

The NorthStream Credit Strategies Fund returned +0.32% for the month of January. Several of the companies in our portfolio took advantage of favourable market conditions to refinance near term maturities including AutoCanada, Baytex Energy, First Quantum Minerals, and MEG Energy. These shorter maturity positions represent 18% of the portfolio and will be a source of liquidity as they are called in the coming month. The Coronavirus has caused the rotation into cyclical sectors to stall in January. The positions that are being called will reduce our commodity exposure and enable us to take advantage of opportunities that may arise if the risks of lower economic growth materialize. Currently, we have 39% of the portfolio in yield-to-call positions that will be redeemed, called, or be eligible for a change of control put in the next 12 months.

Our bond holdings by rating were 2% BBB, 28% BB, 42% B, 11% CCC, and 16% unrated. Canadian dollar positions comprised 79% of the portfolio. The performance, risk, and correlation metrics are detailed below.

NorthStream Credit Strategies Fund LP - Performance													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	0.32%	-	-	-	-	-	-	-	-	-	-	-	0.32%
2019	1.08%	1.34%	0.41%	0.79%	-1.41%	1.00%	0.99%	-0.31%	0.86%	-1.99%	0.01%	0.75%	3.53%
2018	1.32%	0.01%	0.72%	0.72%	0.52%	-0.17%	0.30%	0.30%	-0.11%	-0.61%	-1.44%	-0.67%	0.85%
2017	2.69%	0.66%	-0.89%	0.64%	0.63%	0.02%	0.31%	1.30%	1.03%	1.40%	0.66%	1.58%	10.46%
2016	-	-	-	-	0.49%	0.81%	3.40%	2.98%	2.29%	2.12%	0.75%	2.88%	16.80%

The NorthStream Credit Strategies Fund LP ("the Fund") launched on May 2, 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. Performance, risk metrics and correlations are as of September 30, 2019. Note that the use of the XGB, TSX, and S&P 500 in the performance tables below is for informational purposes only. The XGB (iShares Canadian Government Bond Index ETF), TSX, and S&P 500 have a different composition than the Fund and are not comparable benchmarks. The XGB, TSX, and S&P 500 were chosen to compare the Fund's performance returns against other asset classes.

### Return Since Inception: 35.13%

Performance & Risk Metrics	
Return Since Inception	35.13%
YTD	0.32%
1-YR Return	2.76%
Annualized Since Inception	8.36%
% of Positive Months	80.00%
Maximum Drawdown	-2.81%
Annualized Standard Deviation	3.90%
Sharpe Ratio <sup>1</sup>	1.73

Correlation			
Index	XGB <sup>2</sup>	TSX	S&P500
Correlation	-16.75%	39.30%	32.73%
Upside Capture	50.90%	54.80%	30.28%
Downside Capture <sup>3</sup>	-109.15%	6.82%	-9.02%

<sup>1</sup> Using 1-year T-bills.

<sup>2</sup> iShares Canadian Government Bond Index ETF (XGB).

<sup>3</sup> Negative downside capture vs. XGB, TSX, and S&P 500 is a result of NorthStream generating positive returns in months when these indices generated negative returns.

**NorthStream Credit Strategies Fund LP**



**WINNER OF THE 2019 CANADIAN HF AWARDS**  
**Credit Focused**  
**Best 3 Year Return**  
**2nd Place**

**NorthStream Credit Strategies Fund LP**



**WINNER OF THE 2019 CANADIAN HF AWARDS**  
**Credit Focused**  
**Best 3 Year Sharpe Ratio**  
**3rd Place**

**NorthStream Credit Strategies Fund LP**



**WINNER OF THE 2018 CANADIAN HF AWARDS**  
**Credit Focused**  
**Best 1 Year Return**  
**2nd Place**

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