

EXEMPLAR GROWTH AND INCOME FUND

commentary – Week ending May 8, 2026



May 8th 2026 Asset Allocation: 10.8% cash; 22.3% bonds; 0.2% commodities, and 66.7% equities*; 17.2% \$US

May 1st 2026 Asset Allocation: 10.2% cash; 22.4% bonds; 0.2% commodities, and 67.2% equities*; 16.7% \$US

*Net exposure to equities

	Last Week	Year to Date
iShares U.S. 7-10 Yr Bond ETF	+0.23%	+0.02%
iShares Core Canada Bond Index ETF	+0.42%	+0.89%
Gold (GLD ETF)	+2.50%	+9.45%
USD/CAD	+0.60%	-0.25%
ACWI (ETF)	+2.45%	+9.82%
S&P 500 (SPY ETF)	+2.35%	+8.43%
Nasdaq (QQQ ETF)	+5.49%	+15.90%
S&P/TSX (XIU ETF)	+0.08%	+7.19%
EGIF – Series FD	+0.94%	+10.89%
EGGIF – Series FD	+1.98%	+8.06%

May 1, 2026 to May 8, 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, May 2026

The potential for a diplomatic breakthrough in the Middle East has injected a fresh wave of optimism into global markets, as a U.S. proposal for a 14-point peace deal with Iran begins to take shape. This development, which includes a moratorium on nuclear enrichment and the lifting of sanctions, has pushed major U.S. equity benchmarks to new record highs as investors anticipate a significant reduction in geopolitical risk. While tensions in the Persian Gulf remain elevated, the market's focus is increasingly shifting back to core economic fundamentals, specifically the resilience of the U.S. labor market and a blockbuster corporate earnings season. Private payrolls have shown a notable recovery in early 2026, averaging 90,000 gains per month and driving the unemployment rate down to 4.3%. This domestic strength stands in contrast to Canada's labor market, which continues to struggle under the weight of protectionist trade policies and higher energy costs, resulting in a rise in unemployment to 6.9%.

Beyond the labor data, the corporate sector is currently experiencing an earnings frenzy, with a vast majority of S&P 500 companies exceeding expectations. The tech sector remains the primary engine of growth, fueled by an extraordinary investment cycle in artificial intelligence that has propelled semiconductor stocks to massive year-to-date gains. However, this economic vigor, paired with inflation concerns driven by the recent oil shock, has caused a significant reset in interest rate expectations. Fixed income markets have adjusted to the reality that central banks will likely remain on hold for longer than previously anticipated; the Federal Reserve is now expected to stay on the sidelines through the end of the year, while the Bank of Canada faces pressure to manage sluggish growth without further destabilizing the economy through unnecessary rate hikes.

Note: This page is not complete without disclaimers on the last page.

For investors, the current environment suggests that while the bull market remains intact, much of the recent good news may already be priced into the market. With stocks at record highs and bond yields stabilizing at elevated levels, a period of market consolidation or “bumpier” gains is a distinct possibility in the coming months. Nevertheless, the broadening of earnings growth across sectors and the continued momentum of the AI cycle underscore the importance of maintaining a diversified equity allocation.

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 (11.6%), Industrials (8.7%), Financials (8.2%), Energy (6.8%), and Real Estate (5.0%). I’ve added our Top 10 Equity Holdings below for this week.

Top 10 Equity Holdings as of May 8, 2026

1.	Tenaz Energy - TNZ	Energy
2.	Base Carbon - BCBN	Financials
3.	Chartwell Retirement – CSH.UN	REITS
4.	Canadian Imperial Bank - CM	Financials
5.	Canadian National Railway – CNR	Industrials
6.	Manulife - MFC	Financials
7.	NevGold Corp - NAU	Materials
8.	Premium Brands - PBH	Consumer Staples
9.	Amazon - AMZN	Consumer Discretionary
10.	Kazia Therapeutics - KZIA	Healthcare

*EGIF Top 10 Equity Holdings exposure: 9.2%

The Exemplar Growth & Income Series FD was +0.94% last week and is +10.89% 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, May 2026

