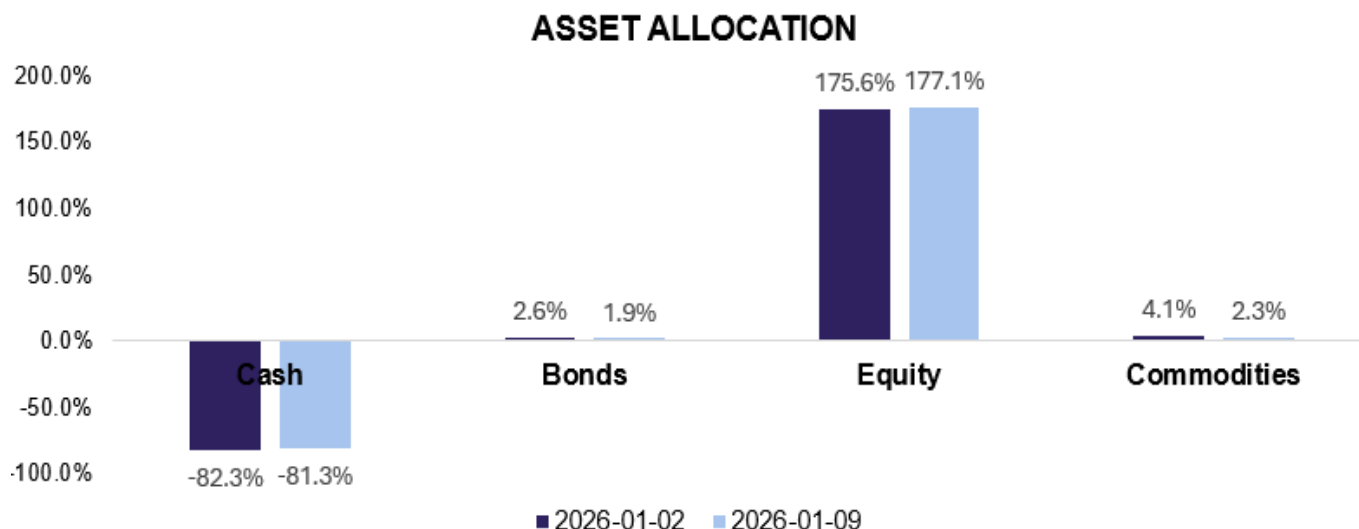


ARROW LONG/SHORT ALTERNATIVE FUND

commentary - Week ending January 9, 2026



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

Performance

January 2, 2026

Arrow Long/Short Alternative Fund (Series F):

WTD 2.29%

MTD 2.86%

YTD 2.86%

S&P TSX Composite

WTD 2.36%

MTD 2.92%

YTD 2.92%

S&P 500:

WTD 1.58%

MTD 1.80%

YTD 1.80%

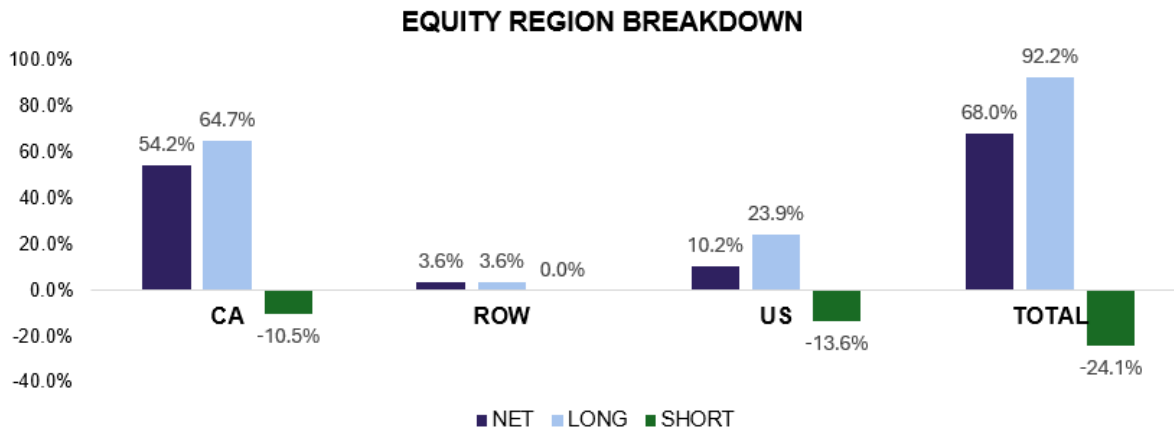
Fund Commentary

US and Canadian markets kicked off 2026 with strong gains, led by cyclical sectors and broad based risk appetite. Small caps outperformed, climbing about +4.5% vs SPY's +1.6%, signaling rotation beyond mega cap tech into consumer discretionary, industrials, materials, and energy. Commodities also participated, with oil, precious and base metals showing resilience despite a strengthening US dollar. Notably, oil markets remained stable amid geopolitical headlines from Venezuela. Economic data during the week helped sustain the positive tone with December payrolls softer than expected, but with a lower unemployment rate. Markets continued to price a low probability (~5%) of a January rate cut, keeping expectations anchored around a Fed hold stance.

