EXEMPLAR GROWTH AND INCOME FUND
commentary - Week ending July 3, 2026

Arrow Capital Management Inc.

July 3rd 2026 Asset Allocation: 10.0% cash; 22.3% bonds; 0.2% commodities, and 67.5% equities*; 11.2% $US

June 26th 2026 Asset Allocation: 9.8% cash; 22.8% bonds; 0.2% commodities, and 67.2% equities*; 13.7% $US
*Net exposure to equities

	Last Week	Year to Date
iShares U.S. 7-10 Yr Bond ETF	-0.63%	-0.20%
iShares Core Canada Bond Index ETF	-0.21%	+1.72%
Gold (GLD ETF)	+1.20%	-4.59%
USD/CAD	+0.03%	+3.45%
ACWI (ETF)	+1.21%	+11.08%
S&P 500 (SPY ETF)	+2.17%	+9.80%
Nasdaq (QQQ ETF)	+0.86%	+16.27%
S&P/TSX (XIU ETF)	+0.63%	+12.49%
EGIF – Series FD	+0.94%	+12.14%
EGGIF – Series FD	+0.15%	+10.11%

June 26, 2026 to July 3, 2026

Quad Forecast	2Q26E	3Q26E	4Q26E
Canada	Quad 3 (GDP ↓, Inflation ↑)	Quad 3 (GDP ↓, Inflation ↑)	Quad 1 (GDP ↑, Inflation ↓)
United States	Quad 3 (GDP ↓, Inflation ↑)	Quad 3 (GDP ↓, Inflation ↑)	Quad 2 (GDP ↑, Inflation ↑)

Source: Hedgeye Risk Management, June 2026

Canadian equities finished the shortened trading week on a constructive note, with the S&P/TSX Composite Index posting a modest weekly gain despite ongoing geopolitical and trade-related uncertainty. Investor sentiment improved into week-end as weaker-than-expected U.S. employment data supported the view that central banks may be nearing the end of their tightening cycle, leading to lower bond yields and renewed interest in rate-sensitive sectors. Within Canada, markets digested April GDP data alongside continued uncertainty surrounding Canada-U.S. trade negotiations. While domestic economic growth remains subdued, the data reinforced expectations that the Bank of Canada will likely remain patient as inflation continues to moderate. Financials were relatively stable, while real estate and utilities benefited from declining bond yields. Commodity markets remained an important driver of Canadian performance. Oil prices stabilized following heightened Middle East tensions earlier in the month, helping support Canada's energy sector without materially reigniting inflation concerns. At the same time, gold prices strengthened late in the week after the softer U.S. payroll report, providing a boost to Canadian precious metals producers.

The upcoming week will see investors shift their attention back toward central bank expectations and corporate fundamentals. Markets will continue to assess whether recent economic data are consistent with a "soft landing" scenario, where inflation gradually returns to target without a significant deterioration in economic activity. In Canada, attention will increasingly turn toward the Bank of Canada's July policy decision, while in the United States investors will monitor any additional commentary from Federal Reserve officials following last week's softer employment report. Ongoing developments surrounding Canada-U.S. trade negotiations, commodity prices, and geopolitical risks will also remain key drivers of market sentiment.

Overall, while short-term volatility is likely to persist, the backdrop remains supportive. We continue to emphasize high-quality businesses with resilient earnings, complemented by active fixed income positioning that can benefit from a moderating interest rate environment as suggested by our shallow Quad 4 forecast this month.

Sector Breakdown and Top Holdings

The Fund is prepared for multiple outcomes and using market swings to add or remove exposures. Our biggest sectors: Materials (9.6%), Industrials (9.2%), Financials (8.7%), Energy (6.5%), and Real Estate (5.5%). I've added our Top 10 Equity Holdings below for this week.

Top 10 Equity Holdings as of July 3, 2026

1.	Canadian National Railway – CNR	Industrials
2.	Chartwell Retirement – CSH.UN	REITS
3.	Manulife - MFC	Financials
4.	Medexus Pharmaceuticals - MDP	Healthcare
5.	Tenaz Energy - TNZ	Energy
6.	Canadian Imperial Bank - CM	Financials
7.	NevGold Corp - NAU	Materials
8.	Royal Bank of Canada – RY	Financials
9.	DRI Healthcare – DHT.UN	Healthcare
10.	Sun Life Financial – SLF	Financials

*EGIF Top 10 Equity Holdings exposure: 9.1%

The Exemplar Growth & Income Series FD was **+0.94%** last week and is **+12.14%** year to date.

