

CIGOGNE CLO

Arbitrage Europe

30/06/2024

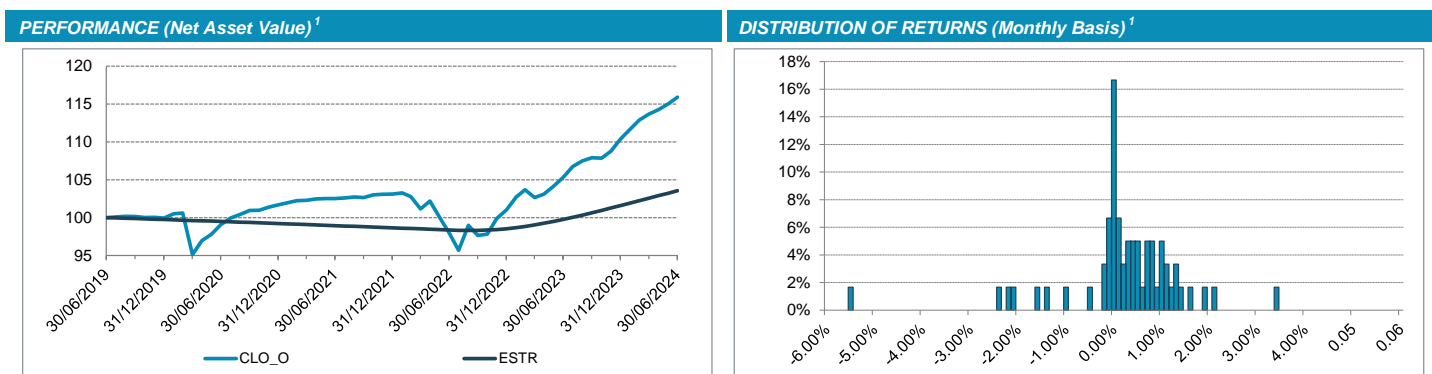


Assets Under Management : 136 351 224.50 €

Net Asset Value (O share) : 11 006.26 €

PERFORMANCES													
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2024	1.20%	1.05%	0.70%	0.51%	0.68%	0.76%							5.01%
2023	1.68%	0.91%	-0.97%	0.43%	1.03%	1.11%	1.36%	0.71%	0.39%	-0.04%	0.86%	1.46%	9.25%
2022	0.15%	-0.49%	-1.57%	1.01%	-2.12%	-2.02%	-2.35%	3.45%	-1.38%	0.19%	2.10%	1.16%	-2.02%
2021	0.28%	0.23%	0.07%	0.17%	0.04%	-0.01%	0.09%	0.12%	-0.07%	0.34%	0.07%	0.05%	1.40%
2020	0.57%	0.10%	-5.45%	1.92%	0.87%	1.30%	0.89%	0.49%	0.50%	0.03%	0.41%	0.31%	1.77%

PORTFOLIO STATISTICS SINCE 11/24/2015 ¹						
	Cigogne CLO Arbitrage Europe		ESTR		HFRX Global Hedge Fund EUR Index	
	5 years	From Start	5 years	From Start	5 years	From Start
Cumulative Return	15.91%	20.34%	3.56%	1.99%	3.86%	-2.17%
Annualised Return	2.99%	2.18%	0.70%	0.23%	0.76%	-0.26%
Annualised Volatility	4.24%	3.31%	0.52%	0.43%	4.55%	4.33%
Sharpe Ratio	0.54	0.59	-	-	0.01	-0.11
Sortino Ratio	0.76	0.83	-	-	0.02	-0.15
Max Drawdown	-7.34%	-7.34%	-1.69%	-3.18%	-8.35%	-16.29%
Time to Recovery (m)	7	7	10	15	> 8	> 51
Positive Months (%)	76.67%	72.82%	35.00%	20.39%	56.67%	58.25%



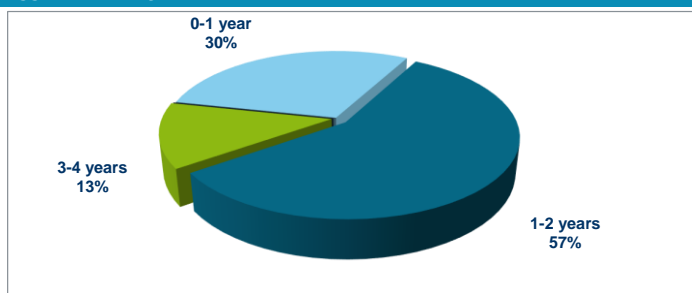
¹ Performance and risk measures for the period prior to July 2023 are calculated on the basis of the performance of A units (no n-investable).

