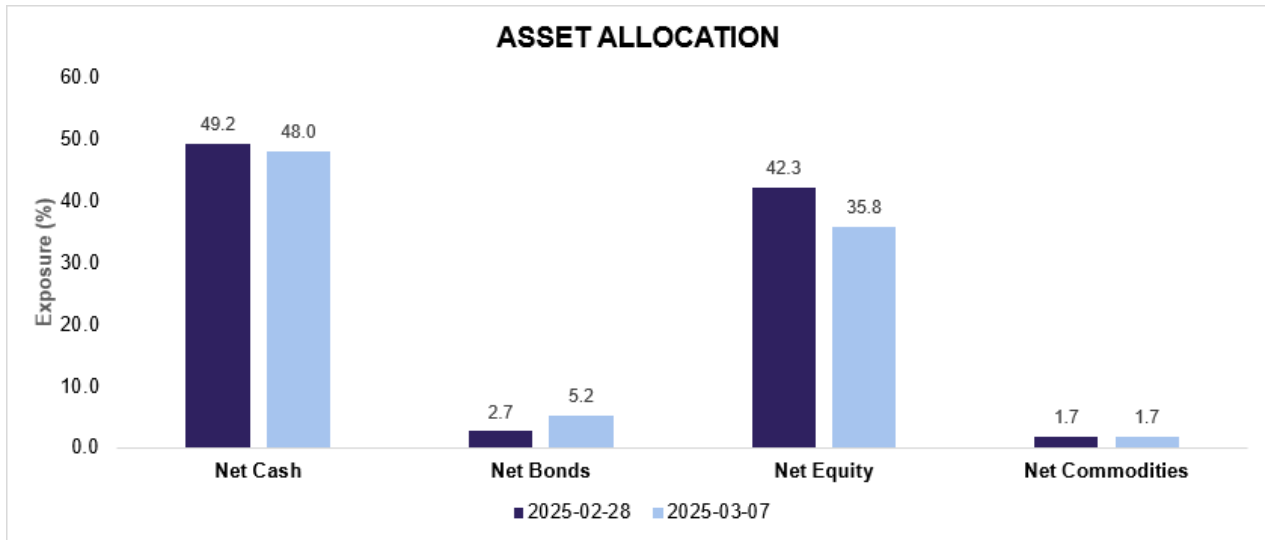


# ARROW LONG/SHORT ALTERNATIVE FUND

## commentary - Week ending March 7, 2025



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

### Performance

March 7, 2025

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

WTD -1.80%

MTD -1.80%

YTD -5.64%

### S&P TSX Composite

WTD -2.44%

MTD -2.44%

YTD 1.15%

### S&P 500:

WTD -3.06%

MTD -3.06%

YTD -1.67%

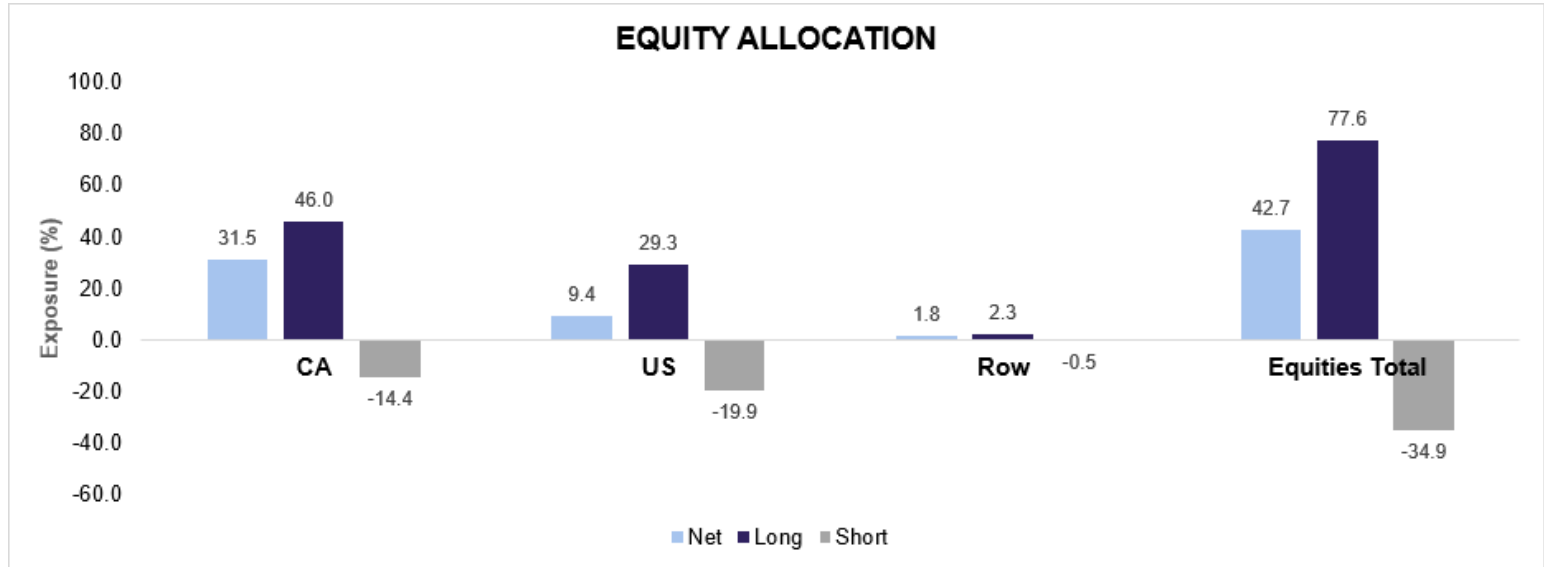
### Fund Commentary

The pain continued last week, with the S&P 500 (SPX) -3%, the Nasdaq 100 (QQQ) -3.7%, and the Russell 2000 (IWM) -3.9%. Markets experienced volatility primarily driven by tariff-related headlines, which resulted in another delay in the effective date for tariffs on Canada and Mexico. Small caps (IWM), underperformed the most due to the mounting concerns over economic growth, partly driven by tariff uncertainty. Meanwhile, international equities have continued to outperform U.S. markets this year, as capital flows increasingly favour non-U.S. regions as momentum unwinds. Although, we would not consider many of our names within this momentum bucket, correlations have started to become very high and our idiosyncratic positions have not been immune to this.

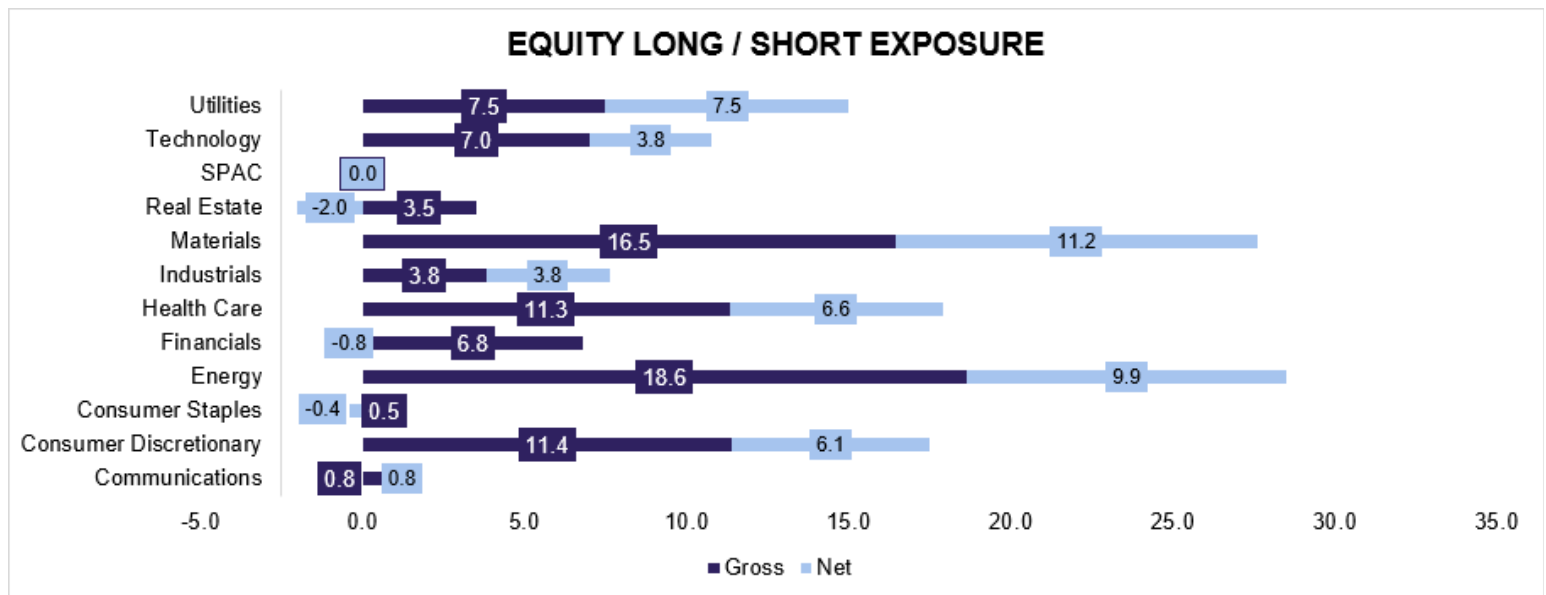
Although we believe recent price action has been driven by a confluence of non fundamental factors, we've become more cautious that we may be at the start of a topping process for markets, as a negative wealth effect starts to take hold. As such, we have been shifting the portfolio to a more defensive bias. Shorter term, we believe the market is due for a selling reprieve which we will look to use as an opportunity to re-shift our portfolio exposures more defensively.

Looking ahead to the upcoming week, the most significant event will be the release of CPI on Wednesday. As mentioned earlier, it is worth noting inflation fears have subsided since their peak in January, as the focus has now shifted towards concerns about growth and potential recession, despite a positive jobs report on Friday. The Federal Open Market Committee (FOMC) is currently in a blackout period ahead of the meeting scheduled for March 18-19 meeting.

**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 February 28, 2025

	1-Year	3-Year	5-Year	10-Year
ALSAF - Series F	5.27%	2.14%	9.66%	6.64%

Published March 10, 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.

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](http://www.arrow-capital.com).