

EXEMPLAR GROWTH AND INCOME FUND

commentary – WEEK ENDING NOVEMBER 1, 2024



November 1st, 2024 Asset Allocation: 23.3% cash; 16.8% bonds; 7.4% commodities (4.1% GLD ETF/ 0.9% SLV/ 2.2% IBIT/ 0.2% UNG) and 52.5% equities*; 29.0% \$US

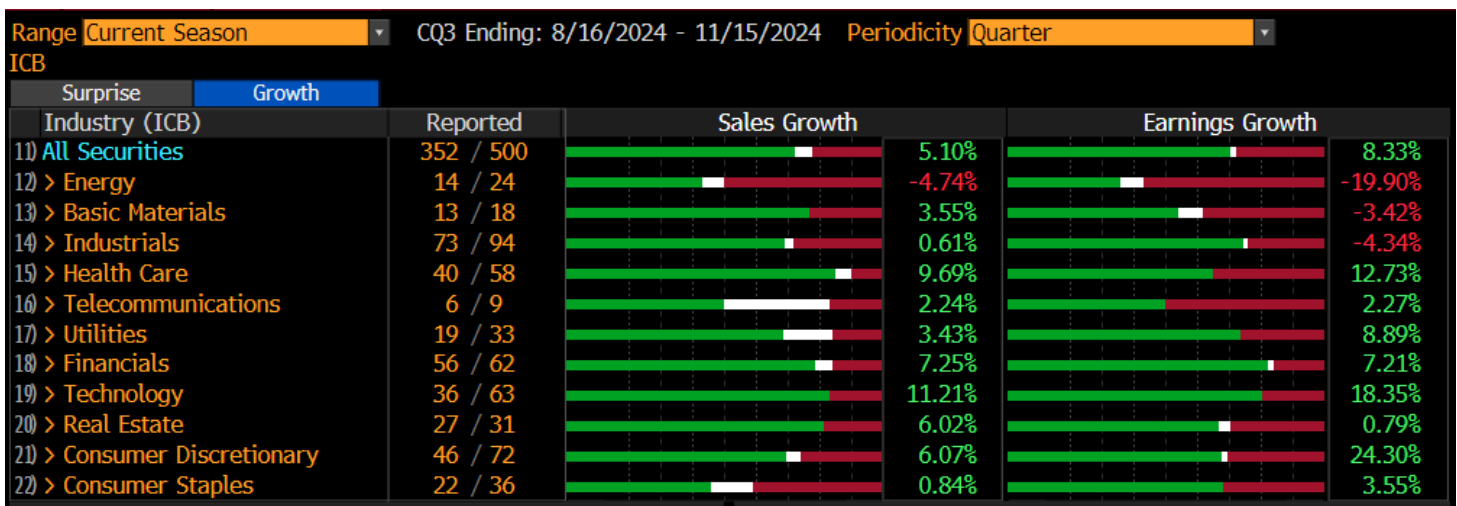
October 25th, 2024 Asset Allocation: 22.4% cash; 16.3% bonds; 8.3% commodities (4.6% GLD ETF/ 0.7% SLV/ 2.1% IBIT/ 0.3% UNG/ 0.6% USO) and 53.0% equities*; 29.0% \$US

*Net exposure to equities

	Last Week	Year to Date
iShares U.S. 7-10 Yr Bond ETF	-1.28%	+0.04%
iShares Core Canada Bond Index ETF	-0.18%	+2.54%
Gold (GLD ETF)	-0.40%	+32.65%
USD/CAD	+0.44%	+5.40%
ACWI (ETF)	-1.11%	+16.43%
S&P 500 (SPX ETF)	-1.38%	+21.28%
Nasdaq (QQQ ETF)	-1.59%	+19.54%
S&P/TSX (XIU ETF)	-0.86%	+17.50%
EGIF – Series FD	-0.39%	+13.04%
EAGIF – Series FD	-0.86%	+8.10%

