

CIGOGNE FUND

ABS/MBS Arbitrage

31/08/2026

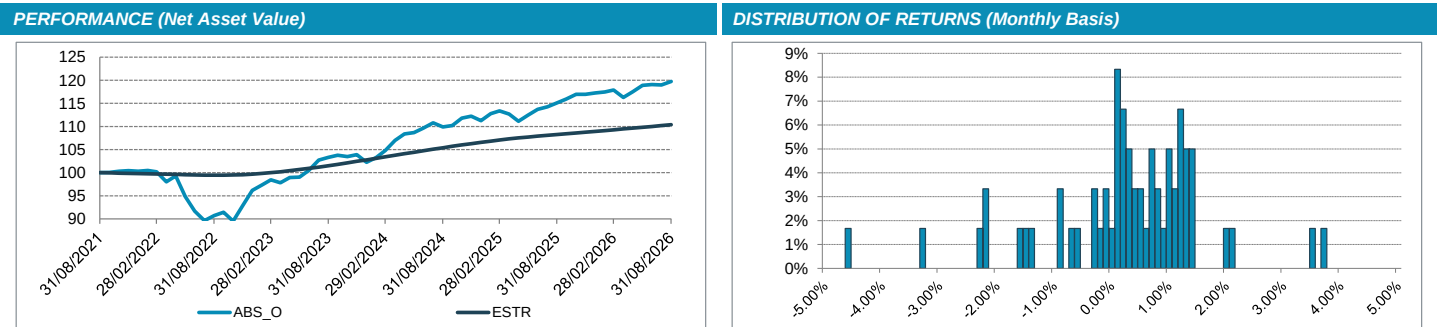


Assets Under Management : 215 357 878.11 €

Net Asset Value (O Unit) : 23 283.99 €

PERFORMANCES													
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2026	0.16%	0.37%	-1.36%	1.06%	1.20%	0.12%	-0.06%	0.63%					2.12%
2025	1.37%	0.53%	-0.58%	-1.40%	1.23%	1.08%	0.46%	0.75%	0.74%	0.89%	-0.01%	0.25%	5.40%
2024	0.98%	1.47%	2.08%	1.31%	0.29%	0.86%	1.07%	-0.82%	0.28%	1.46%	0.39%	-0.89%	8.78%
2023	1.22%	1.12%	-0.63%	1.15%	0.11%	1.49%	2.17%	0.56%	0.48%	-0.28%	0.39%	-1.56%	6.34%
2022	0.15%	-0.28%	-2.18%	1.30%	-4.52%	-3.26%	-2.26%	1.22%	0.79%	-2.11%	3.74%	3.57%	-4.14%

PORTFOLIO STATISTICS FOR 5 YEARS / SINCE 30/06/2006						
	Cigogne ABS/MBS Arbitrage		ESTR		HFRX Global Hedge Fund EUR Index	
	5 years	From Start	5 years	From Start	5 years	From Start
Cumulative Return	19.74%	132.84%	10.38%	19.62%	5.46%	0.14%
Annualised Return	3.67%	4.28%	1.99%	0.89%	1.07%	0.01%
Annualised Volatility	4.82%	10.57%	0.44%	0.46%	3.48%	5.30%
Sharpe Ratio	0.35	0.32	-	-	-0.27	-0.17
Sortino Ratio	0.55	0.38	-	-	-0.43	-0.22
Max Drawdown	-10.90%	-52.14%	-0.54%	-3.38%	-8.35%	-25.96%
Time to Recovery (m)	8	22	6	16	23	> 77
Positive Months (%)	71.67%	79.75%	78.33%	54.96%	60.00%	58.68%



INVESTMENT MANAGERS' COMMENTARY

The performance of the ABS/MBS Arbitrage fund was +0,63%.

