

The NorthStream Credit Strategies Fund LP returned -0.89% for the month of March. The unexpected increase in the US fed funds rate created volatility in interest rates and a small widening of high yield bond yields by 20 basis points.<sup>1</sup> Interest rates in Canada and the US reached near term highs on March 13<sup>th</sup> and have been gradually decreasing into April. The futures market is indicating a 57% probability of another fed funds rate increase in June. Although a rate increase in Canada is still unlikely in 2017, a rate cut in Canada is no longer on the table amid signs of an improving economy.

In March, we monetized our position in the bonds of Gateway Casinos. We purchased Gateway's 8.5% notes due 2020 in January at \$100.625 following news that the Ontario Lottery and Gaming Corporation (OLG) awarded Gateway a 20-year contract to operate its gaming assets in North and Southwest Ontario.

We noted that OLG has decided to award operating contracts for four other regions in Ontario throughout the course of 2017. Gateway Casinos has been owned by Catalyst Capital since 2010 in a private equity portfolio that has been returning capital to investors. The company had previously attempted an IPO in 2012. Our investment thesis was that Gateway will participate in additional OLG operating contracts and will require additional capital, potentially a motivation for an IPO and a reduction of leverage. Gateway's management opted for a debt recapitalization that resulted in the redemption of the 2020 Notes in March at \$104.25, for a gain of 3.63 points on our position.

Our bond holdings by rating for March were 33% BB, 53% B and 14% CCC. Canadian dollar denominated positions comprised 77% of the portfolio. The NorthStream Credit Strategies Fund LP generated a return of 19.65% for the eleven months since inception.

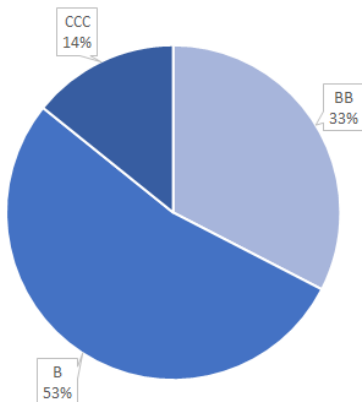
NorthStream Credit Strategies Fund LP - Performance													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	2.69%	0.66%	-0.89%	-	-	-	-	-	-	-	-	-	2.45%
2016	-	-	-	-	0.49%	0.81%	3.40%	2.98%	2.29%	2.12%	0.75%	2.88%	16.80%

**Return Since Inception: 19.65%**

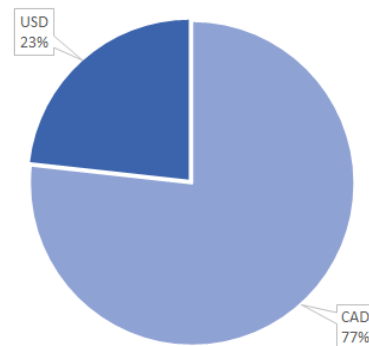
The NorthStream Credit Strategies Fund LP ("the Fund") launched on May 2<sup>nd</sup>, 2016. The monthly returns above are shown net of all fees and expenses and are based on the Fund's Class X Lead Series NAV. Monthly NAV and returns are calculated by SGGG Fund Services Inc. Past performance is not indicative of future results.

### Bond Holdings by:

#### Credit Rating



#### Currency Exposure



<sup>1</sup> Credit Suisse High Yield Index

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