LAZARD
FRÈRES GESTION

May 2019

Lazard Convertible Global RC USD

International convertible bonds		ISIN Code	NAV $	Net Assets (M $)	Total Net Asset (M €)
	RC USD Share	FR0013398922	202,95	1,38	2196,55

MANAGEMENT

INVESTMENT POLICY

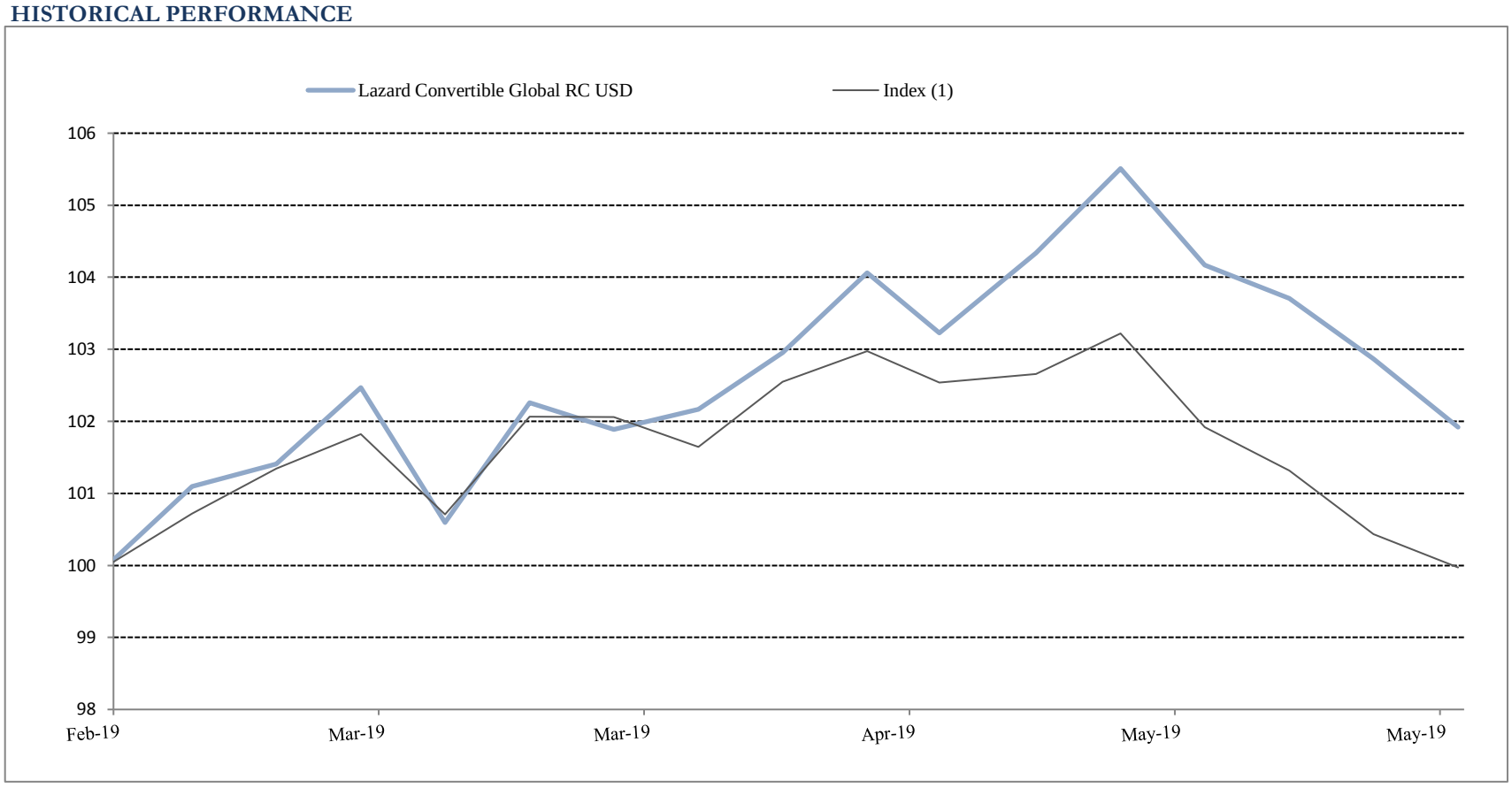
The investment objective is to achieve a return (net of charges) above the Thomson Reuters Convertible Global Focus USD index (net interest reinvested), expressed in US dollars, over the recommended investment horizon of five years.

FUND MANAGERS' COMMENT - Arnaud BRILLOIS

During the month of May 2019, Lazard Convertible Global RC USD – share class returned -2.75% versus -2.91% for its benchmark (Thomson Reuters Global Convertible Focus USD). 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. During the period, the fund remained overweight USD and EUR against all other currencies.

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 RC USD	**-2,8%**	-	-	-	**1,5%**
Index (1)	*-2,9%*	-	-	-	*-0,5%*

Annualized performance *	1 year	3 years	5 years
Lazard Convertible Global RC USD	-	-	-
Index (1)	-	-	-

Annual performance *	2018	2017	2016	2015	2014
Lazard Convertible Global RC USD	-	-	-	-	-
Index (1)	-	-	-	-	-

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) Thomson Reuters Convertible Global Focus USD

RISK SCALE**

1 2 3 4 **5** 6 7

***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 RC USD	-	-
	-	-
Tracking error	-	-
Information ratio	-	-
Beta	-	-
Alpha	-	-
Correlation coefficient	-	-

