

EXEMPLAR GROWTH & INCOME FUND

Week ending June 14, 2024



June 14th, 2024 Asset Allocation: 0.6% cash; 39.1% bonds; 7.4% commodities (3.7% GLD ETF/ 1.9% SLV/ 1.8% IBIT) and 52.9% equities*; 29.0% \$US

June 7th, 2024 Asset Allocation: 2.0% cash; 38.5% bonds; 7.7% commodities (3.6% GLD ETF/ 2.3% SLV/ 1.8% IBIT) and 51.8% equities*; 32.0% \$US

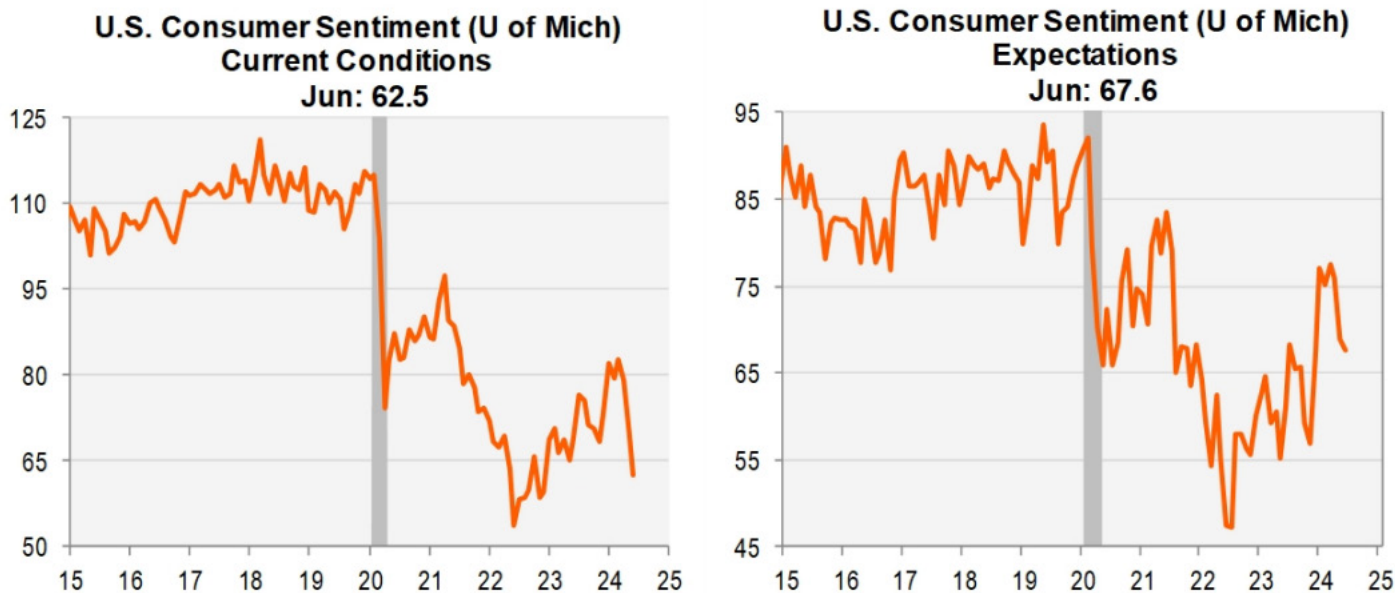
*Net exposure to equities

	Last Week	Year to Date
iShares U.S. 7-10 Yr Bond ETF	+1.78%	-0.71%
Scotia Canada Bond Index	+1.07%	+0.38%
Gold	+1.71%	13.09%
USD/CAD	-0.21%	+3.75%
ACWI (ETF)	-0.29%	+9.72%
S&P 500	+1.58%	+13.87%
Nasdaq	+3.24%	+17.84%
S&P/TSX	-1.67%	+3.25%
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EGIF – Series F	-0.11%	+4.39%
EGGIC – Series F	+0.19%	+5.51%

June 7, 2024 to June 14, 2024

US Equities, Bonds and Gold were up last week. The TSX, foreign equity markets and U.S. dollar were down. A very eventful week on the economic data front and the Geo-political arena. In Europe, the European Union elections saw a large increase in the far-right, so much so, Macron of France has called a snap election for July. By Friday, Macron's party is trailing the far-right and the far-left coalition. Needless to say French equities were down over 6% during the week. This is not unlike Mexico, the week before, in which AMLO lost the election to Sheinbaum and the Mexican equity market and peso took a drop. The United Kingdom has an election in July too. Expect further currency volatility in the weeks ahead. A risk to the U.S. markets could be the upcoming U.S. election in November. Gold saw a bid at the end of the week on the political turmoil. Lastly, at the end of the week Putin made a Peace proposal to stop hostilities in exchange for four Ukraine Regions.

