

EXEMPLAR GROWTH AND INCOME FUND

commentary – Week ending September 25, 2026



September 25th 2026 Asset Allocation: 11.1% cash; 22.1% bonds; 0.2% commodities, and 66.6% equities*; 10.8% \$US

September 18th 2026 Asset Allocation: 10.6% cash; 22.1% bonds; 0.2% commodities, and 67.1% equities*; 10.7% \$US

*Net exposure to equities

	Last Week	Year to Date
iShares U.S. 7-10 Yr Bond ETF	-0.88%	-3.90%
iShares Core Canada Bond Index ETF	-0.11%	-0.44%
Gold (GLD ETF)	-1.93%	-0.73%
USD/CAD	+1.10%	+3.04%
ACWI (ETF)	+1.10%	+14.56%
S&P 500 (SPY ETF)	+1.27%	+14.00%
Nasdaq (QQQ ETF)	+3.30%	+21.61%
S&P/TSX (XIU ETF)	+0.06%	+14.83%
EGIF – Series FD	-0.05%	+10.37%
EGGIF – Series FD	+0.78%	+8.15%

September 18, 2026 to September 25, 2026

Quad Forecast	3Q26E	4Q26E	1Q27E
Canada	Quad 3 (GDP ↓, Inflation ↑)	Quad 1 (GDP ↑, Inflation ↓)	Quad 1 (GDP ↑, Inflation ↓)
United States	Quad 4 (GDP ↓, Inflation ↓)	Quad 2 (GDP ↑, Inflation ↑)	Quad 4 (GDP ↓, Inflation ↓)

Source: Hedgeye Risk Management, August 2026

Canadian equities closed a volatile week little changed. Underneath the surface there was real rotation as technology outperformed on another leg of AI enthusiasm, financials firmed as the week progressed, while materials and energy lagged. Commodities were volatile with crude giving back a chunk of its recent advance on hopes that U.S.-Iran talks could reopen the Strait of Hormuz, though prices are moving higher again this morning after Trump rejected Tehran's latest proposal over the weekend, calling it unacceptable. Gold also slipped last week, as higher real yields and a firmer dollar reduced the relative appeal of non-yielding assets.

The dominant theme remains the repricing of rate expectations. Resilient U.S. data and sticky inflation pushed the U.S. 10-year yield toward its highest level since 2007 and Canadian yields to their highest since 2023, before both eased late in the week as oil retreated. Governor Macklem struck a two-sided tone in Halifax, pointing to firmer exports and business investment even as tariff escalation and elevated energy prices pull growth and inflation in opposite directions. July retail sales reinforced the softer side, with sales down broadly across categories.

Meta's fast-scaling Muse agent was another focal point last week, reviving the AI-disruption trade. Insurance and wealth management names came under pressure in the U.S. on fears that agentic AI creates incremental headwinds to certain business models. The read-through to Canadian financials has been limited so far, but it's a thread worth watching given the pace of consumer adoption.

The week ahead is dense. OpenAI’s developer conference on Tuesday will be closely watched, especially in the context of the hype around Meta’s Muse. Canadian July GDP also lands Tuesday and will show how much of the retail softness carried into broader activity, a key input for the BoC’s October decision. In the U.S., PCE, ISM manufacturing and Friday’s September employment report are all on tap this week, with the market currently pricing a 68% chance of a Fed hike at the October meeting. Any sign of persistent inflation or labour-market strength would reinforce that pricing and keep upward pressure on yields.

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 (10.1%), Industrials (8.4%), Financials (7.7%), Energy (6.8%), and Healthcare (5.2%). I’ve added our Top 10 Equity Holdings below for this week.

Top 10 Equity Holdings as of September 25, 2026

1.	Manulife - MFC	Financials
2.	Medexus Pharmaceuticals - MDP	Healthcare
3.	Chartwell Retirement – CSH.UN	Real Estate
4.	Taiwan Semiconductor - TSM	Technology
5.	DRI Healthcare Trust – DHT-U	Healthcare
6.	Sun Life Financial - SLF	Financials
7.	Royal Bank of Canada – RY	Financials
8.	Shopify - SHOP	Technology
9.	Canadian Imperial Bank of Commerce - CM	Financials
10.	Base Carbon - BCBN	Financials

*EGIF Top 10 Equity Holdings exposure: 8.3%

The Exemplar Growth & Income Series FD was **-0.05%** last week and is **+10.37%** year to date.