Ratios calculated on a weekly basis

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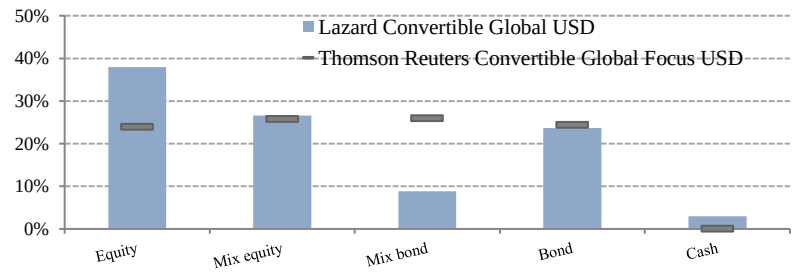
May 2019

Lazard Convertible Global USD

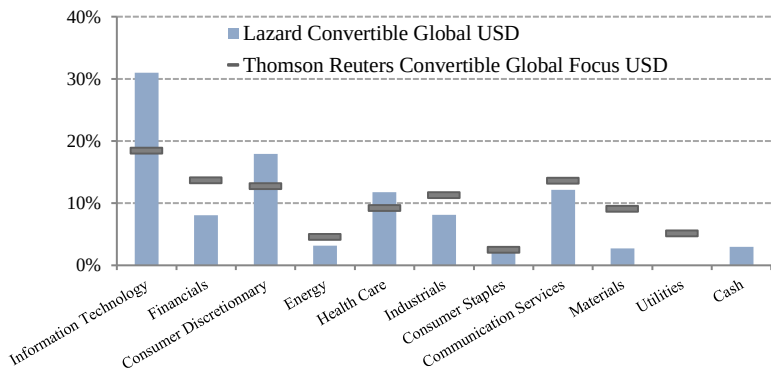
MAIN HOLDINGS

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

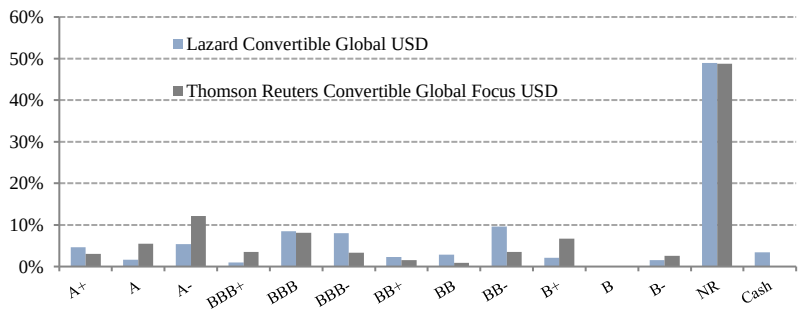
EXPOSITION BY CONVERTIBLE BONDS (Equity exposure)



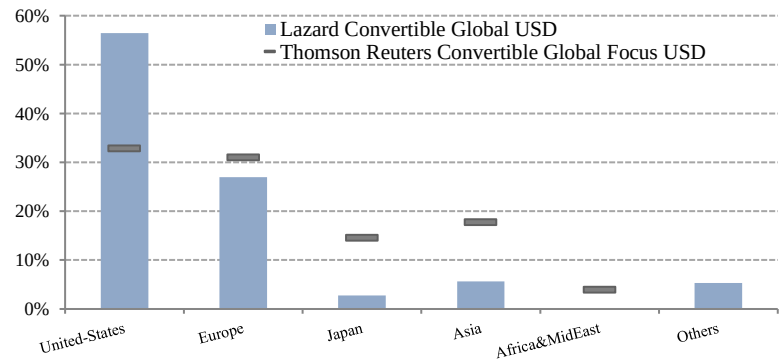
SECTOR ALLOCATION (% NAV)



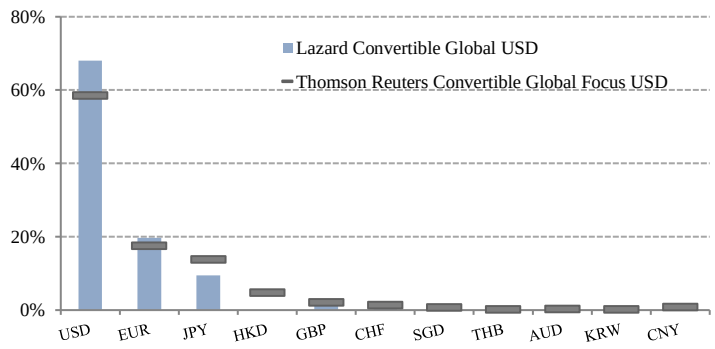
RATING ALLOCATION (% NAV)*



GEOGRAPHICAL ALLOCATION (% NAV)**



CURRENCY ALLOCATION



*** Nationality of underlying*
** Issue rating 2[na] best or Issuer rating 2nd best*

CHARACTERISTICS

ISIN Code
IC USD share : FR0013185550
RC USD share : FR0013398922
RD USD share : FR0013398930

Bloomberg Code OBJCGAU

Legal Form SICAV

AMF classification Diversified UCITS

Currency Euro

Investment horizon >5 years

Valuation Daily

Custodian Caceis Bank France

Management company Lazard Frères Gestion

Financial Manager Lazard A.M

Taxation Capitalization/Distribution

Inception Date

IC USD share	10/03/2016
RC USD share	02/07/2019
RD USD share	02/07/2019

Management fees
IC USD share : 0,815% inclusive of all taxes of net assets
RC USD share : 1,465% inclusive of all taxes of net assets
RD USD share : 1,465% inclusive of all taxes of net assets

Subscription fee 4% max

Redemption fee 1% max

Total expense ratio and transaction fees
For more information, please check our prospectus

Subscription terms
On next NAV for orders placed before 11 a.m.
Settlement and value date
Subscription D (NAV date) + 2 business days
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 rigth 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

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 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.
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