

Fund Commentary

Q2 | 2026

Morningstar Category

US Equity

Inception Date

April 18, 1957 (Series MF)
January 14, 2000 (Series F)

Portfolio Managers

AGF Investments Inc.
Aurilio Kundu, Portfolio Manager
Mike Archibald, Portfolio Manager

Market Overview

The second quarter of 2026 was a powerful risk-on recovery; U.S. equities rallied sharply, with the S&P 500 Index more than reversing the first quarter's decline as leadership swung decisively back to growth and technology. Crude prices were volatile but fell over the quarter: West Texas Intermediate climbed to around US\$113 a barrel in early April before sliding to about US\$70 by quarter-end — roughly a 31% decline — as the first quarter's Middle East conflict de-escalated and a U.S.–Iran agreement reopened the Strait of Hormuz in mid-June.

Inflation, however, kept climbing on the lagged pass-through of the energy shock: U.S. headline Consumer Price Index ("CPI") inflation rose from about 2.4% year-over-year in February to 4.25% by May, leaving inflation well above its pre-shock level. Longer-term yields stayed elevated, with the U.S. 10-year Treasury yield ending the quarter near 4.5%. The U.S. Federal Reserve ("Fed") held its policy rate at 3.5%–3.75% at both its April and June meetings, but its posture turned more hawkish through the quarter, with a number of officials flagging that rate increases might be needed and markets beginning to price some probability of a hike. The de-escalation of the Middle East conflict caused a sharp retrenchment in crude oil and agricultural commodities.

The defining market feature was the reacceleration of the Artificial Intelligence ("AI") investment cycle. Information Technology led decisively — semiconductors and semiconductor equipment were the standouts — with the build-out extending into advanced memory, power and grid suppliers. Growth outpaced value and large-cap leadership resumed, while Energy, defensive sectors and Materials lagged the broad advance. The equal-weighted index also outperformed its market-cap-weighted counterpart.

Fund Overview | June 30, 2026

Annualized Performance in CAD, Net of Fees	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.	PSD*
AGF American Growth Class - Series MF	30.2%	33.8%	28.5%	17.8%	17.9%	9.8%
AGF American Growth Class - Series F	30.7%	35.7%	30.4%	19.5%	19.6%	7.9%
Benchmark*	17.3%	26.9%	22.9%	16.0%	16.0%	-

Source: AGF Investments. One cannot invest directly in an index. **Past performance is not indicative of future results.** *S&P 500 Net Index. On December 1, 2015, AGF American Growth Class benchmark changed from the S&P 500 Total Return Index to the S&P 500 Net Return Index. The benchmark change was applied from that date forward. Series MF MER: 2.66%, Series F MER: 1.21%, as of March 31, 2026. *Performance Start Date (PSD): June 28, 1957 (Series MF); January 20, 2000 (Series F). The performance start date benchmark return is not available as the Index was created later than the performance start date of the Fund.

For the quarter ended June 30, 2026, AGF American Growth Class (Series MF) outperformed the benchmark, the S&P 500 Net Index.

Sector allocation was a detractor, and security selection was the primary contributor to performance during the period.

From a sector allocation perspective, an underweight to Financials was the biggest contributor to performance, followed by an underweight to Consumer Staples. On the other hand, an overweight to Energy was the largest detractor, followed by an underweight to Information Technology.

Security selection in the Information Technology and Financials sectors were the top contributors to performance, whereas security selection in Materials detracted from performance.

The Fund's cash position, which averaged 2.2% during the quarter, detracted from relative performance.

In terms of individual holdings, the top contributors to performance were Applied Materials Inc., Advanced Micro Devices Inc. and Micron Technology Inc., while the top detractors were L3Harris Technologies Inc., SLB Ltd and Walmart Inc.

Semiconductor and semiconductor-equipment holdings led performance as the Artificial Intelligence ("AI") investment cycle reaccelerated: Applied Materials, Micron Technology, Advanced Micro Devices and Marvell Technology all advanced positively, and Corning contributed on data-centre and optical demand.

