

May 2017

Lazard Objectif Alpha Euro

Euro Equities	ISIN code	NAV €	Net Assets (M €)	Total Net Assets (M €)
Eligible for an equity savings plan	<b>A unit</b> FR0010828913	467.01	674.92	791.86
	<b>C unit</b> FR0011744663	369.12	10.73	
	<b>R unit</b> FR0010830240	432.49	106.20	

## MANAGEMENT



Overall

★★★★

## INVESTMENT POLICY

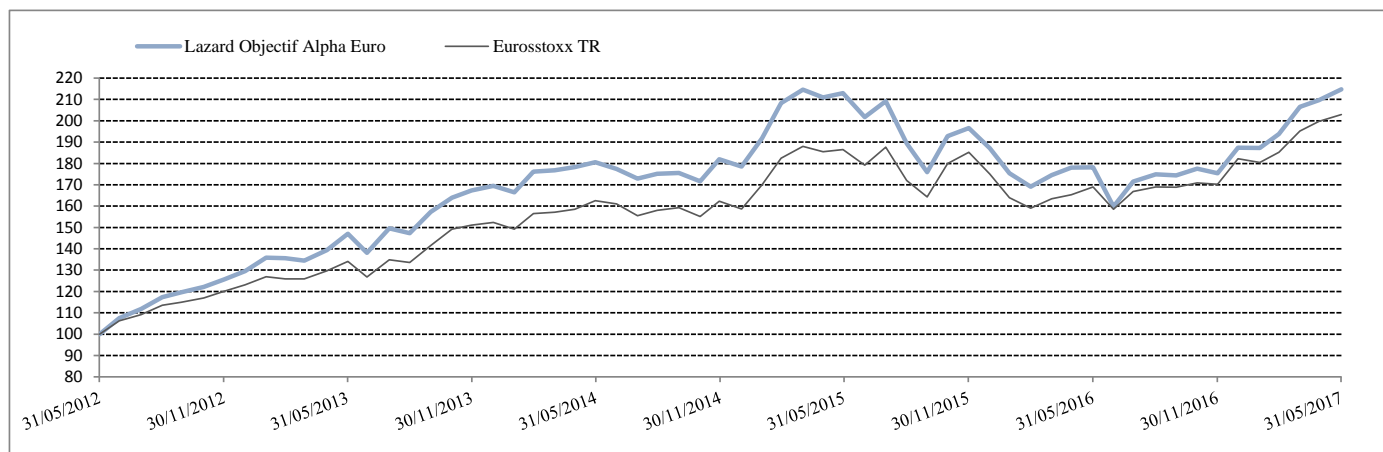
The investment objective is to match or exceed the performance, net of expenses, of the benchmark, the Euro Stoxx, over the recommended investment period.

## FUND MANAGERS' COMMENT - Régis BÉGUÉ

May started with a sharp rise in the wake of the first round of the French presidential election, a rise that was later confirmed by the end result, but indices fell back in the second half of the month amid fears about a possible impeachment of US President Donald Trump, as well as under the combined effect of the sharp decline of a number of commodities, notably iron ore, and concerns about the sustainability of Chinese growth. Oil prices also fell right at the end of period following the OPEC meeting. The market nevertheless ended the month on a positive note with an increase of 1.6%. The fund, meanwhile, posted a sharp outperformance, up 2.41%, ending May near its absolute and relative high of 2017. It was hurt by difficult stock-picks in commodities due to the falls recorded by ArcelorMittal and Aperam and a negative allocation in utilities, which performed well during the month and were under-represented in the portfolio. It was also hurt by the declines of AkzoNobel, GEA and Peugeot, but benefited from the sharp rise of E.ON, driven by Uniper, of Air France, whose unit revenue continued to improve, and from Nokia's rise after its first quarter earnings release, as well as AstraZeneca, which was boosted by the positive results of an immuno-oncology study. More generally, banks, travel and leisure and construction materials were the top contributors to the fund's outperformance in May.

## PERFORMANCE - A unit

### HISTORICAL PERFORMANCE



Past performance is not a guarantee of current or future performance

## PERFORMANCE

Cumulative performance*	Month	YTD	1 year	3 years	5 years	Inception
<b>Lazard Objectif Alpha Euro</b>	<b>2.4%</b>	<b>14.6%</b>	<b>20.5%</b>	<b>18.9%</b>	<b>114.7%</b>	<b>133.5%</b>
<b>Eurostoxx Total Return</b>	<b>1.6%</b>	<b>11.3%</b>	<b>20.1%</b>	<b>24.9%</b>	<b>102.9%</b>	<b>94.4%</b>

Inception : 12 May 2005

Annualized performance	1 year	3 years	5 years	Inception
<b>Lazard Objectif Alpha Euro</b>	<b>20.5%</b>	<b>5.9%</b>	<b>16.5%</b>	<b>7.3%</b>
<b>Eurostoxx Total Return</b>	<b>20.1%</b>	<b>7.7%</b>	<b>15.2%</b>	<b>5.7%</b>

Annual performance	2016	2015	2014	2013	2012
<b>Lazard Objectif Alpha Euro</b>	<b>0.1%</b>	<b>4.8%</b>	<b>5.3%</b>	<b>30.9%</b>	<b>29.5%</b>
<b>Eurostoxx Total Return</b>	<b>4.1%</b>	<b>10.3%</b>	<b>4.1%</b>	<b>23.7%</b>	<b>19.3%</b>

\* The performance quoted represents past performance. Past performance does not guarantee future results.

