

Portfolio Management Team



Mike MacBain



Alim Harji, CFA

The fund is a fixed income strategy that seeks to generate attractive risk-adjusted returns with low correlation to interest rates and a focus on capital preservation. The actively managed portfolio is predominantly composed of high-quality corporate bonds from issuers in Canada and the United States. The fund has low duration thereby protecting investors from capital losses due to rising interest rates.

1. High Credit Quality Fixed Income
2. Low Duration
3. Enhanced Yield

Details

Inception date: June 15, 2021

Ticker: RATE

Management Fee: 0.95%

Monthly Distribution (¢)*: 8.1¢

Monthly Distribution (%)*: 4-5%

ETF Solution Benefits



Average Credit Quality

Duration

Running Yield

As of August 31, 2023

**For Historical Returns, Please see
Arrow EC Income Advantage
Alternative Fund Series FD**

Trailing Returns

As of Date: 2023-08-31

	1 yr	ITD
Arrow EC Income Advantage Alt ETF	8.48	3.90
FTSE Canada Universe Bond	0.76	-4.64

Correlations: Adding Fund to Portfolio Improves Diversification

FTSE TMX Universe 0.24

FTSE TMX Corporate 0.37

Sector Exposure

As of Date: 8/31/2023

High Yield	-1..3%
Investment Grade	101.3%
AAA	6.1%
AA	5.1%
A	49.1%
BBB	41.0%
CDXIG	0.0%
BB	-0.3%
<BB	-1.0%

Statistical Analysis

Time Period: Since Common Inception (2021-07-01) to 2023-08-31

	Arrow EC Income Advantage Alternative ETF	FTSE Canada Universe Bond
Cumulative Return	8.64	-9.78
Annualized Return	3.90	-4.64
Std Dev	2.54	6.93
Alpha	2.14	0.00
Beta	0.08	1.00
Correlation	0.24	1.00
Up Capture Ratio	32.07	100.00
Down Capture Ratio	-11.41	100.00
Max Drawdown	-1.74	-12.72
Sharpe Ratio	0.70	-0.99
Sortino Ratio	1.16	-1.19

The Series ETF Units of the Arrow EC Income Advantage Alternative Fund were launched on June 15, 2021 and are listed on the TSX with the ticker "RATE". On June 26, 2020, the East Coast Investment Grade Income Fund (TSX: ECF.UN) was converted from a closed end fund into an open-end alternative mutual fund, renamed Arrow EC Income Advantage Alternative Fund and delisted from the TSX. Details of the conversion are outlined in the information circular which is available at www.sedar.com. Unitholders of Fund had their units redesignated as Series FD Units.

Commissions, trailing commissions, management and performance fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded 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 dividends/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 are not guaranteed, their values change frequently, and past performance may not be repeated.

Portfolio holdings and sectors will fluctuate over the life of the mutual fund as the portfolio holdings and market value of each security changes. The portfolio manager(s) may change the portfolio allocations in some or all of the sectors. 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. The "Investment Growth" chart shows the final value of a hypothetical \$1,000 investment in securities in this series of the fund as at the end of the investment period indicated and is not intended to reflect future values or returns on investment in such securities. The comparison presented is intended to illustrate the historical performance of the fund as compared with the historical performance of a widely quoted market index or a weighted blend of widely quoted market indices. There are various important differences that may exist between the fund and the stated indices 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.

More information about the fund can be found on our website www.arrow-capital.com. Published September 2023.