

EXEMPLAR GROWTH AND INCOME FUND

commentary – WEEK ENDING OCTOBER 4, 2024



October 4th, 2024 Asset Allocation: 15.6% cash; 23.5% bonds; 8.1% commodities (4.3% GLD ETF/ 1.6% SLV/ 1.9% IBIT/ 0.3% UNG) and 52.8% equities*; 35.0% \$US

September 27th, 2024 Asset Allocation: 20.1% cash; 24.0% bonds; 7.7% commodities (4.3% GLD ETF/ 1.0% SLV/ 2.0% IBIT/ 0.4% UNG) and 48.2% equities*; 35.0% \$US

*Net exposure to equities

	Last Week	Year to Date
iShares U.S. 7-10 Yr Bond ETF	-1.95%	+2.71%
iShares Core Canada Bond Index ETF	-1.55%	+2.36%
Gold (GLD ETF)	-0.17%	+28.63%
USD/CAD	+0.44%	+2.54%
ACWI (ETF)	-0.07%	+18.39%
S&P 500 (SPX ETF)	+0.22%	+20.57%
Nasdaq (QQQ ETF)	+0.12%	+19.51%
S&P/TSX (XIU ETF)	+0.74%	+16.96%
EGIF – Series FD	+0.46%	+11.77%
EKGIF – Series FD	-0.64%	+8.56%

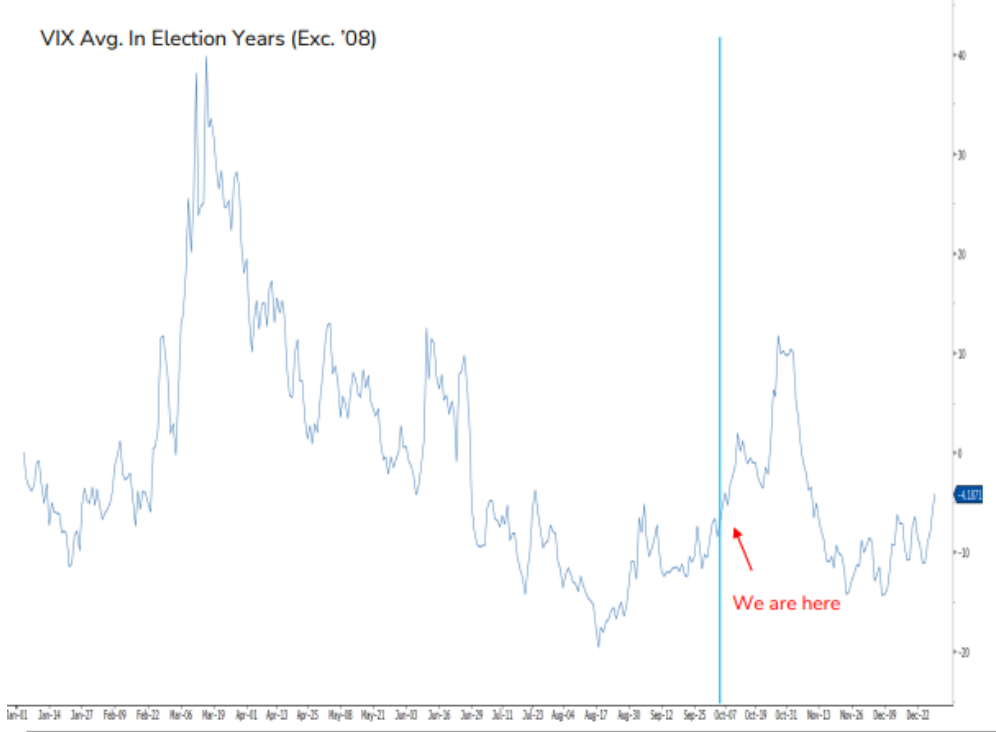
September 27, 2024 to October 4, 2024

Gold consolidates its gains and equities continued their renewed advance while Bonds retreated and the U.S. dollar rallied – in some ways a repeat of last week, but not quite. Friday's non-farm payrolls for September surprised on the upside and the bond market quickly repriced the odds of a 50 bps cut in interest rates by the Fed down to 24% in November from over 50%. Bonds continued their slide of the past couple weeks and USD rallied which ultimately curtailed Gold's rally. Risk assets, Equities continued to move up as further interest rate cuts are still coming.

