPANY PORTFOLIO

FIRST QUARTER 2021

APRIL 15, 2021

Dear Shareholder:

The new year started on a very strong note for the U.S. stock market, particularly in the small cap sector, as measured by the Russell 2000® Index, which advanced 12.7%. This is not surprising given that the fundamental backdrop for equities is almost universally positive. United States GDP is surging, corporate earnings estimates are rising, and the Federal Government just enacted a fresh $1.9 trillion Covid relief bill. At the same time, the Federal Reserve remains resolute in its pledge to maintain its historical level of support for "some time". Even the spike in the U.S. 10-year Treasury yield from 0.9% to 1.8% during the quarter could not derail the upward trajectory of stocks. The massive fiscal and monetary stimulus, however, has also begun to encourage more speculative activities that one would normally associate with an overheated market, namely the tsunami of new "blank-check" companies (or SPACs), and the reemergence of day traders working to push the price of "meme" stocks well beyond even a generous estimate of fair value. These trends need to be monitored, but for now are not fatal.

Small cap value shares, as measured by the Russell 2000® Value (or the "Benchmark"), continued their leadership rising 21.17% in the first quarter. In fact, the 97.1% gain over the last four quarters is the largest in the history of the Benchmark. The ICM Small Company Portfolio (the "Fund" or the "Portfolio"), was not far behind, with a 21.09% return for the first quarter.

TOTAL RETURN (%)
PERIODS ENDING 3/31/21

	1st Quarter 2021					Periods Ending 3/31/2021 Annualized				
	Jan	Feb	Mar	2021 1Q	2021 YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception*
ICM Small Co. Portfolio[1]	2.87	10.54	6.49	21.09	21.09	91.56	11.15	14.24	11.10	12.41
Russell 2000® Value Index	5.26	9.39	5.23	21.17	21.17	97.05	11.57	13.56	10.06	10.59
Russell 2000® Index	5.03	6.23	1.00	12.70	12.70	94.85	14.76	16.35	11.68	10.05
Russell 2000® Growth Index	4.82	3.30	-3.15	4.88	4.88	90.20	17.16	18.61	13.02	9.03
Russell 1000® Index	-0.82	2.90	3.78	5.91	5.91	60.59	17.31	16.66	13.97	10.82

[1] The returns shown for the ICM Small Company Portfolio are net of all fees and expenses.
**ICM Small Co. Portfolio inception date is 4/19/1989. Russell data starts on 4/30/1989.*
Total annual Fund operating expenses are 0.89%.
Total returns assume reinvestment of all dividends and capital gains.
The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, please call 1-866-234-5426 or visit our website at www.icomd.com.
Additional disclosures can be found on page 2-3 of this letter.

As was the case last quarter, the Fund's Financial holdings provided the biggest lift to relative performance in the first quarter of 2021. Our bank stocks were particularly strong, gaining 29.7% compared to the 26.5% return for the Benchmark peers. Despite the pandemic inflicted damage to the economy, credit metrics at most banks are holding up and the continuing steepening of the yield curve is providing a favorable backdrop. We see rates continuing to rise. Inflation expectations are currently 2.5%, the highest since the financial crisis in 2008. If this persists, the current yield of just 1.7% on the U.S. 10-year Treasury is likely to move higher. At the same time, at 13.5 times expected earnings this year and 1.5 times tangible book value, bank valuations are in line to somewhat below long-term averages. For this reason, we are maintaining our current weighting of regional banks in line with the Russell 2000® Value.

Staying on the subject of interest rates, Real Estate Investment Trusts (REITs) and Utilities, which are often viewed as bond proxies, not surprisingly underperformed during the rapid rise in rates in the recent quarter. The Portfolio benefitted from a less then Benchmark weighting in both industries. Significant outperformance by the Fund's REIT holdings, 13.5% versus the Benchmark's 11.5%, helped as well. Shopping center owner Kite Realty was particularly strong, rising 30.2%. While it is true that rising rates, at the margin, are negative for real estate valuations, there are several subsectors, e.g. office, lodging and retail REITs, where this drag is more than outweighed by the positive impact to earnings from the reopening of the U.S. economy in a post vaccine world.

The Fund's Health Care holdings were another significant contributor to relative outperformance this quarter, rising 24.9%. Lantheus Holdings, a leader in diagnostic imaging, accounted for much of this gain, climbing 58.4%. The company is finally getting recognition from the market for its forthcoming PYL Imaging agent, which will improve upon current techniques for prostate cancer diagnosis.