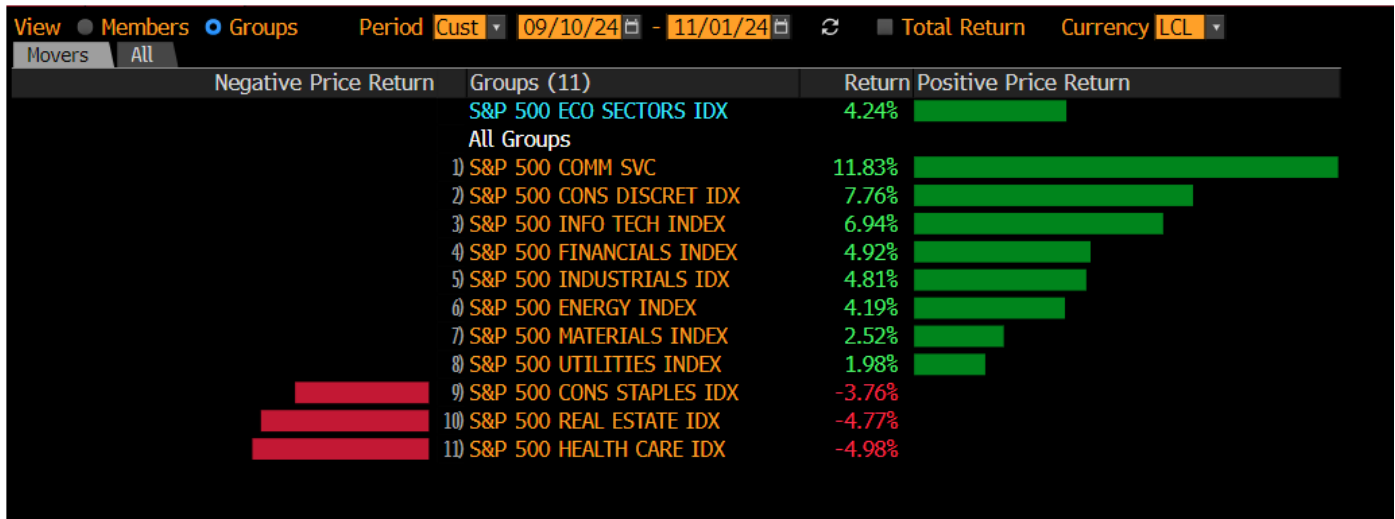
October 25, 2024 to November 1, 2024

USD was up while all other asset classes have paused their advance. U.S. bonds are back to flat YTD. Although the market finished positive Friday, the market breadth was poor. The Non-Farm Payrolls on Friday were dismal at 12,000. If you back in the Boeing strike and the two hurricanes in the Southeast then payrolls would likely have seen a gain of 100,000. Either way job growth is slowing, although unemployment remained at 4.1%. Over 70% of the S&P 500 has reported with average earnings growth of over 8%.



Source: Bloomberg

I've posted out of curiosity how sectors have performed since the September 10th Presidential debate. Looks like a move away from defensive sectors to ones dominated by Mag7. Maybe under either candidate the conclusion is more government spending which will favour non-defensive.



Source: Bloomberg

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

Last week the Fund sold down some Financials, Healthcare and Materials. The Fund holds 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 97%. Our biggest sectors: Energy (9.7%), Financials (9.1%), Industrials (8.3%), Healthcare (5.1%) and Utilities (4.6%). I've added our Top 10 Equity Holdings below for this week.

Top 10 Equity Holdings as of November 1, 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. | MDA Space - MDA | Industrials |
| 8. | Chartwell Retirement – CSH-UN | REITS |
| 9. | Canadian Pacific - CP | Industrials |
| 10. | Exxon Mobil – XOM | Energy |

The Exemplar Growth & Income Series FD was -0.39% last week and is +13.04% 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.

November 1st, 2024 Asset Allocation: 27.6% cash; 10.1% bonds; 7.2% commodities and 52.9% equities*; 32.5% \$US, 0.1% EUR, 0.2% JPY and 0.7% Other

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

*Net exposure to equities

Top 10 Equity Holdings as of November 1, 2024

1.	Exxon Mobil - XOM	Energy
2.	Alphabet Inc - GOOG	Communication Services
3.	Amazon - AMZN	Consumer Discretionary
4.	Nvidia - NVDA	Technology
5.	Rolls Royce Holding – RR.L	Industrials
6.	Suncor Energy – SU	Energy
7.	UnitedHealth Group - UNH	Healthcare
8.	Mitsubishi UFJ – 8306.T	Financials
9.	Danone – BN.PA	Consumer Staples
10.	Bristol-Meyers - BMY	Healthcare

The Exemplar Global Growth & Income Series FD was -0.86% last week and is +8.10% year to date.

Thanks,

Arrow Investment Team

Historical Performance – As of October 30, 2024

	1-Year	3-Year	5-Year	ITD
EGIF - Series F	16.44%	1.43%	5.38%	6.64%
EGGIF – Series F	9.97%			0.06%

Published November 4, 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.

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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.