

CIGOGNE FUND

Fixed Income Arbitrage

31/07/2023

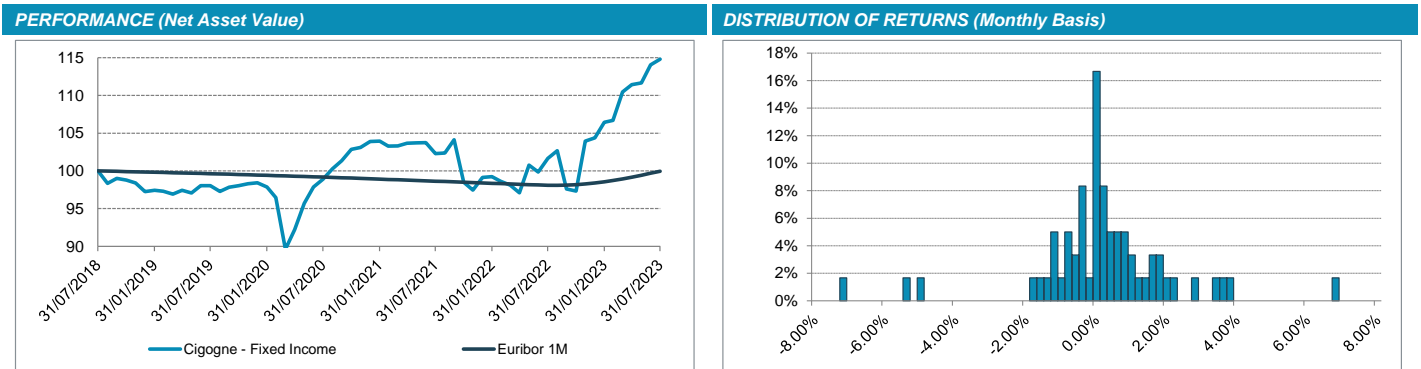


Assets Under Management : 200 887 718.26 €

Net Asset Value (O Shares) : € 17 404.26

PERFORMANCES													
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2023	1.98%	0.24%	3.53%	0.88%	0.20%	2.14%	0.66%						9.99%
2022	0.11%	-0.61%	-0.54%	-1.02%	3.77%	-0.92%	1.82%	0.98%	-4.91%	-0.30%	6.81%	0.41%	5.29%
2021	0.06%	-0.64%	0.01%	0.35%	0.04%	0.03%	-1.40%	0.08%	1.70%	-5.40%	-1.05%	1.71%	-4.58%
2020	-0.57%	-1.43%	-7.11%	2.89%	3.80%	2.25%	1.07%	1.40%	1.04%	1.49%	0.26%	0.76%	5.55%
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%

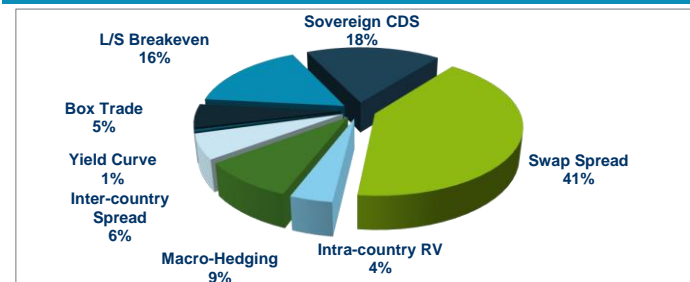
PORTFOLIO STATISTICS SINCE 31/12/2004 AND FOR 5 YEARS						
	Cigogne Fixed Income Arbitrage		Euribor 1M		HFRX Global Hedge Fund EUR Index	
	5 years	From Start	5 years	From Start	5 years	From Start
Cumulative Return	14.80%	73.92%	-0.04%	16.80%	-5.13%	-8.89%
Annualised Return	2.80%	3.02%	-0.01%	0.84%	-1.05%	-0.50%
Annualised Volatility	7.04%	10.38%	0.31%	0.44%	4.96%	5.46%
Sharpe Ratio	0.40	0.21	-	-	-0.21	-0.25
Sortino Ratio	0.62	0.31	-	-	-0.29	-0.32
Max Drawdown	-10.39%	-33.08%	-1.91%	-2.87%	-12.07%	-25.96%
Time to Recovery (m)	5	7	> 11	> 11	13	> 40
Positive Months (%)	65.00%	67.71%	18.33%	59.64%	51.67%	56.95%