The Industrial sector was another area of relative strength, gaining 20.5% compared to 18.5% for the Benchmark constituents. The gains were broad based, but the Fund's business service stocks were particularly strong, advancing 28.4% as a group. Deluxe Corporation, Conduent and ABM Industries all climbed in excess of 35% after posting solid fourth quarter 2020 earnings results.

On the negative side, the Portfolio's Consumer Discretionary stocks, although up 27.9%, did not keep pace with the 32.9% gain for similar stocks in the Benchmark. The majority of this came in the retailing sector. We have been positive on retailers, which should continue to benefit from a further opening of the economy post the pandemic and maintain a healthy weighting in this industry of close to 5%. Unfortunately, the otherwise satisfying 50.0% return we experienced in the quarter was dwarfed by the 61.0% return from the Benchmark retailers. We take some degree of comfort in the fact that this shortfall was almost entirely due to the lack of exposure to the shares of GameStop, which surged 908.0%. We normally do not rely on pithy quotes in these letters but a famous one from Ben Graham seems appropriate: "In the short run, the market is a voting machine but in the long run, it is a weighing machine." We suspect GameStop shares will ultimately succumb to the truth of this statement.

The Basic Materials, which rose 13.7% versus 23.3% for the Benchmark, was another area of significant relative weakness for the Fund. As the global economy begins to recover, we are seeing an uptick in the prices of industrial commodities like copper, iron and steel. As a result, miners and manufacturers of these commodities are enjoying a sharp rebound in profits and the price of their shares. We think these moves are transitory and thus have minimal exposure to this sub-sector of the market, which has resulted in the short-term underperformance.

Even after the fifty percent plus move higher by the Russell 2000® Value over the last six months, the Benchmark still trades at just under 16 times 2021 estimated earnings. This is because, thanks to a double dose of vaccinations and historic fiscal stimulus, earnings are projected to increase more than 50% this year. For now, this record stimulus is creating a strong tailwind for the stock market, but it is unclear what the end result of this new monetary experiment of massive money creation by the Fed, financing an ever-increasing federal government debt load, will be. Intuition and classic economic theory suggest the result is likely to be higher taxes and/or higher inflation, either of which will erode future equity returns.

As always, we appreciate your business. Please feel free to contact us with any questions or concerns.

Sincerely,

William V. Heaphy, CFA
Principal

This material must be preceded or accompanied by a current prospectus. Please read it carefully before you invest or send money.

**The Russell 2000® Index is an unmanaged index composed of the 2,000 smallest stocks in the Russell 3000®, a market value weighted index of the 3,000 largest U.S. publicly traded companies. The Russell 1000 Index is an unmanaged index composed of the 1,000 largest stocks in the Russell 3000 index. The Russell 2000® Growth and Value Indexes are created by sorting the universe of Russell 2000® companies by book/price ratio and separately by I/B/E/S growth rate. (Reported book value is adjusted to reflect FAS 106 and 109 write-offs by adding back the* *unamortized portion of the charge.) Each of the sorted series is normalized and combined to arrive at a composite rank for each company. The composite rank is used to generate the probability that a stock is either growth or value. About 30% of the stocks in the Russell 2000® appear in both the growth and value indexes in different proportions based on the probability calculated; the sum of the shares in each index is the total number of shares floating. The remaining 70% of the companies are in one style index only. Please note that one cannot directly invest into an unmanaged index.*

The ICM Small Company Portfolio is distributed by SEI Investments Distribution Co., which is not affiliated with Investment Counselors of Maryland (ICM) or its affiliates. The material represents the manager's assessment of the portfolio and market environment at a specific point in time and should not be relied upon by the reader as research or investment advice regarding any stock. Neither this material nor any accompanying oral presentation or remarks by a representative is intended to constitute a recommendation of the Fund or a determination of suitability.

Portfolio holdings are subject to change and should not be considered investment advice or a recommendation to buy securities.

There are risks involved with investing in mutual funds, including loss of principal. In addition to the normal risks involved with investing in mutual funds, including loss of principal, investments in smaller companies typically exhibit higher volatility. Current and future holdings are subject to risk.

Top Ten Equity Holdings as of March 31, 2021:

Holding	% of Portfolio
Designer Brands Inc. Class A	1.78
Regal Beloit Corp	1.49
Tri Pointe Homes, Inc.	1.44
Ensign Group, Inc.	1.43
Group 1 Automotive, Inc.	1.41
Oxford Industries, Inc.	1.40
Lantheus Holdings Inc	1.39
Pinnacle Financial Partners, Inc.	1.35
Sterling Bancorp	1.34
Kulicke & Soffa Industries, Inc.	1.27