EXEMPLAR GROWTH AND INCOME FUND commentary - Week ending August 28, 2026

Arrow Capital Management Inc.

August 28th 2026 Asset Allocation: 8.9% cash; 21.9% bonds; 0.2% commodities, and 69.1% equities*; 11.6% $US

August 21st 2026 Asset Allocation: 8.9% cash; 21.6% bonds; 0.2% commodities, and 69.3% equities*; 11.8% $US
*Net exposure to equities

	Last Week	Year to Date
iShares U.S. 7-10 Yr Bond ETF	+0.03%	-1.21%
iShares Core Canada Bond Index ETF	+0.33%	+0.32%
Gold (GLD ETF)	-3.42%	+3.17%
USD/CAD	+1.00%	+1.29%
ACWI (ETF)	+0.17%	+14.59%
S&P 500 (SPY ETF)	+0.47%	+13.42%
Nasdaq (QQQ ETF)	+0.42%	+16.90%
S&P/TSX (XIU ETF)	-0.05%	+16.91%
EGIF – Series FD	-0.40%	+12.14%
EGGIF – Series FD	-0.11%	+8.73%

August 21, 2026 to August 28, 2026

Quad Forecast	2Q26E	3Q26E	4Q26E
Canada	Quad 3 (GDP ↓, Inflation ↑)	Quad 3 (GDP ↓, Inflation ↑)	Quad 1 (GDP ↑, Inflation ↓)
United States	Quad 3 (GDP ↓, Inflation ↑)	Quad 3 (GDP ↓, Inflation ↑)	Quad 2 (GDP ↑, Inflation ↑)

Source: Hedgeye Risk Management, August 2026

Canadian equities experienced another relatively subdued week, with the S&P/TSX Composite declining approximately 0.2%, despite reaching a record high earlier in the week. Trade tensions between Canada and the United States returned to the forefront, while strong bank earnings and better-than-expected economic growth provided support. The TSX remains up roughly 15% year-to-date, with its significant exposure to financials, energy and materials continuing to differentiate Canadian market performance.

Canadian bank earnings were a notable bright spot. All six major banks exceeded earnings expectations, supported by strong capital-markets activity, wealth management revenues and relatively controlled credit losses. RBC, TD and CIBC capped off the reporting season with better than expected results on Thursday. Given financials' significant weighting within the TSX, continued strength from the banks remains an important support for the broader Canadian equity market. Canada's economic data also surprised positively. Real GDP expanded at a 3.3% annualized pace during the second quarter, following six months of little growth, with exports and domestic demand contributing to the improvement. June GDP increased 0.3%, although preliminary estimates suggest growth was essentially flat in July. The stronger second quarter provides some reassurance around the Canadian economy but, combined with persistent inflation, could reduce the urgency for additional monetary easing.

Fixed income markets remained volatile. Canadian government bond yields eased modestly over the week, with the 10-year yield ending around 3.73%. In the U.S., Federal Reserve Chair Kevin Warsh struck a hawkish tone at Jackson Hole, emphasizing that inflation remains a concern. The U.S. 10-year Treasury yield subsequently moved above 4.7%, as markets increased expectations that monetary policy may need to remain restrictive or potentially tighten further. Commodities reversed some of their recent strength. WTI crude declined more than 4% to approximately US$83 per barrel, while gold also pulled back sharply following its recent rally. Despite the weekly weakness, elevated oil and gold prices continue to provide meaningful support to Canada's resource-heavy equity market.

The coming week should be particularly important for Canadian markets. The Bank of Canada announces its next interest-rate decision on September 2nd, where investors will assess how policymakers balance stronger second-quarter growth against inflation and trade uncertainty. In the U.S., attention will turn toward the August employment report and ISM manufacturing data, which could further shape expectations for Federal Reserve policy.

Sector Breakdown and Top Holdings

The Fund is prepared for multiple outcomes and using market swings to add or remove exposures. Our biggest sectors: Materials (11.1%), Industrials (8.4%), Financials (7.7%), Energy (7.3%), and Real Estate (5.2%). I've added our Top 10 Equity Holdings below for this week.

