



As at November 30, 2014

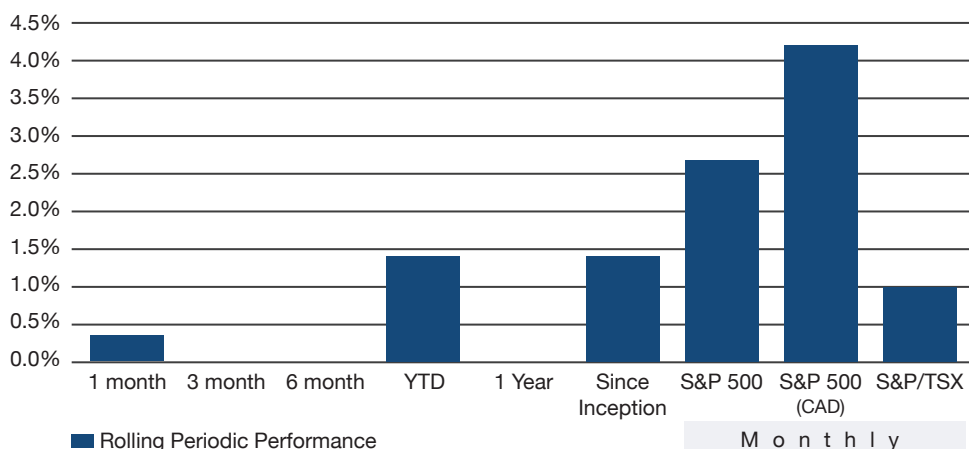
## Fund Objective

The investment objective of the Partnership is to provide consistent long-term capital appreciation with attractive risk-adjusted rates of return through market cycles, with a focus on risk management and capital preservation. The Partnership aims to provide investors with higher returns, lower volatility and lower correlations to North American equity markets than a traditional long only portfolio. The Partnership's portfolio investments will consist primarily of equity securities of North American issuers, but may also include global securities of all types.

## Fund Details

Fund manager	<b>John Stephenson</b>
Launch date	<b>01 October 2014</b>
Liquidity	<b>Monthly</b>
Opening NAV	<b>\$100</b>

## Net Fund Performance



## Performance Statistics\*

1 month	<b>0.36 %</b>
3 months	<b>N/A</b>
6 months	<b>N/A</b>
Year to Date	<b>1.39%</b>
Last calendar year	<b>N/A</b>
1 Year	<b>N/A</b>
2 Years	<b>N/A</b>
3 Years	<b>N/A</b>
5 Years	<b>N/A</b>
Since Launch Date	<b>1.39 %</b>
Annualized volatility	<b>10.8 %</b>
Sharpe Ratio (since inception)	<b>0.56</b>

## GICS Sectors<sup>1</sup>

Sector	Weight
Energy	<b>1.0%</b>
Materials	<b>4.2%</b>
Industrials	<b>11.1%</b>
Consumer Discretionary	<b>15%</b>
Consumer Staples	<b>2.2%</b>
Health Care	<b>8.1%</b>
Financials	<b>43.5%</b>
Information Technology	<b>12.5%</b>
Telecommunication Services	<b>0.9%</b>
Utilities	<b>1.4%</b>

<sup>1</sup> Absolute Value of Gross Exposure by GICS Sector.

\*The performance data is based on the reporting share class of the Fund (shown in blue in the NAV table) and may be calculated using a different management fee to that shown in the Fund details. Share classes may be closed to new subscriptions. Annual returns presented are based on an investor being invested from the beginning of the fiscal year of the Fund. Returns will vary for investors who invested at other times. Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations.

Please refer to important information at the end of the document.



