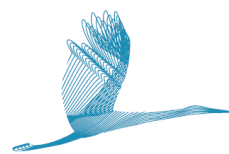


# CIGOGNE FUND

## ABS/MBS Arbitrage

30/04/2024



**CIGOGNE**  
MANAGEMENT

Assets Under Management : 159 848 446.89 €

Net Asset Value (O Unit) : 21 074.73 €

### PERFORMANCES

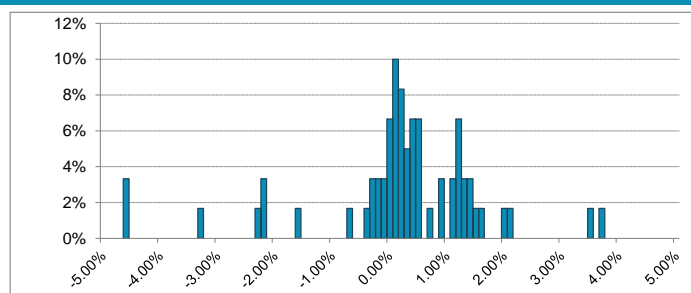
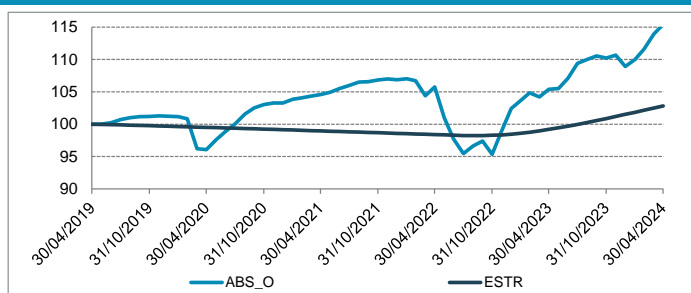
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2024	0.98%	1.47%	2.08%	1.31%									<b>5.97%</b>
2023	1.22%	1.12%	-0.63%	1.15%	0.11%	1.49%	2.17%	0.56%	0.48%	-0.28%	0.39%	-1.56%	<b>6.34%</b>
2022	0.15%	-0.28%	-2.18%	1.30%	-4.52%	-3.26%	-2.26%	1.22%	0.79%	-2.11%	3.74%	3.57%	<b>-4.14%</b>
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%	<b>3.46%</b>
2020	-0.08%	-0.32%	-4.60%	-0.15%	1.60%	1.29%	1.20%	1.51%	0.95%	0.51%	0.22%	0.01%	<b>2.02%</b>

### 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	15.43%	110.75%	2.82%	12.80%	3.23%	-9.39%
Annualised Return	2.91%	4.27%	0.56%	0.68%	0.64%	-0.55%
Annualised Volatility	5.11%	11.20%	0.49%	0.45%	4.60%	5.46%
Sharpe Ratio	0.46	0.32	-	-	0.02	-0.22
Sortino Ratio	0.67	0.38	-	-	0.02	-0.29
Max Drawdown	-10.90%	-52.14%	-1.76%	-3.38%	-8.35%	-25.96%
Time to Recovery (m)	8	22	11	16	> 6	> 49
Positive Months (%)	75.00%	80.37%	31.67%	49.07%	55.00%	56.54%

### PERFORMANCE (Net Asset Value)

### DISTRIBUTION OF RETURNS (Monthly Basis)



### INVESTMENT MANAGERS' COMMENTARY

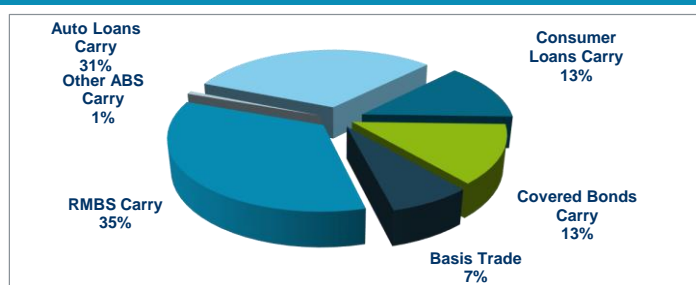
The performance of the ABS/MBS Arbitrage fund was +1.31%.

