

CIGOGNE FUND

Fixed Income Arbitrage

31/03/2020



Assets Under Management : 371 393 130.48 €

Net Asset Value (O Shares) : 13 585.36 €

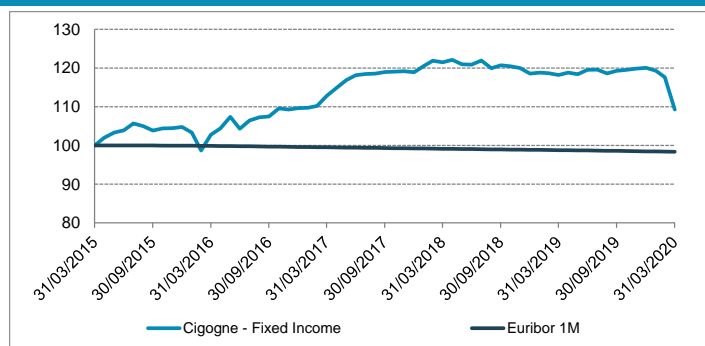
PERFORMANCES

	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2020	-0.57%	-1.43%	-7.11%										-8.96%
2019	0.20%	-0.13%	-0.40%	0.51%	-0.34%	0.98%	0.01%	-0.78%	0.57%	0.21%	0.26%	0.15%	1.22%
2018	1.36%	1.14%	-0.36%	0.54%	-0.94%	-0.10%	0.90%	-1.65%	0.66%	-0.22%	-0.38%	-1.19%	-0.29%
2017	0.11%	0.39%	2.39%	1.77%	1.77%	1.09%	0.29%	0.06%	0.38%	0.08%	0.08%	-0.22%	8.47%
2016	-1.36%	-4.49%	4.14%	1.61%	2.83%	-2.86%	2.05%	0.76%	0.19%	1.95%	-0.26%	0.33%	4.66%

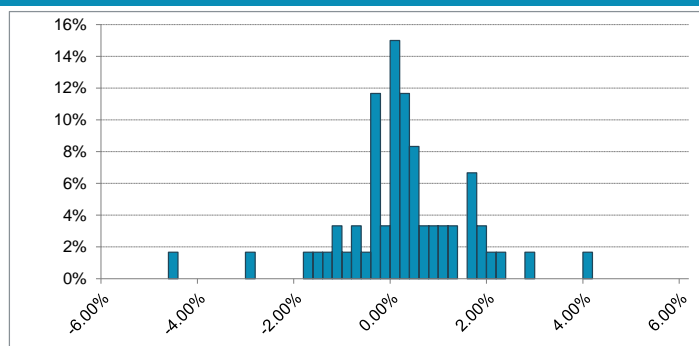
PORTFOLIO STATISTICS SINCE 31/12/2004 AND FOR 5 YEARS

	Cigogne Fixed Income Arbitrage		Euribor 1M		HFRX Global Hedge Fund EUR Index		MSCI World AC TR EUR Index		Market 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	9.27%	35.76%	-1.64%	16.07%	-16.38%	-15.41%	12.64%	163.46%	2.24%	69.03%
Annualised Return	1.79%	2.02%	-0.33%	0.98%	-3.51%	-1.09%	2.41%	6.55%	0.44%	3.50%
Annualised Volatility	5.62%	10.94%	0.03%	0.45%	4.77%	5.74%	13.43%	13.05%	4.16%	3.85%
Sharpe Ratio	0.38	0.10	-	-	-0.67	-0.36	0.20	0.43	0.19	0.65
Sortino Ratio	0.53	0.14	-	-	-0.80	-0.46	0.30	0.67	0.23	1.01
Max Drawdown	-10.52%	-33.08%	-1.64%	-1.64%	-16.63%	-25.96%	-19.69%	-48.81%	-7.72%	-7.72%
Time to Recovery (m)	-	7	-	-	-	-	-	48	-	-
Positive Months (%)	65.00%	66.12%	0.00%	66.67%	55.00%	57.38%	60.00%	63.93%	51.67%	61.20%

PERFORMANCE (Net Asset Value)



DISTRIBUTION OF RETURNS (Monthly Basis)

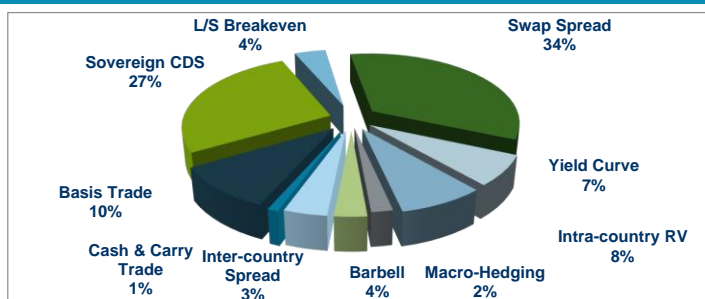


INVESTMENT MANAGERS' COMMENTARY

The monthly performance of the Cigogne – Fixed Income fund was -7.11%.

