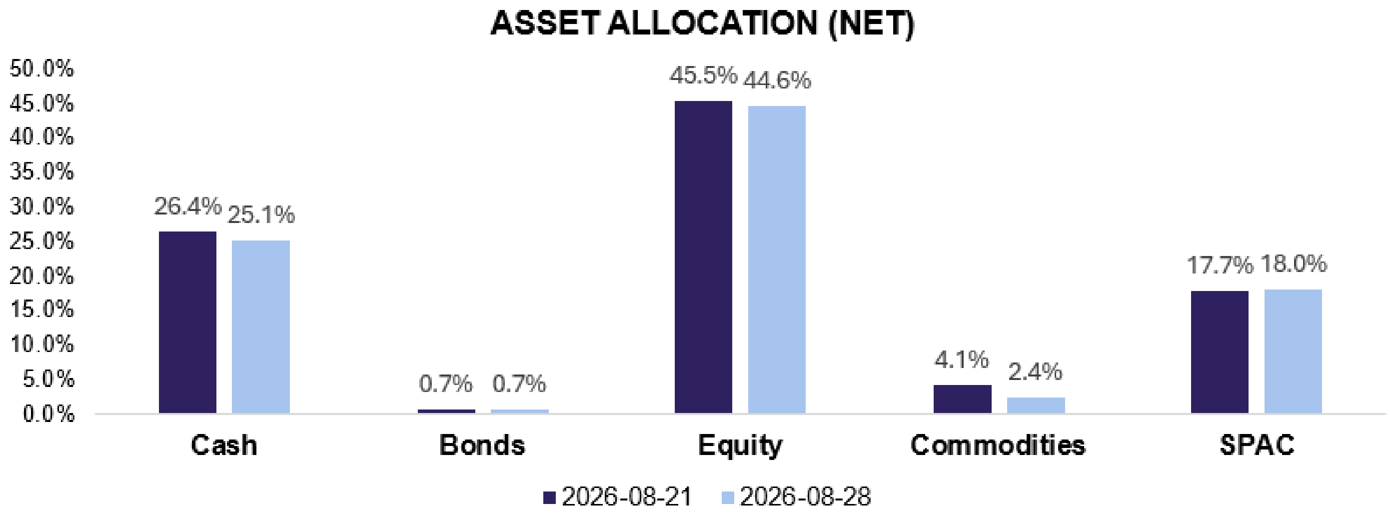
ARROW LONG/SHORT ALTERNATIVE FUND commentary - Week ending August 28, 2026



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

Performance

August 28, 2026

Arrow Long/Short Alternative Fund (F Class):

WTD -0.54%
MTD 2.21%
YTD 10.22%

S&P/TSX 60 (XIU ETF):

WTD -0.06%
MTD 2.99%
YTD 16.92%

S&P 500 (SPY ETF):

WTD 0.47%
MTD 2.99%
YTD 13.42%

Fund Commentary

It was a mixed week for North American markets, with the S&P 500 and Nasdaq up modestly, while small caps and the TSX lagged. NVIDIA's earnings and Jackson Hole were the two key market drivers, and each drove very different market reactions.

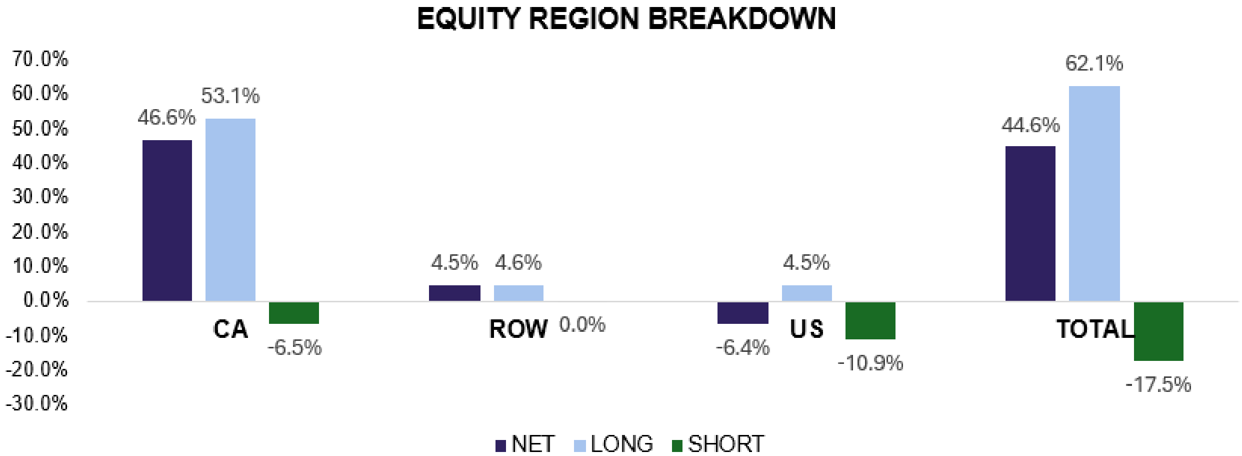
NVIDIA reported what was objectively an exceptional quarter...a beat and raise, with 70% revenue growth guidance coming in well above Street expectations. Shares were up 8% on the day and drove a broader recovery in AI and growth-related stocks. Salesforce (CRM) also reported a beat and raise, buoying the software group as a whole.

