

International convertible bonds	ISIN Code	NAV €	Net Assets (M €)	Total Net Asset (M €)
ID H-EUR share	FR0013277662	10 678,75	32,15	2196,55

MANAGEMENT



INVESTMENT POLICY

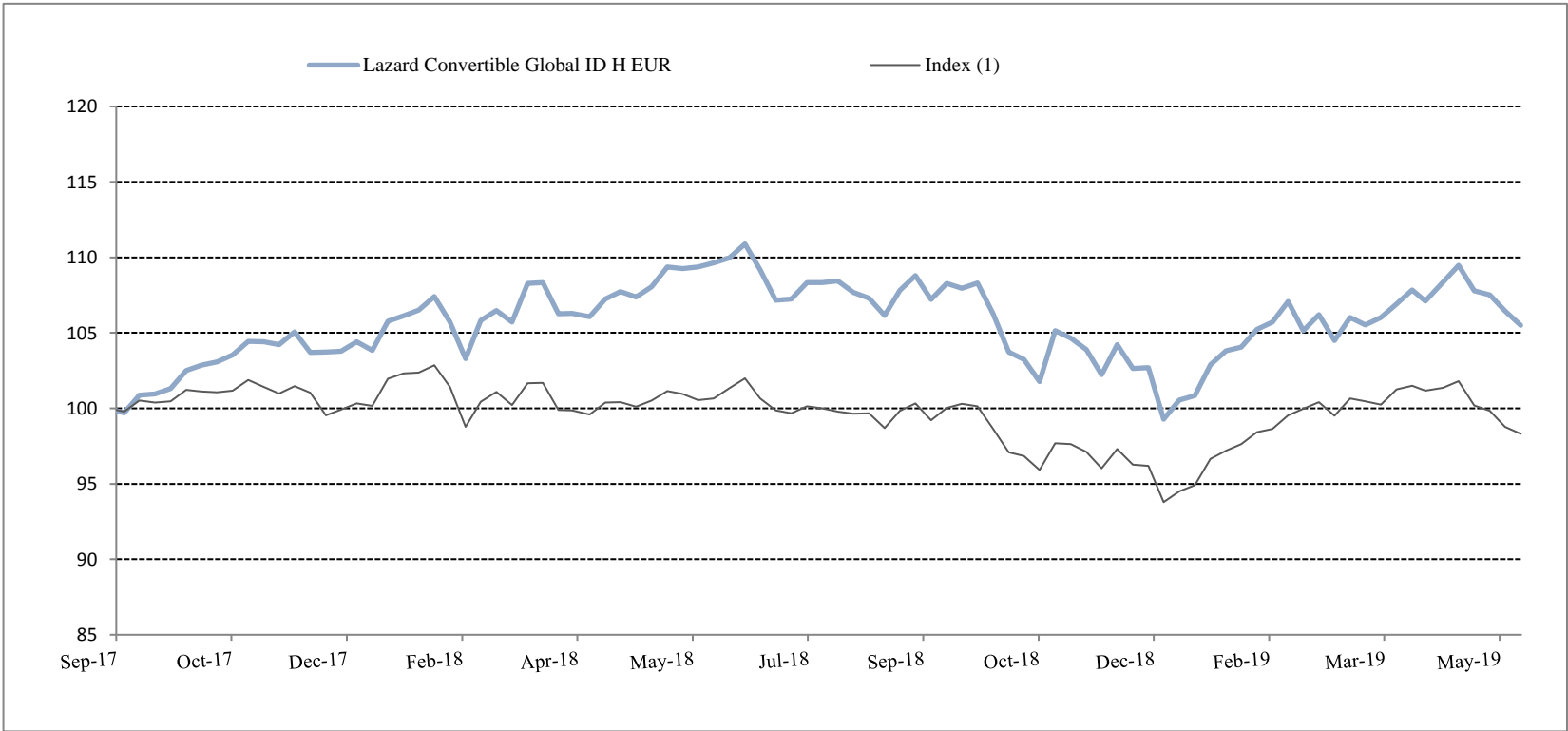
The fund’s target is to reach, over a recommended investment 5-year period, a greater return net of fees than the Thomson Reuters Global Focus Hedged (EUR) Convertible Bond Index in euros, hedged against a foreign exchange risk, the euro being the reference currency with reinvested net coupons. The stock returns may be adjusted by possible foreign exchange hedging costs.

