

# CIGOGNE FUND

## Convertible Arbitrage

30/06/2024



Assets Under Management :

308 653 034.70 €

Net Asset Value (O Unit) :

33 587.86 €

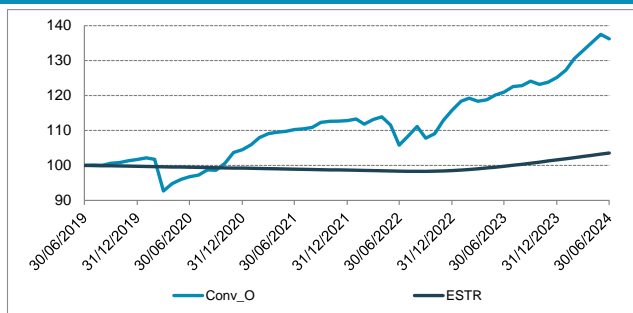
### PERFORMANCES

	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2024	1.68%	2.56%	1.77%	1.72%	1.74%	-0.94%							8.81%
2023	2.22%	0.77%	-0.77%	0.38%	1.16%	0.66%	1.34%	0.19%	1.03%	-0.73%	0.48%	1.13%	8.11%
2022	0.41%	-1.32%	1.18%	0.68%	-2.05%	-5.17%	2.51%	2.50%	-3.03%	1.22%	3.49%	2.56%	2.62%
2021	1.37%	1.89%	1.02%	0.37%	0.27%	0.45%	0.20%	0.34%	1.32%	0.29%	0.05%	0.12%	7.95%
2020	0.44%	-0.37%	-8.93%	2.27%	1.27%	0.80%	0.49%	1.56%	-0.12%	2.04%	3.05%	0.79%	2.77%

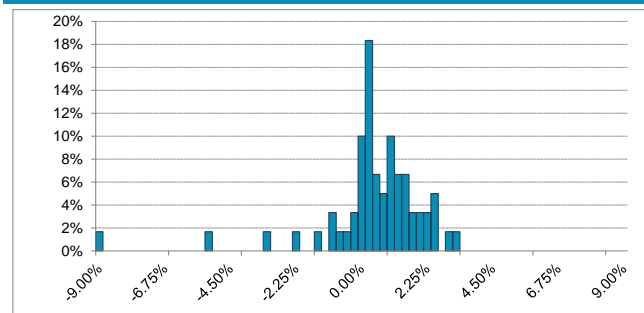
### PORTFOLIO STATISTICS FOR 5 YEARS / SINCE 31/07/2006

	Cigogne Convertible Arbitrage		ESTR		HFRX Global Hedge Fund EUR Index	
	5 years	From Start	5 years	From Start	5 years	From Start
Cumulative Return	36.22%	235.88%	3.56%	15.82%	3.86%	-5.13%
Annualised Return	6.37%	6.61%	0.70%	0.78%	0.76%	-0.28%
Annualised Volatility	6.47%	12.38%	0.52%	0.45%	4.55%	5.39%
Sharpe Ratio	0.88	0.47	-	-	0.01	-0.20
Sortino Ratio	1.17	0.63	-	-	0.02	-0.26
Max Drawdown	-9.26%	-55.59%	-1.69%	-3.38%	-8.35%	-25.96%
Time to Recovery (m)	8	23	10	16	> 8	> 51
Positive Months (%)	81.67%	75.77%	35.00%	51.98%	56.67%	57.71%

### PERFORMANCE (Net Asset Value)



### DISTRIBUTION OF RETURNS (Monthly Basis)

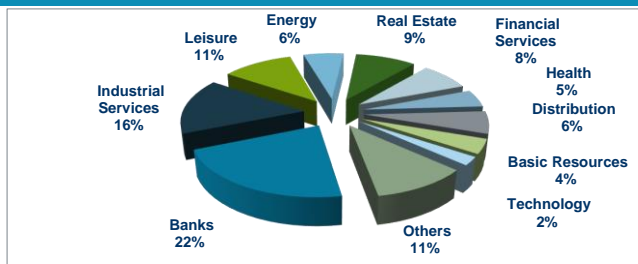


### INVESTMENT MANAGERS' COMMENTARY

The monthly performance of the Cigogne – Convertible Arbitrage fund was -0.94%.