## RISK SCALE\*\*



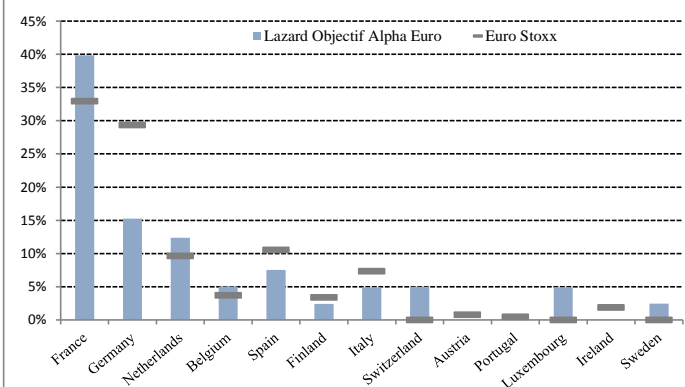
\*\*Risk scale calculated from the volatility of the UCITS over a period of 5 years (see detail on the back)

## RISK RATIOS

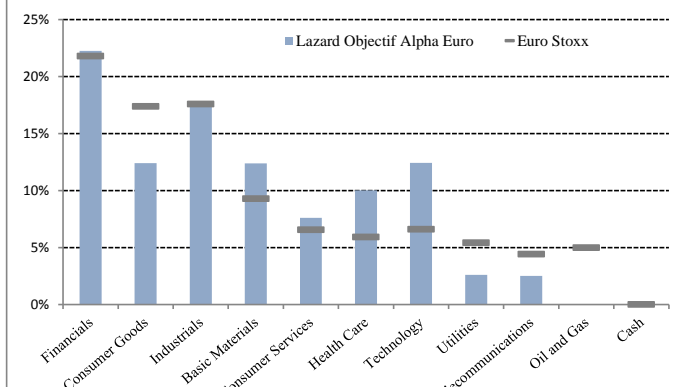
	1 year	3 years
<b>Volatility</b>		
Lazard Objectif Alpha Euro	20.0%	21.9%
Eurostoxx Total Return	15.7%	19.3%
<b>Tracking error</b>	6.1%	5.2%
<b>Information ratio</b>	-0.2	-0.3
<b>Beta</b>	1.2	1.1

Ratios calculated on a weekly basis

## GEOGRAPHICAL ALLOCATION



## SECTOR ALLOCATION



## MAIN HOLDINGS

Main holdings	%	Country	Sector
E.ON	2.6%	Germany	Utilities
Merck	2.6%	Germany	Health Care
Eiffage	2.6%	France	Industrials
Heineken	2.5%	Netherlands	Consumer Goods
Publicis	2.5%	France	Consumer Services
Air France - KLM	2.5%	France	Consumer Services
Kbc Groupe Sa	2.5%	Belgium	Financials
Bayer	2.5%	Germany	Basic Materials
SAP	2.5%	Germany	Technology
Lafargeholcim Ltd	2.5%	Switzerland	Industrials
<b>TOTAL</b>	<b>25.5%</b>		

## MOVEMENTS

New positions	Positions sold
Axa	Deutsche Telekom
Telefonica	Uniper Se

## FUND DETAILS

<b>ISIN Code</b>	A unit : FR0010828913 R unit: FR0010830240 C unit: FR0011744663	<b>Valuation</b>	Daily	<b>Management fees</b>	A unit : 1% inclusive of all taxes of net assets R unit : 2% inclusive of all taxes of net assets C unit : 1% inclusive of all taxes of net assets
<b>Bloomberg Code</b>	A unit: OBJALPH FP R unit: OBJALPR FP	<b>Eligible for an equity savings plan</b>			
<b>Legal form</b>	SICAV	<b>Custodian</b>	Lazard Frères Banque	<b>Subscription fees</b>	4% max
<b>UCITS-Compliant</b>	yes	<b>Management company</b>	Lazard Frère Gestion	<b>Redemption fee</b>	1% max
<b>AMF classification</b>	Equities euro zone	<b>Taxation</b>	Capitalisation and/or distribution	<b>Outperformance fees</b>	15 % of the annual performance over the Eurostoxx TR performance
<b>Currency</b>	Euro	<b>Inception date</b>	12 May 2005	<b>Subscription terms</b>	On next NAV for orders placed before 11 a.m. Settlement and value date Subscription D (NAV date) + 1 business day Redemption D (NAV date) + 3 business days
<b>Investment horizon</b>	> 5 years				

**\*\* Risk scale :** Derived from the historic volatility of the UCITS over a period of 5 years. The management company reserves the right to adjust the level of risk calculated according to the specific risk of the fund. This risk scale is supplied as a rough guide and may be modified without advance notice.



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**Publication of NAVs :**  
www.lazardfreresgestion.fr



Please consider a fund's investment objectives, risks, charges, and expenses carefully before investing. Read the prospectus or summary prospectus carefully before you invest. The prospectus and summary prospectus contain investment objectives, risks, charges, expenses, and other information about the Portfolio(s) and The Lazard Frères Gestion Funds that may not be detailed in this document. Distributed by Lazard Frères Gestion.

The prospectus for Switzerland, the KIID, the articles of incorporation, the annual and semi-annual reports, as well as the list of the buying and selling transactions can be obtained free of charge from the representative of the Fund in Switzerland, Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva, Switzerland, Tel. +41 22 705 11 77, Fax: +41 22 705 11 79, www.carnegie-fund-services.ch. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Île, 1204 Geneva, Switzerland.