FUND MANAGERS' COMMENT - Arnaud BRILLOIS

During the month of May 2019, Lazard Convertible Global Hedged - ID H-EUR share class returned -2.96% versus -3.20% for its benchmark (Thomson Reuters Convertible Global Focus Euro Hedged). The fund’s equity sensitivity decreased during the period, currently standing at 49.1%, the benchmark’s equity sensitivity also decreased, now standing at 38.8%. Sensitivity to interest rates slightly increased over the month and remains below the benchmark, standing at 1.24 versus 2.22. Overall, the stock selection had a strong positive impact over the month, with seven of our top ten performing holdings not found in the index. The additive stock selection was most pronounced in the US. Specifically, despite an overweight in technology, strong picks in software services and less exposure in semiconductors led to this sector being the best relative performer for the month. Picks in the US consumer, non-cyclical sector also helped on a relative basis. Our underweights to Asia also added to relative performance while our European holdings detracted, hurt by security selection in consumer, cyclicals. Our shorter duration compared to the benchmark detracted to relative performance, as 5-year EUR and USD swap rates decreased during the period. We sold Unicharm 2020, Salzgitter 2022 and switched IAC 2022 for IAC 2026. We increased our position in Ctrip 2022, ServiceNow 2022 and ETSY 2023.

PERFORMANCE

HISTORICAL PERFORMANCE



Past performance is not a guarantee of current or future performance

PERFORMANCE

Cumulative performance *	Month	YTD	1 year	3 years	Inception
Lazard Convertible Global Euro Hedged	-3,0%	6,8%	-1,3%	-	8,6%
Index ⁽¹⁾	-3,2%	3,8%	-2,0%	-	-1,2%

Annualized performance *	1 year	3 years	Inception
Lazard Convertible Global Euro Hedged	-1,3%	-	4,8%
Index ⁽¹⁾	-2,0%	-	-0,7%

Annual performance *	2018	2017	2016	2015	2014
Lazard Convertible Global Euro Hedged	-3,3%	-	-	-	-
Index ⁽¹⁾	-5,5%	-	-	-	-

Characteristics	Sicav	Index
Modified duration	1,24	2,22
Delta - Equity exposure	49,1%	38,8%

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

(1) since december 31st 2014 : Thomson Reuters Convertible Global Focus Euro Hedged (formerly ML G300 Euro Hedged)

Disclaimer : Merger/absorption into the feeder fund with a new ISIN code (09/30/2016)

RISK SCALE**



**Risk scale derived from the volatility of the fund 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.

RISK RATIOS

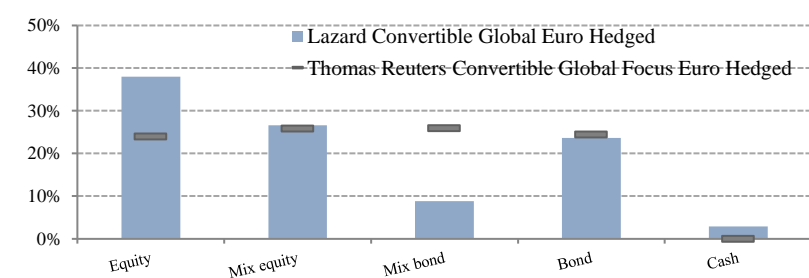
	1 year	3 years
Volatility		
Lazard Convertible Global Euro Hedged	9,1%	-
Index ⁽¹⁾	6,5%	-
Tracking error	3,6%	-
Information ratio	0,2	-
Beta	1,3	-
Alpha	1,5	-
Correlation coefficient	1,0	-

Ratios calculated on a weekly basis

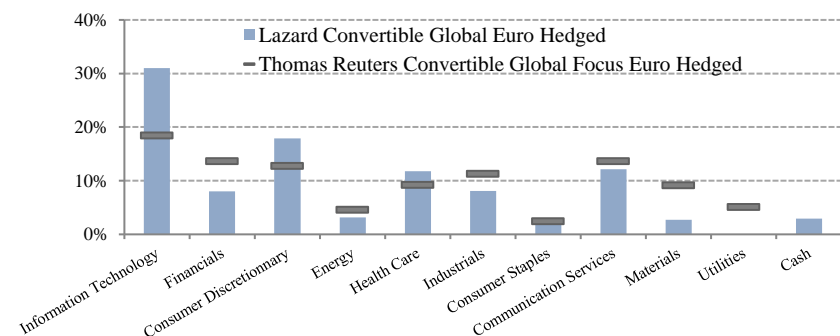
MAIN HOLDINGS

Main Holdings	Maturity	Coupon %	Weight %
ZENDESK INC	03/15/23	0,25	2,8
SERVICENOW INC	06/01/22	0	2,8
ILLUMINA INC	08/15/23	0	2,5
WORKDAY INC.	10/01/22	0,25	2,4
EXACT SCIENCES CORP	01/15/25	1	2,4

