LAZARD
FRÈRES GESTION

July 2020

Lazard Convertible Global RC H USD

International convertible bonds	ISIN Code	NAV $	Net Assets (M $)	Total Net Asset (M €)
RC H USD Share	FR0013429396	230,91	11,02	3537,14

MANAGEMENT

INVESTMENT POLICY

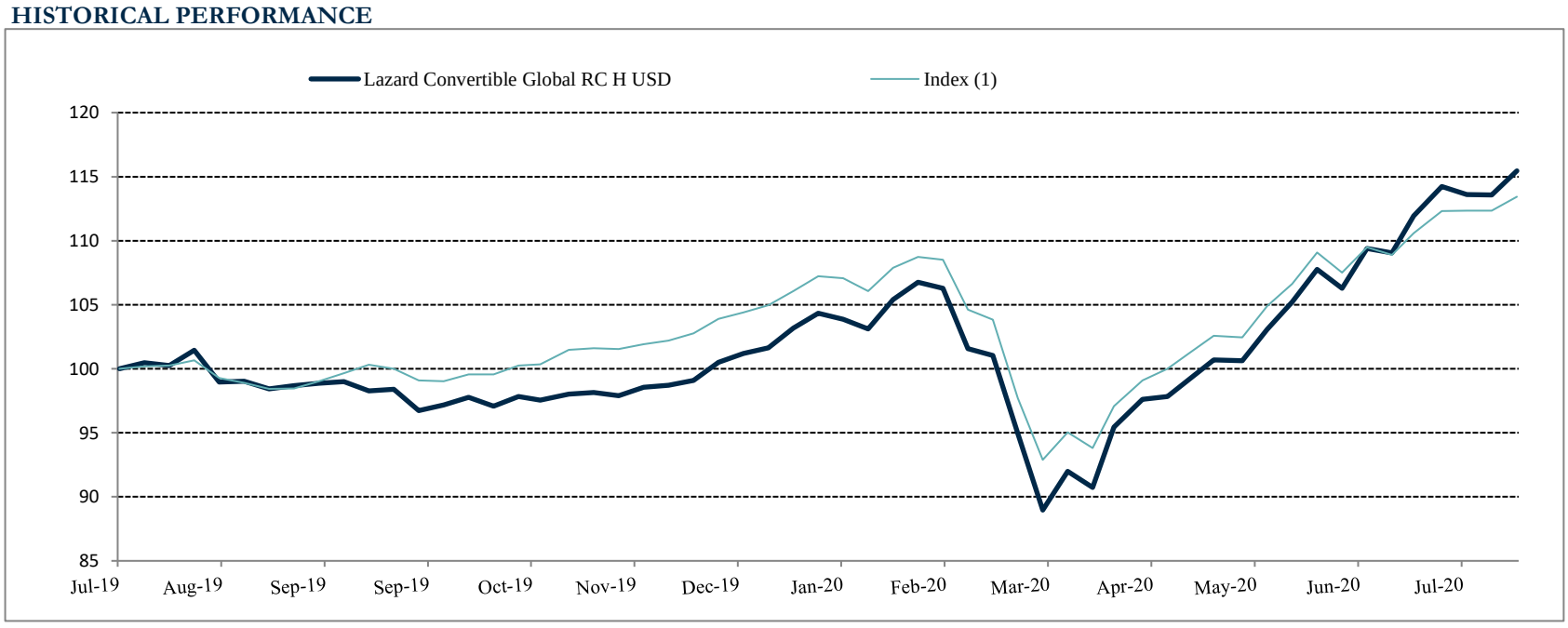
The fund's target is to reach, over a recommended investment 5-year period, a greater return net of fees than the Thomson Reuters Global Focus Hedged (USD) Convertible Bond Index in US Dollar, hedged against a foreign exchange risk, the US Dollar being the reference currency with reinvested net coupons.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