### Geographic Distribution

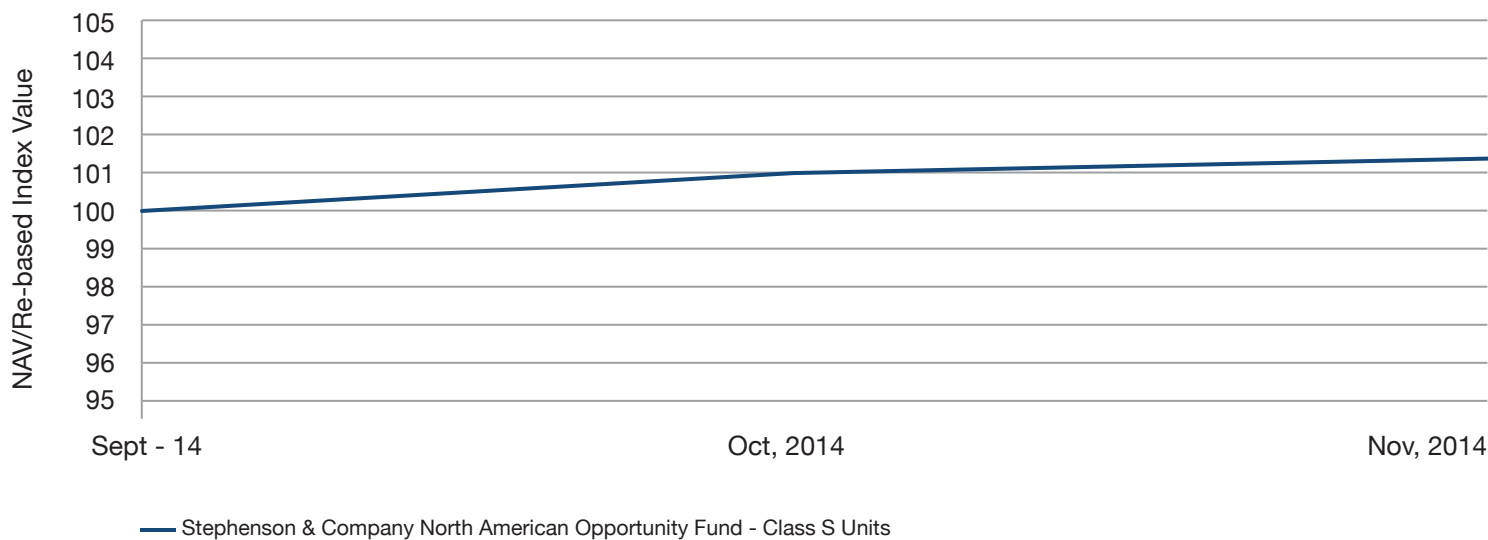
Region	Weight*	CCY
Asia & Australasia	0 %	
Eastern Europe & MENA	0 %	
Latin America	0 %	
Canada	29.7 %	29.4%
United states	70.3%	70.6%
Western Europe	0 %	

\*By country of domicile.

### Monthly Risk Metrics

	Metric
Net market exposure (longs-shorts)	87.6%
Beta of the Fund	1.05
Volatility of the Fund (Annualized)	14.6%
Volatility of the S&P 500 (Annualized)	8.9%
Maximum Monthly Drawdown	3.47%
Sharpe Ratio (Monthly)	0.41

### Net Track Record





## Monthly Commentary

### Market Developments:

The Fund was up 0.36% (net of expenses) for the month of November, with US long positions up +2.31%, while Canadian dollar long positions were up + 1.60%. US short positions were down -1.60%, while Canadian dollar short positions were down -2.41% and the US cash balance of the Fund contributed +0.93% to performance, over the period.

In November, the story was primarily about the dramatic and ongoing slide in oil prices. Most market commentators were universal in their view that lower oil prices were a net positive to the economy and the stock market.

Oil prices continued to fall in November, tumbling by almost 18 per cent. Since mid-June oil has fallen 38.3 per cent as the International Energy Agency (IEA) said that downward pressure is likely to build further in the first half of 2015. Underscoring the severity of the forecast was the statement by the IEA that "It's increasingly clear that we have begun a new chapter in the history of the oil markets."

On November 27, 2014 OPEC oil ministers meeting in Vienna refused to ease a supply glut. Brent oil, the global benchmark, dropped \$5.17 a barrel on the OPEC announcement as the cartel said they would stand firm on their production plans, defying industry hopes for a cut. Oil prices have been falling for some time, reflecting a global oversupply of crude, resulting from surging U.S. production and slack demand growth.

Volatility remained muted during the month with the VIX Index hitting a high of 14.89 on November 4th, but volatility subsided as the month continued, with the VIX hitting an intra-month low of 12.07 on November 26th.

The S&P 500 rose steadily in November, closing the month at 2067.6, or a rise on the month of 2.6 per cent. The consumer discretionary and consumer staples sectors were both higher by 5.3 per cent followed by the information technology sector that was up 5.0 per cent on the month.

The S&P/TSX rose over the month on very narrow leadership, adding 1.02 per cent, driven largely by the health care sector, which was up 10.1 per cent. The telecommunication and consumer discretionary sectors were also strong performers up 6.7 and 6.4 per cent respectively on the month.

### Fund Performance:

The Fund performed reasonably well in markets where leadership was narrow and changed frequently, but the fund underperformed the S&P 500, which was up +2.69% in US dollar terms and up +4.15% in Canadian dollar terms on a total return basis. The fund also underperformed the S&P/TSX which was up 1.02% on a total return basis. The Sharpe Ratio for the Fund was down for the month to 0.41, which was due to our view that gold prices would deteriorate over the month. Gold swung around all month long, which negatively impacted our short gold thesis with gold ending the month at essentially the same level that it started the month. The result was that the volatility of the fund was higher than the market in November, which negatively impacted the Sharpe ratio.

The top four performers for the Fund during the month were a long position in Target Corp (TGT - NYSE), which contributed a positive variance of +0.67%, a long position in The Blackstone Group LP (BX - NYSE), which contributed a positive variance of +0.62%, over the period on an unrealized basis. The other top contributors to Fund performance was a long position in Element Financial Corp. (EFN - S&P/TSX), which contributed a positive variance of +0.54% and a long position in Apple Inc. (AAPL - NASDAQ), which contributed a positive variance of +0.43% to the Fund on an unrealized basis.

