

International convertible bonds	ISIN Code	NAV €	Net Assets (M €)	Total Net Asset (M €)
<b>A unit</b>	FR0000098683	1 080.23	342.90	
<b>R unit</b>	FR0010858498	310.59	5.98	360.09
<b>K unit</b>	FR0011575240	1 271.84	11.21	

## MANAGEMENT



Overall

★★★

## INVESTMENT POLICY

The fund seeks to outperform the Thomson Reuters Convertible Global Focus Index in euro in the mid-term. To attain this objective, the strategy will rely on an active management of interest, currency and credit risks and on our stock-picking approach.

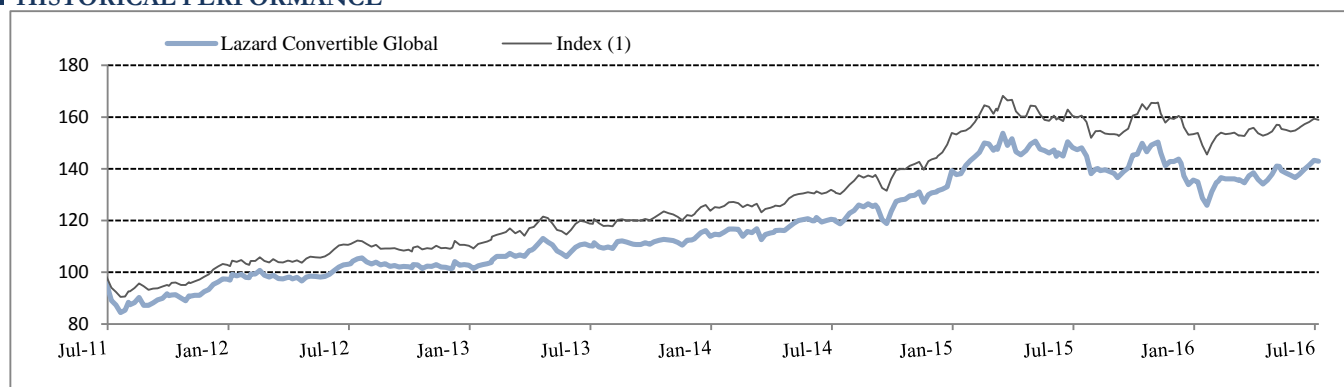
The portfolio is mainly invested in convertible bonds, exchangeable bonds, bonds with equity warrants, perpetual preferred shares, corporate and financials traded debt, sovereign debt, French law money-market and bond funds (whether or not UCITS-compliant) invested in bonds and other types of Euro-denominated debt (10% maximum), and shares resulting from a conversion of the above-defined instrument types (10% maximum).

## FUND MANAGERS' COMMENT - Arnaud BRILLOIS

During the month of July 2016, Lazard Convertible Global Fund returned +3.71% versus +1.93% for its benchmark (Thomson Reuters Global Focus Convertible in euros). The fund's equity sensitivity is higher on the month at 58.1%, while the index's increase as well to 44.0%. Duration is still shorter than the benchmark at .92 versus 2.33. Our equity overweight contributed positively to the relative performance (on the month, Stoxx600 ND in euro is up 3.73% and S&P500 ND in dollar gains +3.65%). Our shorter duration compared to the benchmark has been a neutral contributor. Stock selection contributed positively on the month, Nvidia and Adidas which are not in the benchmark performed especially well. During the month, we have kept our overweight on USD and neutral position on GBP.

