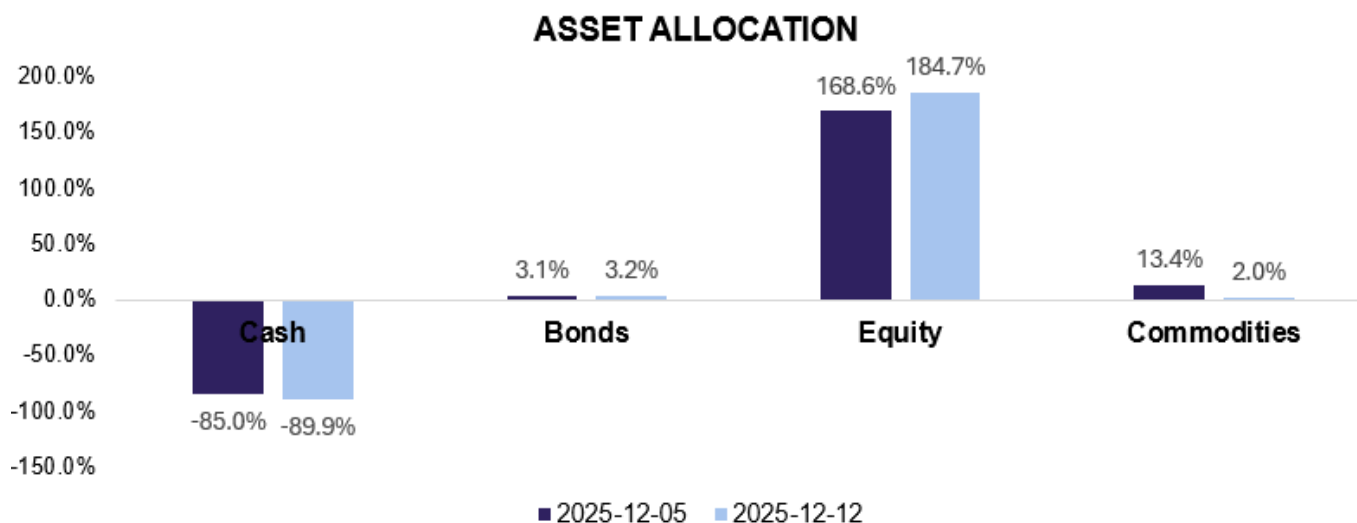


# ARROW LONG/SHORT ALTERNATIVE FUND

## commentary – Week ending December 12, 2025



**Weekly performance, macro context, current positioning, and future expectations.**

### Performance

November 28, 2025

### Arrow Long/Short Alternative Fund (Series F):

**WTD 0.74%**

**MTD 1.04%**

**YTD 10.69%**

### S&P TSX Composite

WTD 0.62%

MTD 0.97%

YTD 31.22%

### S&P 500:

WTD 0.67%

MTD 0.81%

YTD 18.77%

### Fund Commentary

U.S. & Canadian markets were mixed last week, with significant divergence under the hood. Investors rotated out of tech/AI-driven names and into cyclicals and small caps. The spread between QQQ and IWM on the week was 3%, with the QQQs being weighed down by weaker-than-expected earnings from ORCL and AVGO. This cyclical bid has been building for the past few weeks. Precious metals continued their march higher, with Gold and Silver up 2% and 6% respectively for the week.

The last FOMC of the year didn't deliver many surprises, with the Fed delivering the widely expected 25 bp cut, although the tone was interpreted as dovish vs expectations. Perhaps more significant was a WSJ article that hit on Friday, indicating Kevin Warsh remains in contention to be the next Fed chair. Kevin Hassett has been increasingly viewed as the front-runner after Trump repeatedly teased in recent weeks that he had settled on his choice to lead the Fed, but last week's comments suggest Warsh remains firmly in the mix. Prediction market odds for the next Fed chair at the start of

last week were 78% Hassett and 10% Warsh, but by the time of this writing, those had recalibrated to 51% and 44%, respectively. Warsh would likely be perceived as more credible to Hassett in maintaining Fed's independence. While Warsh has historically been known as a bit of a hawk, he appears to firmly be aligned with Trump's desire to cut rates.

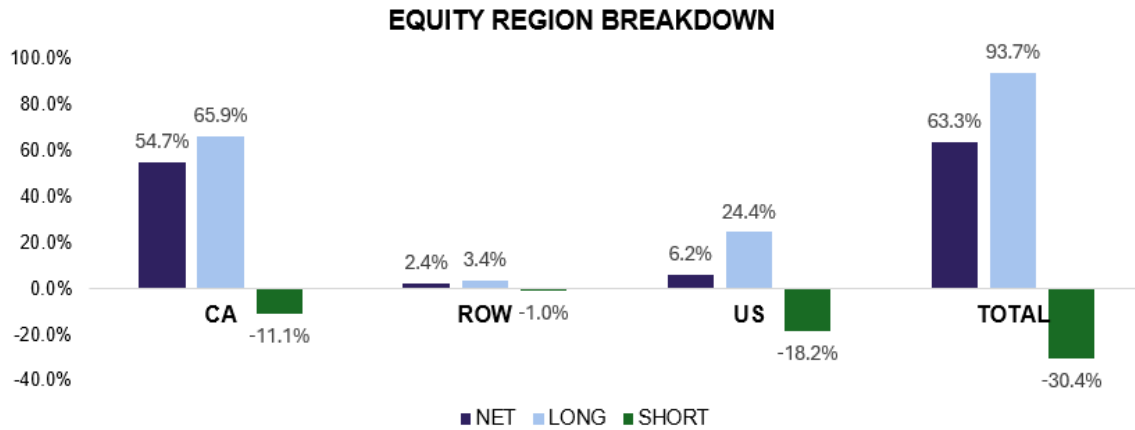
Below is a link to a recent interview with Kevin Warsh. Some of my takeaways:

