

EXEMPLAR GROWTH AND INCOME FUND

commentary - WEEK ENDING OCTOBER 25, 2024



October 25th, 2024 Asset Allocation: 22.4% cash; 16.3% bonds; 8.3% commodities (4.6% GLD ETF/ 0.7% SLV/ 2.1% IBIT/ 0.3% UNG/ 0.6% USO) and 53.0% equities*; 29.0% \$US

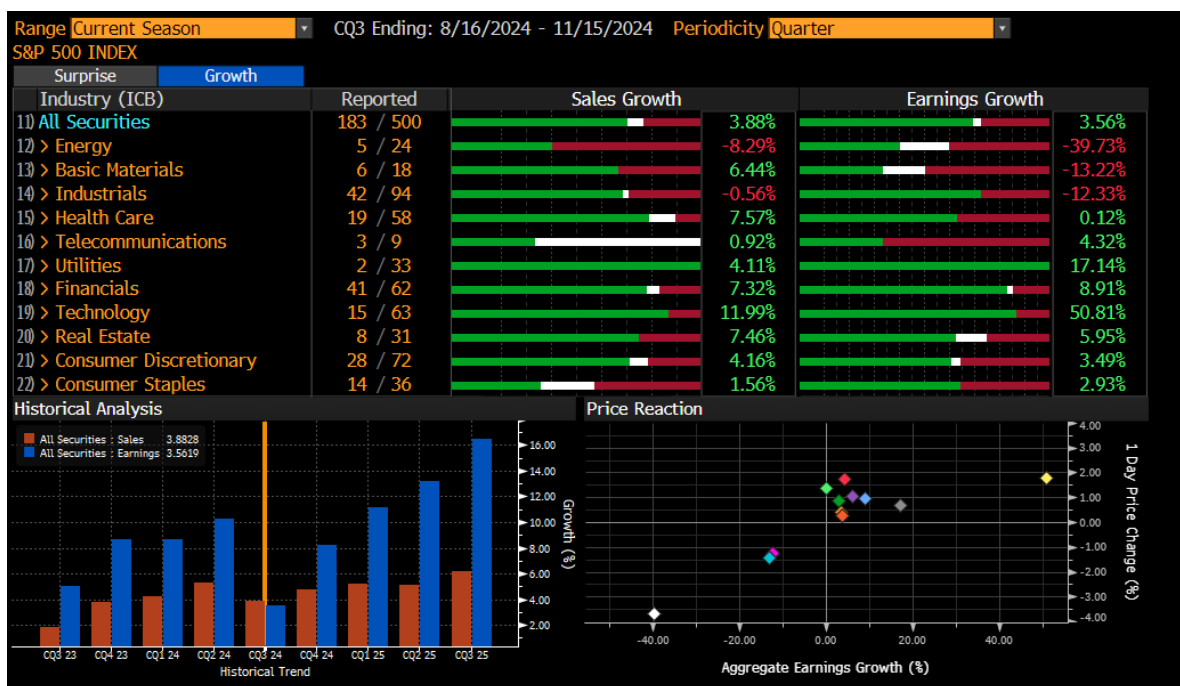
October 18th, 2024 Asset Allocation: 13.6% cash; 21.2% bonds; 7.8% commodities (4.4% GLD ETF/ 0.6% SLV/ 2.1% IBIT/ 0.2% UNG/ 0.5% USO) and 57.4% equities*; 30.5% \$US

*Net exposure to equities

| | Last Week | Year to Date |
|------------------------------------|-----------|--------------|
| iShares U.S. 7-10 Yr Bond ETF | -1.09% | +1.02% |
| iShares Core Canada Bond Index ETF | -0.63% | +2.43% |
| Gold (GLD ETF) | +0.96% | +33.18% |
| USD/CAD | +0.68% | +4.94% |
| ACWI (ETF) | -1.52% | +17.74% |
| S&P 500 (SPX ETF) | -0.96% | +21.77% |
| Nasdaq (QQQ ETF) | +0.17% | +21.47% |
| S&P/TSX (XIU ETF) | -1.46% | +18.52% |
| EGIF – Series FD | -0.48% | +13.49% |
| EGGIF – Series FD | -0.96% | +9.05% |

October 18, 2024 to October 25, 2024

Gold continued its move higher along with the USD while other assets declined except the Nasdaq. Tesla was up 8.35% on the week which put the Nasdaq in positive territory. So far earnings have been okay, with Technology and Utilities leading the Earnings Growth. The 3rd quarter earnings are expected to be the low water mark for earnings with earnings growth expected to accelerate 8% in the 4th quarter. This coming week will be the busiest week of the reporting season and we will see the October Non-Farm Payroll Report Friday. The Bank of Canada lowered interest rates 50 bps last week and expectations are another 50 bps at the next meeting. Halloween is this week, so expect some chills and hair raising days ahead as the U.S. election approaches.