Exemplar Global Growth & Income

Quad Forecast	3Q26E	4Q26E	1Q27E
Europe	Quad 4 (GDP ↓, Inflation ↓)	Quad 4 (GDP ↓, Inflation ↓)	Quad 1 (GDP ↑, Inflation ↓)
China	Quad 1 (GDP ↑, Inflation ↓)	Quad 1 (GDP ↑, Inflation ↓)	Quad 3 (GDP ↓, Inflation ↑)
Japan	Quad 3 (GDP ↓, Inflation ↑)	Quad 2 (GDP ↑, Inflation ↑)	Quad 3 (GDP ↓, Inflation ↑)

Source: Hedgeye Risk Management, August 2026

Beneath a positive week for the major U.S. indices, most stocks moved the other way. The S&P 500 added ~1.2% and the Nasdaq ~2.06%, but the Russell 2000 slipped ~0.80%, and just 27% of S&P 500 constituents closed the week above their 50-day moving averages. Other breadth measures were just as weak. Only 1% of S&P 500 members traded at a 52-week high late in the week, and only two of the 11 sectors had any names at new highs. The same divergence showed up in style returns, with growth stocks up ~2.33% on the week while value slipped ~0.35%. Leadership was concentrated in Meta (+12.90%) and Microsoft (+4.53%), showing how a couple mega-cap stocks can drive the majority of an indices returns.

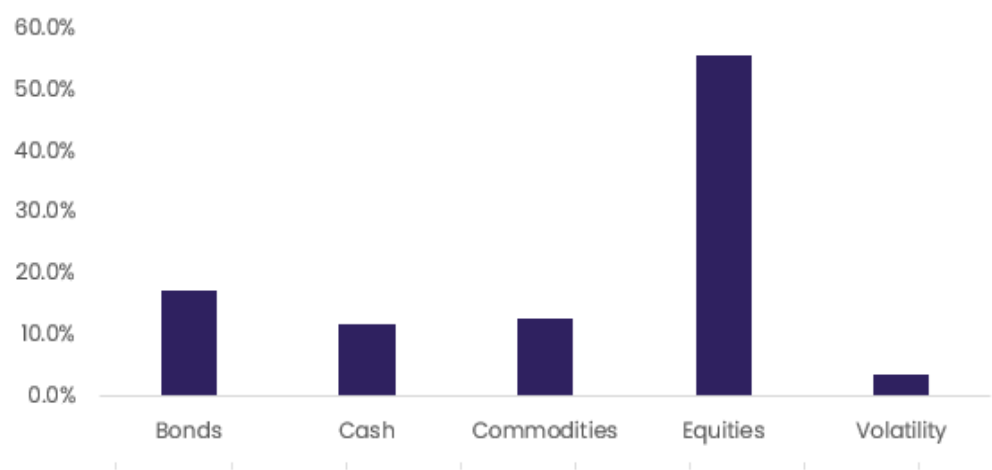
Meta’s rally came from its Muse AI agent, and the rest of the market paid for it. Muse can shop, book travel and fill out forms on a user’s behalf. Investors quickly began pricing the risk to businesses that depend on customers staying put, and insurers were hit hardest because an agent could scan rates and re-shop coverage at every renewal. That view drove the selling in financials. The S&P 500 Financials Index dropped as much as ~2.4% to a two-month low, and Raymond James, Ameriprise and LPL each fell more than 6%.

The rest of the sector moves were about rates. The 10-year yield rose on four straight sessions from Tuesday, closing Friday at ~5.184%, it’s highest since 2007. The 30-year reached 5.504%, and the dollar index rose 0.81%. Utilities ~(-3.87%) and real estate ~(-2.28%) were the weakest sectors, while technology ~(+3.52%) led on the strength of its largest names. Energy fell ~3.5% as WTI fell ~3.79% on further reports of U.S.-Iran truce talks.

AI and macro data share the calendar this week. OpenAI’s DevDay on Tuesday will show whether the agent trade broadens beyond Meta. Canada’s July GDP print the same day matters for the BoC’s October decision. U.S. PCE, ISM manufacturing, and Friday’s payrolls follow, with the market assigning a ~70% probability to an October Fed hike as of this morning. A hot inflation or jobs print would reinforce that pricing and add further pressure on long-end yields. Globally, we will get CPI numbers in Europe and Japan.