Top 10 Equity Holdings as of August 28, 2026

1.	Tenaz Energy - TNZ	Energy
2.	Manulife - MFC	Financials
3.	Medexus Pharmaceuticals - MDP	Healthcare
4.	Chartwell Retirement – CSH.UN	Real Estate
5.	Base Carbon - BCBN	Financials
6.	Sun Life Financial - SLF	Financials
7.	Canadian Pacific - CP	Industrials
8.	Shopify - SHOP	Technology
9.	DRI Healthcare Trust – DHT-U	Healthcare
10.	Royal Bank of Canada – RY	Financials

*EGIF Top 10 Equity Holdings exposure: 8.6%

The Exemplar Growth & Income Series FD was **-0.40%** last week and is **+12.14%** year to date.

Exemplar Global Growth & Income

Quad Forecast	2Q26E	3Q26E	4Q26E
Europe	Quad 3 (GDP ↓, Inflation ↑)	Quad 3 (GDP ↓, Inflation ↑)	Quad 4 (GDP ↓, Inflation ↓)
China	Quad 3 (GDP ↓, Inflation ↑)	Quad 1 (GDP ↑, Inflation ↓)	Quad 1 (GDP ↑, Inflation ↓)
Japan	Quad 2 (GDP ↑, Inflation ↑)	Quad 3 (GDP ↓, Inflation ↑)	Quad 2 (GDP ↑, Inflation ↑)

Source: Hedgeye Risk Management, August 2026

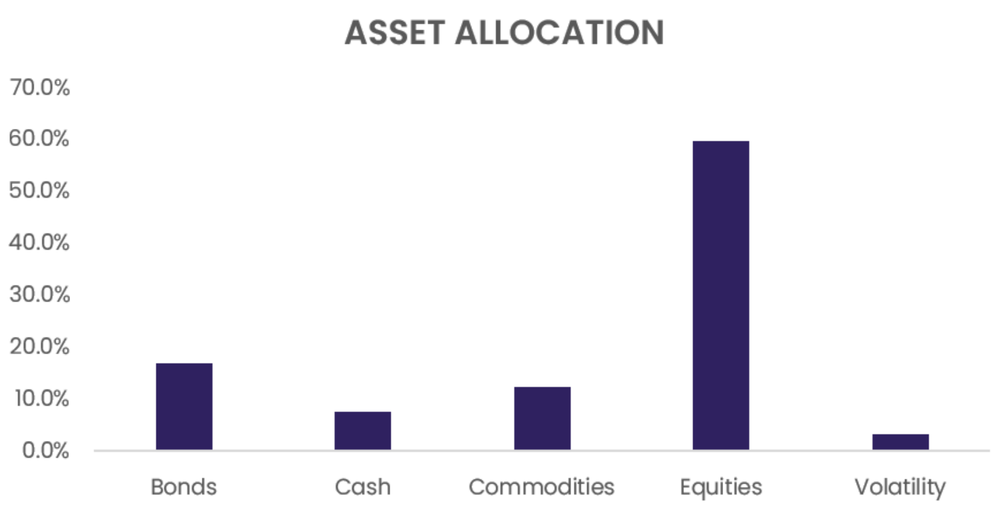
Equities closed out the week on solid footing, with the S&P 500 adding roughly half a percent and the Nasdaq outpacing it at close to 0.9%. The tape spent the week caught between two competing narratives - one bullish (NVIDIA), one more cautious (the Fed) - and growth ultimately won out.

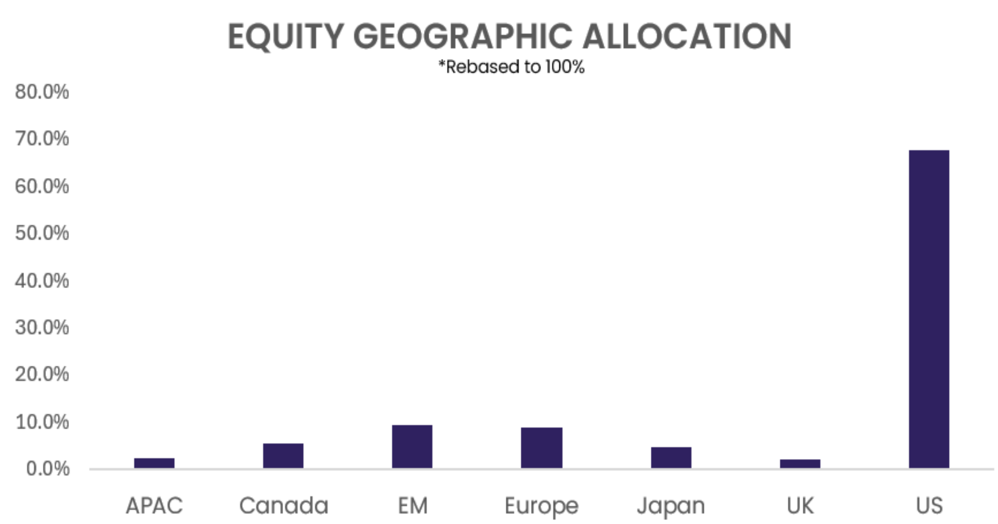
NVIDIA's print did the heavy lifting. Revenue doubled year-over-year, data center sales cleared $89 billion, and the 70% growth guide for fiscal 2028 left the ~44% street estimates in the dust. The stock ripped nearly 9% and dragged the rest of the chip complex along for the ride - Broadcom, SK Hynix, and Intel all moved on the print. It wasn't a one-company story either: enterprise software got its own vote of confidence when Salesforce posted a similarly strong quarter, a reminder that AI monetization is starting to show up outside of pure hardware plays.