Shares of L3Harris Technologies fell as backlog growth and profit-taking weighed on investor sentiment amid a consolidation in defense names. SLB Ltd declined alongside softer oil prices and pressure on near-term energy activity, while Walmart retreated as investors weighed tariff-related cost pressures and pricing concerns despite resilient sales.

Market Outlook

Looking ahead, the portfolio remains anchored in large-capitalization U.S. companies with durable competitive advantages, strong balance sheets and the ability to compound earnings across a range of economic environments. While the AI and semiconductor complex reasserted its leadership despite June's dislocations, the team is increasingly focused on barbellizing the strategy, so returns are not overly dependent on a single theme. We continue to hold high-conviction positions in the AI value chain while balancing that exposure with well-managed businesses across other parts of the market—industrials, energy and power-and-grid names, healthcare innovators and select consumer franchises—less correlated with the AI cycle.

While the near-term backdrop has stabilized following the interim US-Iran peace deal and the reopening of the Strait of Hormuz, we are mindful of risks that could reintroduce volatility: a disorderly reckoning with AI valuations that rattled tech stocks in early June, uncertainty around Fed policy as inflation stays above target, the earnings cycle's durability, and geopolitical considerations. Elevated market concentration and correlation across a small group of large technology names reinforces this balanced posture, and we remain disciplined in assessing valuation against long-term fundamentals. We believe bottom-up selection and a long-term horizon offer the best path to attractive risk-adjusted returns.

Series F securities can be purchased under the simplified prospectus only through a registered dealer who has obtained consent of AGF to offer Series F securities.

Commissions, trailing commissions, management 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 compounded total returns including changes in share or unit value and reinvestment of all dividends or 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.

MER as of March 31, 2026. AGFI may, in its discretion, temporarily waive some or all of the expenses of the Fund, which will result in a reduction in the MER. AGFI may cease to offer any such waiver at any time without notice.

The commentaries contained herein are provided as a general source of information based on information available as of June 30, 2026. It is not intended to address the needs, circumstances, and objectives of any specific investor. The content of this commentary is not to be used or construed as investment advice, as an offer to buy or sell any securities, and is not intended to suggest taking or refraining from any course of action. Every effort has been made to ensure accuracy in these commentaries at the time of publication, however, accuracy cannot be guaranteed. Market conditions may change and AGF Investments Inc. accepts no responsibility for individual investment decisions arising from the use or reliance on the information contained herein.

This document may contain forward-looking information that reflects our current expectations or forecasts of future events. Forward-looking information is inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed herein.

Holdings are subject to change and do not represent all of the securities purchased, sold or recommended for the portfolio. It should not be assumed that investments in the securities identified were or will be profitable and should not be considered an endorsement or recommendation by AGF Investments.

All World Tax Advantage Group is a mutual fund corporation that currently offers approximately 20 different classes of securities. In addition to fund diversification by investment style, geography and market capitalization, a key benefit of investing in any of the classes within the group is the possibility of sharing incurred expenses (and losses) of the combined structure, potentially offsetting income earnings to minimize chance of a dividend declaration. For a more detailed explanation, please see AGF.com/disclaimers.

© 2026 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

AGF Investments is a group of wholly owned subsidiaries of AGF Management Limited, a Canadian reporting issuer. The subsidiaries included in AGF Investments are AGF Investments Inc. (AGFI), AGF Investments LLC (AGFUS) and AGF International Advisors Company Limited (AGFIA). The term AGF Investments may refer to one or more of these subsidiaries or to all of them jointly. This term is used for convenience and does not precisely describe any of the separate companies, each of which manages its own affairs. AGF Investments entities only provide investment advisory services or offers investment funds in the jurisdiction where such firm and/or product is registered or authorized to provide such services. AGF Investments Inc. is a wholly-owned subsidiary of AGF Management Limited and conducts the management and advisory of mutual funds in Canada.

This report may not be reproduced (in whole or in part), transmitted or made available to any other person without the prior written permission of AGF Investments Inc.

® TM The "AGF" logo and all associated trademarks are registered trademarks or trademarks of AGF Management Limited and used under licence.

Published: July 28, 2026.