

EXEMPLAR GROWTH & INCOME FUND

Week ending March 1, 2024



March 1st, 2024 Asset Allocation: 0.7% cash; 33.0% bonds; 5.9% commodities (4.1% GLD ETF/ 0.3% SLV ETF/1.5% IBIT) and 60.4% equities*; 30.0% \$US, 1.5% Yen

February 23rd, 2024 Asset Allocation: 1.1% cash; 32.3% bonds; 5.6% commodities (4.0% GLD ETF/ 0.2% SLV ETF/1.4% IBIT) and 60.9% equities*; 32.0% \$US, 1.5% Yen

*Net exposure to equities

	Last Week	Year to Date
iShares U.S. 7-10 Yr Bond ETF	+0.38%	-1.57%
Scotia Canada Bond Index	+0.30%	-1.44%
Gold	+2.33%	+0.97%
USD/CAD	+0.41%	+2.43%
ACWI (ETF)	+0.85%	+5.81%
S&P 500	+0.95%	+7.70%
Nasdaq	+1.74%	+8.42%
S&P/TSX	+0.65%	+2.83%
EGIF – Series F	+1.51%	+3.05%
EGGIC – Series F	+1.17%	+3.34%

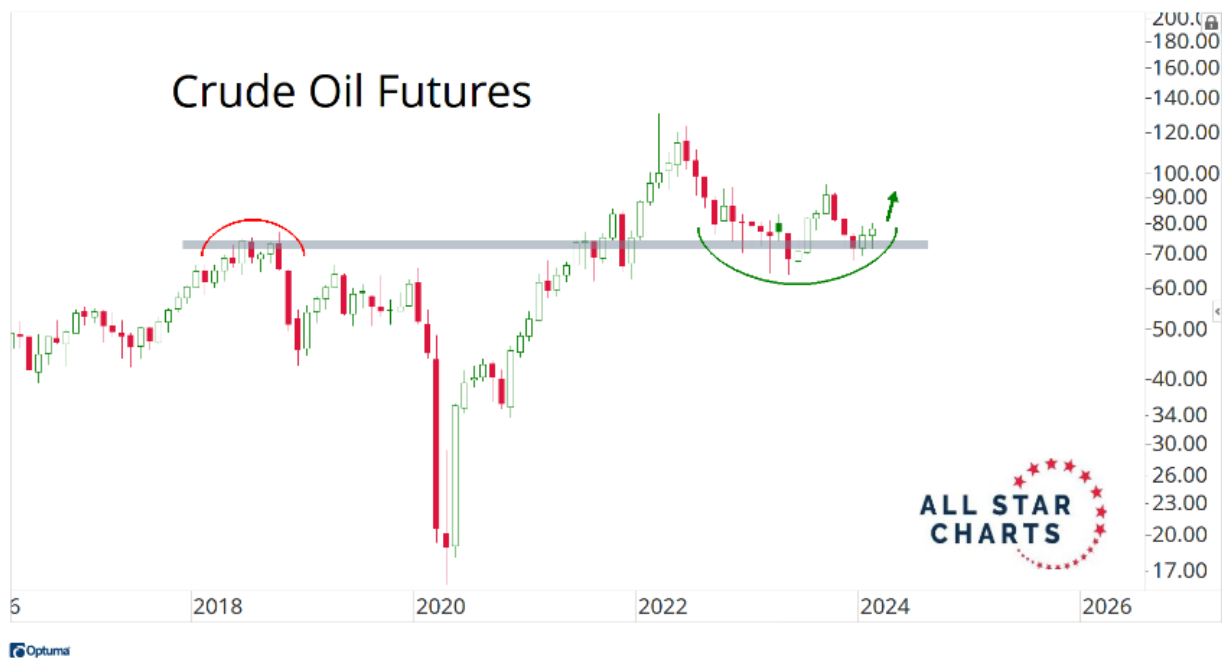
February 23, 2024 to March 1, 2024

This past week everything was up again! Usually some assets are inversely correlated. Only the bonds remain negative year to date. So what's going on? For starters, the U.S. Government shutdown was averted through to September 30th. The economic data continues to be a mix of good and bad on both the inflation front and growth. The data has kept 10YR bond yields range bound between 4% and 4.35% for most of the year. Although, higher than the start of the year but not by much. Bonds are setting the tone for equities; a drop below 3.75% or a move towards 4.75% probably sends a more definitive message of profit slowdown or inflation reaccelerating, respectively. In the meantime, the Fund is more tilted to cyclical vs defensive sectors.

