

The NorthStream Credit Strategies Fund returned +3.78% for the month of September bringing our year-to-date return to +32.14%. The one-year return for the portfolio is currently +51.31%. This brings the annualized compound return since inception to +13.03%, and our excess return relative to the high yield index since inception to 5667 basis points.

September was a difficult month for many fixed income assets as the yield on US 10-year Treasuries rose to over 1.49% from 1.31% at the end of August. The S&P 500 declined -4.68% in September with energy being the only subindex with a positive return, increasing +9.28%. Our excess return was generated from value and cyclical companies that benefit from the growth in the economy and higher commodity prices.

The recent surge in oil, coal, and natural gas prices from China to Europe has highlighted the fragility of the energy supply chain at a time when the world is trying to transition towards renewable resources. China is experiencing an intense crunch in coal supplies, leading to rolling blackouts in more than half of the country's 32 provinces. The natural gas crisis in Europe has been caused by poor weather conditions that have led to an electricity shortfall from renewable sources and increased demand for natural gas. Russia is curtailing exports of natural gas to Europe, possibly to accelerate operations at the Nord Stream 2 pipeline.

It appears the global under-investment in fossil fuel output is creating supply shortages in several countries. Despite the recovery in oil prices from the March 2020 low, energy producers have been reluctant to invest and expand their capacity, creating the risk of on-going elevated energy prices and further inflationary pressure. The energy shortages are coinciding with goods and labour shortages as companies reopen and restock.

With corporate inventory levels being at record lows and natural gas shortages occurring prior to winter, we expect the demand for commodities & materials to be firm as inventory levels gradually rebuild. We believe that exposure to cyclicals through corporate bonds is attractive due to 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%	3.78%	-	-	-	32.14%
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 September 30, 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.

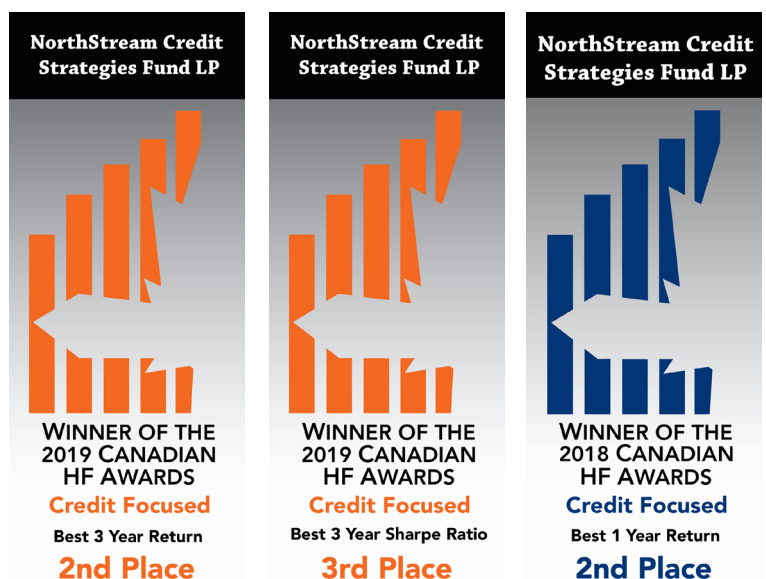
Return Since Inception: 94.17%

Performance & Risk Metrics			
Return Since Inception	94.17%		
YTD	32.14%		
1-YR Return	51.31%		
Annualized Since Inception	13.03%		
% of Positive Months	78.46%		
Maximum Drawdown	-14.81%		
Annualized Standard Deviation	10.03%		
Sharpe Ratio ¹	1.27		
Correlation			
Index	XGB ²	TSX	S&P500
Correlation	-14.96%	51.17%	35.84%
Upside Capture	100.52%	58.00%	37.34%
Downside Capture ³	-119.93%	-1.32%	-8.88%

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.



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