FUND MANAGERS' COMMENT - Arnaud BRILLOIS

During the month of July 2020, Lazard Convertible Global RC H USD share class returned 5,09% versus 3,52% for its benchmark (Thomson Reuters Convertible Global Focus Hedged in USD). The fund's equity sensitivity remained stable during the period, standing at 63.0% vs 57.3% for the benchmark at the end of the month. Our equity exposure overweight added to relative performance. Modified duration slightly increased over the month and remains slightly higher than the benchmark, standing at 2.22 versus 2.10. Sensitivity to interest rates had a neutral impact to relative performance. Credit spreads tightening both in the US and Europe was additive to absolute performance over the month and neutral in relative terms. Security selection explains most of the outperformance this month: out of our top ten performers, seven are out of the benchmark. Picks in the US automotive sector, global e-commerce and technology strongly added to relative performance. Chinese social media, US airlines, European consumer discretionary and Energy detracted to relative performance. Over the month, we reduced our exposure to US online retail and semiconductors and increased our exposure to Chinese sportswear, US online travelling services, internet security and investment-grade-rated energy and airlines. We added four new investments in Chinese biotechnology, US healthcare and industrials.

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 H USD	**5,1%**	**14,6%**	**15,1%**	-	**15,5%**
Index (1)	*3,5%*	*8,9%*	*12,9%*	-	*13,4%*

Annualized performance *	1 year	3 years	Inception
Lazard Convertible Global RC H USD	**15,1%**	-	
Index (1)	*12,9%*	-	

Annual performance *	2019	2018	2017	2016	2015
Lazard Convertible Global RC H USD	-	-	-	-	-
Index (1)	-	-	-	-	-

Characteristics	Sicav	Index
Modified duration	2,22	2,10
Delta - Equity exposure	63,0%	57,3%

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

(1) Thomson Reuters Convertible Global Focus Hedged in 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 H USD	14,5%	-
	11,8%	-
Tracking error	4,3%	-
Information ratio	0,3	-
Beta	1,2	-
Alpha	-1,1	-
Correlation coefficient	1,0	-

Ratios calculated on a weekly basis

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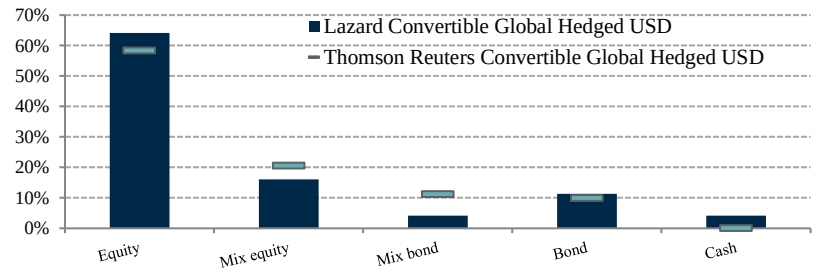
July 2020

Lazard Convertible Global RC H USD

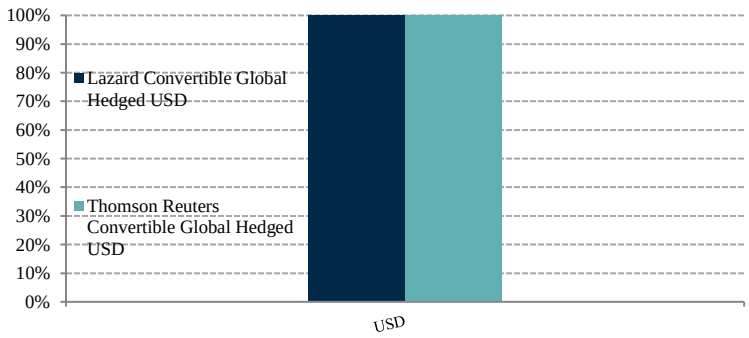
MAIN HOLDINGS

Main Holdings	Maturity	Coupon %	Weight %
PALO ALTO NETWORKS	07/01/23	0,75	3,3
SOUTHWEST AIRLINES C	05/01/25	1,25	3,1
MONGODB	01/15/26	0,25	2,3
PIONEER NATURAL RESO	05/15/25	0,25	2,2
SIKA AG	06/05/25	0,15	2,2

