

Bonds and other euro-denominated debt securities	ISIN Code		NAV €	Total net assets IC & ID (€ million)	
	IC Unit	FR0000027609		4 399,08	120,95
	ID Unit	FR0000029860		2 320,38	MorningStar Sustainability Rating 

MANAGEMENT

INVESTMENT POLICY

The fund’s investment objective is to outperform the following benchmark index over the recommended minimum investment horizon of one year (performance net of management fees): ICE BofAML 1-3 year Corporate (ER01) in euros, net coupons reinvested.

FUND MANAGER'S COMMENT - Benjamin Le Roux

Fears of an economic slowdown led to a sharp easing in yields, amplified by disappointing figures in Europe and the United States (German manufacturing PMI and US jobs). Sovereign yields reached record levels, with Bund posting a negative return of -0.07%, its lowest level since October 2016. Furthermore, neither the Fed nor the ECB have scheduled any interest rate hikes in 2019. Mario Draghi announced the launch of a new series of targeted long-term loans for Eurozone banks (TLTRO III) from September 2019.

Finally, positive developments in the US-China trade talks, inflows into the credit market and a dip in the primary market contributed to reducing credit risk premiums. Senior and hybrid corporate bonds outperformed over the month.

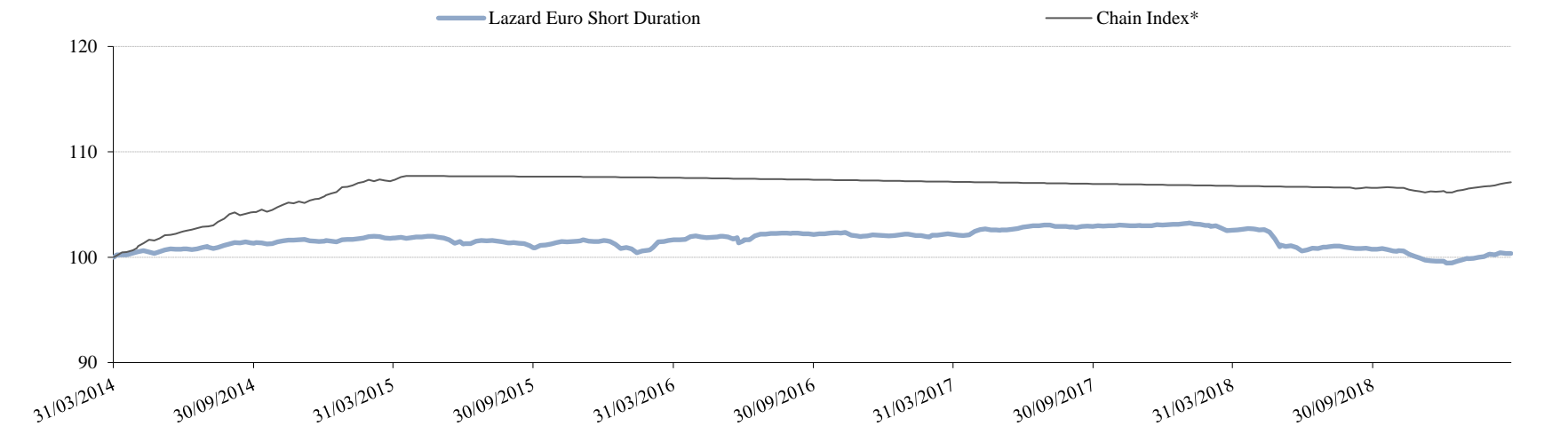
Peripheral spreads presented a mixed picture, with the Spanish and Portuguese 10-year yields widening by 9bp and 3bp, respectively, while the Italian spread remained stable over the month. S&P upgraded Portugal’s rating from BBB- to BBB.

The spread against government bonds tightened by 4bp to 102bp for senior financial credit, by 8bp to 120bp for IG corporate credit and widened by 2bp to 220bp for financial subordinated credit (Merrill Lynch indices).

Exposure to the credit risk was 93%, split 38% in non-financial debt and 55% in financial debt invested in maturities of up to 5 years (call date). At the same time, exposure to the interest rate risk was further reduced at the end of the month following the easing in interest rates observed across the curve. Modified duration stood at -0.25 at end-March compared with +0.15 at end-February.

PERFORMANCE

HISTORICAL PERFORMANCE



Past performance indications is not a guarantee of current or future performance.

PERFORMANCE

Cumulative performance*	Month	YTD	1 year	3 years	5 years
Lazard Euro Short Duration	0,09%	0,74%	-2,12%	-1,27%	0,36%
Chain Index **	0,36%	0,81%	0,33%	-0,39%	7,12%

Annualized performance*	1 an	3 ans	5 ans
Lazard Euro Short Duration	-2,12%	-0,43%	0,07%
Chain Index **	0,33%	-0,13%	1,39%

** Merrill Lynch EMU Corporate until 15/04/2015, Eonia capitalised until 30/08/2018 after ICE BofAML 1-3 year Corp.

Performances annuelles*	2018	2017	2016	2015	2014
Lazard Euro Short Duration	-3,31%	0,97%	0,45%	0,08%	3,77%
Chain Index **	-0,57%	-0,36%	-0,33%	1,74%	8,25%

Duration	-0,3
Yield to maturity	0,5
Spread vs Govt.	87

* Performances, net of fees and reinvested net coupons, given for information purposes only and based on the recommended investment horizon.

ECHELLE DE RISQUE**



**Risk scale calculated from the volatility of the UCITS over a period of 5 years (see detail on the back). Risk 1 does not mean a risk-free investment. This indicator may change over time.