<https://youtu.be/6LtRcC-JgBI?si=yhwulay6gat0EDPM>

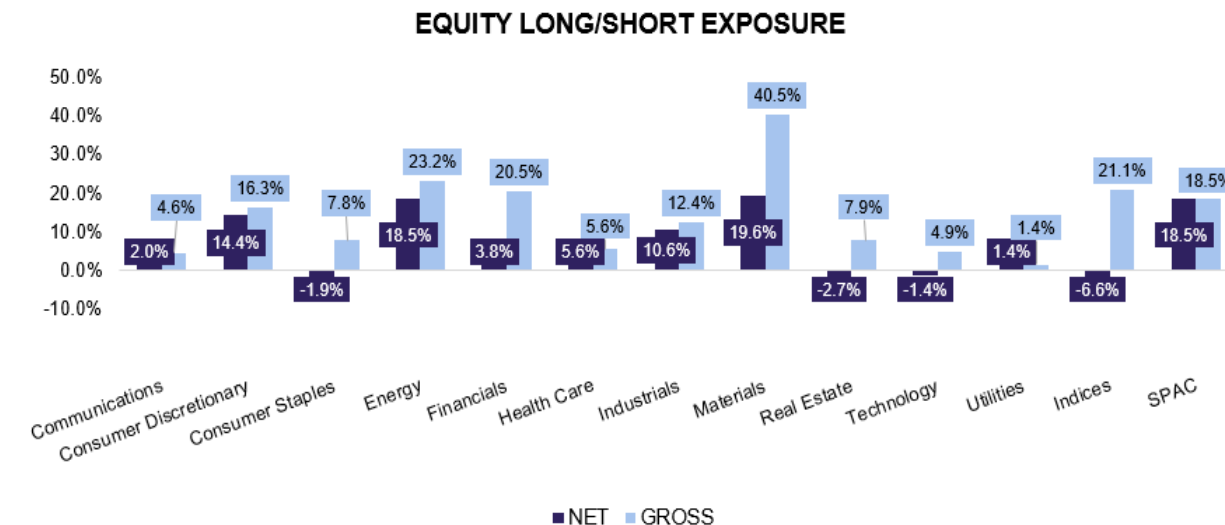
- He believes AI will lead to significant labor productivity, which in turn will lead to more jobs
- Pro crypto in how it could disrupt the current financial system infrastructure
- Seems to want to target the housing market to support broader consumer base
- Rate cuts would support housing and seems less concerned about this fueling inflation as AI is deflationary (like tech boom in mid 90's)
- He comes off much more measured and credible to Kevin Hassett

Looking ahead, markets will focus on key economic releases this week, including NFP and CPI prints, which are a bit of a catch up due to government shutdown. We also await Trump's Fed Chair pick which is expected to come by year end.

## Equity Allocation (% Total Portfolio including Futures)



## Sector Exposures (% Long / Short Portfolio of individual companies)



We look forward to reporting back next week.

Thanks,

Arrow Investment Team

Historical Performance – As of November 30, 2025

	1-Year	3-Year	5-Year	10-Year
ALSAF - Series F	8.65%	6.75%	8.98%	7.88%

Published December 15, 2025

Effective June 25, 2024 Arrow Long/Short Alternative Class was merged into Arrow Long/Short Alternative Fund as part of the corporate class fund merger. Effective June 15, 2023, the Fund was renamed Arrow Long/Short Alternative Class (formerly Arrow Canadian Advantage Alternative Class).

Commissions, trailing commissions, management and performance fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compound total returns net of fees and expenses payable by the fund (except for figures of one year or less, which are simple total returns) including changes in security value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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The comparison presented is intended to illustrate the historical performance of the Fund as compared with the historical performance of a widely quoted market index or a weighted blend of widely quoted market indices or other investments. There are various important differences that may exist between the Fund and the stated indices or other investments that may affect the performance of each. The objectives and strategies of the Fund result in holdings that do not necessarily reflect the constituents of and their weights within the comparable indices. Indexes are unmanaged and their returns do not include any sales charges or fees. It is not possible to invest directly in market indices. Certain statements contained in this communication are based in whole or in part on information provided by third parties and Arrow Capital Management has taken reasonable steps to ensure their accuracy. Market conditions may change which may impact the information contained in this document.

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