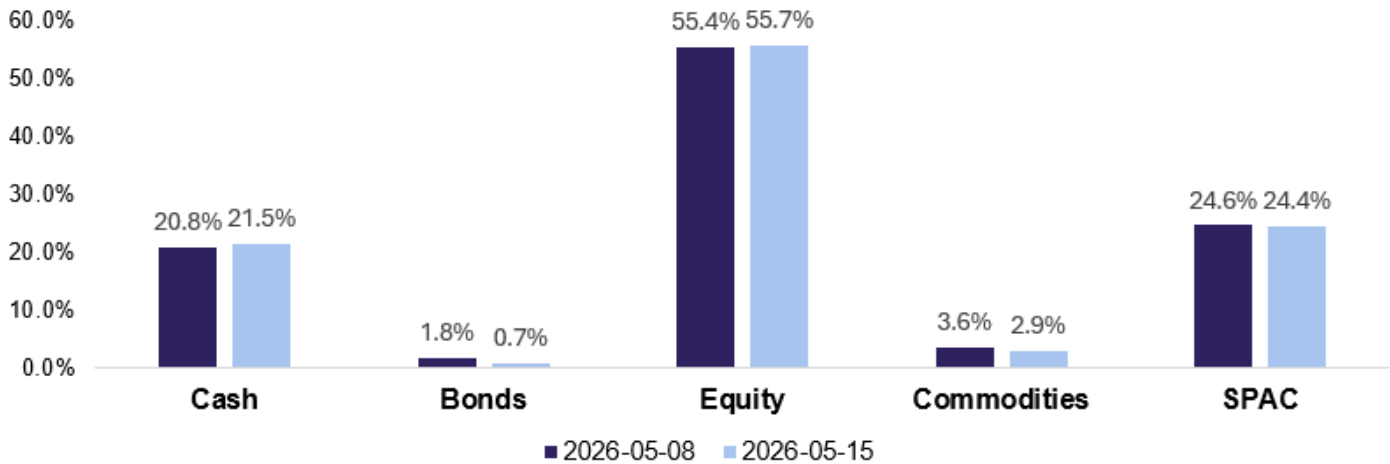


ARROW LONG/SHORT ALTERNATIVE FUND

commentary - Week ending May 15, 2026



ASSET ALLOCATION (NET)



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

Performance

May 15, 2026

Arrow Long/Short Alternative Fund (F Class):

WTD 1.02%

MTD 1.04%

YTD 12.24%

S&P TSX Composite:

WTD -0.66%

MTD -0.32%

YTD 7.55%

S&P 500:

WTD -0.10%

MTD 2.76%

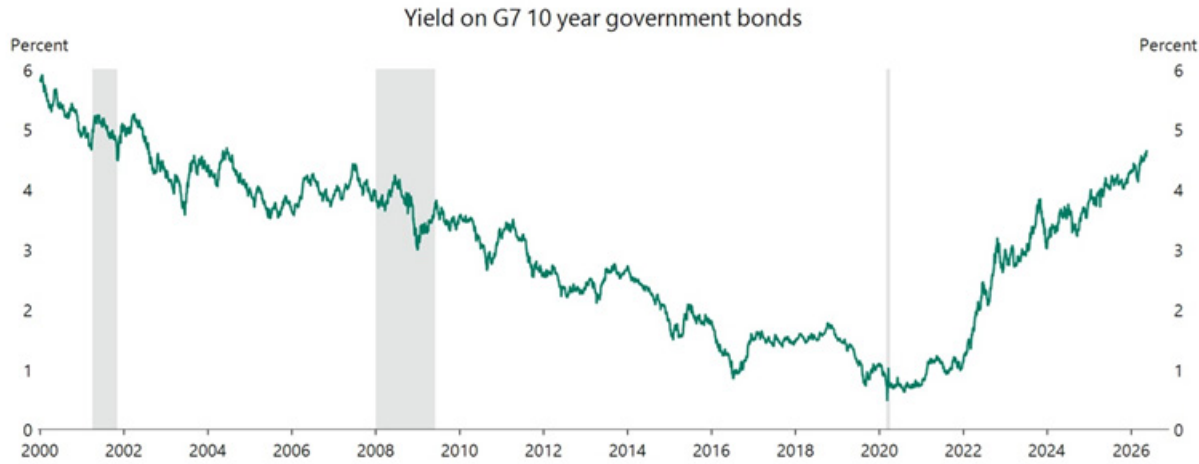
YTD 8.62%

Fund Commentary

Last week's dominant theme was inflation and yields. CPI and PPI both came in above expectations, and the 10-year yield closed at 4.59%, its highest level in roughly a year and through the psychologically important 4.50% level. U.S. bond yields breaking to new recent highs is re-stoking the inflation narrative, and the move is a global story: G7 government bond yields are now at their highest level since 2004, as shown in the chart from Apollo's Chief Economist below. Rate hike probabilities for 2026 moved to 28% by week's end from near 1% a month ago, even as Kevin Warsh officially succeeded Jerome Powell as Fed Chair on Friday.

