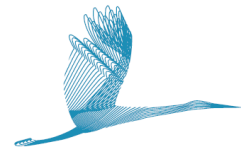


CIGOGNE FUND

Convertible Arbitrage

31/03/2020



CIGOGNE
MANAGEMENT

Assets Under Management : 427 055 238,94 €

Net Asset Value (O Shares) : 22 855,86 €

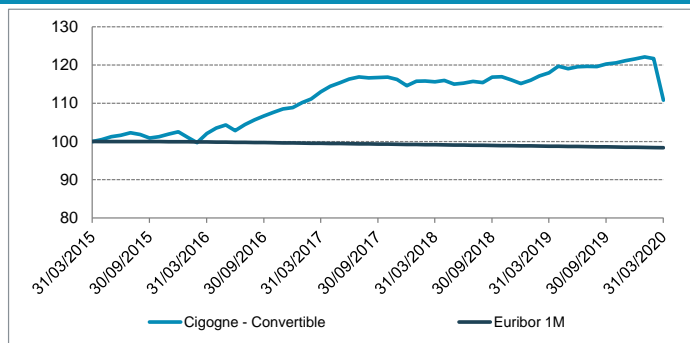
PERFORMANCES

	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2020	0,44%	-0,37%	-8,93%										-8,87%
2019	0,74%	0,98%	0,69%	1,47%	-0,56%	0,44%	0,10%	-0,04%	0,55%	0,23%	0,50%	0,36%	5,58%
2018	1,02%	0,08%	-0,18%	0,28%	-0,84%	0,24%	0,37%	-0,27%	1,25%	0,11%	-0,72%	-0,81%	0,51%
2017	1,23%	0,82%	1,74%	1,25%	0,82%	0,83%	0,46%	-0,20%	0,07%	0,10%	-0,53%	-1,41%	5,26%
2016	-1,43%	-1,35%	2,40%	1,39%	0,81%	-1,43%	1,53%	1,19%	0,92%	0,91%	0,84%	0,30%	6,18%

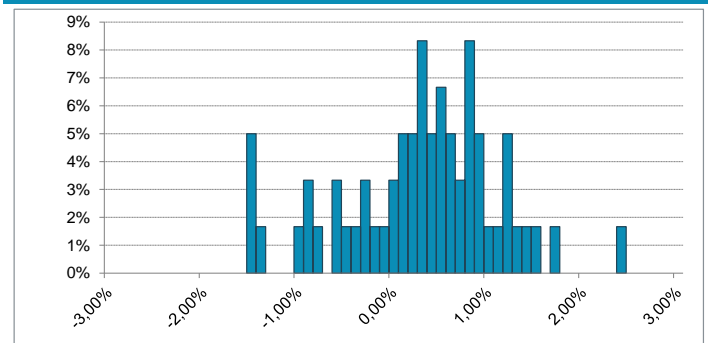
PORTFOLIO STATISTICS FOR 5 YEARS / SINCE 31/07/2006

	Cigogne Convertible Arbitrage		Euribor 1M		HFRX Global Hedge Fund EUR Index		MSCI World AC TR EUR Index		Markit iBoxx Corporate Index	
	For 5 Years	From Start	For 5 Years	From Start	For 5 Years	From Start	For 5 Years	From Start	For 5 Years	From Start
Cumulative Return	10,80%	128,56%	-1,64%	14,67%	-16,38%	-14,78%	12,64%	127,82%	2,24%	63,54%
Annualised Return	2,07%	5,79%	-0,33%	0,94%	-3,51%	-1,08%	2,41%	5,77%	0,44%	3,41%
Annualised Volatility	5,00%	13,79%	0,03%	0,45%	4,77%	5,80%	13,43%	13,16%	4,16%	3,91%
Sharpe Ratio	0,48	0,35	-	-	-0,67	-0,35	0,20	0,37	0,19	0,63
Sortino Ratio	0,58	0,47	-	-	-0,80	-0,44	0,30	0,57	0,23	0,97
Max Drawdown	-9,26%	-55,59%	-1,64%	-1,64%	-16,63%	-25,96%	-19,69%	-48,81%	-7,72%	-7,72%
Time to Recovery (m)	-	23	-	-	-	-	-	48	-	-
Positive Months (%)	71,67%	73,30%	0,00%	65,34%	55,00%	57,39%	60,00%	63,64%	51,67%	60,80%

PERFORMANCE (Net Asset Value)



DISTRIBUTION OF RETURNS (Monthly Basis)

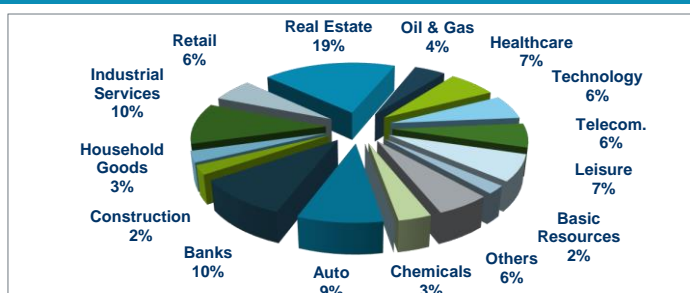


INVESTMENT MANAGERS' COMMENTARY

The monthly performance of the Cigogne – Convertible fund was -8.93%.

