

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

**Performance**

July 12, 2024

**Arrow Long/Short Alternative Fund (Series F):**

WTD 0.75%  
 MTD 1.33%  
 YTD 4.78%

**S&P TSX Composite**

WTD 2.79%  
 MTD 3.65%  
 YTD 8.18%

**S&P 500:**

WTD 0.87%  
 MTD 2.84%  
 YTD 17.73%

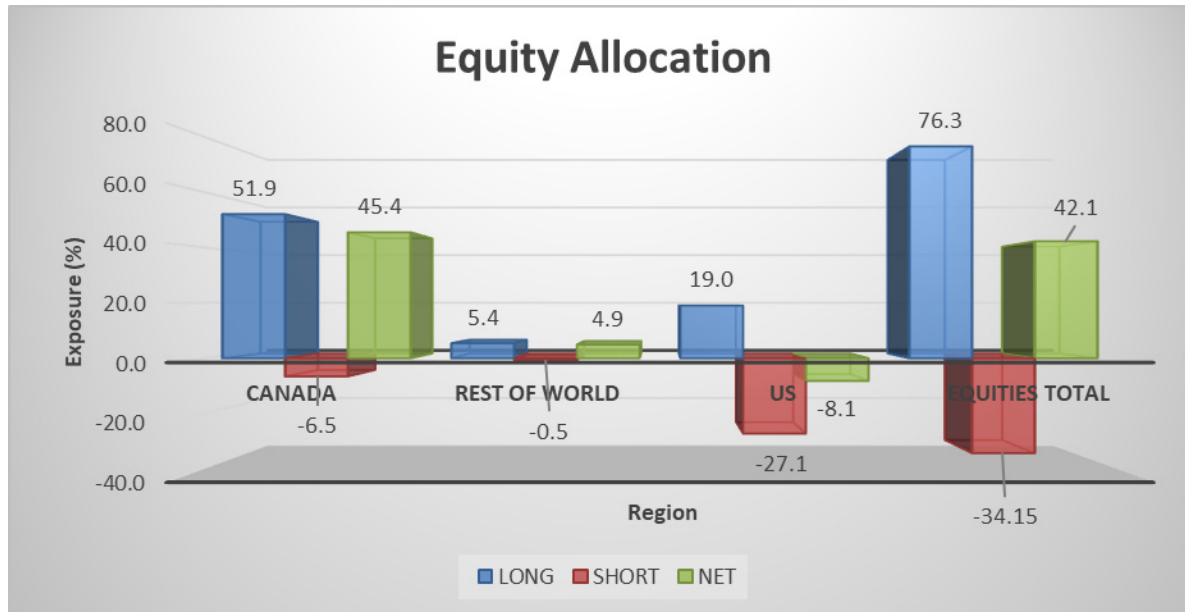
**Fund Commentary**

The past week in equity markets saw significant divergence, with small caps (IWM) rising by 6% while large-cap tech (QQQ) declined by about 30 basis points. This extreme price action was driven by lighter-than-expected inflation data, as the Consumer Price Index (CPI) reported on Thursday was softer than consensus estimates. This report strengthened the market's expectation for a rate cut in September, leading to a spike in the most shorted areas of the market. To put it in perspective, the spread between IWM and SPX on Thursday was the widest single-day outperformance since 2008. This initial move appeared to be knee-jerk short covering, and it remains to be seen if these areas of the market can catch a sustained bid.

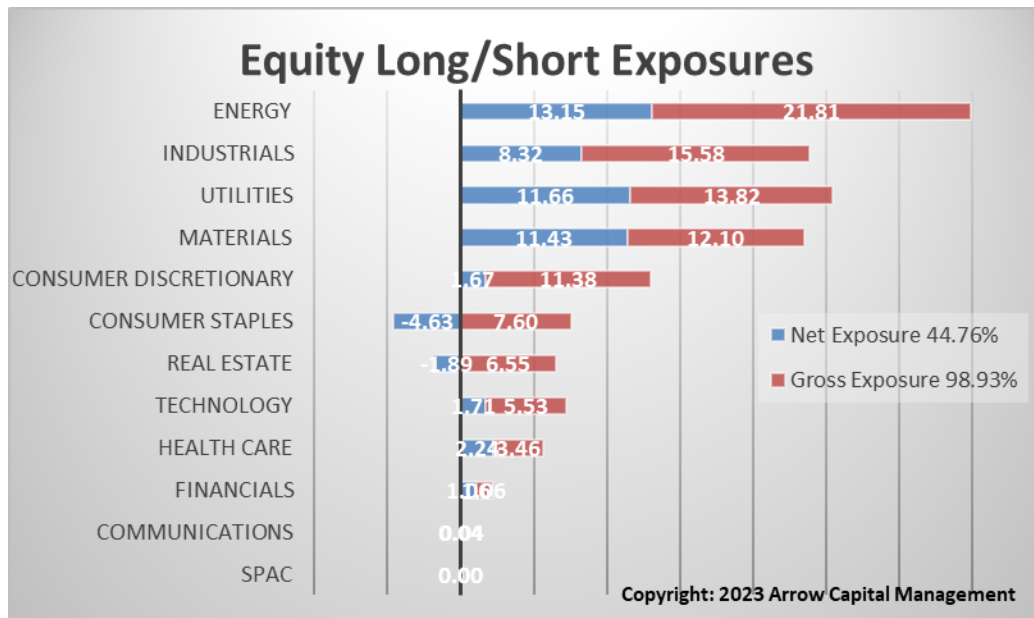
The upcoming U.S. presidential election continues to influence market behavior, with the recent attempted assassination of Donald Trump over the weekend likely intensifying focus on the race. Market participants are looking for ways to hedge against potential election risks, particularly in the scenario of a Trump victory, which is currently seen as the most likely outcome. The Q2 earnings season is beginning, with banks leading the announcements before the bulk of reports

in the coming weeks. Additionally, several Federal Reserve members are scheduled this speak week, and U.S. retail sales data will be released on Tuesday. In Canada, June CPI data will be reported on Tuesday, followed by retail sales on Friday.

**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 June 30, 2024

	1-Year	3-Year	5-Year	10-Year
ALSAF - Series F	5.71%	1.75%	9.78%	7.05%

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Effective June 25, 2024 Arrow Long/Short Alternative Class was merged into Arrow Long/Short Alternative Fund as part of the corporate class fund merger. Effective June 15, 2023, 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).