

EXEMPLAR GROWTH AND INCOME FUND

commentary – Week ending August 29, 2025



August 29th 2025 Asset Allocation: 5.6% cash; 18.7% bonds; 4.4% commodities, and 65.7% equities*; 25.4% \$US

August 22nd 2025 Asset Allocation: 6.6% cash; 18.6% bonds; 4.5% commodities, and 66.0% equities*; 25.2% \$US

*Net exposure to equities

	Last Week	Year to Date
iShares U.S. 7-10 Yr Bond ETF	+0.39%	+6.06%
iShares Core Canada Bond Index ETF	+0.42%	+0.93%
Gold (GLD ETF)	+2.41%	+30.24%
USD/CAD	-1.08%	-4.35%
ACWI (ETF)	-0.58%	+13.89%
S&P 500 (SPX ETF)	-0.10%	+9.44%
Nasdaq (QQQ ETF)	-0.27%	+11.16%
S&P/TSX (XIU ETF)	+0.94%	+15.61%
EGIF – Series FD	+0.15%	+8.18%
EGGIF – Series FD	-0.40%	+6.56%

August 22, 2025 to August 29, 2025

Quad Forecast	3Q25E	4Q25E	1Q26E
Canada	Quad 2 (GDP ↑, Inflation ↑)	Quad 3 (GDP ↓, Inflation ↑)	Quad 1 (GDP ↑, Inflation ↓)
United States	Quad 3 (GDP ↓, Inflation ↑)	Quad 2 (GDP ↑, Inflation ↑)	Quad 1 (GDP ↑, Inflation ↓)

Last week markets had a lot to digest. U.S. economic data came in stronger than many expected. The second-quarter GDP was revised up to 3.3% annualized, reflecting solid consumer spending and, notably, heavy investment in AI infrastructure. This kind of spending is quietly becoming a key engine of growth. At the same time, the core PCE inflation index rose 2.9% year-over-year, the highest in months, keeping the Fed on investors’ minds as they try to gauge the path for interest rates.

In Canada, economic headwinds intensified, as the impact of escalating U.S. tariffs weighed heavily on growth and trade. Statistics Canada reported a sharper than expected contraction in Q2 GDP, shrinking at an annualized rate of 1.6%—the first decline in nearly two years and nine ticks below forecasts. Exports plummeted amid the ongoing trade war, with U.S. tariffs averaging 19.2% curbing shipments of key commodities like autos, steel, and aluminum. Business investment also stalled, reflecting uncertainty that has prompted firms to delay hiring and expansion.

Political developments added another layer of uncertainty. President Trump’s attempt to remove Fed Governor Lisa Cook rattled markets by raising questions about the central bank’s independence. Investors responded the way they often do to uncertainty: gold rallied to fresh highs, climbing past \$3,500 an ounce. The move wasn’t just about rates—it was a hedge against political risk and a reminder of why gold remains a trusted safe haven in turbulent times.

North of the border, Canadian bank earnings rolled in, offering a snapshot of the domestic financial sector. Big banks reported solid results overall, with earnings generally reflecting resilient loan growth and steady trading revenue, though there were signs that rising interest rates are starting to weigh on mortgage demand. For investors, these earnings confirmed that Canadian banks remain well-capitalized and continue to contribute positively to the market, even as economic growth shows signs of moderation. The Fund is prepared for multiple outcomes and using market swings to add or remove exposures. Our biggest sectors: Industrials (8.6%), Materials (8.4%), Energy (7.9%), Financials (7.8%)

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and Real Estate (5.0%). I’ve added our Top 10 Equity Holdings below for this week.

Top 10 Equity Holdings as of August 29, 2025

1.	Canadian Imperial Bank - CM	Financials
2.	Chartwell Retirement – CSH.UN	REITS
3.	Manulife - MFC	Financials
4.	Amazon – AMZN	Consumer Discretionary
5.	Sun Life – SLF	Financials
6.	Arc Resources – ARX	Energy
7.	Fairfax Financial – FFH	Financials
8.	Enbridge – ENB	Energy
9.	Royal Bank of Canada – RY	Financials
10.	Canadian Pacific - CP	Industrials

*EGIF Top 10 Equity Holdings exposure: 9.7%

The Exemplar Growth & Income Series FD was +0.15% last week and is +8.18% year to date.

Exemplar Global Growth & Income

We launched a Global version of our Exemplar Growth & Income Fund in December of 2021. The Fund has the same investment team and investment process that you are familiar with from the Exemplar Growth & Income Fund but with a Global geographical focus. To help show the portfolio differences, we have included the asset allocation for Exemplar Global Growth & Income as well as the top 10 equity holdings and performance below.

August 29th, 2025 Asset Allocation: 12.2% cash; 13.2% bonds; 13.5% commodities and 63.6% equities*; 30.6% \$US, 2.2% EUR, 0.9% GBP, 0.6% JPY, 1.5% Other

August 22nd, 2025 Asset Allocation: 4.6% cash; 16.9% bonds; 10.7% commodities and 69.6% equities*; 25.9% \$US, 2.2% EUR, 1.3% GBP, 0.6% JPY, 1.5% Other

*Net exposure to equities

Top 10 Equity Holdings as of August 29, 2024

1.	Alphabet – GOOG	Communication Services
2.	Microsoft – MFST	Technology
3.	Amazon – AMZN	Consumer Discretionary
4.	Apple - AAPL	Technology
5.	Meta Platforms - META	Communication Services
6.	Nvidia – NVDA	Technology
7.	Newmont - NEM	Materials
8.	PG&E Corp – PCG	Utilities
9.	JPMorgan Chase – JPM	Financials
10.	Mastercard – MA	Financials

*EGGIF Top 10 Equity Holdings exposure: 6.4%

The Exemplar Global Growth & Income Series FD was -0.40% last week and is +6.56% year to date.

Thanks,
Arrow Investment Team

Historical Performance – As of August 31, 2025

	1-Year	3-Year	5-Year	10-Year	ITD
EGIF - Series FD	14.45%	6.48%	6.34%	7.06%	7.02%
EGGIF – Series FD	9.20%	5.12%			2.28%

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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.

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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.