

CIGOGNE FUND

Fixed Income Arbitrage

31/12/2025



Assets Under Management :

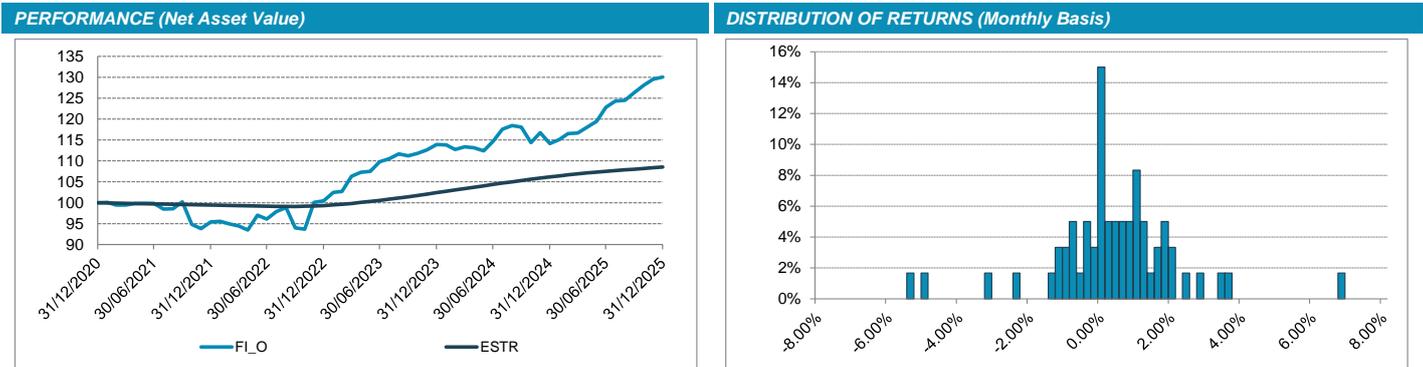
236 369 402.64 €

Net Asset Value (O Unit) :

20 481.97 €

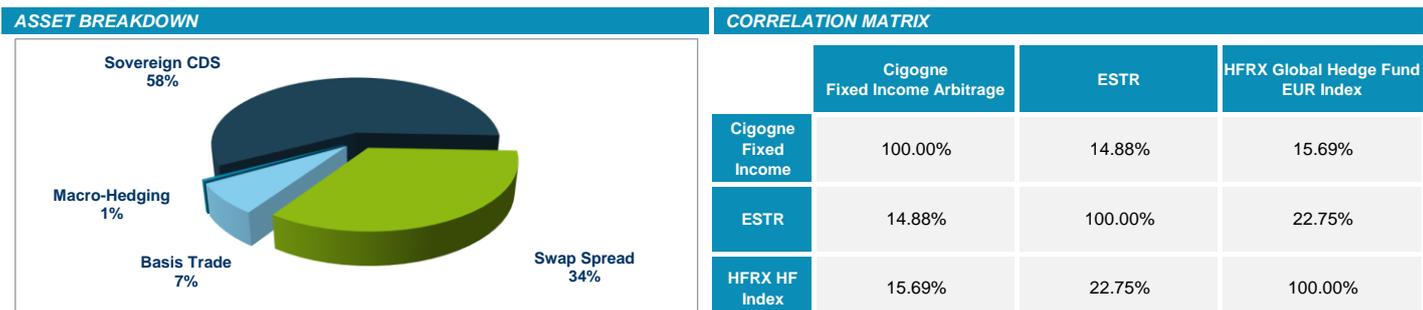
PERFORMANCES													
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2025	0.83%	1.27%	0.11%	1.17%	1.19%	2.82%	1.22%	0.17%	1.48%	1.40%	1.12%	0.39%	13.94%
2024	-0.09%	-0.98%	0.56%	-0.18%	-0.65%	1.97%	2.56%	0.73%	-0.30%	-3.14%	2.08%	-2.25%	0.18%
2023	1.98%	0.24%	3.53%	0.88%	0.20%	2.14%	0.66%	1.03%	-0.37%	0.51%	0.74%	1.17%	13.40%
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%