The U.S. election will be over on November 5th. Is this important? Since it's a close race, the chances are that higher uncertainty creeps into the equity market and it stalls out and checks back. Is it next week? Or as Goldman Sachs says 'the market will peak on October 27th'. Goldman thinks they are The Amazing 'Kreskin'. I am not sure of timing but history shows the Fear Index or Vix creeps up into elections, although it could just be October's are creepy period.



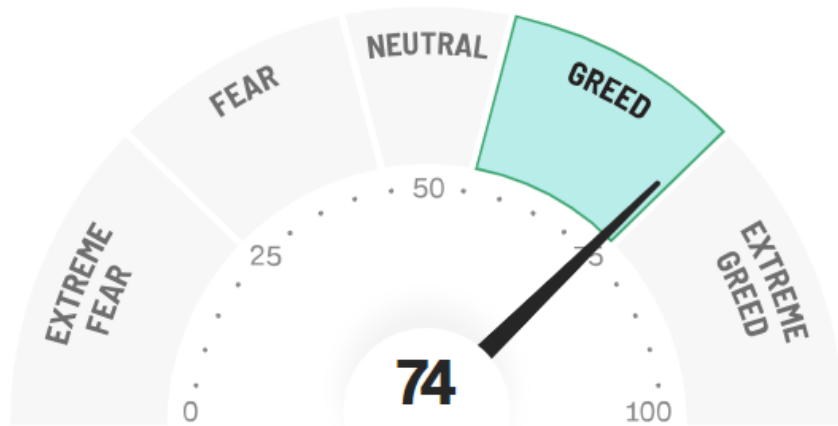
Technical Analysis: Sector Shakedown



Source: Wolfe Research

The Fear/Greed Index is indicating complacency.

Overview Timeline



Previous close
Greed

1 week ago
Greed

72

Source: CNN.com

The chart below is M2 Money Supply and it has been back on the upswing adding liquidity to the market. Pull backs are likely met with 'buy the dip' mentality into year end.



Source: FRED

The Global interest rate easing cycle is still on.

Monetary conditions exert an enormous influence on stock prices. Indeed, the monetary climate - primarily the trend in interest rates and Federal Reserve policy - is the dominant factor in determining the stock market's major direction.

Martin Zweig

Last week the Fund took profits in its China position, sold some gold stocks and bonds. The Fund added more Energy and 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 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 three interest rate cuts so far this year. The direction of Fed Funds and BoC rate are both lower, but the pace is uncertain. The probability of a November Fed cut is 99% and a 24% probability of 50 bps. Our biggest sectors: Energy (9.4%), Financials (9.0%), Industrials (7.7%), Healthcare (5.3%) and Utilities (4.2%). I've added our Top 10 Equity Holdings below for this week.

Top 10 Equity Holdings as of October 4, 2024

1.	Pembina Pipelines - PPL	Energy
2.	Canadian Imperial Bank - CM	Financials
3.	Royal Bank - RY	Financials
4.	Keyera Corp – KEY	Energy - Midstream
5.	National Bank - NA	Financials
6.	Canadian Pacific – CP	Industrials
7.	Manulife – MFC	Financials
8.	Bristol-Myers – BMY	Healthcare
9.	Chartwell Retirement – CSH-UN	REITS
10.	MDA Space - MDA	Industrials

The Exemplar Growth & Income Series FD was +0.46% last week and is +11.77% 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 4th, 2024 Asset Allocation: 14.8% cash; 20.1% bonds; 8.0% commodities and 56.4% equities*; 33.4% \$US, 0.0% EUR, 0.1% GBP, 0.3% JPY and 0.4% Other

September 27th, 2024 Asset Allocation: 5.2% cash; 28.5% bonds; 8.4% commodities and 57.5% equities*; 20.1% \$US, 2.9% EUR, 3.0% GBP, 0.3% JPY and 6.3% Other

*Net exposure to equities

Top 10 Equity Holdings as of October 4, 2024

1.	Exxon Mobil - XOM	Energy
2.	Mastercard - MA	Financials
3.	Rolls Royce Holding – RRU.DU	Industrials
4.	Mitsui & Co. – 8031.T	Industrials
5.	Meta Platforms - META	Communication Services
6.	Bristol-Myers - BMY	Healthcare
7.	Eli Lilly – LLY	Healthcare
8.	Sekisui House – 1928.T	Consumer Discretionary
9.	Itochu – 8001.T	Industrials
10.	Sumitomo Mitsui Financial – 8316.T	Financials

The Exemplar Global Growth & Income Series FD was -0.64% last week and is +8.56% 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%
EGGIC – Series F	10.76%			0.35%

Published October 7, 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.