Source: Bloomberg

Note: This page is not complete without disclaimers on the last page.

The U.S. election will be over on November 5th, only nine days away.

Last week the Fund sold down some USD, Bonds, Financials, Healthcare and Materials. The Fund added some short term hedges.

The Fund is very active increasing and decreasing equity exposure. The Fund will tactically trade equities, either through outright sales or 'shorting'. The Fed has refocused on unemployment and doesn't wish to see the slack in employment grow. The FED has lowered interest rates by 50 bps. The Bank of Canada has made four interest rate cuts so far this year, the latest a jumbo 50bps. The direction of Fed Funds and BoC rate are both lower, but the pace is uncertain. The probability of a November Fed cut is 95%. Our biggest sectors: Financials (9.7%), Energy (9.7%), Industrials (8.3%), Healthcare (5.3%) and Utilities (4.5%). I've added our Top 10 Equity Holdings below for this week.

Top 10 Equity Holdings as of October 25, 2024

| | | |
|-----|-------------------------------|------------------------|
| 1. | Pembina Pipelines - PPL | Energy |
| 2. | Canadian Imperial Bank - CM | Financials |
| 3. | Royal Bank - RY | Financials |
| 4. | National Bank - NA | Financials |
| 5. | Keyera Corp – KEY | Energy - Midstream |
| 6. | Bristol-Myers – BMY | Healthcare |
| 7. | Chartwell Retirement – CSH-UN | REITS |
| 8. | Exxon Mobil – XOM | Energy |
| 9. | Canadian Pacific - CP | Industrials |
| 10. | Meta Platforms - META | Communication Services |

The Exemplar Growth & Income Series FD was -0.48% last week and is +13.49% 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.

October 25th, 2024 Asset Allocation: 17.5% cash; 12.7% bonds; 8.4% commodities and 59.3% equities*; 28.2% \$US, 0.2% EUR, -0.1% GBP, 0.1% JPY and 0.7% Other

October 18th, 2024 Asset Allocation: 12.9% cash; 12.3% bonds; 8.7% commodities and 64.1% equities*; 37.1% \$US, 5.0% GBP, 0.3% JPY and 0.5% Other

*Net exposure to equities

Top 10 Equity Holdings as of October 25, 2024

| | | |
|-----|----------------------------|------------------------|
| 1. | Nvidia - NVDA | Technology |
| 2. | Exxon Mobil - XOM | Energy |
| 3. | IonQ Inc – IONQ | Technology |
| 4. | Rolls Royce Holding – RR.L | Industrials |
| 5. | Mitsubishi UFJ – 8306.T | Financials |
| 6. | Alphabet Inc - GOOG | Communication Services |
| 7. | Meta Platforms - META | Communication Services |
| 8. | Suncor Energy – SU | Energy |
| 9. | Paypal Holdings - PYPL | Financials |
| 10. | UnitedHealth Group - UNH | Healthcare |

The Exemplar Global Growth & Income Series FD was -0.96% last week and is +9.05% year to date.

Thanks,

Arrow Investment Team

Historical Performance – As of September 30, 2024

| | 1-Year | 3-Year | 5-Year | ITD |
|------------------|--------|--------|--------|-------|
| EGIF - Series F | 16.47% | 1.77% | 4.96% | 6.52% |
| EGGIF – Series F | 10.76% | | | 0.35% |

Published October 28, 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.

This document is provided as a general source of information and should not be considered personal, legal, accounting, tax or investment advice, or construed as an endorsement or recommendation of any entity or security discussed. Every effort has been made to ensure that the material contained in this document is accurate at the time of publication. Market conditions may change which may impact the information contained in this document. All charts and illustrations in this document are for illustrative purposes only. They are not intended to predict or project investment results. Individuals should seek the advice of professionals, as appropriate, regarding any particular investment. Investors should consult their professional advisors prior to implementing any changes to their investment strategies.

Certain statements in this document are forward-looking. Forward-looking statements (“FLS”) are statements that are predictive in nature, depend upon or refer to future events or conditions, or that include words such as “may,” “will,” “should,” “could,” “expect,” “anticipate,” “intend,” “plan,” “believe,” or “estimate,” or other similar expressions. Statements that look forward in time or include anything other than historical information are subject to risks and uncertainties, and actual results, actions or events could differ materially from those set forth in the FLS. FLS are not guarantees of future performance and are by their nature based on numerous assumptions. Although the FLS contained herein are based upon what Arrow Capital Management and the portfolio manager believe to be reasonable assumptions, neither Arrow Capital Management nor the portfolio manager can assure that actual results will be consistent with these FLS. The reader is cautioned to consider the FLS carefully and not to place undue reliance on FLS. Unless required by applicable law, it is not undertaken, and specifically disclaimed that there is any intention or obligation to update or revise FLS, whether as a result of new information, future events or otherwise.

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.