

# CIGOGNE FUND

Credit Arbitrage

31/07/2023

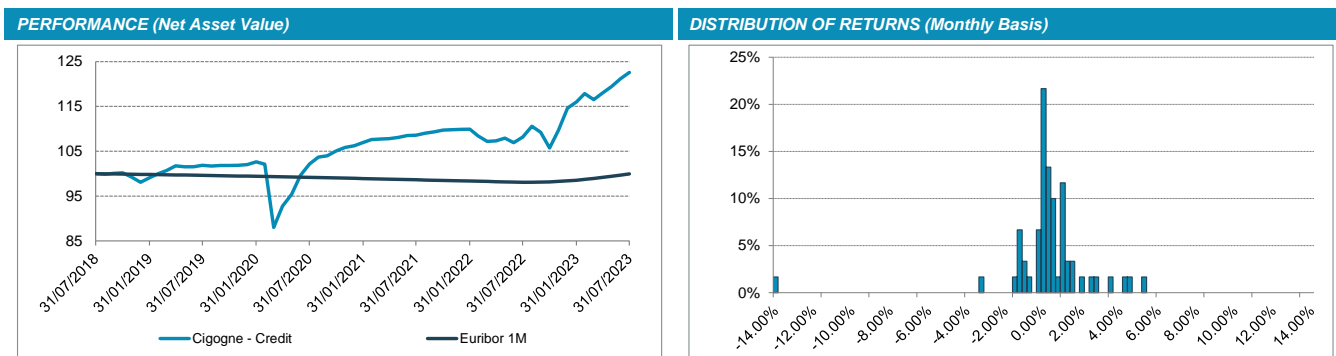


Assets Under Management : 326 907 211.73 €

Net Asset Value (O Shares) : € 20 806.14

PERFORMANCES													
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2023	1.23%	1.59%	-1.13%	1.23%	1.27%	1.41%	1.19%						<b>6.97%</b>
2022	0.04%	-1.38%	-1.13%	0.14%	0.56%	-0.97%	1.19%	2.22%	-1.22%	-3.18%	3.71%	4.51%	<b>4.30%</b>
2021	0.69%	0.59%	0.11%	0.09%	0.28%	0.38%	0.04%	0.42%	0.29%	0.36%	0.05%	0.09%	<b>3.43%</b>
2020	0.60%	-0.50%	-13.81%	5.41%	2.84%	4.41%	2.57%	1.51%	0.27%	1.06%	0.72%	0.36%	<b>4.14%</b>
2019	1.04%	0.86%	0.74%	1.04%	-0.19%	-0.03%	0.35%	-0.19%	0.13%	0.00%	0.02%	0.16%	<b>4.00%</b>

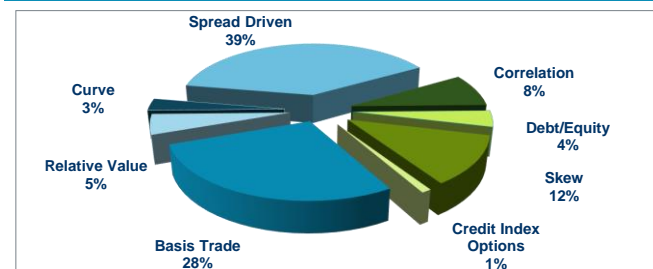
PORTFOLIO STATISTICS SINCE 18/04/2008 AND FOR 5 YEARS						
	Cigogne Credit Arbitrage		Euribor 1M		HFRX Global Hedge Fund EUR Index	
	5 years	From Start	5 years	From Start	5 years	From Start
Cumulative Return	22.60%	108.06%	-0.04%	5.70%	-5.13%	-15.69%
Annualised Return	4.16%	4.89%	-0.01%	0.36%	-1.05%	-1.11%
Annualised Volatility	8.15%	6.04%	0.31%	0.34%	4.96%	5.54%
Sharpe Ratio	0.51	0.75	-	-	-0.21	-0.27
Sortino Ratio	0.65	1.04	-	-	-0.29	-0.34
Max Drawdown	-14.24%	-14.24%	-1.91%	-2.87%	-12.07%	-23.91%
Time to Recovery (m)	5	5	> 11	> 11	13	> 40
Positive Months (%)	76.67%	82.61%	18.33%	51.09%	51.67%	55.98%



## INVESTMENT MANAGERS' COMMENTARY

The performance of the Cigogne – Credit Arbitrage fund stood at +1.19%. Investor sentiment remained positive in July following the release of numerous economic data and central bank communications. As expected, the European Central Bank raised rates by 25 basis points at its 27 July meeting. While the institution did not commit to future actions, ECB President Christine Lagarde was less restrictive than usual. The latter follows the publication of July's PMI indices, which showed a sharper-than-expected annual slowdown and a contraction in activity for the second month running. The Federal Reserve also raised its main policy rate by 25 basis points to 5.50%, in line with market expectations. Fed Chairman J. Powell said the September decision would be guided by data releases. Markets are expecting this latest hike to be the culmination of monetary tightening, given the surprise declines in headline and core inflation figures. This optimism enabled the Itraxx Main 5-year European credit index to close the month 68 basis points, compared to 74 basis points the previous month, after diverging to 78 basis points at the beginning of the month when market sentiment deteriorated. There was very little activity on the primary market, due to the earnings season and the summer break. In July, the credit market was relatively buoyant, benefiting from investors' appetite for risk and good corporate results. Against this market backdrop, the sub-fund posted a positive result thanks to the positive trend in the bond market, favoring the performance of basis trade arbitrage strategies and carry positions. Bank papers, and in particular yankees (European issuers whose issues are denominated in USD), stood out, such as Santander 06/24 or BBVA 09/25. At the same time, a number of profit-taking moves were made, such as on German truck manufacturer Daimler Truck 10/23 and world leader in the supply of technology and services Bosch 06/27. Finally, following the tightening of credit indices, a new strategy of buying protection on the Itraxx S39 index was implemented.