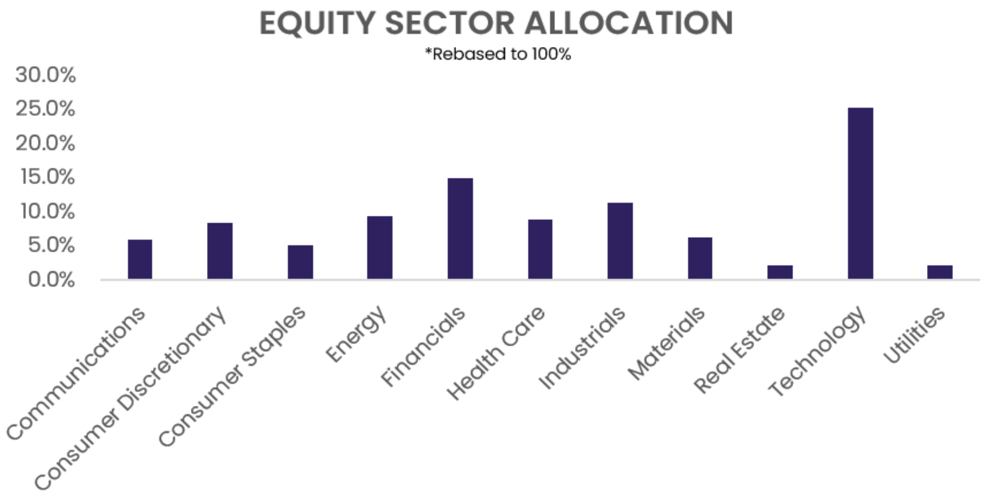
The counterweight came from Jackson Hole, where Fed Chair Kevin Warsh used his speech to lay out his thinking in far more detail than markets had gotten before - and the tone leaned hawkish. He doubled down on the 2% inflation target and made clear the fight isn't over, which pushed September hike odds back up toward 60%. Gold, silver, and bitcoin all gave back some of their recent gains in response.

Friday's headline grabber was Trump's announcement of a U.S.-Venezuela agreement giving American-affiliated operators majority (55%) control of 17 oil fields holding roughly 65 billion barrels of reserves - what he called "the biggest oil deal in world history." Trump mentioned this agreement will "more than double" American oil reserves, increase oil supply, and lower gas prices. Of interest to Canadians is the impact on WCS / WTI spreads which have been widening in recent weeks and the impact of numerous proposed pipelines in Canada east and west.

Exemplar Global Growth & Income Asset Allocation – August 28, 2026







Top 10 Equity Holdings as of August 28, 2026

1.	Nvidia – NVDA	Technology
2.	Apple – AAPL	Technology
3.	Microsoft – MSFT	Technology
4.	Alphabet – GOOG	Communication Services
5.	Amazon – AMZN	Consumer Discretionary
6.	Taiwan Semiconductor - TSM	Technology
7.	Broadcom – AVGO	Technology
8.	Meta Platforms – META	Communication Services
9.	Johnson & Johnson - JNJ	Healthcare
10.	JP Morgan Chase - JPM	Financials

*EGGIF Top 10 Equity Holdings exposure: 6.3%

The Exemplar Global Growth & Income Series FD was **-0.11%** last week and is **+8.73%** year to date.

Thanks,
Arrow Investment Team

Historical Performance – As of July 31, 2026

	1-Year	3-Year	5-Year	10-Year	ITD
EGIF - Series FD	23.05%	15.54%	6.77%	8.25%	8.16%
EGGIF – Series FD	14.04%	9.31%			4.42%

Published August 31, 2026

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