

# EXEMPLAR GROWTH & INCOME FUND

Week ending July 12, 2024



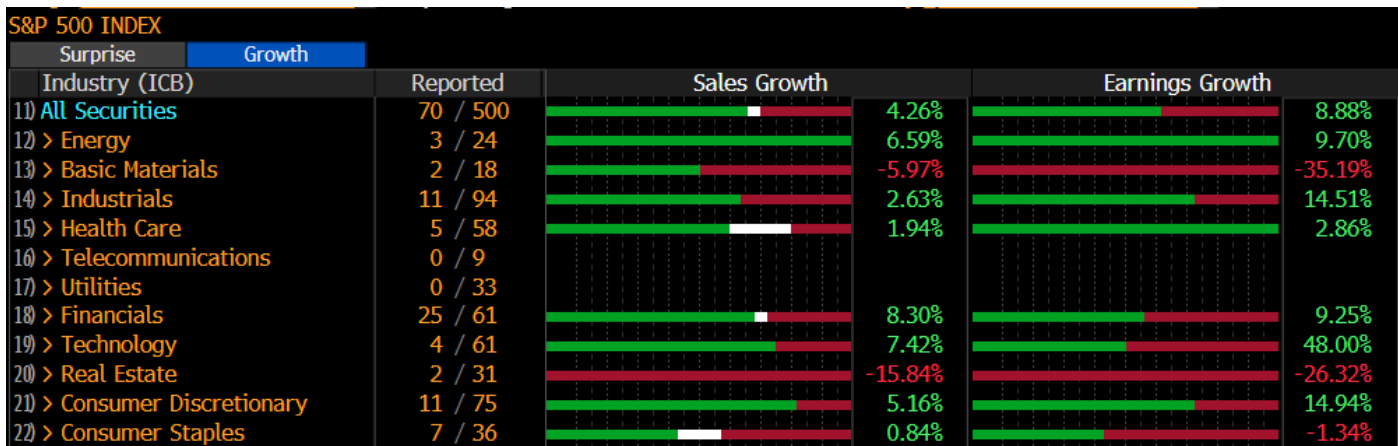
July 19th, 2024 Asset Allocation: 0.7% cash; 38.2% bonds; 7.7% commodities (4.6% GLD ETF/ 1.2% SLV/ 1.6% IBIT/ UNG 0.3%) and 53.4% equities\*; 37.0% \$US

July 12th, 2024 Asset Allocation: 1.0% cash; 42.3% bonds; 9.3% commodities (6.2% GLD ETF/ 1.5% SLV/ 1.3% IBIT/ UNG 0.3%) and 47.4% equities\*; 33.0% \$US

	Last Week	Year to Date
iShares U.S. 7-10 Yr Bond ETF	-0.38%	-0.19%
Scotia Canada Bond Index	+0.00%	+0.33%
Gold	-0.44%	+16.38%
USD/CAD	+0.68%	+3.70%
ACWI (ETF)	-2.32%	+11.52%
S&P 500	-1.97%	+15.41%
Nasdaq	-3.65%	+18.09%
S&P/TSX	+0.07%	+8.26%
EGIF – Series F	-0.03%	+5.84%
EGGIC – Series F	-0.60%	+6.37%

July 12, 2024 to July 19, 2024

U.S. assets and Gold were down, while Canadian assets were flat and the U.S. dollar up. The equity rally stalled after Tuesday and the broadening of breadth trade came to a sudden end. Is it a pause or the end of the vicious short squeeze? Earnings season is well on its way and despite positive sales and earnings growth, the price action has been muted.



Source: Bloomberg

The June Housing Starts, Building Permits, Industrial Production, and Capacity Utilization beat to the upside. On Thursday, Philadelphia Fed Business Outlook for July was higher than expected. Initial Jobless Claims and Continuing Claims continued to rise. Leading Index continued the trend of being negative. The Fed will cut interest rates if the labour market continues to soften. The labour market will ultimately determine the extent of an easing cycle when it begins. Sunday afternoon Biden dropped out of the November presidential election. Oddsmakers have Kamala Harris as the favorite to become the Democratic nominee which may pause investors to continue the 'Trump Trade' until things become clearer.

The best sectors last week in the U.S. were Energy and Real Estate and it was Communications and Real Estate that

led in Canada. Info Tech and Communications were the worst in the U.S. while Materials and Utilities were the worst sectors in Canada.

Last week the Fund increased \$US and trimmed some bonds, gold and silver.

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 5% probability of a cut by the Fed and September 96%. Our biggest sectors: Energy (8.7%), Financials (7.0%), Industrials (6.5%), Materials (5.9%) and Information Technology (5.1%). I've added our Top 10 Equity Holdings below for this week.

## Top 10 Equity Holdings as of July 19, 2024

1.	Royal Bank - RY	Financials
2.	National Bank - NA	Financials
3.	Canadian Imperial Bank - CM	Financials
4.	Pembina Pipelines - PPL	Energy
5.	Teck Corp – TECK	Materials - Copper
6.	Keyera Corp – KEY	Energy - Midstream
7.	Manulife – MFC	Financials
8.	Canadian Pacific - CP	Industrials
9.	Celestica - CLS	Information Technology
10.	American Tower – AMT	REITS

The Exemplar Growth & Income Series FD was -0.03% last week and is +5.84% 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.

July 19th, 2024 Asset Allocation: 35.4% cash; 22.3% bonds; 4.3% commodities and 38.0% equities\*; 34.9% \$US, 3.0% EUR, 3.4% GBP, 0.2% AUD, 3.0% Yen and 4.1% Other

July 12th, 2024 Asset Allocation: 18.6% cash; 27.4% bonds; 6.3% commodities and 47.7% equities\*; 33.0% \$US, 10.2% EUR, 10.4% GBP, 2.5% AUD, 0.4% Yen and 6.5% Other

\*Net exposure to equities

### Top 10 Equity Holdings as of July 19, 2024

1.	Amazon - AMZN	Consumer Discretionary
2.	Apple - AAPL	Information Technology
3.	Eli Lilly – LLY	Healthcare
4.	Alphabet – GOOG	Communication Services
5.	JP Morgan Chase – JPM	Financials
6.	Exxon Mobil - XOM	Energy
7.	Gildan Activewear – GIL	Consumer Discretionary
8.	Microsoft – MFST	Information Technology
9.	Nvidia – NVDA	Information Technology
10.	Taiwan Semiconductor – TSM	Information Technology

The Exemplar Global Growth & Income Series FD was -0.60% last week and is +6.37% year to date.

**Historical Performance** – As of June 30, 2024

	1-Year	3-Year	5-Year	ITD
EGIF - Series F	7.85%	-0.59%	3.84%	5.91%
EGGIC – Series F	5.46%			-1.05%

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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](http://www.arrow-capital.com).