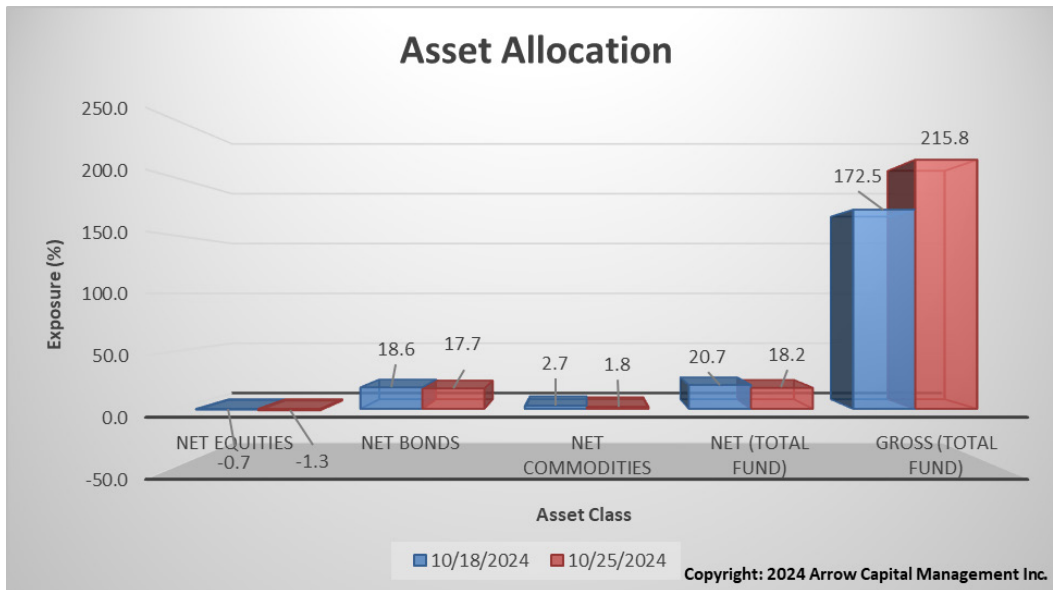


ARROW GLOBAL MULTI-ASSET ALT FUND

commentary - WEEK ENDING OCTOBER 25, 2024



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

Performance

October 25, 2024

Arrow Global Multi-Asset Alternative Fund (Series F):

WTD -0.10%

MTD 0.52%

YTD 5.09%

Global Market Summary

The upcoming US election continued to exert further influence on multi-asset prices last week. In general, valuations have shifted to reflect a higher probability of the Republican party achieving a sweep. With such an outcome comes some initial concerns about the potential fiscal policy implications which appear to have been a factor in the recent weakness in fixed income, especially when allied with the improvement in much of the latest economic data. Additionally, despite the touted view that a Republican victory would initiate some rotation or broadening in risk markets, we note the underperformance of, for example, IWM. We would remind readers of comments and a chart we shared, in our September 16 weekly, concerning small business real funding rates which sit at levels consistent with those that prevailed in September 2007. Evidently, the recent run-up in bond yields has weighed on this sector of the equity market.

Overall, market moves were muted through all the past week with much lower volumes and activity. Only USD and measures of volatility (VIX) exhibited decent gains. Tolerance for new positions and views seems limited given the uncertainty ahead. That said, the significant US data calendar ahead this week is likely to induce some reaction as we receive reports on the health of the US jobs market. Employment data, viewed through the lens of recent soft survey releases, suggests that it remains well underpinned. Nevertheless, markets will be closely watching for signs of an uptick in the unemployment rate, due Friday, given the recently declared focus on this side of the FOMC's dual mandate. In the context of data evolution, Canada warrants some mention. Our central bank lowered rates by a largely expected 50bps and continues to signal an easing bias as the economy is operating in excess supply, i.e., growth is running below trend. This sits in juxtaposition with a US economy that is running above trend. This explains some of the recent

strength in USDCAD which we have participated in. We anticipate further volatility in this pair and are positioned accordingly.

Through much of the year to date, we have avoided placing too much emphasis on various political outcome probabilities given the unpredictability and time until the event. Instead, we have preferred to focus on economic data and related policy trajectory. However, the proximity of November 5th has now required some consideration in the portfolio. From a risk management perspective however, with no additional insight into the possible results and resultant policies, we consider it sub-optimal to position for a specific election outcome. Instead, we have structured the portfolio with defined downside exposures including names like ICLN and KRE that reflect various possible outcomes. We will navigate equity risk through the election with some long volatility themes along with upside in Chinese equities and FX structures that will alternatively capture further weakness in the Yuan. Last, as we detailed in our prior weekly, we were neutral on fixed income as we felt that expected short rate pricing was vulnerable. Bonds closed poorly on Friday, but we will use additional weakness should it eventuate through data this week to re-establish longs as if the currently anticipated election results do not materialize, fixed income may find some sponsorship.

Thanks,

Arrow Investment Team

Historical Performance – As of September 30, 2024

| | 1-Year | 3-Year | 5-Year | ITD |
|-------------------|--------|--------|--------|-------|
| AGMAAF - Series F | 4.71% | 1.03% | 3.57% | 2.96% |

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Effective June 25, 2024, Arrow Global Multi-Asset Alternative Class was merged into Arrow Global Multi-Asset Alternative Fund as part of the corporate class fund merger. Effective June 15, 2023, the Fund was renamed Arrow Global Multi-Asset Alternative Class (formerly Arrow Global Advantage Alternative Class).

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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.