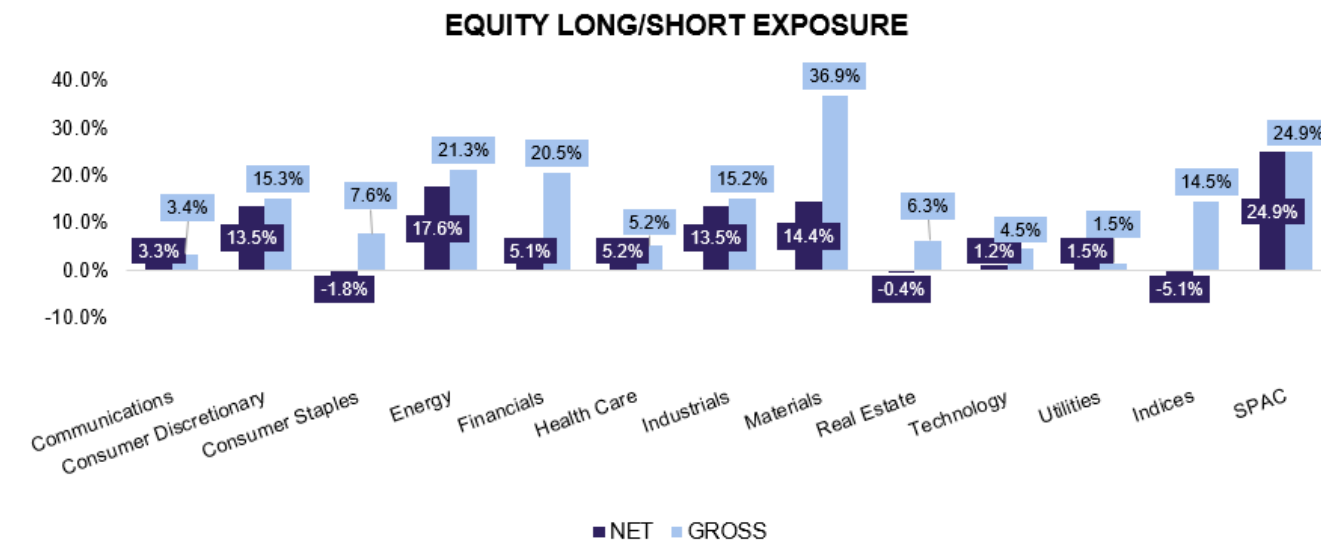
Trump was extra busy last week. Perhaps emboldened on the back of Maduro's capture, or maybe just Trump being Trump. Either way, we couldn't help notice an escalation of his rhetoric on various economic and foreign policy issues. Specifically:

- proposed ban on large institutional investors buying additional single family homes - some PE and REIT names sold off on this
 - directing Fannie/Freddie to purchase \$200B in mortgage backed securities - by end of the week housing stocks caught a bid
 - continued rhetoric about taking over Greenland - defense stocks have been strong YTD
 - calling for a 10% cap on credit card interest rates
 - signaling potential American involvement in Iran among growing protests
 - serving Jerome Powell a subpoena, threatening criminal indictment re: renovation of Fed buildings - notably Powell materially pushed back for the first time - Gold/Silver/USD are all moving this morning on this
- All this to say, we are only a couple of weeks into the new year, yet there has been no shortage of market moving events. As we enter mid-term elections, Trump's rhetoric will only grow louder, creating volatility and tactical trading opportunities. This week, inflation and earnings will dominate the agenda with CPI and Q4 bank earnings expected. As well, markets continue to await the Supreme Court's ruling on IEEPA tariffs.

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 December 31, 2025

	1-Year	3-Year	5-Year	10-Year
ALSAF - Series F	9.90%	6.35%	7.86%	7.93%

Published January 12, 2026

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.

The rates of return are used only to illustrate the effects of the compound growth rate and are not intended to reflect future values or returns on investment in an investment fund.

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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.

More information about the Fund can be found on our website www.arrow-capital.com.