Exemplar Global Growth & Income

Quad Forecast	2Q26E	3Q26E	4Q26E
Europe	Quad 3 (GDP ↓, Inflation ↑)	Quad 3 (GDP ↓, Inflation ↑)	Quad 4 (GDP ↓, Inflation ↓)
China	Quad 3 (GDP ↓, Inflation ↑)	Quad 1 (GDP ↑, Inflation ↓)	Quad 1 (GDP ↑, Inflation ↓)
Japan	Quad 2 (GDP ↑, Inflation ↑)	Quad 3 (GDP ↓, Inflation ↑)	Quad 2 (GDP ↑, Inflation ↑)

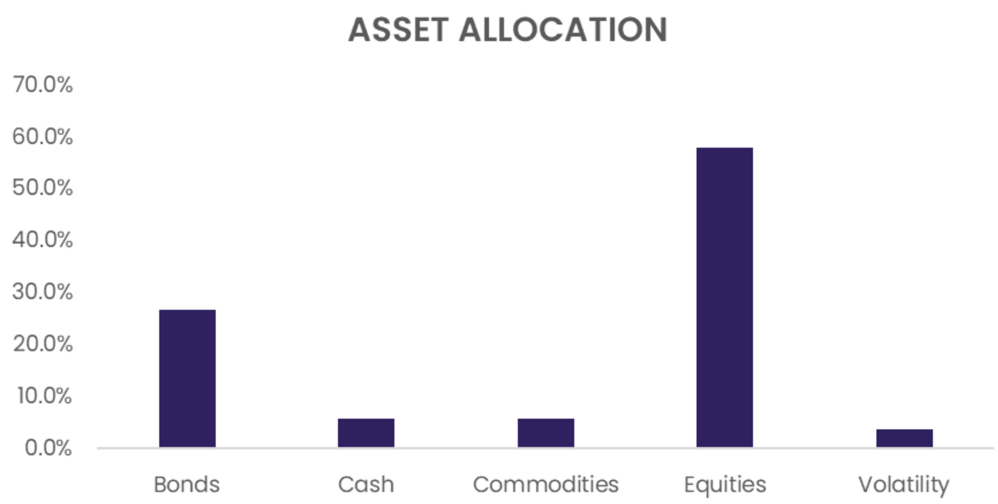
Source: Hedgeye Risk Management, June 2026

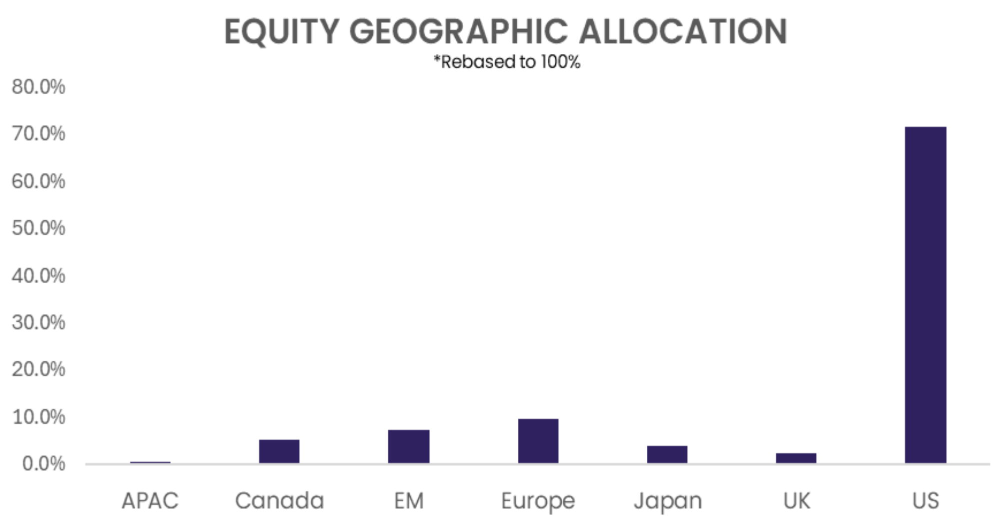
Last week was a short week with limited data releases. Overall, there was a rotation out of technology and into broader exposure which can be attested to multiple reasons. We saw a weak jobs number with new jobs coming in only at 57K vs the 115K consensus and the previous month's strong number also was revised down. In reaction, the short end of the yield curve moved the most, with the 2yr Treasury coming down to price a reduction in the probability of rate hikes. This led to temporary weakness in the USD, which had seen strength over the past few weeks. We were prepared for such an outcome since our view was that the yield curve had topped for now after the perceived hawkishness from new Fed Chair Warsh, and there are greater chances of yields rallying therefore, we had increased our bond position and reduced our USD exposure.