The bottom four performers for the Fund include a short position in Aurico Gold Inc. (AUQ - S&P/TSX), which contributed a negative variance of -1.02%, over the month. A short position in Centerra Gold Inc. (CG - S&P/TSX) contributed a negative variance of -0.94%, over the period, while a short position in Barrick Gold Corp (ABX - S&P/TSX) contributed a negative variance of -0.54%, on an unrealized basis to the Fund. A short position in Qualcomm Inc. (QCOM - NASDAQ) contributed a negative variance of -0.53% on an unrealized basis, over the period. Qualcomm shares weakened after the company reported challenges within China relating to their intellectual property licenses that disappointed the Street.

During the month we reduced our short weighting toward gold and utilities and increased our short weighting toward Energy companies. In the view of the manager, oil prices are likely to remain below \$65 per barrel for at least a year, perhaps as long as two years.



### Outlook:

Lower oil prices are providing a lift for Western economies that are wrestling with weaker growth. Cheaper energy amounts to a tax cut for consumers and can help to contain inflationary pressures, ensuring that interest rates remain at low levels. Each 10 per cent drop in the price of oil adds about 0.1 per cent to US gross domestic product—a boon to consumers.

With a tax break from cheaper oil prices the US consumer isn't as financially challenged as some have suggested. Salaries are up in the US, making things brighter for US consumers, with total compensation increasing at an overall pace of five percent on the year—twice the pace of hourly wages.

Lower oil prices are estimated to add at least \$1,500 per year to the American consumers' bottom line, which should help many consumer cyclical stocks. Other

beneficiaries of lower oil prices are the airlines, and many industrials that use petrochemicals as a feedstock for their processes. As such, we have increased our short weighting toward Canadian and US oil companies as we view this slide in oil as being multi-year.

The S&P 500 has showed very strong relative strength when compared to stock markets around the world. Driven by robust earnings per share and a rising US dollar, S&P 500 returns have been truly impressive. The market's performance is even more remarkable when compared to the underlying global economic growth rates and stunning when compared with the returns from commodities such as oil.

The manager believes that the S&P 500 will continue to outperform other global stock markets in 2015, with leadership shifting away from health care and utilities toward financials and industrials.

### NAVs - Unrestricted Classes <sup>2</sup>

Class	CCY	NAV
A	CAD	101.0849
F	CAD	NA
I	CAD	NA
S	CAD	<b>101.3927</b>

### Historical Performance <sup>3</sup>

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD <sup>4</sup>
2014										1.03%	0.36%		1.39%

<sup>2</sup> The share class in blue in the table above is the reporting share class for the Fund and may be closed to new subscriptions. Performance of other share classes shown may vary.

<sup>3</sup> Source: SGGG Fund Services Inc. Past performance is not a reliable indicator of future results. <sup>4</sup>When 12 months of performance data is unavailable for a calendar year, partial year to date is shown.



STEPHENSON & COMPANY  
Capital Management

## NORTH AMERICAN OPPORTUNITY FUND LP

### Important Notes

*Source: Stephenson & Company Capital Management and Bloomberg*

There are inherent limitations in any comparison between a managed portfolio and a passive index. Indices are unmanaged and do not incur management fees, transaction costs or other expenses associated with a private fund. There are risks inherent in hedge fund investing programs.

Note to Investment Professionals: The information in the Monthly Report is being provided to current investors in the Fund and is being provided to their registered dealers for informational purposes only.

This is not sales literature and cannot be used as such.

The Fund is not a trust company and does not carry on business as a trust company and, accordingly, the Fund is not registered under the trust company legislation of any jurisdiction. Units of the Fund are not “deposits” within the meaning of the Canada Deposit Insurance Corporation Act (Canada) and are not insured under provisions of that Act or any other legislation.

No securities regulatory authority has expressed an opinion about this Fund and it is an offence to claim otherwise. This Fund has not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States or to U.S. persons except pursuant to an exemption from the registration requirements of those laws.

Indicated rates of return are the historical annual compounded total returns, including changes in unit value and do not take into account sales, redemption, distribution or optional charges or income taxes payable by an investor that would have reduced returns. Performance is calculated net of all fees.

This document may contain forward looking statements which are based on expectations, estimates, and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. Other events which were not taken into account may occur and may significantly affect the returns or performance of the Fund. Neither Stephenson & Company Capital Management nor the Fund undertakes any obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by law.

The information provided herein is for informational purposes only and does not constitute a solicitation, public offering, advice or recommendation to buy or sell interests in the Fund, or any other Stephenson & Company Capital Management product. Please refer to the Fund’s offering memorandum for more information on the Fund as any information in the report is qualified in its entirety by the disclosure therein.