During the month of August, financial markets continued their advance despite a tense macroeconomic environment. The implementation of economic sanctions announced by Scott Bessent against Iran and entities allegedly maintaining financial ties with Tehran, along with the resumption of strikes at the very end of the month, revived fears of an energy shock. Against this backdrop, the release of preliminary August inflation figures in France and Spain pointed to an acceleration of inflation across the euro area as a whole, effectively confirming a further 25 bps hike in ECB policy rates at its September 10 meeting. Kevin Warsh's remarks at the Jackson Hole symposium marked a turning point in his communication, with a clearly stated intention to clarify the central bank's reaction function. Without providing explicit forward guidance, the Fed Chair nevertheless indicated that if inflation showed no signs of retreating toward the 2% target, the Fed might be required to raise its policy rates. He also emphasized that the progress observed in recent months remained insufficient and that, against a backdrop of a still-resilient labor market and vigorous activity, the Fed should focus primarily on price stability. During the summer lull, the volume of new issuance distributed in Europe stood at +€0.7 Bn, a particularly low amount, last observed in December 2022. The notable issuance of the month was the Italian Auto Prime deal RNBAI 4 from Fidelity, a subsidiary of Société Générale, whose Class A tranche, oversubscribed up to 3.3x, was placed at a spread of 64 bps over 1-month Euribor, helping to complete the compartment's carry exposure. In the secondary market, the absence of many participants had only a limited effect on spreads across the asset class as a whole. As a result, the most senior tranches of Auto ABS and consumer loans remained unchanged during the month. European RMBS followed the same trend, with the exception of Spanish and Italian securities, which widened by 1 bp. Several of the few participants present nevertheless sought to free up room in their portfolios to accommodate new issuance in the autumn, which allowed numerous positions to be completed via BWIC (Bids Wanted In Competition). These included, among others, the Class A tranche of the Italian consumer deal QUARZ 2025-1, a vehicle of Compass Banca S.p.A, part of the Mediobanca group, and the German auto lease deal VCL 42 from Volkswagen Leasing GmbH. These two additions were executed at respective spread levels of 68 bps and 35 bps over 1-month Euribor, for WALs of 1.6 years and 0.3 years.

ASSET BREAKDOWN

Asset Class	Percentage
Auto Loans Carry	41%
Consumer Loans Carry	31%
RMBS Carry	24%
Covered Bonds Carry	1%
Basis Trade	3%

CORRELATION MATRIX

	Cigogne ABS/MBS Arbitrage	ESTR	HFRX Global Hedge Fund EUR Index
Cigogne ABS/MBS	100.00%	31.28%	34.71%
ESTR	31.28%	100.00%	28.00%
HFRX HF Index	34.71%	28.00%	100.00%

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INVESTMENT OBJECTIVES

Strategies set forth in the ABS / MBS Arbitrage compartment span across two specialties:

- ABS (Asset Backed Securities), MBS (Mortgage Backed Securities) and Covered Bonds arbitrage, which consist in exploiting price inefficiencies between asset backed notes and their refinancing cost (notes purchase related borrowing cost);
- Basis Trade arbitrage, which consists in taking advantage of the spread between the premium offered by a secured note and the CDS premium of the related issuer.

All these strategies focus on the credit component of the underlying financial instruments; any interest rate exposure is systematically hedged. The portfolio is today composed of ABS/MBS and Covered Bonds of high quality, benefiting from a AA- rating (at least) and a weighted average life of 2 years (except on basis arbitrage strategies). The portfolio is well diversified, with more than forty strategies on average.

MAIN EXPOSURES (In percentage of gross asset base)

SUNRI 2025-2 A EUR1+72 27/10/50	3.04%
ACAHB 2024-1 A1 EUR3+56 27/12/61	2.36%
QUARZ 2026-1 A EUR3+82 15/09/43	2.29%
CALEF 2025-1 A EUR1+60 26/03/44	2.06%
VCL 48 A EUR1+42 21/03/33	1.94%

FUND SPECIFICS

Net Asset Value :	€	215 357 878.11
Net Asset Value (O Unit) :	€	2 498 791.26
Liquidative Value (O Unit) :	€	23 283.99
ISIN Code :		LU0648560224
Legal Structure :		FCP - SIF, AIF
Inception Date of the fund :		June 30 th 2006
Inception Date (O Unit) :		April 30 th 2011
Currency :		EUR
NAV calculation date :		Monthly, last calendar day of the month
Subscription / redemption :		Monthly
Minimum Commitment:	€	100 000.00
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 CIB
Depository Bank:		Banque de Luxembourg
Administrative Agent:		UI efa
Auditor:		KPMG 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 ABS/MBS 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 CIB's deep expertise. Cigogne Management S.A. currently manages the Cigogne Fund and Cigogne UCITS funds (single-strategy funds) as well as the Stork Fund (multi-strategy funds).

Cigogne Fund - ABS/MBS Arbitrage aims to achieve stable and positive performances over time, uncorrelated from traditional asset classes by setting up Asset-Backed Securities (ABS) arbitrage strategies, Mortgage-Based Securities (MBS) strategies and Covered Bonds 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

