AGF Global Select Fund

AGF | Investments

Fund Commentary

Q2 | 2026

Morningstar Category

Global Equity

Inception Date

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Portfolio Managers

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Market Overview

The second quarter of 2026 was a strong, risk-on quarter for global equities, with the MSCI All Country World Index posting solid gains and more than reversing the first quarter's decline. The reacceleration of the Artificial Intelligence ("AI") investment cycle drove a technology-led recovery, with leadership extending across the global semiconductor and AI-infrastructure supply chain, from chip-making equipment to advanced memory and the power and grid that underpin AI capacity.

Crude prices were volatile but fell over the quarter, with West Texas Intermediate sliding from its early-April peak to markedly lower levels by quarter-end, 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 nonetheless continued to climb on the lagged pass-through of the earlier energy shock, with U.S. headline Consumer Price Index inflation rising further and remaining well above pre-shock levels. The U.S. Federal Reserve held its policy rate steady at its April and June meetings while adopting a more hawkish posture, with officials increasingly signalling that further rate increases might be required.

At the sector level, Information Technology led the global index by a wide margin, supported by sustained AI investment and earnings visibility, while Energy, Consumer Staples, Communication Services, Materials and Utilities all lagged and finished the quarter lower. Growth outpaced value as technology leadership resumed and broadened along the value chain. Market breadth, however, remained narrow: the cap-weighted MSCI All Country World Index outperformed its equal-weighted counterpart, consistent with a period in which large-cap names — which carry heavier weight in the standard index — drove a disproportionate share of returns.

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Fund Overview | June 30, 2026

Annualized Performance in CAD, Net of Fees	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.	PSD+
AGF Global Select Fund - Series MF	17.8%	17.6%	22.6%	12.5%	16.9%	8.9%
AGF Global Select Fund - Series F	18.1%	19.4%	24.4%	14.1%	18.6%	7.4%
Benchmark*	17.3%	29.3%	23.0%	14.5%	14.4%	8.6%

Source: AGF Investments. One cannot invest directly in an index. **Past performance is not indicative of future results.** *MSCI All Country World Index. Series MF MER: 2.59%, Series F MER: 1.01%, as of March 31, 2026. +Performance Start Date (PSD): February 21, 1996 (Series MF); April 27, 2000 (Series F). Benchmark PSD reflects the PSD of Series MF.

For the quarter ended June 30, 2026, the Global Select Fund (Series MF) outperformed the benchmark, the MSCI All Country World 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 Health Care was the biggest contributor to performance. On the other hand, an overweight to Energy was the largest detractor, followed by an overweight to Materials.

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

The Fund's cash position, which averaged 3.6% during the quarter, detracted from relative performance.

From a country perspective, exposure to Japan was the biggest contributor to performance, followed by exposure to South Korea. On the other hand, exposure to Canada was the largest detractor, followed by exposure to Germany.

In terms of individual holdings, the top contributors to performance were Tokyo Electron Ltd., Samsung Electronics Co. Ltd. and Lam Research Corp., while the top detractors were Alcoa Corp., Agnico Eagle Mines Ltd. and L3Harris Technologies Inc.

Semiconductor and semiconductor-equipment holdings led performance as the Artificial Intelligence ("AI") investment cycle reaccelerated, with Tokyo Electron, Samsung Electronics, Lam Research, Taiwan Semiconductor and Advanced Micro Devices all advancing on strong AI-driven demand for advanced logic, memory and production tools.

Shares of Alcoa fell as weaker alumina prices, shipment disruptions and tariff-related costs weighed on sentiment. Agnico Eagle slipped as investors locked in gains following its gold-driven outperformance, despite record quarterly earnings and margins. L3Harris Technologies declined as backlog growth and profit-taking weighed on the shares amid a consolidation in defense names.

Market Outlook

The Fund is a focused, high-conviction global equity strategy investing across developed and emerging markets (EM) without a home-country bias. The Portfolio Manager concentrates capital in the strategy's best ideas — companies with strong, sustainable earnings momentum — and lets bottom-up selection, rather than benchmark weights, drive the portfolio, with regional and country exposure an output of where the most compelling growth is found.

Positioning continues to maintain exposure to the Artificial Intelligence ("AI") capital-investment cycle through semiconductor and technology leaders across developed and EMs, complemented by selective cyclical and energy exposure. The strategy stays agile, remaining valuation-aware in crowded areas and adjusting exposure as the global macro and policy backdrop evolves.

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.

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