Starting with the Fed, Powell left rates unchanged and is waiting for further evidence of inflation slowing despite: NY Fed 1-Year inflation expectations lower (3.17%); CPI MoM and YoY lower than expectations; PPI MoM and YoY lower than expectations; Import and Export prices lower than expectations. I personally believe it will be jobs that force his hand because the inflation measurements are somewhat flawed. Inelastic Industries with pricing power such as Healthcare, Insurance and rent may keep inflation sticky but businesses that are economically sensitive are seeing inventories grow and are being forced to cut prices. Jobless Claims rose this week to 242k and Continuing Claims 1820k both above expectations. University of Michigan Current Conditions and Expectations although preliminary fell off a cliff. Middle and low income earners are not happy.



Source: Nancy Lazar, Chief Global economist, Piper Sandler

The best sectors last week in the U.S. were Info Tech and Real Estate and it was Info Tech and Real Estate (not positive) that led in Canada. Energy and Financials were the worst in the U.S. while Staples and Communications were the worst sectors in Canada.

U.S. 10-Year Treasury Yields



Source: Carter Worth - WorthCharting

TLast week the Fund increased Bonds and duration, Utilities, and Healthcare and reduced Financials.

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, 2023. Bank of Canada has begun its rate cutting cycle and expects more this year. The Fed is still data dependent. The direction of Fed Funds and BoC rate is lower but the pace is uncertain. July is 12% probability of a cut by the Fed and September 65%. Our biggest sectors: Energy (8.1%), Financials (6.6%), Materials (6.4%), Industrials (6.2%) and Information Technology (4.8%). I've added our Top 10 Equity Holdings below for this week.

Top 10 Equity Holdings as of June 14, 2024

1.	Royal Bank - RY	Financials
2.	National Bank - NA	Financials
3.	Canadian Imperial Bank - CM	Financials
4.	American Tower – AMT	REITS
5.	Celestica – CLS	Info Tech
6.	Pembina Pipelines - PPL	Energy
7.	Keyera Corp - KEY	Energy - Midstream
8.	Bird Construction - BDT	Industrials
9.	Teck Corp – TECK	Materials -Copper
10.	Canadian National Rail - CNR	Industrials

The Exemplar Growth & Income Series F was -0.11% last week and is +4.39% 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 14th, 2024 Asset Allocation: 25.3% cash; 29.7% bonds; 6.6% commodities and 38.4% equities*; 25.3% \$US, 0.0% EUR, 0.4% GBP, 0.0% AUD, 0.4% Yen and 6.3% Other

June 7th, 2024 Asset Allocation: 28.5% cash; 22.2% bonds; 6.8% commodities and 42.6% equities*; 29.9% \$US, 15.3% EUR, 13.5% GBP, 2.5% AUD, 0.2% Yen and 0.4% Other

*Net exposure to equities

Top 10 Equity Holdings as of June 14, 2024

1.	Nvidia - NVDA	Information Technology
2.	Microsoft – MFST	Information Technology
3.	Amazon - AMZN	Consumer Discretionary
4.	Alphabet - GOOG	Communication Services
5.	Eli Lilly - LLY	Healthcare
6.	Novo Nordisk – NVO	Healthcare
7.	Taiwan Semiconductor – TSM	Information Technology
8.	Meta Platforms - META	Communication Services
9.	Merck - MRK	Healthcare
10.	AstraZeneca - AZN	Healthcare

The Exemplar Global Growth & Income Series F was +0.19% last week and is +5.51% year to date.

Historical Performance – As of May 31, 2024

	1-Year	3-Year	5-Year	ITD
EGIF - Series F	6.11%	0.08%	3.95%	6.04%
EGGIC – Series F	5.73%			-1.07%

Published June 17, 2024

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.