G7 government bond yields at highest levels since 2004

APOLLO



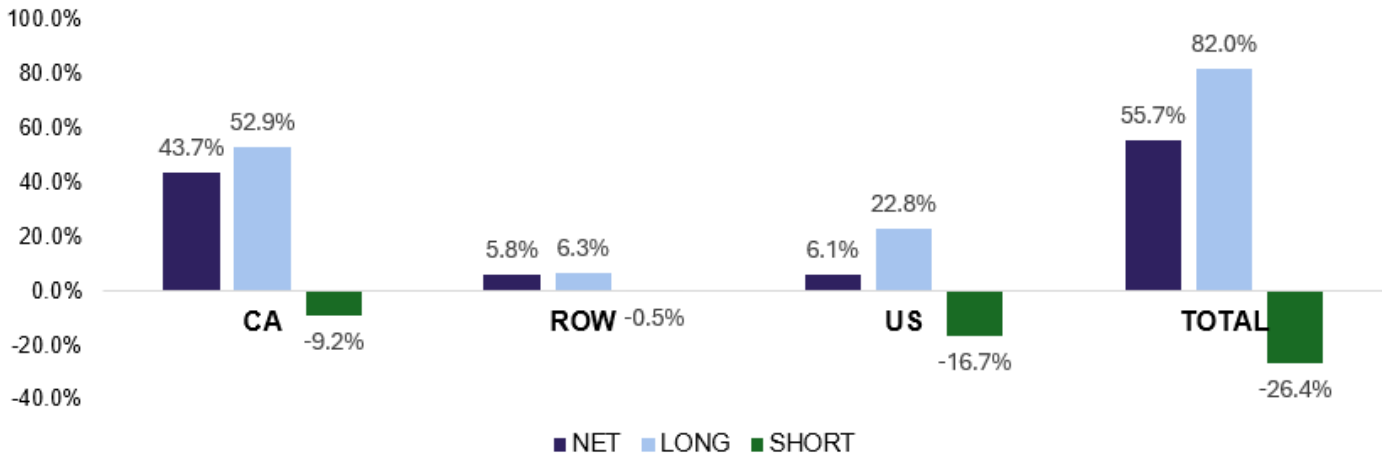
Source: Torsten Slok, Chief Economist, Apollo

Against this backdrop, U.S. stocks traded decidedly lower on Friday, with the S&P 500 finishing roughly flat on the week as upward momentum in the AI/semis trade stalled. The Trump/Xi meeting provided little in the way of meaningful news and added a sell the news impetus. Small caps lagged, with IWM closing the week down over 2% as cyclicals pulled back. Given the magnitude of the rally off the lows (SPY up 13% QTD), indices are due for some consolidation, or potentially a more meaningful correction if yields continue to track higher and the inflation narrative builds further. Our portfolio is skewed for an inflation backdrop, although if bond volatility really picks up, a broader risk off impulse could hit markets more indiscriminately.

Looking ahead, the week’s central event is Nvidia’s earnings on Wednesday, the clearest readthrough on whether the AI capex narrative can hold at current valuations. The SpaceX IPO prospectus could also be filed this week, with an early/ mid June IPO targeted.

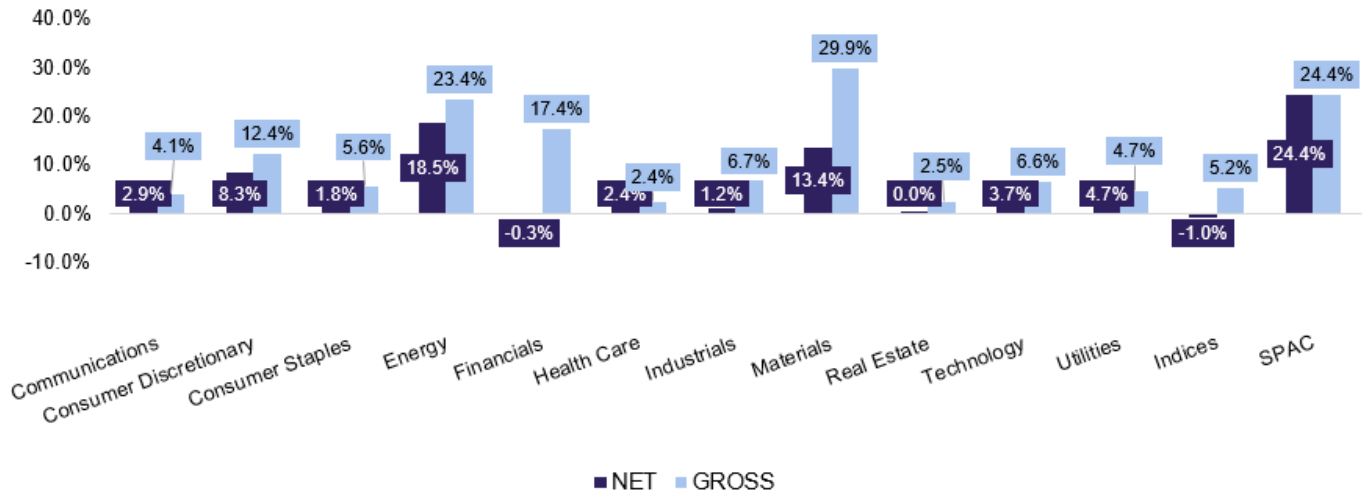
Equity Allocation (% Total Portfolio including Futures)

EQUITY REGION BREAKDOWN



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

EQUITY LONG/SHORT EXPOSURE



We look forward to reporting back next week.

Thanks,
Arrow Investment Team

Historical Performance – As of April 30, 2026

	1-Year	3-Year	5-Year	10-Year	ITD
ALSAF - Series F	29.77%	10.56%	7.25%	9.40%	9.95%

Published May 19, 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.

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