

# ENSO GLOBAL FUND



Commentary - September 2011

*Experience. Intelligent Investing.*

	1 mo	3 mos	6 mos	YTD	1 yr*	3 yr*	5 yr*	Ann. ITD	Cum. ITD
Enso Global Fund <sup>1</sup>	(33.5%)	(42.9%)	(56.1%)	(59.5%)	(43.3%)	(2.1%)	(4.0%)	1.4%	13.8%
MSCI Total Return Net World Index (CAD)	(2.6%)	(10.0%)	(10.3%)	(7.9%)	(2.8%)	(0.6%)	(3.6%)	0.5%	4.5%

<sup>1</sup> Unless otherwise stipulated returns are net of all fees, in Canadian dollars, reflect class "A" units and assume reinvestment of all distributions. This document is not to be construed as a public offering of securities in any jurisdiction in Canada. The offering of units of the Fund is made pursuant to the Offering Memorandum only to those investors in all jurisdictions of Canada who meet certain eligibility of minimum purchase requirements. Important information about Arrow Funds, including statement of each fund's fundamental investment objective, is contained in their respective offering memorandum, a copy of which may be obtained from Arrow Capital Management Inc. Please read the applicable offering memorandum carefully before investing. The information and materials in this document are for informational purposes only. They are not intended as investment, financial or other advice. The information included in this document is not an offer to sell. While the information and material in this document are believed to be accurate at the time they are prepared, Arrow Capital Management Inc. (and its affiliates, subsidiaries or sub-advisors) cannot give any assurance that they are accurate, complete or current at all times. Past returns are not necessarily indicative of future performance. Actual results will vary. This document is confidential and is intended solely for the information of the person to which it has been delivered.

\* Returns are annualized.

September was an extremely challenging month for the market and our portfolio experienced a large drawdown. Small-cap resource stocks were hit particularly hard as evidenced by the fall in the TSX Venture 30 Index of over 27%. There was also a large pullback in gold equities coinciding with the gold price correction (even though many gold equities had not moved up with the price of gold in the first place). Half of our top 10 losers last month were gold equities. The most frustrating issue with performance in September was that we had barely any negative newsflow for our equities on a micro level and, in fact, we had some extremely positive news (Oceanic Iron Ore's Preliminary Economic Assessment) that was ignored by a cautious market. In October, we have made back some of our losses for September and we feel extremely confident that over the next year we should see a significant move up in many of our portfolio names as rationality returns.

Thank you for your continued interest in the Fund. For further information, please contact your regional Arrow Capital representative.