

CIGOGNE FUND

ABS/MBS Arbitrage

30/09/2025



Assets Under Management : 192 582 557.88 €

Net Asset Value (O Unit) : 22 545.55 €

PERFORMANCES

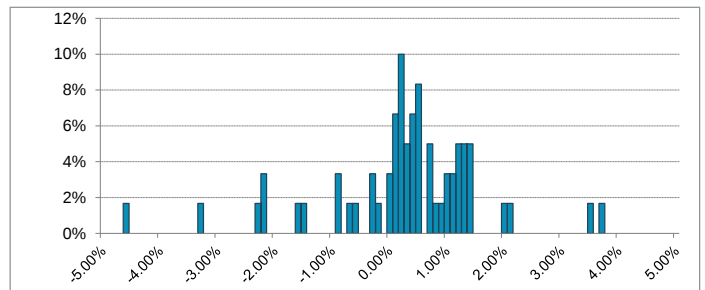
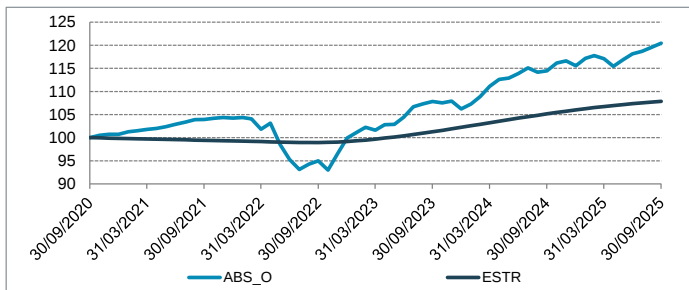
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2025	1.37%	0.53%	-0.58%	-1.40%	1.23%	1.08%	0.46%	0.75%	0.74%				4.22%
2024	0.98%	1.47%	2.08%	1.31%	0.29%	0.86%	1.07%	-0.82%	0.28%	1.46%	0.39%	-0.89%	8.78%
2023	1.22%	1.12%	-0.63%	1.15%	0.11%	1.49%	2.17%	0.56%	0.48%	-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%
2021	0.56%	0.20%	0.27%	0.23%	0.35%	0.52%	0.46%	0.50%	0.04%	0.27%	0.14%	-0.12%	3.46%

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	20.45%	125.46%	7.86%	17.49%	9.83%	-3.69%
Annualised Return	3.79%	4.31%	1.52%	0.84%	1.89%	-0.20%
Annualised Volatility	4.72%	10.80%	0.53%	0.46%	3.21%	5.30%
Sharpe Ratio	0.48	0.32	-	-	0.11	-0.20
Sortino Ratio	0.75	0.38	-	-	0.22	-0.26
Max Drawdown	-10.90%	-52.14%	-1.06%	-3.38%	-8.35%	-25.96%
Time to Recovery (m)	8	22	8	16	23	> 66
Positive Months (%)	76.67%	80.09%	60.00%	52.81%	58.33%	58.01%

PERFORMANCE (Net Asset Value)

DISTRIBUTION OF RETURNS (Monthly Basis)



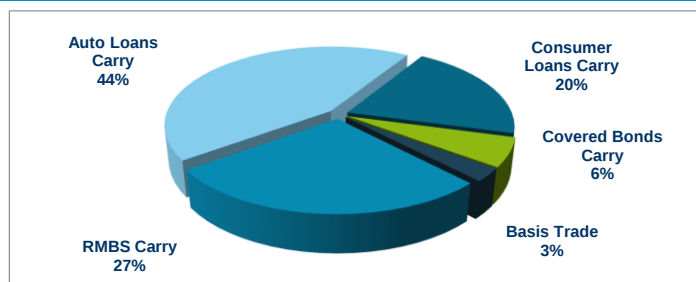
INVESTMENT MANAGERS' COMMENTARY

The performance of the ABS/MBS Arbitrage fund was +0,74%.

In September, the global economic environment remained characterized by a fragile balance between inflationary pressures and political uncertainties. The U.S. Federal Reserve decided to resume its rate cuts, lowering the federal funds rate by 25 bps to 4.00%–4.25%. Jerome Powell justified this decision by pointing to the gradual deterioration of the labour market and a rebalancing of macroeconomic risks, while noting that the easing would remain measured. In the euro area, the ECB unsurprisingly left its key interest rates unchanged following its monetary policy meeting. Christine Lagarde stated that monetary policy remained "well positioned," supported by a solid labour market and inflation close to target. In the United States, the securitized asset market was marked by the bankruptcy of the subprime auto lender Tricolor Holdings, although the effects remain limited to that segment. It is important to recall that, unlike in the United States, European securitization regulations are based on stricter lending criteria, better alignment of interests among the various stakeholders, and the possibility of recourse against borrowers. As a result, the European primary ABS market proved very dynamic after the summer pause. The monthly volume of new distributed issuances in Europe reached +€14.6 Bn, the most active month of the year. These new issuances were once again oversubscribed across all structures, reflecting strong investor appetite. The segment took advantage of this favourable environment to launch numerous new strategies across different sectors. For instance, the Class A tranche of the German auto lease deal VCL 46 from Volkswagen Leasing GmbH with a 2.1x coverage ratio and a spread of 44 bps over 1-month Euribor. Similarly, the senior tranche of the French RMBS HFHL 2025-1 from Crédit Immobilier de France Développement offered a spread of 57 bps and was oversubscribed 2.9x, while the Class A tranche of the Spanish consumer loan ABS CONSU 9, originated by Banco Santander S.A., offered a spread of 70 bps, part of which had been pre-placed. Credit spreads in the European ABS market continued to tighten by a few basis points across all segments. Spanish and Italian RMBS, for example, tightened by 3 bps, while Auto ABS tightened by 1 bp (source: JPM). French securitized assets were not affected by Fitch's downgrade of France's sovereign rating from AA– to A+.

ASSET BREAKDOWN

CORRELATION MATRIX



	Cigogne ABS/MBS Arbitrage	ESTR	HFRX Global Hedge Fund EUR Index
Cigogne ABS/MBS	100.00%	26.29%	24.22%
ESTR	26.29%	100.00%	9.95%
HFRX HF Index	24.22%	9.95%	100.00%

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ABS/MBS Arbitrage

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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	3.15%
CAR 2024-G1V A EUR1+52 18/01/36	2.93%
VCL 46 A EUR1 21/07/31	2.68%
BPCL 2024-1 A EUR1+70 31/10/42	2.63%
ACAHB 2024-1 A1 EUR3+56 27/12/61	2.41%

FUND SPECIFICS

Net Asset Value :	€	192 582 557.88
Net Asset Value (O Unit) :	€	2 419 543.58
Liquidative Value (O Unit) :	€	22 545.55
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 Marchés
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 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 - 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.

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