

<b>Total net assets</b>	573,73M€	<b>Inception date (unit)</b>	26 sept. 2014	<b>MORNINGSTAR</b> <b>SUSTAINABILITY</b>
<b>NAV</b>	306,32 €	<b>ISIN Code</b>	FR0011744663	
		<b>Bloomberg Code</b>	LAZOAEC	

Country of registration

## MANAGER(S)



Régis Bégué

## 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

What with the trade war that seemed to be intensifying, the mixed macroeconomic figures out of China, the Brexit prevarications and the social unrest in France, the market plummeted in December and ended the year at almost its lowest level. Hurt by its overexposure to commodities and industrial goods, by the absence of utilities and by negative stock picks in technology, the fund underperformed its benchmark index by more than 195 basis points and fell by 7,71% over the month. It was particularly penalised by the performance of Ingenico, which has dropped talks with potential partners for the time being, by those of Eiffage, Société Générale and Saint-Gobain, which are suffering from their French bias, and by that of Renault, whose alliance with Nissan is undermined by Carlos Ghosn's continued imprisonment in Japan. On the other hand, it benefited from strong picks in media and chemicals, with WPP and Air Liquide, as well as the outperformances of Munich Re and BMW.

### RISK SCALE\*



Recommended investment period of 5 years

### BENCHMARK INDEX

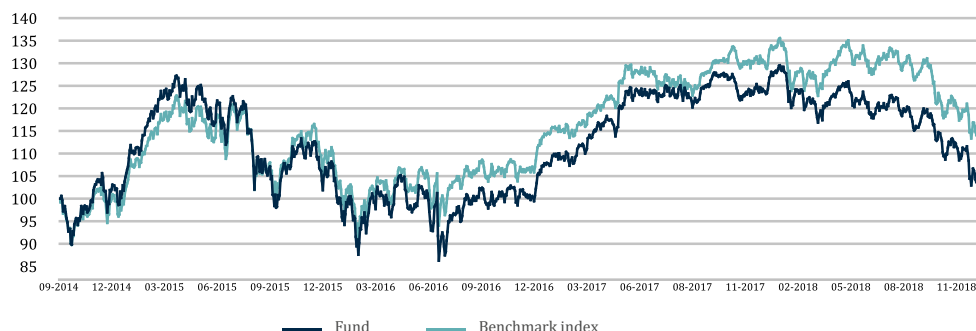
Eurostoxx Net Return EUR

## FEATURES

<b>Legal Form</b>	SICAV
<b>Legal Domicile</b>	France
<b>UCITS</b>	Yes
<b>AMF Classification</b>	Eurozone equities
<b>Eligibility to PEA (personal equity savings plan)</b>	Yes
<b>Currency</b>	EURO
<b>Subscribers concerned</b>	No restriction
<b>Inception date</b>	11/05/05
<b>Date of share's first NAV calculation</b>	26/09/14
<b>Management company</b>	Lazard Frères Gestion SAS
<b>Custodian</b>	Lazard Frères Banque
<b>Valuation agent</b>	CACEIS Fund Admin
<b>Frequency of NAV calculation</b>	Daily
<b>Order execution</b>	On next NAV for orders placed before 11:00 a.m
<b>Subscription terms</b>	D (NAV date) + 2 business day
<b>Settlement of redemptions</b>	D (NAV date) + 2 business day
<b>Share decimalisation</b>	Yes
<b>Minimum investment</b>	1 share
<b>Subscription fees</b>	4% max
<b>Redemption fees</b>	1% max
<b>Management fees</b>	1,00%
<b>Outperformance fees</b>	15% of the performance over the benchmark
<b>Current expenses</b>	1,47%

\*Risk scale : Derived from the historic volatility of the fund 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. Risk 1 does not mean a risk-free investment. This indicator may change over time.

## CHANGE IN NET ASSET VALUE (NAV)



Past performance is not a guarantee of current or future performance and increases at the end of the recommended investment period.

## HISTORICAL PERFORMANCES

Cumulative						Annualized	
	1 Month	2018	1 Year	3 Years	5 Years	3 Years	5 Years
Fund	-7,71%	-17,12%	-17,12%	-4,79%		-1,62%	
Benchmark index	-5,76%	-12,72%	-12,72%	2,31%		0,76%	
Difference	-1,95%	-4,39%	-4,39%	-7,09%		-2,39%	0,00%

## ANNUAL PERFORMANCE

	Fund	Benchmark index
<b>2018</b>	-17,12%	-12,72%
<b>2017</b>	14,75%	12,55%
<b>2016</b>	0,11%	4,15%
<b>2015</b>	4,82%	10,33%

## RISK RATIOS\*

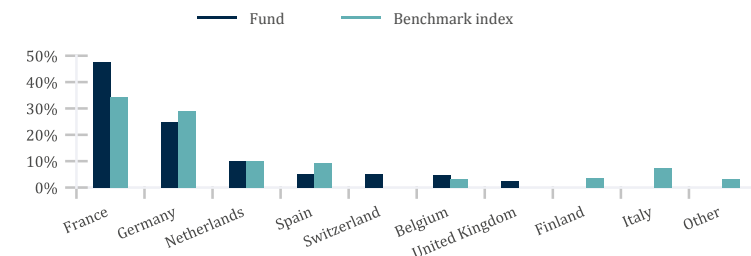
	1 Year	3 Years
<b>Volatility</b>		
Fund	14,37%	16,82%
Benchmark index	14,19%	14,95%
<b>Tracking Error</b>	4,11%	4,78%
<b>Information ratio</b>	-1,07	-0,50
<b>Sharpe ratio</b>	-1,17	-0,07
<b>Alpha</b>	-5,35	-2,25
<b>Beta</b>	0,97	1,08

