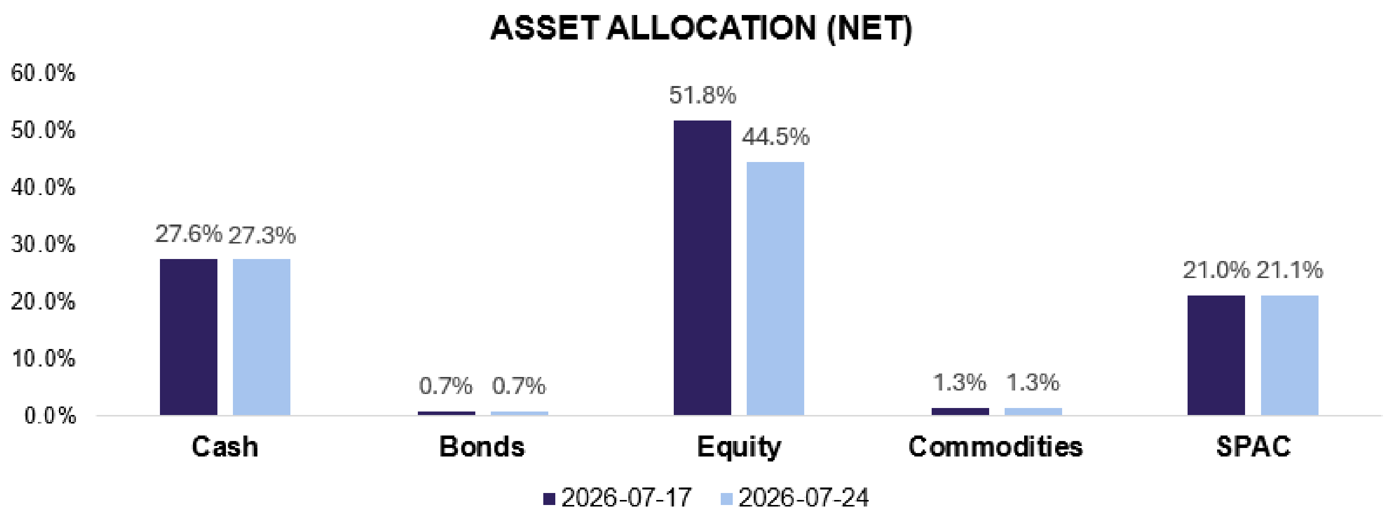
ARROW LONG/SHORT ALTERNATIVE FUND commentary - Week ending July 24, 2026

Arrow Capital Management Inc.



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

Performance

July 24, 2026

Arrow Long/Short Alternative Fund (F Class):

WTD -0.11%
MTD -1.56%
YTD 8.46%

S&P/TSX 60 (XIU ETF):

WTD -0.17%
MTD 1.80%
YTD 13.47%

S&P 500 (SPY ETF):

WTD -0.59%
MTD -1.05%
YTD 8.94%

Fund Commentary

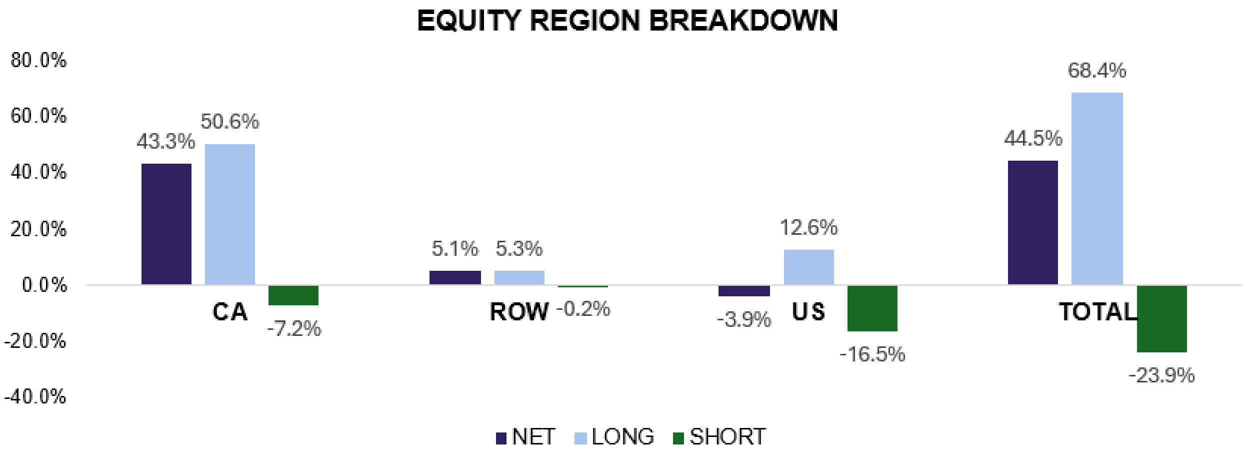
Last week continued to be very volatile under the hood, with dispersion remaining unusually wide. The Nasdaq was -2%, led down by the MAG7 and Alphabet(-8%), while SPX was -0.6% and Semis were actually up on the week (although very volatile). Alphabet's quarter on the surface looked fine, but markets focused on its higher capex guidance and lingering questions about how the massive investment will ultimately lead to returns. In reality, we think narratives are backfilling price action, and narratives are changing at lightning speeds, so need to keep your head on a swivel.

