

# EXEMPLAR GROWTH AND INCOME FUND

## commentary – Week ending July 11, 2025



July 11th, 2025 Asset Allocation: 7.5% cash; 18.2% bonds; 5.7% commodities and 64.9% equities\*; 24.9% \$US

July 4th, 2025 Asset Allocation: 7.1% cash; 18.2% bonds; 5.6% commodities and 65.3% equities\*; 25.8% \$US

\*Net exposure to equities

	Last Week	Year to Date
iShares U.S. 7-10 Yr Bond ETF	-0.15%	+3.98%
iShares Core Canada Bond Index ETF	-0.14%	+0.99%
Gold (GLD ETF)	+0.58%	+27.68%
USD/CAD	+0.67%	-4.81%
ACWI (ETF)	-0.42%	+10.80%
S&P 500 (SPX ETF)	-0.47%	+7.04%
Nasdaq (QQQ ETF)	-0.39%	+8.68%
S&P/TSX (XIU ETF)	-0.17%	+10.00%
EGIF – Series FD	+0.29%	+5.42%
EGGIF – Series FD	-0.35%	+4.30%

July 4, 2025 to July 11, 2025

Every time Trump talks aggressively about tariffs, Gold seems to go up. Last week was no different as the Sabre rattling started with a bang on Monday and seemed to get louder as the week wore on. Only the US dollar and Gold were up last week with bonds and stocks flat to down.

Its hard to keep up with all the headlines, whether it be targeting Brazil or Copper or back to Canada or Japan and Korea earlier in the week. This partly explains why markets are so calm in the face of all this noise as participants have been discounting all the language and are focusing on what actually happens. So far this has been the right path as the bark has clearly been much louder than the bite. But now with markets fully recovered and stocks up on the year and multiples > 20x eps along with a very complacent VIX, the market is now much more susceptible to any kind of real shock. We have been selectively adding some put protection given the lower VIX. Some put spreads now have payouts > 7x with some more exotic structures with payout profiles > 10x.

The Fund is prepared for multiple outcomes and using market swings to add or remove exposures. It was a quiet week for the fund where we trimmed more of our recent winners (Exchange Income Fund and MDA Space). As discussed above we have been slowly adding protection and will continue to monitor the options market for strong protection payoff profiles.

The Fund is very active increasing and decreasing equity exposure. The Fund will tactically trade equities, either through outright sales or 'shorting'. The Fed has refocused on inflation and getting it back to the 2% target. The FED has lowered interest rates by 100 bps. The Bank of Canada has made seven interest rate cuts so far this cycle, the latest being 25 bps for a total of 225 bps. The direction of Fed Funds and BoC rate are both wait and see mode. Our biggest sectors: Industrials (9.1%), Financials (8.5%), Energy (7.9%), Materials (6.6%) and Real Estate (4.6%). I've added our Top 10 Equity Holdings below for this week.

**Top 10 Equity Holdings as of July 11, 2025**

1.	Chartwell Retirement – CSH.UN	REITS
2.	Canadian Imperial Bank - CM	Financials
3.	Manulife -MFC	Financials
4.	Sun Life - SLF	Financials
5.	Arc Resources - ARX	Energy
6.	Meta - META	Communications
7.	Fairfax Financial - FFH	Financials
8.	Amazon - AMZN	Consumer Discretionary
9.	Schmid Group - SHMD	Industrials
10.	Canadian Pacific - CP	Industrials

\*EGIF Top 10 Equity Holdings exposure: 9.8%

The Exemplar Growth & Income Series FD was +0.29% last week and is +5.42% 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.

July 11th, 2025 Asset Allocation: 6.1% cash; 17.3% bonds; 11.6% commodities and 66.2% equities\*; 19.4% \$US, 1.1% EUR, 1.6% AUD, 0.2% JPY, 2.5% Other

July 4th, 2025 Asset Allocation: 3.1% cash; 8.1% bonds; 12.1% commodities and 78.6% equities\*; 7.8% \$US, 0.5% EUR, 1.6% AUD, 0.2% JPY, 2.9% Other

\*Net exposure to equities

**Top 10 Equity Holdings as of July 11, 2024**

1.	Microsoft – MFST	Technology
2.	Amazon – AMZN	Consumer Discretionary
3.	Nvidia – NVDA	Technology
4.	Alphabet – GOOG	Communications
5.	Holcim – HOLN	Materials
6.	Las Vegas Sands – LVS	Consumer Discretionary
7.	ABN Amro Bank - ABN	Financials
8.	Agnico Eagle Mines - AEM	Materials
9.	BP PLC – BP	Energy
10.	Adv Micro Device – AMD	Technology

\*EGGIF Top 10 Equity Holdings exposure: 5.4%

The Exemplar Global Growth & Income Series FD was -0.35% last week and is +4.30% year to date.

Thanks,  
Arrow Investment Team

Historical Performance – As of June 30, 2025

	1-Year	3-Year	5-Year	10-Year	ITD
EGIF - Series FD	15.07%	4.90%	6.31%	6.67%	6.79%
EGGIF – Series FD	8.80%	4.10%			1.68%

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