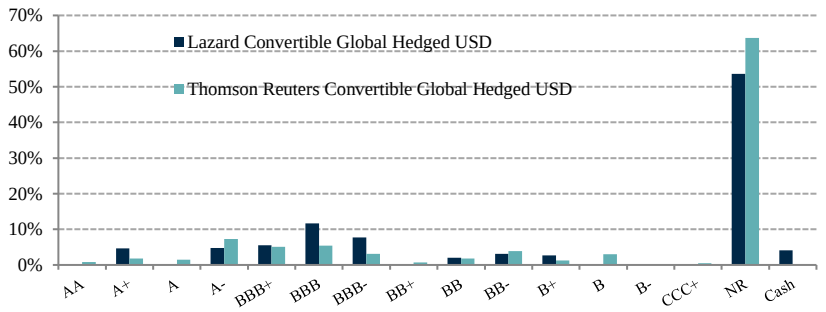
EXPOSITION BY CONVERTIBLE BONDS TYPE (Equity exposure)



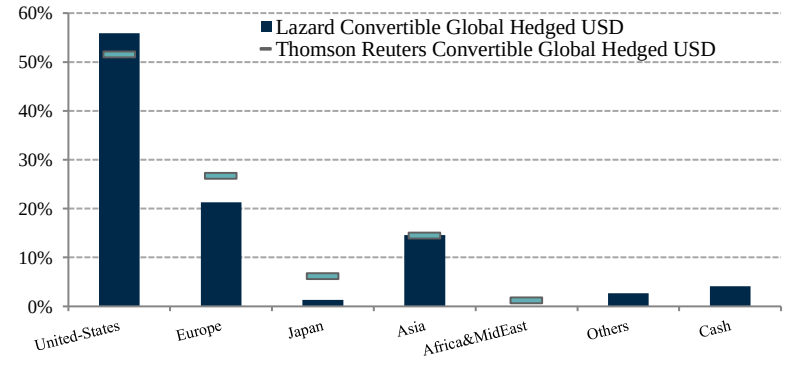
CURRENCY ALLOCATION (% NAV)



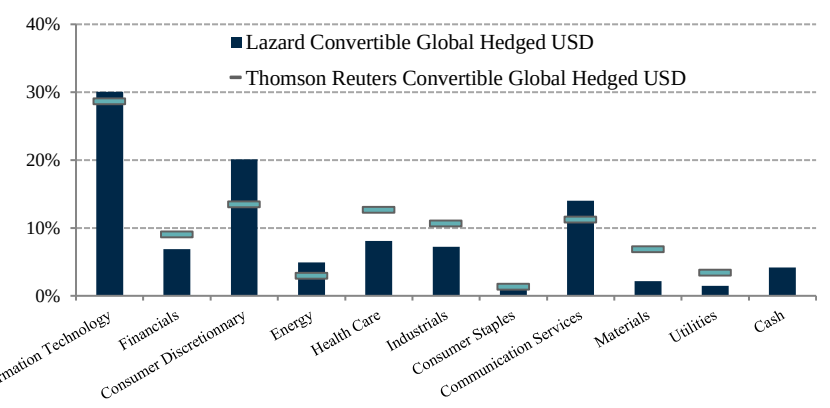
RATING ALLOCATION (% NAV)*



GEOGRAPHICAL ALLOCATION (% NAV)**



SECTOR ALLOCATION (% NAV)



*** Nationality of underlying*
** Issue rating 2nd best or Issuer rating 2nd best*

CHARACTERISTICS

- **ISIN Code**
  RC H USD share : FR0013429396
- **Bloomberg Code**
- **Legal Form** SICAV
- **AMF classification** Mixt
- **Currency** USD
- **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**
  RC H USD share 07/05/2019
- **Management fees**
  RC H USD share : 1,52% 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

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