The economic upturn in the eurozone continued during April. Despite declining retail sales in the first quarter, the labour market continued to perform well and growth prospects continued to improve. The eurozone business activity survey (PMI) climbed during the month to 51.4, its highest level in 11 months. The PMIs in the core countries, such as Germany and France, which have recently lagged behind the peripheral countries, also enjoyed a sharp upturn. Furthermore, there were positive signs from inflation, which continued to head back to its 2% target. Headline inflation stood at 2.4% annualised, while core inflation dipped below the 3% mark to 2.9%. This prompted the ECB to remain confident about a first rate cut in June, as set out at its meeting on 11 April. The markets have embedded in an 85% probability of a cut and anticipate two further cuts in the second half of the year.

Against this backdrop, the credit market benefited from healthy macroeconomic data and strong technical factors. The European securitised asset market followed the same trend. Rather than translating into a tightening of spreads, this positive situation has brought about healthy absorption in a dynamic primary market. Having narrowed for several months, spreads remained relatively stable, with tightening of just 2 bps on average for RMBS and no change for auto ABS and consumer loans (source: JPM). Having said that, the ten public placements during the month had an issue volume of €9.1 bn and were really well absorbed, especially the very strongly subscribed mezzanine tranches, underlining the strong appetite of investors. The sub-fund was able to take advantage of this supply to set up three new strategies on the most senior tranches. SILVA 17, Mercedes Benz's German auto-loan, and SCGC 2024, a German consumer loan from Santander Consumer AG, both offered attractive spread levels with largely controlled risk. The third, BPCL 2024, is the first French consumer loan placed publicly by the BPCE group. These new issues were added to the portfolio following successive profit-taking at the beginning of the month in the auto sector, including sales of the Finnish auto-loan TOMMI 1, the Dutch auto-lease BUMP 2020-NL1 and the French auto-lease COMP 2021- FR1, originated by LocalTapiola Finance Ltd, LeasePlan Nederland NV and CREDIPAR respectively.

### ASSET BREAKDOWN

### CORRELATION MATRIX



	Cigogne ABS/MBS Arbitrage	ESTR	HFRX Global Hedge Fund EUR Index
Cigogne ABS/MBS	100.00%	26.46%	43.48%
ESTR	26.46%	100.00%	4.99%
HFRX HF Index	43.48%	4.99%	100.00%

# CIGOGNE FUND

## ABS/MBS Arbitrage

30/04/2024



### 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.

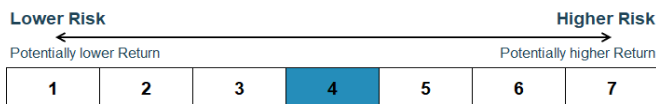
### MAIN EXPOSURES (In percentage of gross asset base)

ACAHB 2024-1 A1 EUR3+56 27/12/61	2.38%
HLFCT 2020-1 A EUR3+65 31/10/54	2.37%
HFHL 2019-1 A EUR3+70 27/09/2056	2.23%
HLFCT 2021-G A EUR3+70 31/10/55	2.18%
ACAHB 2020-1 A EUR3+75 27/07/55	1.98%

### FUND SPECIFICS

Net Asset Value :	€	159 848 446.89
Net Asset Value (O Unit) :	€	5 671 419.98
Liquidative Value (O Unit) :	€	21 074.73
ISIN Code :		LU0648560224
Legal Structure :		FCP - SIF, AIF
Inception Date of the fund :		June 30 <sup>th</sup> 2006
Inception Date (O Unit) :		April 30 <sup>th</sup> 2011
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
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.

### CONTACT

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