PORTFOLIO STATISTICS SINCE 31/12/2004 AND FOR 5 YEARS							
	Cigogne Fixed Income Arbitrage		ESTR		HFRX Global Hedge Fund EUR Index		
	5 years	From Start	5 years	From Start	5 years	From Start	
Cumulative Return	30.04%	104.68%	8.53%	21.83%	5.73%	0.31%	
Annualised Return	5.39%	3.47%	1.65%	0.94%	1.12%	0.01%	
Annualised Volatility	6.31%	9.88%	0.51%	0.46%	2.83%	5.20%	
Sharpe Ratio	0.59	0.26	-	-	-0.19	-0.18	
Sortino Ratio	1.02	0.37	-	-	-0.32	-0.24	
Max Drawdown	-6.73%	-33.08%	-0.92%	-3.38%	-8.35%	-25.96%	
Time to Recovery (m)	8	7	7	16	23	> 69	
Positive Months (%)	70.00%	68.25%	65.00%	56.75%	58.33%	58.73%	



INVESTMENT MANAGERS' COMMENTARY

The performance of the Cigogne-Fixed Income Arbitrage fund was +0.39%. The sub-fund closed the year 2025 with an annual performance of +13.94%. Fixed income markets experienced a volatile year, driven in particular by inflationary measures announced by Donald Trump, developments related to support for Ukraine, the announcement of new tariffs, the determination of European Union member states to increase defence-related spending, attacks by Israel and the United States against Iran, as well as investor reassessments of the monetary policies of major central banks. The "Liberation Day" episode in April initially led to a significant increase in the risk premium on U.S. assets and a sharp rise in long-term interest rates, which quickly spread to the euro area. This dynamic resulted in a pronounced steepening of yield curves, allowing the sub-fund to take profits on its steepening strategies before repositioning for a flattening scenario. Subsequently, the attacks carried out by Israel reignited fears of a rise in oil prices and, consequently, higher inflation. These investor expectations triggered a rapid reaction in swap rates, linked to potential adjustments in monetary policy, leading to a marked tightening of credit spreads. This environment enabled profit-taking on asset swap strategies involving core countries and supranational agencies across all maturities. Strategies focused on the tightening of spreads between Canadian and Australian provinces versus swaps or their respective sovereign bonds proved broadly profitable throughout 2025. The excess yield offered by provincial issuers, despite solid credit profiles, attracted sustained investor inflows over the period. Finally, emerging markets were also particularly supportive following the confirmed postponement of tariffs. During debt issuance phases, this asset class benefited from strong demand from previously underinvested investors, allowing the sub-fund to realize quick profits in the secondary market, for example on Turkey 2035 or Mexico 2029 and 2033. Local events, such as the presentation of a stronger than expected budget in South Africa or the rise to power of a president perceived as populist in Indonesia, were broadly favourable to our curve strategies on intermediate and long maturities such as South Africa 2037 versus 2048 in local currency as well as to our asset swap selling strategies on Indonesia 2035 and 2042 denominated in USD. The year ended with the ECB at the end of its monetary easing cycle, following four consecutive policy rate cuts during the first half of the year, and a Federal Reserve still lacking visibility after three cuts in the final quarter, while investors are still expecting at least two additional rate cuts in 2026.



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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 : € 236 369 402.64 Net Asset Value (O Unit) : € 50 923 549.30 Liquidative Value (O Unit) : € 20 481.97 ISIN Code : LU0648560141 Legal Structure : FCP - SIF, AIF Inception Date of the fund : November 14 th 2004 Inception Date (O Unit) : November 14 th 2004 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 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>14.94%</td></tr><tr><td>France</td><td>7.24%</td></tr><tr><td>Morocco</td><td>5.68%</td></tr><tr><td>Australia</td><td>4.98%</td></tr><tr><td>Norway</td><td>4.74%</td></tr></tbody></table>	Canada	14.94%	France	7.24%	Morocco	5.68%	Australia	4.98%	Norway	4.74%	
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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> <p>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.</p>	1	2	3	4	5	6	7
1	2	3	4	5	6	7	

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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