INVESTMENT MANAGERS' COMMENTARY

The performance of the Cigogne — Fixed Income Arbitrage fund stood at +0.66%. July was marked by optimism from investors, which was driven by good economic statistics. The resilience of the labour market and sustained household consumption in the United States revived hopes of a soft landing for the economy, pushing the spectre of recession even further away. Similarly, the euro area avoided recession in the first half of the year, thanks to a strong growth in Spain, Ireland and the Netherlands. The surprising slowdown in inflation from across the Atlantic and in the United Kingdom was also a contributing factor to this renewed optimism. Despite the 25 basis point increase of the ECB and the Federal Reserve's key interest rates at the end of the month, investors began to anticipate that central bankers would become more accommodating. In this context, short-term rates showed a downward trend. The 2-year swap rate in the euro area went from 3.88% to 3.71%. This has benefitted our strategies to steepen the European and American swap curves on the 2-year and 10-year maturities. We profited from some long asset swap positions, which benefited from the improved economic landscape — such as Austria 2053 or European Union 2052. With regards to this same speciality, our positions on the Pacific side followed this movement as a result of Australian and New Zealand central banks pausing their tightening of monetary policies. The emerging market also benefitted from this renewed risk appetite and spreads have continued to tighten. In particular, the position in the 2045 bond in Brazil performed well this month. Our other long-term dollar-denominated positions, such as Mexico 2061 and Colombia 2061, followed this trend. Local markets, whose central banks had been very proactive at the beginning of the cycle, also benefitted from this movement. We therefore took the opportunity to partially profit from our directional position on South Africa 2037, denominated in local currency. The latter offers one of the highest real rates, restated for inflation expectations, in the world.

ASSET BREAKDOWN



CORRELATION MATRIX

	Cigogne Fixed Income Arbitrage	Euribor 1M	HFRX Global Hedge Fund EUR Index
Cigogne Fixed Income	100.00%	25.02%	44.15%
Euribor 1M	25.02%	100.00%	-0.53%
HFRX HF Index	44.15%	-0.53%	100.00%

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INVESTMENT OBJECTIVES	FUND SPECIFICS										
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 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. The investment universe focuses on sovereign issuers in the Eurozone, the G7 and more generally to national and supranational issuers.	Net Asset Value : € 200 887 718.26 Net Asset Value (O Units) : € 54 051 757.54 Liquidative Value: € 17 404.26 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: € 125 000.00 Minimum Notice Period: 1 month Management Fee: 1,50% per annum Performance Fee : 20% above €STR with a High Water Mark Country of Registration : FR, LU Management Company: Cigogne Management SA Investment Advisor: CIC Marchés Depository Bank: Banque de Luxembourg Administrative Agent: UI efa Auditor: KPMG Luxembourg										
MAIN EXPOSURES (In percentage of gross asset base)											
<table border="1"><tbody><tr><td>Canada</td><td>27.69%</td></tr><tr><td>Supranational</td><td>9.24%</td></tr><tr><td>Germany</td><td>6.89%</td></tr><tr><td>Japan</td><td>5.30%</td></tr><tr><td>New-Zealand</td><td>5.30%</td></tr></tbody></table>	Canada	27.69%	Supranational	9.24%	Germany	6.89%	Japan	5.30%	New-Zealand	5.30%	
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Supranational	9.24%										
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RISK PROFILE											
<p>Lower Risk ← Higher Risk</p> <p>Potentially lower Return ← Potentially higher Return</p> <table border="1"><tbody><tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td></tr></tbody></table>	1	2	3	4	5	6	7	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.			
1	2	3	4	5	6	7					
REASONS TO INVEST IN CIGOGNE FIXED INCOME ARBITRAGE											
<p>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.</p> <p>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).</p> <p>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.</p>											
DISCLAIMER											
<p>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.</p>											
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