Just as a refresher on how we are thinking about AI, we ultimately do think this will end in a bubble, although we stop short of calling it one now. Although there are clear signs of bubble-like behavior, we are cognizant that speculation can build for much longer than rationally expected, and our eyes are wide open to this dynamic. This morning evidenced another example, with NVIDIA guaranteeing $250B to OpenAI for a data centre lease. Ultimately, we think this ends badly.

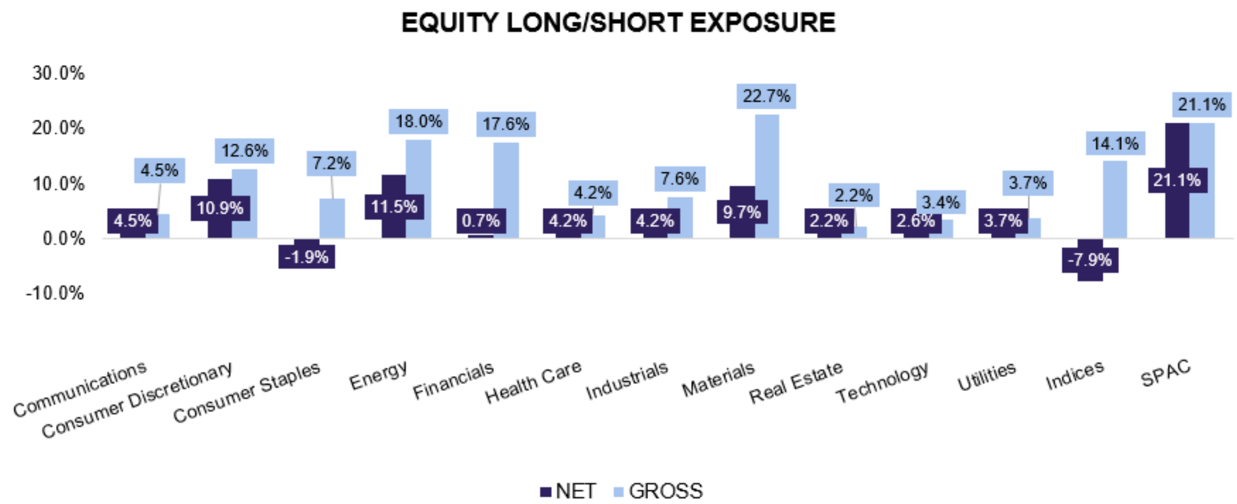
The Middle East conflict escalated last week and continues to contribute to a challenging macro backdrop with probabilistic paths changing swiftly. Predictably, Energy stocks were one of the best performing sectors last week, but giving some back this morning as there looks to be a reprieve on continued strikes. Yields also moved higher with Oil and this continues to be the key macro data point we are following. We continue to believe Trump's posture is one of escalating to de-escalate.

This week, the Fed meeting takes place. Our base case remains no hike, although markets have now priced in a 35% chance, nearly double from the prior week. A number of the other MAG7 report, and will be interesting to see if the narrative shifts again.

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 June 30, 2026

	1-Year	3-Year	5-Year	10-Year	ITD
ALSAF - Series F	21.81%	11.37%	6.60%	9.21%	9.81%

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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).

Commissions, trailing commissions, management and performance fees and expenses all may be associated with mutual fund 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 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.

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