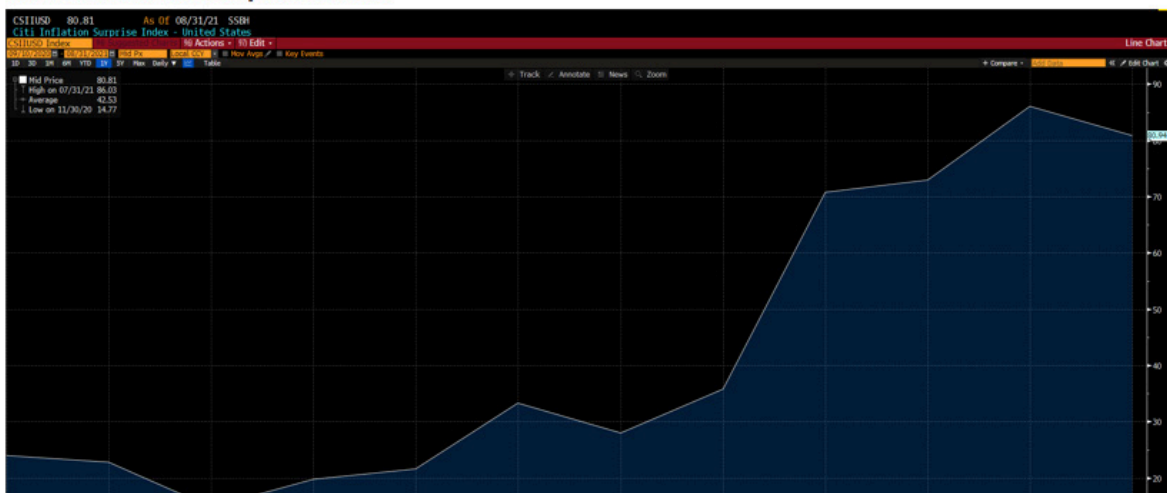


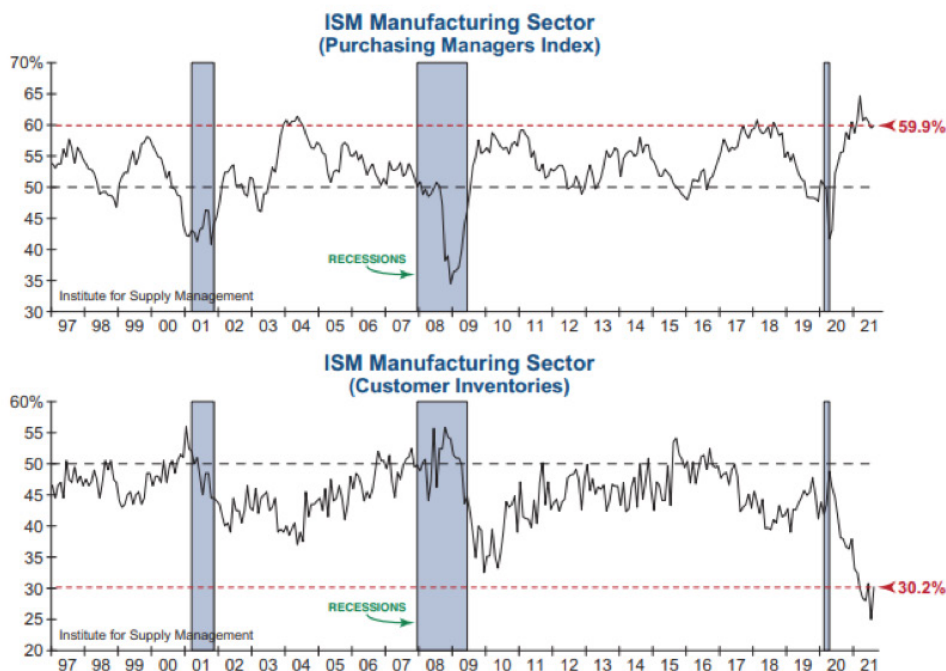
The NorthStream Credit Strategies Fund returned -0.55% for the month of August. The energy sector experienced a pullback which resulted in it being the only subsector in the S&P 500 to be down in August (-2.88%). Markets have been volatile with investors on edge as the continued spread of Covid-19 variants undermines the economic recovery and boosts supply-shock inflation, even as central banks reaffirm an accommodative stance.

The US 10-year treasury has been rangebound even though inflationary pressures build. The Citi Inflation Surprise index has experienced large increases since April 2021 confirming that inflation may not be entirely transitory and is certainly being impacted by supply chain constraints.

Citi US Inflation Surprise Index



The ISM Manufacturing Index moved slightly higher to a reading of 59.9% in August and is holding near one of the highest levels of the past two decades as shown in the chart below. Manufacturers reported that demand remained strong as their customers are still attempting to refill their depleted inventories (bottom graph). While this leading manufacturing gauge remains on solid footing, this supply/demand imbalance is likely to cause shortages and rising prices to persist.



These supply chain pressures are happening at a time when governments are running large, monetized deficits, and increasing their money supply faster than normal. Interest rates are once again below the prevailing inflation rate, meaning savers are not being compensated for their devaluing money.

With inventory levels being at record lows, we expect the demand for commodities and materials to be firm as inventory levels gradually rebuild. We believe that exposure to cyclicals through corporate bonds is attractive due the free cash flow generated at current commodity prices. Additionally, these bonds have a relatively short duration and upside in an inflationary environment.

NorthStream Credit Strategies Fund LP - Performance													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	10.84%	4.70%	4.87%	-0.06%	1.23%	4.20%	-0.20%	-0.55%	-	-	-	-	27.32%
2020	0.32%	-0.43%	-14.44%	0.43%	1.03%	3.67%	1.01%	2.99%	1.88%	2.36%	2.18%	9.47%	9.09%
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 August 31, 2021. 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: 87.10%

Performance & Risk Metrics			
Return Since Inception	87.10%		
YTD	27.32%		
1-YR Return	48.53%		
Annualized Since Inception	12.46%		
% of Positive Months	78.13%		
Maximum Drawdown	-14.81%		
Annualized Standard Deviation	10.03%		
Sharpe Ratio ¹	1.22		
Correlation			
Index	XGB ²	TSX	S&P500
Correlation	-13.20%	53.04%	38.85%
Upside Capture	100.52%	58.00%	37.34%
Downside Capture ³	-109.76%	6.54%	-1.75%

¹ Using 1-year T-bills.

² iShares Canadian Government Bond Index ETF (XGB).

³ 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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