Semiconductors and Tech continued their journey upwards with the Nasdaq 100 and S&P 500 gaining 5.38% and 2.22%, respectively, hitting new all-time highs. Earnings from the Mag 7 and the semiconductor companies like AMD and MU showed that the infrastructure spend continues to grow. Meanwhile, energy gained in the start of the week with WTI reaching \$110 before reversing sharply on diplomacy rumours and the opening of the strait. WTI ended the week down 7%. The infrastructure spend growth has leaked into other sectors with industrial metals like Silver and Copper also gaining a bid. We are seeing the start of the decoupling of silver from gold as an industrial metal compared to a

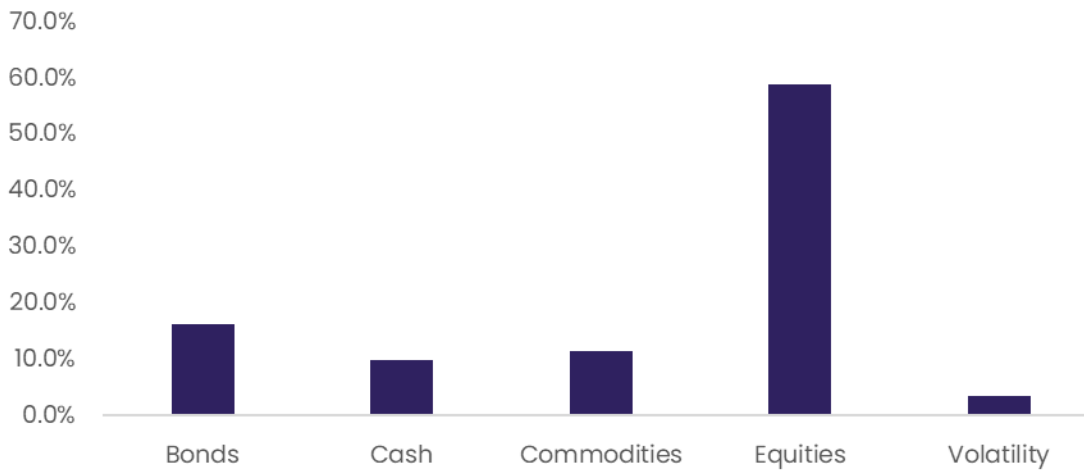
precious metal, but it is something that we will keep a close eye on. The equity resiliency prompted continued gains in Emerging Markets like Korea and Japan gaining on the back of local technology companies.

Bond yields continue to remain elevated as the market prices in hotter inflation with higher growth in the economy. Consequently, we continue to be overweight equities and underweight bonds. Within equities, we remain focused on semi-conductors and AI thematics with overweight exposures. We continue to have above market weight exposure to energy and materials as pressure lingers with the seemingly endless Iran war. We continue to be underweight USD exposure with higher exposures in CAD as a beneficiary to increasing commodity prices.

The upcoming week will put macro data and political events in focus as we reach towards the end of the Q1 reporting season, with 89% of the S&P 500 having reported. For macro data points, the main event is the U.S. CPI data release for the month of April which will tell us the leakage of the spike in oil prices on core inflation. We will also have PPI, Retail Sales and University of Michigan Consumer Sentiment reports. All eyes will be on the Trump-Xi summit taking place in China in the latter part of the week. The topics up for discussion range from Tariffs & Trade Deals regarding Industrial to Agricultural products, the Iran war, sanctions on weapons and of course, Taiwan.