The other major event of the week was Jackson Hole. Warsh used the symposium as an opportunity to provide more clarity on his philosophy, views, and reaction function. He came off decidedly hawkish, reinforcing that there is work to do on inflation. The probability of a rate hike moved up to approximately 60%, roughly back to where it was a few weeks ago. In reaction, gold, silver, and bitcoin came off the boil after a few weeks of relative strength. We view this as a healthy pullback and will look for opportunities to add in this group.

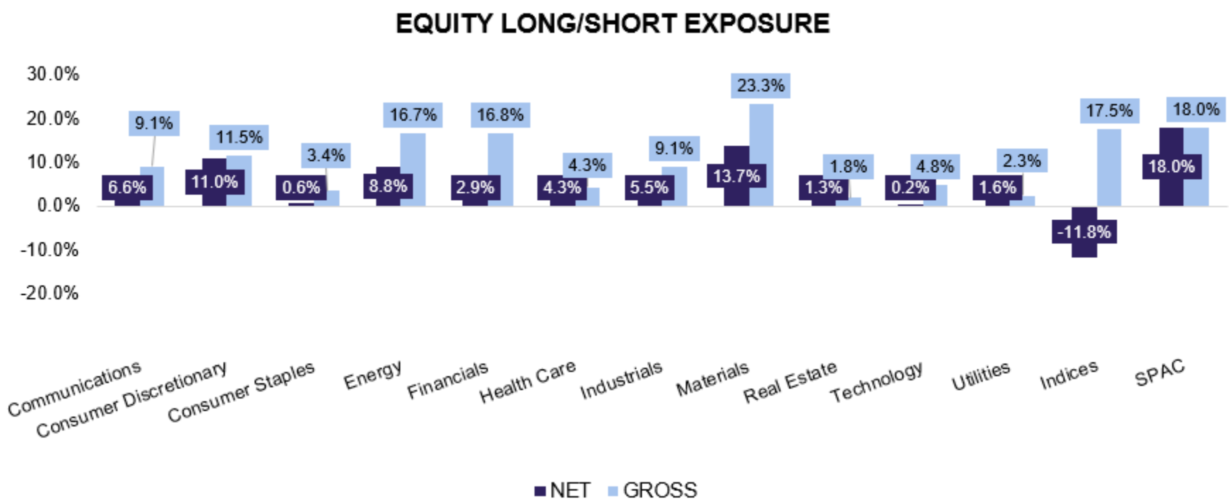
Another notable event was a WSJ op-ed written by Stanley Druckenmiller, titled “Let the Bond Market Speak”, a pointed public rebuke of recent interventionist actions by his former colleague Scott Bessent. His core argument is that the long-term Treasury market is the last remaining fiscal disciplinarian the U.S. has left, and suppressing it removes the only real pressure on Washington to address the underlying problem. Ultimately, he views any intervention as a delay of the inevitable. We are on the same page.

As we wrote previously, we have taken down some risk heading into the Fall as we enter a historically seasonally weak period for markets. Despite strong underlying fundamentals, there is no shortage of macro risks to navigate: the September FOMC decision, the Anthropic IPO, and the November midterm elections chief among them.

Equity Allocation (% Total Portfolio including Futures)



Sector Exposures (% Long / Short Portfolio of individual companies)



We look forward to reporting back next week.

Thanks,
Arrow Investment Team

Historical Performance – As of July 31, 2026

	1-Year	3-Year	5-Year	10-Year	ITD
ALSAF - Series F	20.43%	10.43%	6.50%	8.75%	9.63%

Published August 31, 2026

Effective June 25, 2024 Arrow Long/Short Alternative Class was merged into Arrow Long/Short Alternative Fund as part of the corporate class fund merger. Effective June 15, 2023, the Fund was renamed Arrow Long/Short Alternative Class (formerly Arrow Canadian 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.

More information about the Fund can be found on our website www.arrow-capital.com.