

November was another good month for the fund, rising +4.70%, in sympathy with generally strong equity markets during the month. This brings year to date returns to a solid +17.49% gain, albeit we have lagged the broader markets this year. Our 5 year return of +98.26% (+14.67% annualized) continues to lead the benchmark TSX's 75.99% (11.97%). The market was strong this month, led by Technology and Financial stocks on the back of the election of Donald Trump, alongside a Republican Congress and House of Representatives. The markets responded with a wave of excited buying during November, especially among some very speculative companies. The Growth fund was driven upward, led by very strong returns in excess of 20% from Tenaz, Enerflex, Select Water, Canacol, Zedcor, Capital Power, CES Energy, and Parex.

## **ENERFLEX RISES 39% AFTER EXCELLENT Q3 RESULTS**

One of our top 10 holdings, Enerflex, had an excellent month, rising 39% on the back of excellent 3rd quarter earnings. Enerflex is a holding we added to the portfolio several years ago. The company is a global leader in the provision of gas processing and compression products and services from small parts and repairs in low horsepower applications, all the way to full Build, Own, Operate, and Maintain contracts for large-scale compression and processing plants.

The stock had been severely depressed in the last few years after they had made an astute acquisition of competitor, Exterran (which the fund owned). The market did not seem to realize the long-term synergies and upside that the combined firm had and traded the stock at a serious discount to intrinsic value. After now reporting a 4th consecutive excellent quarter of results, the market now finally seems to be starting to pay attention to this excellent company.

In conjunction with the 3rd quarter, Enerflex increased its dividend by 50% to \$0.15 per share (1.2% yield). The balance sheet is now in excellent shape, and we believe this will be the first of many dividend increases to come in future years as the company is well positioned to continue to grow its business in the future as the coming need for more Electrical Power will primarily met by increase natural gas powered generation, which will need the exact products that Enerflex supplies.

While the 39% stock gain in November was extremely satisfying, we believe it is just the start of substantial gains to come over the coming years as the company has an attractive growth opportunity in front of it. Additionally, the company continues to trade at a substantial discount to its intrinsic value and roughly half the valuation of its comparable companies. Look for more good returns to come from our holding in Enerflex and our other undervalued holdings.


## **MORE INSIDER BUYING IN NOVEMBER**

November saw more insider buying at a number of our companies. The largest purchases occurred at BCE, Obsidian Energy, Superior Plus, Whitecap Resources, and Tourmaline Oil. Insiders clearly see the same substantial upside opportunity that we do. Buying of stock by insiders at our companies is just one more point of support for the value opportunity present in our holdings, as these are the very people that know their businesses best.

## **DECEMBER 31st.... NEXT LP CLOSING**

The next closing for the NR Conservative Growth Fund LP is December 31st, 2024. Please feel free to contact Daria Krikun at 416-364-8591 or Aaron Sniderman at 416-847-3979 for more information or to set up an appointment or call 416-323-0477 to speak with any one of us directly concerning the Conservative Growth LP. Our toll-free number is 1-877-327-6048.

Warmest Regards,



**Alex Ruus, CFA, MBA, P.Eng**  
Portfolio Manager  
Arrow Capital Management Inc

Historical Performance	1 yr	3 yr	5 yr	10 yr	ITD
NR Conservative Growth Fund LP	16.71	11.78	14.66	8.30	9.17

Returns as of November 30, 2024

Commissions, trailing commissions, management fees, performance fees, and expenses all may be associated with investment funds. Please read the offering memorandum 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 are not guaranteed, their values change frequently and past performance may not be repeated. 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.

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