

**Weekly performance, macro context, current positioning, and future expectations.**

**Performance**

April 26, 2024

**Arrow Long/Short Alternative Class (F Class):**

WTD 0.46%  
 MTD 0.92%  
 YTD 4.41%

**S&P TSX Composite**

WTD 0.74%  
 MTD -0.89%  
 YTD 4.82%

**S&P 500:**

WTD 2.67%  
 MTD -2.94%  
 YTD 6.92%

**Fund Commentary**

Last week, the major indices rebounded, with the Nasdaq leading the way while the Dow and the TSX lagged. The market's rebound was impressive, especially considering the backdrop of stagflationary economic data reported mid-week. Q1 US GDP growth fell materially short of expectations, but the GDP/PCE price indices exceeded expectations, fueling concerns about stagflation. Overall, commodities held up well, which certainly helped the cyclical trade.

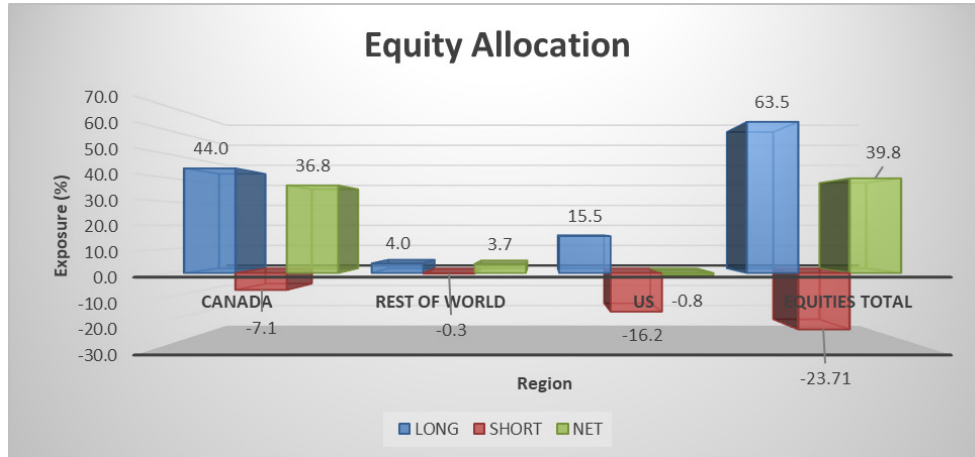
It was a busy reporting week for US companies, with about half of the SPX market cap reporting. The focus was on the megacap reports, which were mixed, with META down and GOOG/TSLA/MSFT up. Earnings expectations for the SPX as a whole this quarter call for 3% growth, a deceleration from the 8% posted in 4Q23. Due to this low bar, the majority of companies that have reported are beating expectations. However, the caveat is that we are not seeing these beats being rewarded, and misses are being punished more severely than usual. SPX companies that have beaten 1Q24 earnings by >1SD and have outperformed the market by a mere ~16bps following the print, whereas companies that have missed

have underperformed by ~360bps the day following the print.

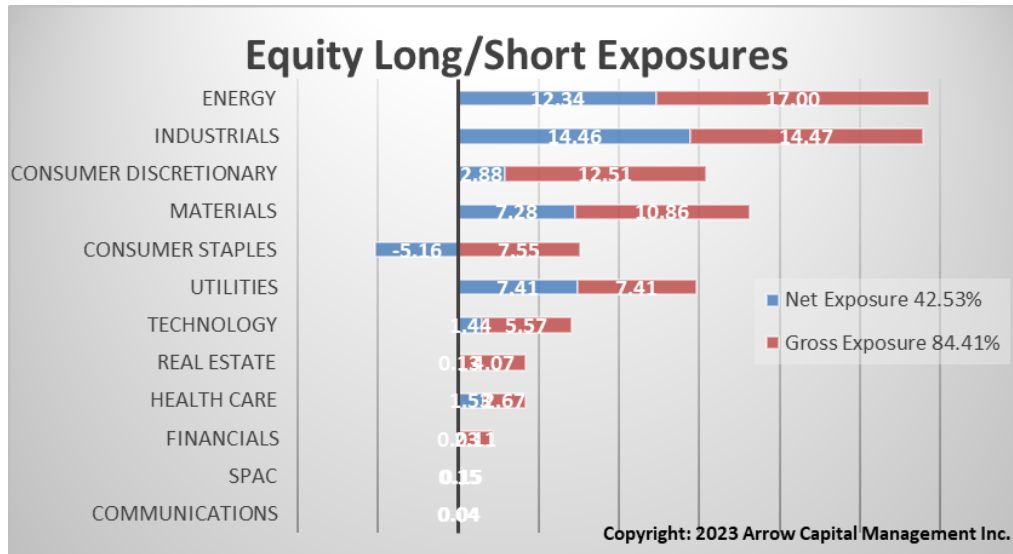
In our portfolio, one of our larger holdings, Secure Energy Services, reported earnings. A tenet of our thesis was higher capital returns, which was solidified in the quarter with the announcement of further share repurchases and a Substantial Issuer Bid (SIB), representing in aggregate about 7% of the company’s total shares outstanding. The company also surpassed earnings expectations and raised guidance in the release, resulting in the stock gaining around +5% on the day.

This week, key events we are watching include the FED meeting and Nonfarm Payrolls.

**Equity Allocation (% Total Portfolio including Futures)**



**Sector Exposures (% Long / Short Portfolio of individual companies)**



We look forward to reporting back next week.

Thanks,  
Arrow Investment Team

**Historical Performance** – As of March 31, 2024

	1-Year	3-Year	5-Year	10-Year
ALSAC - Series F	3.33%	3.28%	10.38%	7.52%

Published April 29, 2024

Effective June 15, the Fund was renamed Arrow Long/Short Alternative Class (formerly Arrow Canadian Advantage Alternative Class).

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 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 are not guaranteed, their values change frequently and past performance may not be repeated.

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 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).