Like the months before it, June was characterised by developments in inflation and the resulting changes in monetary policies, while also seeing the resurgence of volatility in Europe. Investors now expect the Fed to cut its key rates in September. Indeed, the signs from economic indicators could mean that a more accommodative monetary policy is in order given the stronger-than-expected fall in inflation, with Core CPI down from 3.6% to 3.4%. The US labour market also continued to slow, with the unemployment rate rising to 4%. As for the eurozone, the ECB has taken its widely anticipated first step towards monetary easing, cutting its key rates by 25 bps. However, ECB President Christine Lagarde stated that future evolutions of its monetary policy remain "data dependent". Political risk also reemerged in France with the dissolution of the country's parliament and the uncertainty surrounding the ensuing parliamentary elections. This fear of instability in one of the EU's founding members has impacted risky assets in Europe. As a result, the EURO STOXX fell by -1.80% over the month. On the credit side, generic 5-year European investment grade spreads widened by 9 bps, with high-yield spreads widening by 27 bps. Against this difficult backdrop, the Convertible sub-fund was down for the first time this year. This trend was global, but positions with exposure to France suffered the most, as would be expected. For example, this was the case with our Nexity 0.25% 03/25 and 0% 04/28 convertible bonds. This French real estate company was badly affected by negative news flow as it announced downsizing measures and the cancellation of its dividend. The finance portfolio was also negatively affected by the rising risk premium, particularly on contingent convertible bonds like the Société Générale 7.875% Call 29 CoCo. Nevertheless, this volatile environment allowed us to recalibrate the portfolio and take advantage of new opportunities. We therefore gave up our Marks & Spencer 06/25 and 05/26 bonds in response to the attractive tender offer from this British retail chain. We took a position on the new Trip.com 0.75% 06/29 convertible bond via a delta-hedged strategy to take advantage of the issue's attractive implied volatility level. In the same vein, we participated in the primary issue of Schneider Electric's 1.625% 06/31 convertible bond with a view to increasing our exposure to this company, which has solid credit. Staying in the primary market, we subscribed to the new Tereos 5.875% 04/30 issue, as the sugar manufacturer's profile markedly improved in the wake of higher sugar prices boosting profits.

### ASSET BREAKDOWN



### CORRELATION MATRIX

	Cigogne Convertible Arbitrage	ESTR	HFRX Global Hedge Fund EUR Index
Cigogne Convertible	100.00%	17.56%	74.48%
ESTR	17.56%	100.00%	5.96%
HFRX HF Index	74.48%	5.96%	100.00%

# CIGOGNE FUND

## Convertible Arbitrage

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INVESTMENT OBJECTIVES		FUND SPECIFICS	
<p>The Convertible sub-fund is mainly built on convertible bonds arbitrage strategies. These take advantage of market anomalies that may occur between the various components of a convertible bond, namely the interest rate risk, the credit risk and the various risks related to the conversion option (equity risk, volatility, etc.).</p> <p>Usually, this type of strategy consists in buying a convertible bond, hedging the equity risk by shorting the underlying, hedging the interest rate risk with a swap or with interest rate futures and, if necessary, buying the Credit Default Swap (CDS) on the credit-exposed portion. The Convertible sub-fund may benefit as well from some positions on High Yield segment.</p> <p>The portfolio is composed of a high number of strategies, about 200 in average, that offer a large geographical and sectoral diversification.</p>		<p><b>Net Asset Value :</b> € 308 653 034.70</p> <p><b>Net Asset Value (O Unit) :</b> € 58 424 180.65</p> <p><b>Liquidative Value (O Unit) :</b> € 33 587.86</p> <p><b>ISIN Code :</b> LU0648560570</p> <p><b>Legal Structure :</b> FCP - SIF, AIF</p> <p><b>Inception Date of the fund :</b> July 31<sup>st</sup> 2005</p> <p><b>Inception Date (O Unit) :</b> July 31<sup>st</sup> 2005</p> <p><b>Currency :</b> EUR</p> <p><b>NAV calculation date :</b> Monthly, last calendar day of the month</p> <p><b>Subscription / redemption :</b> Monthly</p> <p><b>Minimum Commitment:</b> € 125 000.00</p> <p><b>Minimum Notice Period:</b> 1 month</p> <p><b>Management Fee:</b> 1.50% per annum</p> <p><b>Performance Fee :</b> 20% above €STR with a High Water Mark</p> <p><b>Country of Registration :</b> FR, LU</p> <p><b>Management Company:</b> Cigogne Management SA</p> <p><b>Investment Advisor:</b> CIC Marchés</p> <p><b>Depository Bank:</b> Banque de Luxembourg</p> <p><b>Administrative Agent:</b> UI efa</p> <p><b>Auditor:</b> KPMG Luxembourg</p>	
MAIN EXPOSURES (In percentage of gross asset base)			
SELENA	2.39%		
SAGERPAR	1.90%		
ZALANDO SE	1.76%		
POSEIDON FINANCE	1.74%		
BARCLAYS PLC	1.60%		

Lower Risk

Potentially lower Return

Higher Risk

Potentially higher Return

1	2	3	4	5	6	7
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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 CONVERTIBLE 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 - Convertible Arbitrage aims to achieve stable and positive performances over time, uncorrelated from traditional asset classes by setting up convertible bond and mandatories 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>	

CONTACT	
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