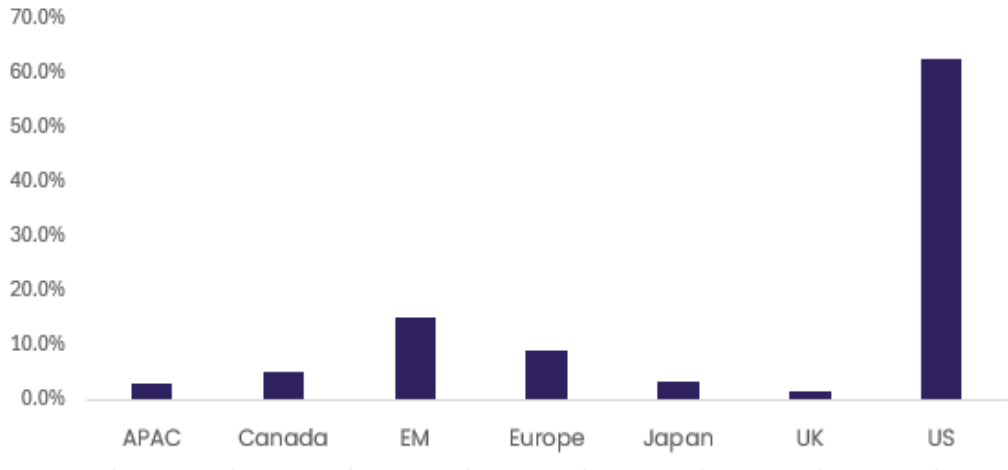
Exemplar Global Growth & Income Asset Allocation – September 25, 2026

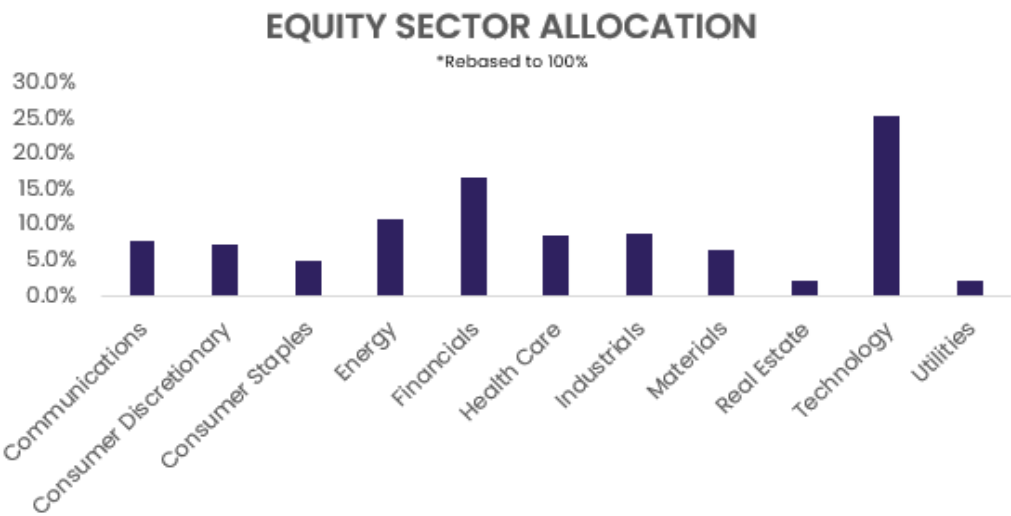
ASSET ALLOCATION



EQUITY GEOGRAPHIC ALLOCATION

*Rebased to 100%





Top 10 Equity Holdings as of September 25, 2026

1.	Nvidia – NVDA	Technology
2.	Apple – AAPL	Technology
3.	Meta Platforms – META	Communication Services
4.	Microsoft – MSFT	Technology
5.	Alphabet – GOOG	Communication Services
6.	Amazon – AMZN	Consumer Discretionary
7.	Taiwan Semiconductor - TSM	Technology
8.	Apotex Health - APTX	Healthcare
9.	Eli Lilly - LLY	Healthcare
10.	Johnson & Johnson - JNJ	Healthcare

*EGGIF Top 10 Equity Holdings exposure: 7.5%

The Exemplar Global Growth & Income Series FD was **+0.78%** last week and is **+8.15%** year to date.

Thanks,
Arrow Investment Team

Historical Performance – As of August 31, 2026

	1-Year	3-Year	5-Year	10-Year	ITD
EGIF - Series FD	21.40%	15.95%	6.88%	8.28%	8.21%
EGGIF – Series FD	14.13%	10.22%			4.71%

Published September 28, 2026

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