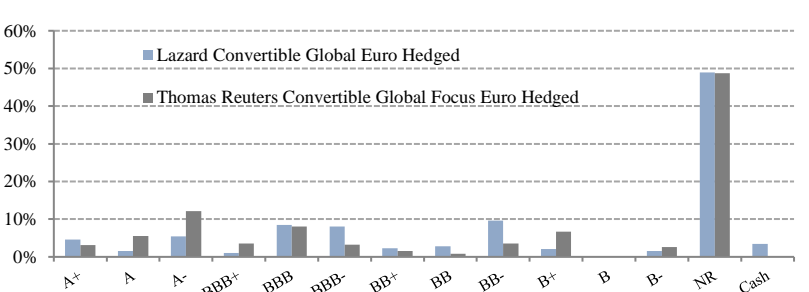
EXPOSITION BY CONVERTIBLE BONDS (Equity exposure)



SECTOR ALLOCATION (% NAV)

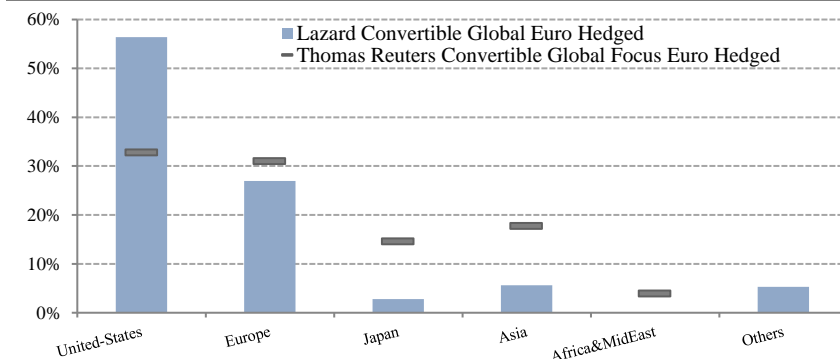


RATING ALLOCATION (% NAV)*



* Issue rating 2nd best or Issuer rating 2nd best

GEOGRAPHICAL ALLOCATION (% NAV)**



** Nationality of underlying

CHARACTERISTICS

■ ISIN Code	IC H-EUR share : FR0013185535		■ Valuation	Daily	■ Management fees	IC-H EUR share : 0,865% inclusive of all taxes of net assets
	RC H-EUR share : FR0013268356			RC-H EUR share : 1,515% inclusive of all taxes of net assets		
	T H-EUR share : FR0013311438			T-H EUR share : 0,865% inclusive of all taxes of net assets		
■ Bloomberg Code	LZCGACE	■ Custodian	Caceis Bank France	■ Subscription fee	4% max	
■ Legal Form	SICAV	■ Management company	Lazard Frères Gestion	■ Redemption fee	1% max	
			Lazard A.M	■ Total expense ratio and transaction fees		
■ AMF classification	Diversified UCITS	■ Financial Manager		For more information, please check our prospectus		
■ Currency	Euro	■ Taxation	Capitalization			
■ Investment horizon	>5 years	■ Inception Date		■ Subscription terms		
				On next NAV for orders placed before 11 a.m.		
		IC H-EUR share	03/31/2010	Settlement and value date		
		RC H-EUR share	25/07/2017	Subscription D (NAV date) + 2 business days		
		T H-EUR share	20/02/2018	Redemption D (NAV date) + 2 business days		

** 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.

Contacts :

Subscription/Redemption
Caceis Bank / LFB
01.57.78.14.14

Additional information & data :

Commercial service
01.44.13.01.79

Publication of NAVs :

www.lazardfreresgestion.fr

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Lazard Frères Gestion SAS, 25 rue de courcelles - 75008 Paris with a capital of € 14,487,500, registered at the Paris RCS under the number SIRET 352 213 599.

Portfolio Management Company approved by "the Autorité des Marchés Financiers" under number GP 04 000068."

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