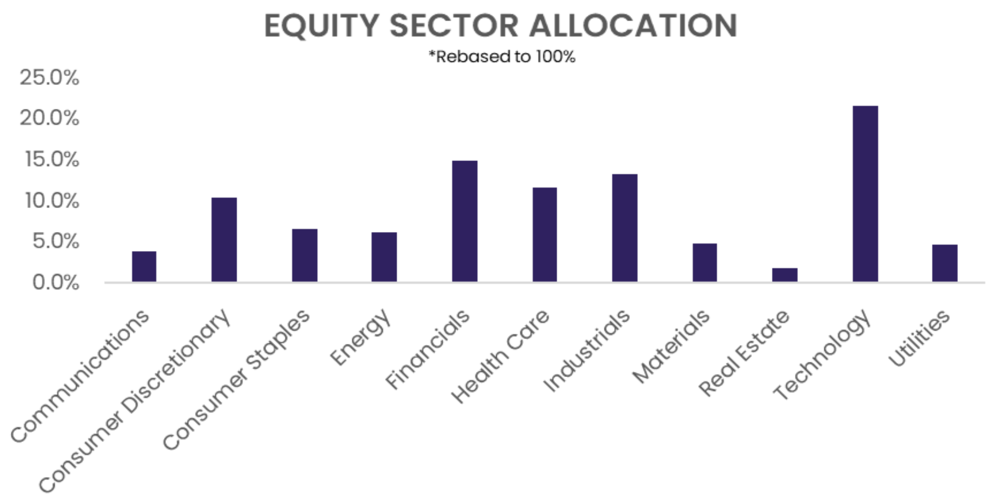
Secondly, news came out from META where they plan to develop a cloud infrastructure business that will sell access to AI computing and models, setting up competition to AWS, Google Cloud, and other Neo-Clouds, like CoreWeave, Nebius, IREN, etc. Initially, the stock rallied on the news but then retraced some due to the general weakness for the AI trade in the market as investors thought that this confirms that META has over-built it's compute. We think that this is an over-exaggeration. The news is bad for the Neo-Clouds, as META internalizes its long-term demand and takes away from margin taking ability with increased competition, but currently does not have a negative impact on the rest of the AI space. However, we continue to trade around the tech weakness with the help of ETF and option strategies as we enter earnings season which should act as a catalyst for the space.

The upcoming week will see the June Services PMI numbers along with the FOMC minutes from Warsh's first meeting as chair on July 8th. This remains important to see the changes that he could make to minutes given his preference for reduced communication. Further, Friday will see SK Hynix launch their ADR in the U.S. which remains an important catalyst for all memory stock valuations, and it also marks the beginning of Q2 earnings season with Delta, Pepsico, and Levi reporting.

Exemplar Global Growth & Income Asset Allocation – July 3, 2026







Top 10 Equity Holdings as of July 3, 2026

1.	Alphabet – GOOG	Communication Services
2.	Amazon – AMZN	Consumer Discretionary
3.	Nvidia – NVDA	Technology
4.	Apple – AAPL	Technology
5.	Microsoft – MSFT	Technology
6.	American Electric Power – AEP	Utilities
7.	Eli Lilly – LLY	Healthcare
8.	JP Morgan Chase – JPM	Financials
9.	Johnson & Johnson - JNJ	Healthcare
10.	Veolia Environnement - VIE	Industrials

*EGGIF Top 10 Equity Holdings exposure: 6.4%

The Exemplar Global Growth & Income Series FD was **+0.15%** last week and is **+10.11%** year to date.

Thanks,
Arrow Investment Team

Historical Performance – As of June 30, 2026

	1-Year	3-Year	5-Year	10-Year	ITD
EGIF - Series FD	25.38%	15.88%	7.22%	8.60%	8.32%
EGGIF – Series FD	19.16%	11.00%			5.33%

Published July 3, 2026

Commissions, trailing commissions, management and performance fees and expenses all may be associated with mutual fund and exchange-traded fund (ETF) 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 and ETFs are not guaranteed, their values change frequently and past performance may not be repeated. You will usually pay brokerage fees to your dealer if you purchase or sell securities of an ETF on recognized Canadian exchanges. If the securities are purchased or sold on these Canadian exchanges, investors may pay more than the current net asset value when buying securities of the ETF and may receive less than the current net asset value when selling them.

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.

This document is provided as a general source of information and should not be considered personal, legal, accounting, tax or investment advice, or construed as an endorsement or recommendation of any entity or security discussed. Every effort has been made to ensure that the material contained in this document is accurate at the time of publication. Market conditions may change which may impact the information contained in this document. All charts and illustrations in this document are for illustrative purposes only. They are not intended to predict or project investment results. Individuals should seek the advice of professionals, as appropriate, regarding any particular investment. Investors should consult their professional advisors prior to implementing any changes to their investment strategies.

Certain statements in this document are forward-looking. Forward-looking statements (“FLS”) are statements that are predictive in nature, depend upon or refer to future events or conditions, or that include words such as “may,” “will,” “should,” “could,” “expect,” “anticipate,” “intend,” “plan,” “believe,” or “estimate,” or other similar expressions. Statements that look forward in time or include anything other than historical information are subject to risks and uncertainties, and actual results, actions or events could differ materially from those set forth in the FLS. FLS are not guarantees of future performance and are by their nature based on numerous assumptions. Although the FLS contained herein are based upon what Arrow Capital Management and the portfolio manager believe to be reasonable assumptions, neither Arrow Capital Management nor the portfolio manager can assure that actual results will be consistent with these FLS. The reader is cautioned to consider the FLS carefully and not to place undue reliance on FLS. Unless required by applicable law, it is not undertaken, and specifically disclaimed that there is any intention or obligation to update or revise FLS, whether as a result of new information, future events or otherwise.

The comparison presented is intended to illustrate the historical performance of Exemplar Growth and Income Fund (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.