\* Ratios calculated on a weekly basis

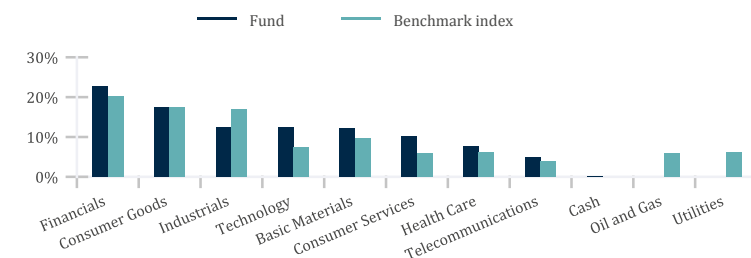
## MAIN HOLDINGS

Holdings	Country	Sector	Weight	
			Fund	Index
PUBLICIS GROUPE SA	France	Media	2,6%	0,3%
CARREFOUR	France	Retail	2,6%	0,2%
MUENCHENER RUECKVERSICHER. (N)	Germany	Insurance	2,6%	0,8%
AKZO NOBEL NV	Netherlands	Chemicals	2,6%	0,5%
BANCO SANTANDER S.A.	Spain	Banks	2,6%	1,7%
AIR FRANCE - KLM	France	Travel & Leisure	2,6%	0,1%
ATOS SE	France	Technology	2,6%	0,2%
AIR LIQUIDE (L')	France	Chemicals	2,6%	1,3%
BNP PARIBAS	France	Banks	2,5%	1,2%
EIFFAGE SA (EX-FOUGEROLLE)	France	Construction & Materials	2,5%	0,2%
Total			25,7%	6,5%

## GEOGRAPHICAL DISTRIBUTION



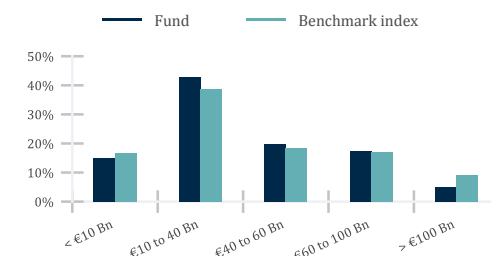
## SECTOR ALLOCATION



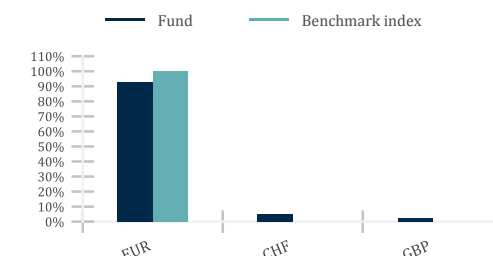
## MAIN TRANSACTIONS

New positions	Positions sold
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## BREAKDOWN BY CAPITALISATION



## BREAKDOWN BY CURRENCY



## OVER- AND UNDEREXPOSURE TO THE BENCHMARK INDEX

Overexposures		Underexposures	
ROCHE HOLDING AG.	2,5%	TOTAL	-3,3%
AIR FRANCE - KLM	2,5%	LINDE PLC	-2,1%
WPP P.L.C.	2,5%	LVMH(MOET HENNESSY L. VUITTON)	-1,9%
CREDIT SUISSE GROUP AG (NOMI.)	2,4%	BASF SE (NOMINATIVE)	-1,5%

## RELATIVE CONTRIBUTORS TO PERFORMANCE

First positive contributors			First negative contributors		
	Absolute perf.	Relative contribution (bp)		Absolute perf.	Relative contribution (bp)
AIR LIQUIDE (L')	1,5%	9	INGENICO GROUP SA	-22,4%	-42
MUENCHENER RUECKVERSICHER. (N)	-0,7%	9	CAPGEMINI SE	-16,0%	-22
BMW(BAYERISCHE MOTORENWERKE)AG	-2,0%	7	EIFFAGE SA (EX-FOUGEROLLE)	-13,3%	-17
Total		26	Total		-80

## CONTACTS AND ADDITIONAL INFORMATION

Subscription/redemption  
CACEIS Bank / LFB  
01.57.78.14.14

Additional Information:  
+33 1 44 13 01 79

Publications of NAVs:  
[www.lazardfreresgestion.fr](http://www.lazardfreresgestion.fr)

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"The State of the origin of the Fund is France. In Switzerland, the Representative is ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zurich, whilst the Paying agent is Banque Cantonale de Genève, 17 quai de l'Ile, CH-1204 Geneva. The prospectus, the Key Investor Information Documents, the status as well as the annual and semi-annual reports may be obtained free of charge from the Representative. In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the Representative. The current document is intended for information purposes only and shall not be used as an offer to buy and/or sell shares. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units."