## ASSET BREAKDOWN



## CORRELATION MATRIX

	Cigogne Credit Arbitrage	Euribor 1M	HFRX Global Hedge Fund EUR Index
Cigogne Credit	100.00%	16.03%	67.83%
Euribor 1M	16.03%	100.00%	-0.53%
HFRX HF Index	67.83%	-0.53%	100.00%

# CIGOGNE FUND

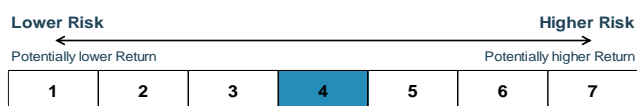
## Credit Arbitrage

31/07/2023



INVESTMENT OBJECTIVES	FUND SPECIFICS										
Strategies set forth in the Credit compartment are split across four core specialties: basis trade arbitrage consisting in taking advantage of the credit spread difference between a corporate bond and the CDS on the same issuer, relative value strategies which aim to exploit the difference in credit risk of an issuer (or a sector) against a peer issuer (or sector), correlation arbitrage consisting in taking a position on the probability of occurrence of specific and / or systemic risk while resorting to financial instruments which underlyings are credit instruments (credit indexes Itraxx, CDX, Index tranches, options), spread driven positions aiming at the tightening or widening of the credit spread of an issuer or an index.	<b>Net Asset Value :</b> € 326 907 211.73 <b>Net Asset Value (O Units) :</b> € 89 948 101.54 <b>Liquidative Value:</b> € 20 806.14 <b>ISIN Code :</b> LU0648560497 <b>Legal Structure :</b> FCP - SIF, AIF <b>Inception Date of the fund :</b> April 18th 2008 <b>Inception Date (O Units) :</b> April 18th 2008 <b>Currency :</b> EUR <b>NAV calculation date :</b> Monthly, last calendar day of the month <b>Subscription / redemption :</b> Monthly <b>Minimum Commitment:</b> € 125 000.00 <b>Minimum Notice Period:</b> 1 month <b>Management Fee:</b> 1,50% per annum <b>Performance Fee :</b> 20% above €STR with a High Water Mark <b>Country of Registration :</b> FR, LU <b>Management Company:</b> Cigogne Management SA <b>Investment Advisor:</b> CIC Marchés <b>Depository Bank:</b> Banque de Luxembourg <b>Administrative Agent:</b> UI efa <b>Auditor:</b> KPMG Luxembourg										
MAIN EXPOSURES (In percentage of gross asset base)											
<table border="1"><tbody><tr><td>BANCO SANTANDER MULTICP 30/06/24</td><td>1.02%</td></tr><tr><td>INTESA SPLO SPA EUR3+63 17/03/25</td><td>0.64%</td></tr><tr><td>JPMORGAN CHASE USSOFR 01/06/25</td><td>0.55%</td></tr><tr><td>BANCO BILBAO VIZ 1.125% 18/09/25</td><td>0.52%</td></tr><tr><td>RCI BANQUE SA EUR3+57 04/11/2024</td><td>0.49%</td></tr></tbody></table>	BANCO SANTANDER MULTICP 30/06/24	1.02%	INTESA SPLO SPA EUR3+63 17/03/25	0.64%	JPMORGAN CHASE USSOFR 01/06/25	0.55%	BANCO BILBAO VIZ 1.125% 18/09/25	0.52%	RCI BANQUE SA EUR3+57 04/11/2024	0.49%	
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### RISK PROFILE



The risk category has been determined on the basis of historical data and may not be a reliable indication of the future risk profile. The risk and reward category shown does not necessarily remain unchanged and the categorization of the fund may shift over time.

### REASONS TO INVEST IN CIGOGNE CREDIT ARBITRAGE

In addition to traditional financial investment, alternative investments aim to provide investors with absolute performances independent from the return of traditional asset classes such as shares, bonds etc. With these objectives, alternative investments can be construed as the natural complement to assets allocation between classical portfolio investment and risks managed performance strategies that take advantages of market inefficiencies. Cigogne Management S.A. is the alternative asset management branch of Cr dit Mutuel Alliance F d rale, a major actor in the industry. Cigogne Management S.A. benefits from CIC March s' deep expertise. Cigogne Management S.A. currently manages the Cigogne Fund, Cigogne UCITS and Cigogne CLO Arbitrage funds (single-strategy funds) as well as the Stork Fund (multi-strategy funds). Cigogne Fund - Credit Arbitrage aims to achieve stable and positive performances over time, uncorrelated from traditional asset classes by setting up basis trade arbitrage strategies, relative value strategies and correlation strategies.

### DISCLAIMER

The information contained herein is provided for information purposes only and shall only be valid at the time it is given. No guarantee can be given as to the exhaustiveness timeliness or accuracy of this information. Past performance is no indication of future returns. Any investment may generate losses or gains. The information on this document is not intended to be an offer or solicitation to invest or to provide any investment service or advice. Potentially interested persons must consult their own legal and tax advisor on the possible consequences under the laws of their country of citizenship or domicile. Any person must carefully consider the suitability of their investments to their specific situation and ensure that they understand the risks involved. Subscriptions to fund shares will only be accepted on the basis of the latest prospectus and the most recent annual reports.

### CONTACT

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