## PERFORMANCE - A unit

### HISTORICAL PERFORMANCE



Past performance is not a guarantee of current or future performance

### PERFORMANCE

Cumulative performance *	Month	YTD	1 year	3 years	5 years
<b>Lazard Convertible Global</b>	<b>3.7%</b>	<b>-0.6%</b>	<b>-3.0%</b>	<b>29.8%</b>	<b>49.4%</b>
<i>Index <sup>(1)</sup></i>	<i>1.9%</i>	<i>-1.0%</i>	<i>-0.7%</i>	<i>33.8%</i>	<i>61.6%</i>

Annualized performance *	1 year	3 years	5 years
<b>Lazard Convertible Global</b>	<b>-3.0%</b>	<b>9.1%</b>	<b>8.3%</b>
<i>Index <sup>(1)</sup></i>	<i>-0.7%</i>	<i>10.2%</i>	<i>10.1%</i>

Annual performance *	2015	2014	2013	2012	2011
<b>Lazard Convertible Global</b>	<b>9.7%</b>	<b>16.0%</b>	<b>11.2%</b>	<b>8.9%</b>	<b>-4.8%</b>
<i>Index <sup>(1)</sup></i>	<i>11.2%</i>	<i>17.8%</i>	<i>11.8%</i>	<i>10.4%</i>	<i>-2.6%</i>

Characteristics	Sicav	Index
Modified duration	0.9	2.3
Delta - Equity exposure	58.1%	44.0%

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

(1) Since 31/12/2014: Thomson Reuters Convertible Global Focus EUR (formerly Merrill Lynch G300)

### RISK SCALE\*\*



\*\*Risk scale derived from the volatility of the UCITS over a period of 5 years (see detail on the back)

### RISK RATIOS

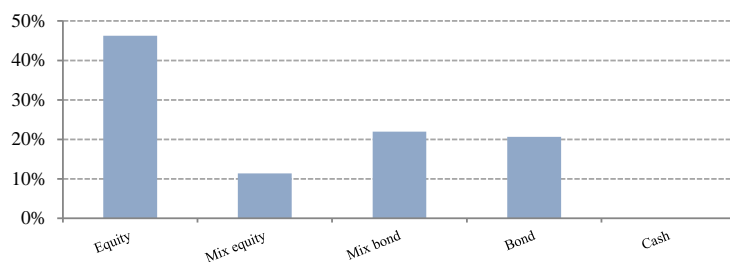
	1 year	3 years
<b>Volatility</b>		
Lazard Convertible Global	13.9%	12.0%
<i>Index <sup>(1)</sup></i>	<i>10.4%</i>	<i>9.5%</i>
<b>Tracking error</b>	4.8%	4.5%
<b>Information ratio</b>	-0.5	-0.2
<b>Beta</b>	1.3	1.2

Ratios calculated on a weekly basis

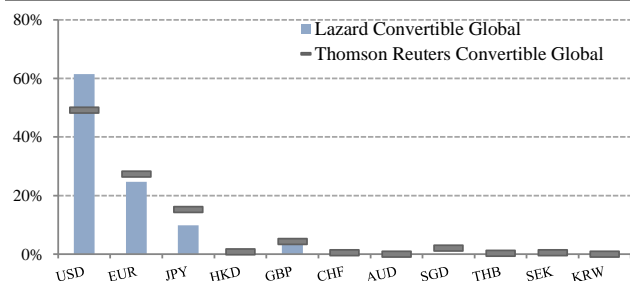
## MAIN HOLDINGS

Main holdings	Weight
NVIDIA 12-18	4.9%
ADIDAS 0.25 06/19 CV	3.4%
TELE ITA 1.13 03-22	2.8%
MICR TEC 1.63 02-25	2.7%
PRICELINE 1% 03/18	2.6%

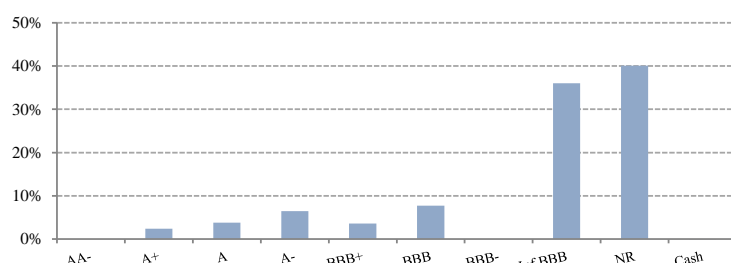
## EXPOSITION BY CONVERTIBLE BONDS (Equity exposure)



