

# EXEMPLAR GROWTH AND INCOME FUND

## commentary – Week ending June 6, 2025



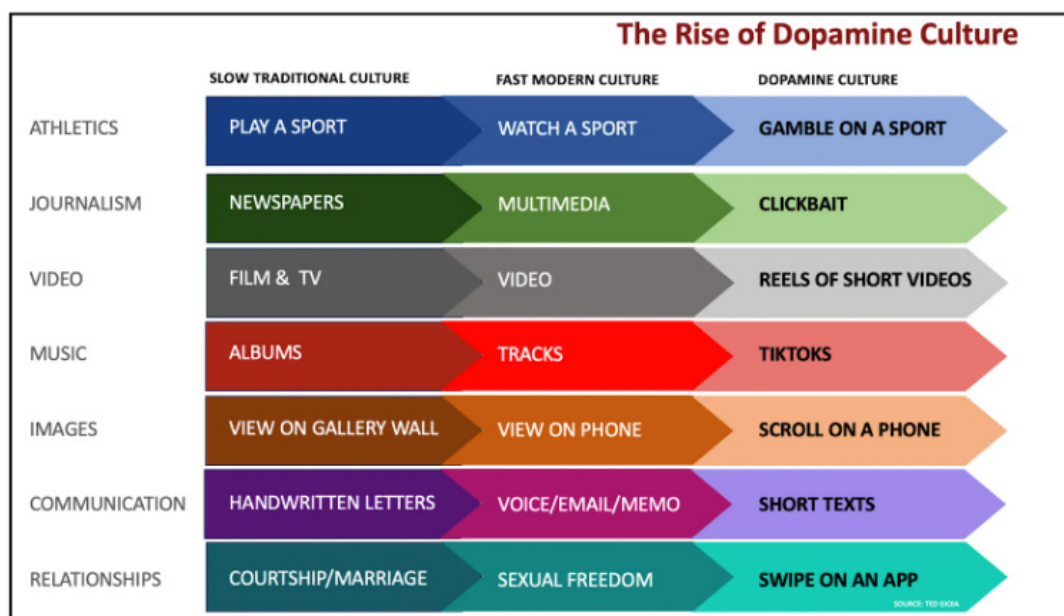
June 6th, 2025 Asset Allocation: 14.8% cash; 20.9% bonds; 5.6% commodities (2.8% GLD ETF/ 1.4% SLV/ 1.2% IBIT, U-U 0.2%) and 58.7% equities\*; 24.9% \$US

\*Net exposure to equities: 58.0%

May 30th, 2025 Asset Allocation: 15.3% cash; 21.3% bonds; 5.6% commodities (2.8% GLD ETF/ 1.2% SLV/ 1.4% IBIT, U-U 0.2%) and 57.8% equities\*; 26.8% \$US

	Last Week	Year to Date
iShares U.S. 7-10 Yr Bond ETF	+0.85%	+3.58%
iShares Core Canada Bond Index ETF	+1.18%	+1.38%
Gold (GLD ETF)	-2.03%	+25.33%
USD/CAD	+0.06%	-4.51%
ACWI (ETF)	+1.10%	+5.23%
S&P 500 (SPX ETF)	+1.90%	+1.06%
Nasdaq (QQQ ETF)	+1.94%	+1.69%
S&P/TSX (XIU ETF)	+1.46%	+7.27%
EGIF – Series FD	+0.62%	+1.83%
EGGIF – Series FD	-0.03%	+0.89%

May 30, 2025 to June 6, 2025



The State of the Culture, 2024 by Ted Gioia

Stocks and Gold were up while the USD and bonds slid. Equity markets are approaching their highs or in the case of the S&P/TSX, hitting new highs. U.S. 10-yr yields are sitting about 30 bps below their high of 4.80% in mid-January. Equity markets got excited about the prospect of U.S. - China trade negotiations getting back on track. The bluster of the week was the public fall-out of the Trump-Musk bromance. The week before was a very public honorary send off of Musk in which Trump presented Musk with a Gold Key to the White House. This week, Musk was calling for Trump's impeachment and calling the 'Big Beautiful Bill' an abomination. The U.S. equity market shrugged off the public dispute between the most powerful man and the richest man.