Info Tech and Real Estate led in the U.S. while HealthCare and Energy led in Canada like last week. Healthcare and Utilities were the worst in the U.S. while Communications and Staples were the worst in Canada. Bitcoin and Gold were up this week while The U.S. Dollar Index was flat and CAD down 41bps. Bitcoin is seeing further acceptance as an asset class with adoption by a number of asset managers. Both Bitcoin and Gold may be seeing flows in anticipation of the a chaotic U. S. election, where both candidates (Biden and Trump) are not what the population is looking forward to. It also may be because U.S. Government debt is growing \$1T every 100 days. It may be time to up our Gold allocation, although seasonally the Spring is not a typical strong time for Gold. Gold is back to the highs and has held \$US2000 for 3 months.

Bank of America Corp.'s Merrill arm and Wells Fargo & Co.'s brokerage unit are offering access to ETFs that invest directly in Bitcoin, underscoring the increasing acceptance of the products by mainstream firms. - Bloomberg

Below is a chart by All Star Charts indicating WTI oil held support and is moving up. Over the last 90 days 56% of the Energy stocks on S&P/TSX are up and over the last 30 days 73% are up. This indicates broadening participation in the sector. Easier to pick winners if more are going up. The underlying commodity is supporting stocks. It may not be a lasting trend but is working now. Energy is our biggest weight.



Source: J.C Parets, Allstarcharts

The Fund is very active increasing and decreasing equity exposure. The Fund will tactically trade equities, either through outright sales or ‘shorting’. The Fed is focused on reducing inflation to 2% and Jay Powell reiterated in Jackson Hole that 2% is not negotiable. The FED last raised interest rates by 25 bps in July. Both the Fed and Bank of Canada don’t believe they will hit their objective until 2025. The direction of Fed Funds and BoC rate is lower but the pace is uncertain. May is 22% probability of a cut and June 68%. Our biggest sectors are: Energy (10.0%), Financials (8.1%), Industrials (6.7%), Information Technology (5.2%) and Healthcare (4.7%). I’ve added our Top 10 Equity Holdings below for this week.

Top 10 Equity Holdings as of March 1, 2024

1.	National Bank - NA	Financials
2.	Royal Bank - RY	Financials
3.	ARC Resorces - ARX	Energy
4.	Goldman Sachs – GS	Financials
5.	Canadian Pacific – CP	Industrials
6.	Canadian National Railway – CNR	Industrials
7.	Canadian Natural Resources – CNQ	Energy
8.	Constellation Software - CSU	Information Technology
9.	SPDR S&P Biotech – XBI	Healthcare
10.	Danaher Corp - DHR	Healthcare

The Exemplar Growth & Income Series F was +1.51% last week and is +3.05% 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.

March 1st, 2024 Asset Allocation: 5.1% cash; 36.1% bonds; 9.8% commodities and 48.9% equities*; 30.8% \$US, 7.7% EUR, 4.3% Yen, 2.9% AUD, 2.7% Other and 2.9% GBP

February 23rd, 2024 Asset Allocation: 4.8% cash; 37.9% bonds; 9.3% commodities and 47.8% equities*; 20.5% \$US, 7.4% EUR, 4.2% Yen, 2.9% AUD, 3.0% Other and 3.5% GBP

*Net exposure to equities

Top 10 Equity Holdings as of March 1, 2024

1.	Microsoft – MFST	Information Technology
2.	Amazon - AMZN	Consumer Discretionary
3.	Nvidia - NVDA	Information Technology
4.	Meta – META	Communication Services
5.	Arista Networks - ANET	Information Technology
6.	ASML Holding - ASML	Information Technology
7.	Alphabet - GOOG	Communication Services
8.	Canadian Natural Resources – CNQ	Energy
9.	JP Morgan - JPM	Financials
10.	Simon Property - SPG	Real Estate

The Exemplar Global Growth & Income Series F was +1.17% last week and is +3.34% year to date.

Historical Performance – As of February 29, 2024

	1-Year	3-Year	5-Year	ITD
EGIF - Series F	1.33%	0.91%	4.26%	5.97%
EGGIC – Series F	1.84%			-2.29%

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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.