INVESTMENT MANAGERS' COMMENTARY

The performance of the CLO Arbitrage fund was +0.76%.

June was characterised by renewed volatility, triggered by the politically driven slump in the eurozone. When the European elections saw a shift to the right, Emmanuel Macron decided to call a snap parliamentary election – the first time this has been done in France since 1997. This added further uncertainty to an already complex economic context. Indeed, economic activity deteriorated in the eurozone, as reflected by the manufacturing PMI (45.6 compared to the expected 47.9). Inflation has not been a reassuring topic either, with underlying inflation accelerating over the month (+2.9% year-on-year compared to the expected +2.7%). The ECB was a source of relief as it lowered its rate by 25 bps as expected, bringing its deposit rate to 3.75%. The 10-year sovereign bond rates fell slightly in Europe. Yield spreads between peripheral countries (and France) and German bonds have widened. The credit market also saw a significant widening of spreads, with high-yield spreads widening by more than 30 bps. However, the synthetic leveraged loan market held firm and outperformed other bond asset classes. Credit spreads on the secondary market narrowed by 7.5 bps over the month for the most senior tranches (source: Citigroup), and this figure was closer to +105 bps for mezzanine tranches. Overall, demand remained strong across the capital structure. On the primary market, the new AAA tranches issued during the month were trading at around +130–140 bps according to the CLO manager. With the summer lull as a backdrop, the primary market has remained weak this month with an issuance volume of +€1.24 billion. This brings the annual volume to almost +€25 billion, close to the total annual volume seen in 2022 and 2023, which reflects investors' large appetites for this asset class. However, we did not carry out any transactions on the sub-fund this month as we are satisfied with the current portfolio.

ASSET BREAKDOWN



CORRELATION MATRIX

	Cigogne CLO Arbitrage Europe	ESTR	HFRX Global Hedge Fund EUR Index
Cigogne CLO	100.00%	31.50%	65.37%
ESTR	31.50%	100.00%	5.96%
HFRX HF Index	65.37%	5.96%	100.00%

CIGOGNE CLO

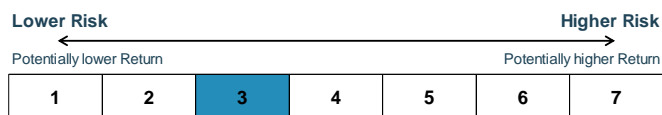
Arbitrage Europe

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INVESTMENT OBJECTIVES		FUND SPECIFICS	
<p>The aim of the Cigogne CLO Arbitrage Europe compartment is to invest in European Collateralized Loan Obligations (CLO).</p> <p>Arbitrage strategies set forth in the Cigogne CLO Arbitrage Europe compartment consist in taking advantage of the credit component and the interest rate risk is systematically hedged. The portfolio is composed of prime CLO tranches with an average duration of less than 5 years and includes in average 30 positions.</p> <p>As opposed to an ABS' collateral, the loan portfolio of a CLO is actively managed in order to achieve its performance objectives. The collateral manager picks the underlying loans based on his credit analysis, within the scope of the portfolio's eligibility requirements.</p>		Net Asset Value :	€ 136 351 224.50
		Net Asset Value (O share) :	€ 340 868.39
		Liquidative Value (O share) :	€ 11 006.26
		ISIN Code :	LU0563588119
		Legal Structure :	SICAV - FIS, FIA
		Inception Date of the fund :	November 24 th 2015
		Inception Date (O share) :	July 1 st 2023
		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
MAIN EXPOSURES (In percentage of gross asset base)		Management Fee:	1,50% per annum
		Performance Fee :	20% above €STR with a High Water Mark
PSTET 2022-1X A EUR3+72 15/10/31	7.71%	Country of Registration :	FR, LU
AVOCA 17X ARR EUR3+82 15/10/32	7.70%	Management Company:	Cigogne Management SA
CADOG 8X ARR EUR3+82 15/04/32	7.40%	Investment Advisor:	CIC Marchés
EGLXY 2015-4X ARR EUR3 30/07/34	6.87%	Depository Bank:	Banque de Luxembourg
TIKEH 8X A EUR3+212 25/10/34	6.24%	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 CLO Arbitrage fund aims to achieve stable and positive performances over time, uncorrelated from traditional asset classes, by investing in European Collateralized Loan Obligations (CLO). The European CLO market offers an attractive risk/return profile and provides an alternative to "classic" credit funds, while preserving a certain liquidity.

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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