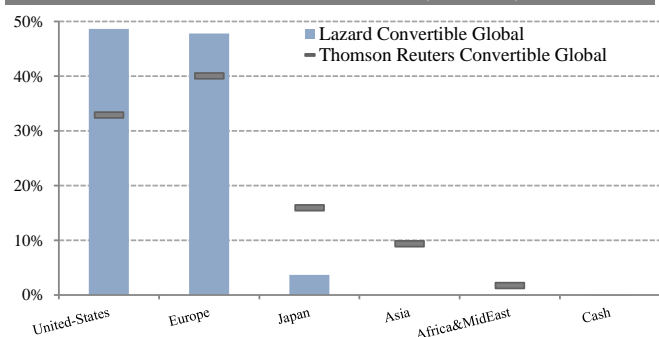
## CURRENCY ALLOCATION (% NAV)



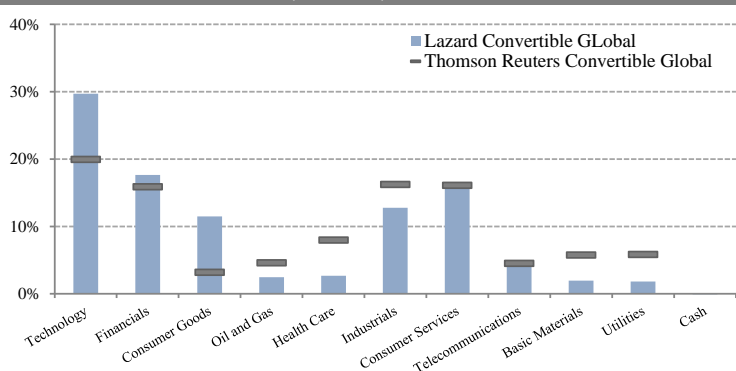
## RATING ALLOCATION (% NAV)\*



## GEOGRAPHICAL ALLOCATION (% NAV)\*\*



## SECTOR ALLOCATION (% NAV)



\* Issue rating 2<sup>nd</sup> best or Issuer rating 2<sup>nd</sup> best

\*\* Nationality of underlying

## CARACTERISTICS

■ <b>ISIN Code</b>	A unit : FR0000098683 R unit : FR0010858498 K unit : FR0011575240	■ <b>Valuation</b>	Daily	■ <b>Management fees</b>
■ <b>Bloomberg Code</b>	A unit : OBJCONV R unit : OBJCONR K unit : OBJCONK	■ <b>Custodian</b>	Caceis Bank France	A unit : 0,85% inclusive of all taxes of net assets R unit : 1,50% inclusive of all taxes of net assets K unit : 0,85% inclusive of all taxes of net assets
■ <b>Legal Form</b>	SICAV	■ <b>Management company</b>	Lazard Frères Gestion	■ <b>Subscription fee</b>
■ <b>Coordinated UCITS</b>	Yes	■ <b>Taxation</b>	Capitalization and or distribution	4% max
■ <b>AMF classification</b>	Diversified UCITS	■ <b>Inception Date</b>	A unit : 17/09/1985 R unit : 05/03/2010 K unit : 20/12/2013	■ <b>Redemption fee</b>
■ <b>Currency</b>	Euro			1% max
■ <b>Investment horizon</b>	>5 years			■ <b>Subscription terms</b>
				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) + 3 business days

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**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.

The DICI for Switzerland, the KIID, the articles of incorporation, the annual and semi-annual reports, as well as the list of the buying and selling transactions can be obtained free of charge from the representative of the Sicav in Switzerland, Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva, Switzerland, Tel. +41 22 705 11 77, Fax: +41 22 705 11 79, www.carnegie-fund-services.ch. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Île, 1204 Geneva, Switzerland.