March was marked by an unprecedented risk-off movement on the markets, caused by the coronavirus public health crisis and its impact on the global economy. The rapid spread of the virus outside China forced many countries to impose lockdown measures and close their borders. These decisions pressed pause on the global economy and generated a genuine acknowledgement that it will be impossible to resolve the situation quickly. The major central banks were quick to react, and the ECB announced on 18 March that it was setting up a "Pandemic Emergency Purchase Programme" (or PEPP) to buy +€750 billion in assets. Across the Atlantic, the Federal Reserve lowered its rates twice and launched a +\$700 billion asset purchase plan. States also took the decision to apply emergency budgetary measures to deal with the immediate consequences of lockdown on their economies and to curb the recession. The portfolio suffered considerably against this backdrop of exacerbated volatility and dwindling liquidity. Our basis arbitrage strategies, in particular, are posting highly negative results, as the panic seen on securities was not reflected in CDS valuations. Examples of this are our positions on the Romania 02/22, Pemex 01/22 and 03/22 and Serbia 09/21 securities, all of which have been heavily written-down, without their positions in buy-side protection offsetting the impact. However, we remain confident in this type of strategy, which we consider low risk, and we believe that these unrealised losses will reverse on their own once liquidity returns. The general widening of credit spreads also weighs on our asset swap strategies and more specifically on those focusing on the provinces of Canada and Australia. Consequently, the Ontario 02/25, Queensland Treasury Corp 07/34 and Manitoba Province 06/29 swap strategies exacerbated the monthly losses. However, the sub-fund benefited from the attractive concessions on new issues in the European primary market, such as the new Austria 3-year, Slovenia 3-year or Spain 7-year bonds. The sub-fund also adopted a hedging strategy on the credit risk of certain emerging countries, including Brazil, South Africa, Mexico and Russia, which proved profitable in the first phase of correction.

ASSET BREAKDOWN



CORRELATION MATRIX

	Cigogne Fixed Inc.	Euribor 1M	HFRX HF Index	MSCI World Index	Market iBx Corp. Index
Cigogne Fixed Inc.	100%	16%	56%	49%	46%
Euribor 1M	16%	100%	-6%	-5%	6%
HFRX HF Index	56%	-6%	100%	83%	64%
MSCI World Index	49%	-5%	83%	100%	60%
Market iBx Corp. Index	46%	6%	64%	60%	100%

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INVESTMENT OBJECTIVES

Arbitrage strategies implemented in the Fixed Income compartment consist in benefiting from modified shapes of the interest rate curves: yield curve arbitrage, inter-country arbitrage, government bond against swap, basis trade on sovereign issuer, inflation arbitrage and so forth. This approach does not focus solely on the credit component and does essentially resort to vehicles such as government bonds, interest rates futures and swaps, credit default swaps and cross currency swaps. The portfolio is structured around twelve specialities with 120 single strategies on average. Interest rate exposure is systematically hedged, the investment universe is limited to sovereign issuers in the Eurozone, the G7 and more generally to national and supranational issuers which long term debt is at least BB- (or equivalent) rated by the main rating agencies.

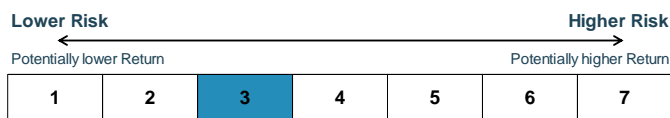
MAIN EXPOSURES (In percentage of gross asset base)

Italy	6.09%
Canada	4.83%
Greece	3.11%
Spain	3.01%
Indonesia	2.49%

FUND SPECIFICS

Net Asset Value :	371 393 130.48 €
Net Asset Value (O Units) :	42 509 709.30 €
Liquidative Value:	13 585.36 €
ISIN Code :	LU0648560141
Legal Structure :	FCP - SIF, AIF
Inception Date of the fund :	November 14th 2004
Inception Date (O Units) :	November 14th 2004
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 FIXED INCOME 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 - Fixed Income Arbitrage aims to achieve stable and positive performances over time, uncorrelated from traditional asset classes by setting up sovereign bonds and interbank rates 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.

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