The bond market and U.S. dollar remain somewhat hopeful the ‘Big Beautiful Bill’ will see some changes that address the prospects of a growing Federal deficit over the next 10 years.

The Dopamine culture is part of the investment culture too. The investment strategies have gone from Individual stocks to Specific ETF’s to 24-hour expiry options. Adapt and be aware of the environment. In addition to applying the Quad model, the Fund is aware of ‘Brokers’ or ‘Dealers’ positioning and what is the depth of market liquidity. Currently, liquidity is above average and Dealers are skewed to be buyers. The importance of the change in market dynamics is there are large players using quant or A.I. to trade the market. BlackRock licenses Aladdin to its competitors, including financial giants like JP Morgan, Allianz, and UBS. Even the Federal Reserve has relied on Aladdin to oversee markets during crises. By selling Aladdin as a service, BlackRock has created a tool that’s not just dominant but indispensable.

*When you hear about BlackRock, the world’s largest asset manager, you might think about its staggering \$9.4 trillion in assets under management. But behind BlackRock’s dominance lies an even more powerful tool: Aladdin, a software platform that controls \$21 trillion—a sum greater than the combined GDP of the UK, Japan, and Germany. Aladdin isn’t just software; it’s the financial world’s ultimate operating system, quietly reshaping how money moves across the globe. At its core, Aladdin combines data analytics, risk assessment, portfolio management, and trading execution. Think of it as the financial industry’s equivalent of an operating system like Windows or iOS, but for money.*

The Fund is prepared for multiple outcomes and using market swings to add or remove exposures. The Fund sold some USD. Rotation and stock selection is the course of action. Prospects of higher inflation through the end of the year favours equities however the quick rise in markets could see a swift correction.

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. The probability of a June 18th Fed cut is 0% and a 16% chance July 30th. Our biggest sectors: Industrials (9.5%), Financials (8.8%), Energy (8.6%), Materials (6.6%) and Information Technology (4.3%). I’ve added our Top 10 Equity Holdings below for this week.

Top 10 Equity Holdings as of June 6, 2025

1.	VanEck Junior Gold Miners - GDXJ	Materials
2.	Chartwell Retirement – CSH.UN	REITS
3.	Manulife -MFC	Financials
4.	Arc Resources - ARX	Energy
5.	Sun Life - SLF	Financials
6.	Canadian Imperial Bank - CM	Financials
7.	Royal Bank - RY	Financials
8.	MDA Space - MDA	Industrials
9.	Enbridge - ENB	Energy
10.	Bird Construction - BDT	Industrials

\*EGIF Top 10 Equity Holdings exposure: 11.1%

The Exemplar Growth & Income Series FD was +0.62% last week and is +2.44% 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.

June 6th, 2025 Asset Allocation: 15.1% cash; 13.2% bonds; 10.4% commodities and 63.0% equities\*; 6.9% \$US, 6.9% EUR, 1.7% AUD, 0.3% JPY, 4.0% Other

May 30th, 2025 Asset Allocation: 7.9% cash; 21.3% bonds; 10.7% commodities and 59.7% equities\*; 6.3% \$US, 9.4% EUR, 1.9% AUD, 0.3% JPY, 3.5% Other

\*Net exposure to equities

Top 10 Equity Holdings as of June 6, 2024

1.	Amazon – AMZN	Consumer Discretionary
2.	Nvidia – NVDA	Technology
3.	AT&T – T	Communications
4.	Microsoft – MFST	Technology
5.	Netflix – NFLX	Communications
6.	Chubb – CB	Financials
7.	Danone – BN.FP	Consumer Staples
8.	Dollar General – DG	Consumer Staples
9.	Broadcom - AVGO	Technology
10.	Visa – V	Financials

\*EGGIF Top 10 Equity Holdings exposure: 3.3%

The Exemplar Global Growth & Income Series FD was +1.34% last week and is +2.24% year to date.

Thanks,  
Arrow Investment Team

Historical Performance – As of May 31, 2025

	1-Year	3-Year	5-Year	ITD
EGIF - Series F	11.50%	3.51%	5.60%	6.57%
EGGIF – Series F	5.45%	2.42%		0.82%

Published June 9, 2025

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).