The unrelenting spread of the coronavirus throughout the world sparked panic in the financial markets. The markets took the severity of this public health crisis and its impact on the global economic equilibrium fully on board, resulting in exacerbated volatility and a violent market correction. At the same time, the failed negotiations on production quotas at a meeting of OPEC+ eroded the price of black gold. A veritable price war broke out between Saudi Arabia and Russia, even though the market was already undermined by demand that had stalled as a result of the pandemic. Faced with this exceptional situation, governments and monetary authorities stepped up their responses as the month went on. The ECB announced the implementation of a new scheme aimed at purchasing assets worth +€750 billion, while the Fed launched a massive asset purchase programme. However, these measures did not succeed in convincing investors and, consequently, they failed to halt the collapse of the financial markets. Against this backdrop, the performance of the Convertible sub-fund sharply declined, affected by the sudden fall in the equity markets and the widening of credit spreads. This widening was especially severe given that the convertible bond market is based on a high-yield sector that this period of high volatility has markedly affected. While all of the positions in the portfolio have been adversely affected, the finance, aeronautics and commodities sectors have been hit the hardest. In terms of the portfolio's capacity for renewal, the primary market for convertible bonds remained limited. However, we participated in the issue launched by nursing care home provider, Korian, maturing in 2027. On the secondary market, we took advantage of this environment to introduce new positions on optionality issues such as the Safran 2023 convertible bond and the Airbus/Dassault 2021 and GBL/LafargeHolcim 2022 exchangeable bonds. We also prioritised short-term carry strategies over discounted issuers. This enabled us to introduce new positions on the Covivio 2021, Technip 2021 and Capitaland 2020 convertible bonds. Two positions in the Asia portfolio, Chugoku Electric Power Company and Kyushu Electric Power Company matured this month.

ASSET BREAKDOWN



CORRELATION MATRIX

	Cigogne Convertible	Euribor 1M	HFRX HF Index	MSCI World Index	Markit iBx Corp. Index
Cigogne Convertible	100%	11%	69%	59%	67%
Euribor 1M	11%	100%	-6%	-5%	6%
HFRX HF Index	69%	-6%	100%	83%	64%
MSCI World Index	59%	-5%	83%	100%	60%
Markit iBx Corp. Index	67%	6%	64%	60%	100%

CIGOGNE FUND

Convertible Arbitrage

31/03/2020



INVESTMENT OBJECTIVES

The Convertible sub-fund is mainly built on convertible bonds arbitrage strategies. These take advantage of market anomalies that may occur between the various components of a convertible bond, namely the interest rate risk, the credit risk and the various risks related to the conversion option (equity risk, volatility, etc.).

Usually, this type of strategy consists in buying a convertible bond, hedging the equity risk by shorting the underlying, hedging the interest rate risk with a swap or with interest rate futures and, if necessary, buying the Credit Default Swap (CDS) on the credit-exposed portion. The Convertible sub-fund may benefit as well from some positions on High Yield segment.

The portfolio is composed of a high number of strategies, about 150 in average, that offer a large geographical and sectoral diversification.

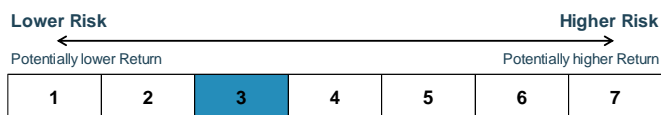
MAIN EXPOSURES (In percentage of gross asset base)

CAPITALAND	2,42%
VALEO	1,81%
ZHEJIANG EXPRESSWAY	1,73%
BASF	1,21%
KHAZANAH/CIMB	1,20%

FUND SPECIFICS

Net Asset Value :	427 055 238,94 €
Net Asset Value (O Units) :	48 495 297,89 €
Liquidative Value:	22 855,86 €
ISIN Code :	LU0648560570
Legal Structure :	FCP - SIF, AIF
Inception Date of the fund :	31 July 2005
Inception Date (O Units) :	31 July 2005
Currency :	EUR
NAV calculation date :	Monthly, last calendar day of the month
Subscription / redemption :	Monthly
Minimum Commitment:	1 000 000,00 €
Minimum Notice Period:	3 months
Management Fee:	1,50%
Performance Fee :	20% High Water Mark
Hurdle Rate :	Euribor 1M
Country of Registration :	FR, LU, UK
Management Company:	Cigogne Management SA
Investment Advisor:	CIC Marchés
Depository Bank:	Banque de Luxembourg
Administrative Agent:	European Fund Administration
Auditor:	Deloitte Luxembourg

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 CONVERTIBLE 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 Crédit Mutuel Alliance Fédérale, a major actor in the industry. Cigogne Management S.A. benefits from CIC Marchés' 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 - Convertible Arbitrage aims to achieve stable and positive performances over time, uncorrelated from traditional asset classes by setting up convertible bond and mandatorily arbitrage 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

CIGOGNE MANAGEMENT S.A.
18 Boulevard Royal
L - 2449 Luxembourg
LUXEMBOURG

www.cigogne-management.com

contact@cigogne-management.com