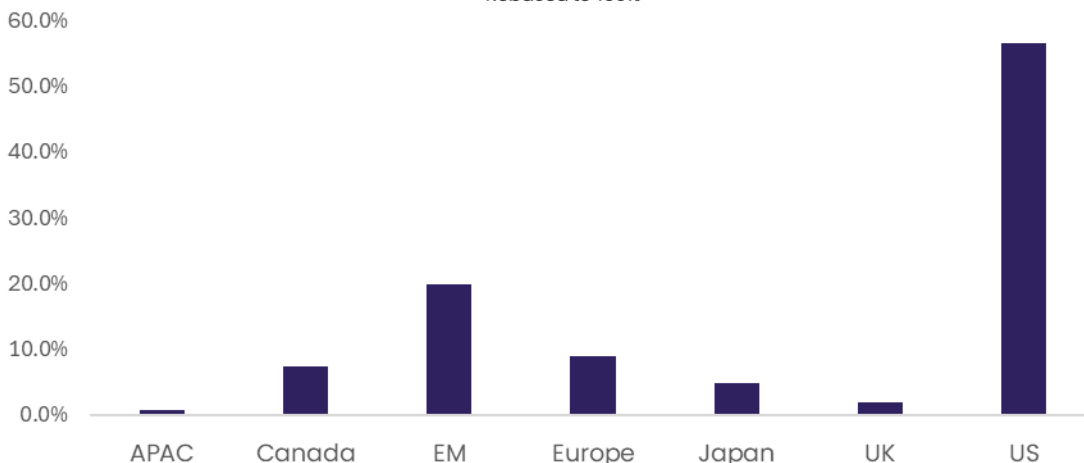
Exemplar Global Growth & Income Asset Allocation – May 8, 2026

ASSET ALLOCATION



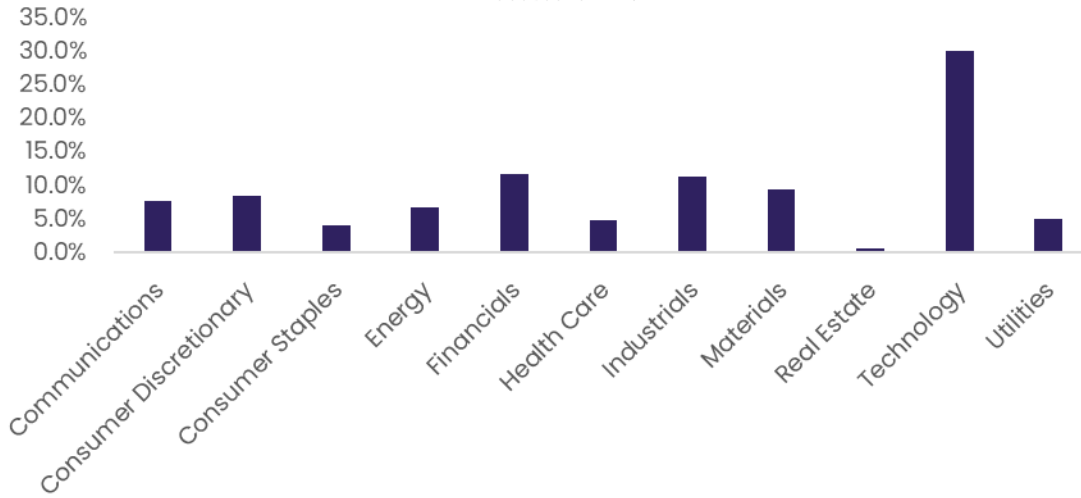
EQUITY GEOGRAPHIC ALLOCATION

*Rebased to 100%



EQUITY SECTOR ALLOCATION

*Rebased to 100%



Top 10 Equity Holdings as of May 8, 2026

1.	Alphabet – GOOG	Communication Services
2.	Nvidia – NVDA	Technology
3.	Amazon – AMZN	Consumer Discretionary
4.	Apple – AAPL	Technology
5.	Meta Platforms – META	Communication Services
6.	Microsoft - MSFT	Technology
7.	Taiwan Semiconductor – TSM	Technology
8.	Cisco Systems - CSCO	Technology
9.	JPMorgan Chase – JPM	Financials
10.	Vistra Corp – VST	Utilities

*EGGIF Top 10 Equity Holdings exposure: 7.8%.

The Exemplar Global Growth & Income Series FD was +1.98% last week and is +8.06% year to date.

Thanks,
Arrow Investment Team

Historical Performance – As of April 30, 2026

	1-Year	3-Year	5-Year	10-Year	ITD
EGIF - Series FD	30.62%	13.18%	7.53%	8.58%	8.30%
EGGIF – Series FD	18.37%	8.69%			4.47%

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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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