RATIOS DE RISQUE

Indicateur	1 an	3 ans
Volatilité		
Lazard Euro Short Duration	1,20%	1,35%
Chain Index **	0,40%	0,36%
Tracking error	1,08%	1,30%
Ratio d'information	-2,30	-0,23
Ratio de Sharpe	-1,48	-0,05

Ratios calculated on a weekly basis over 1 year and a monthly basis over 3 years

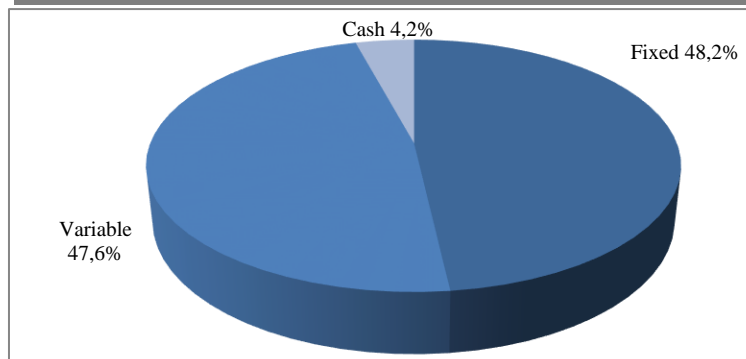
March 2019

Lazard Euro Short Duration

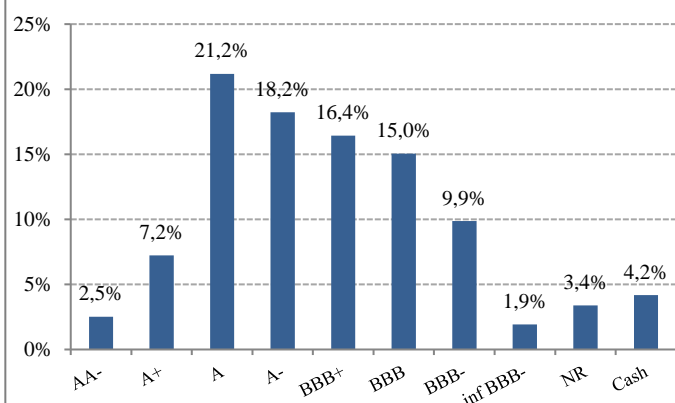
MAIN HOLDINGS

Main holdings	% Actif
UBS Bank 23/04/2021	2,49%
Cfcm Nord Europe 30/07/2019	2,49%
HSBC 27/09/2022	2,07%
Volkswagen 15/06/2021	2,06%
Deutsche Bank Ag 07/12/2020	2,05%

BREAKDOWN BY COUPON TYPE

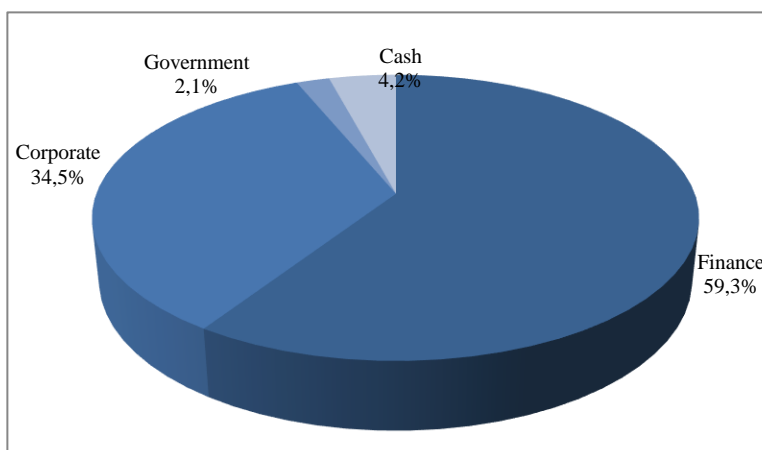


BREAKDOWN RATINGS - Issues*



* Second best rating at S&P, Moody's or Fitch

BREAKDOWN BY SECTOR / SEGMENT



FUND DETAILS

■ ISIN code unit IC	FR0000027609	■ Custodian	Caceis Bank	■ Management fees	0,40% TTC max de l'actif net
■ ISIN code unit ID	FR0000029860				
■ Bloomberg code	LAOBPRI/LAOBRPD FP	■ Management company	Lazard Frères Gestion SAS	■ Outperformance fees	20% of the outperformance in excess of each units' respective indexes.
■ Legal form	Sicav			■ Subscription fees	4% TTC maximum
■ UCITS - Compliant	Yes			■ Redemption fees	1% TTC maximum
■ AMF Classification	Euro Bonds	■ Taxation	Unit IC Capitalization - Unit ID Distribution		
■ Currency	Euro	■ Inception Date	18/12/2002	■ Subscription terms	On next NAV for orders placed before 12 am
■ Investment horizon	Minimum 1 year				Settlement and value date :
■ Valorisation	Daily				Souscription J (date VL) + 2 ouvrés
■ Modified Duration	from -2 to +5				Redemption: J + 2 business days
■ Total expense ratio and transaction fees	For more information, please check our prospectus				

** Risk scale : calculated from the historic volatility of the UCITS over a period of 5 years. If the fund is not 5 years old of history, the level of risk is calculated from the target volatility of the strategy. The management company saves itself the possibility of adjusting the level of risk calculated according to the specific risk of the fund. This risk scale supplied as a rough guide and may be modified without advance notice.

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Commercial service
01.44.13.01.79

Publication of NAVs :
www.lazardfreresgestion.fr

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For Italian investors, fund Paying Agents are Société Générale Securities Services, Via Benigno Crespi, 19, 20159 Milano, and BNP Paribas Securities Services, Piazza Lina Bo Bardi, 3, 20124 Milano.