

February 2020

Lazard Convertible Global PC EUR

International convertible bonds	ISIN Code	NAV €	Net Assets (M €)	Total Net Asset (M €)
PC EUR share	FR0000098683	1 540,01	754,72	3160,39

## 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.

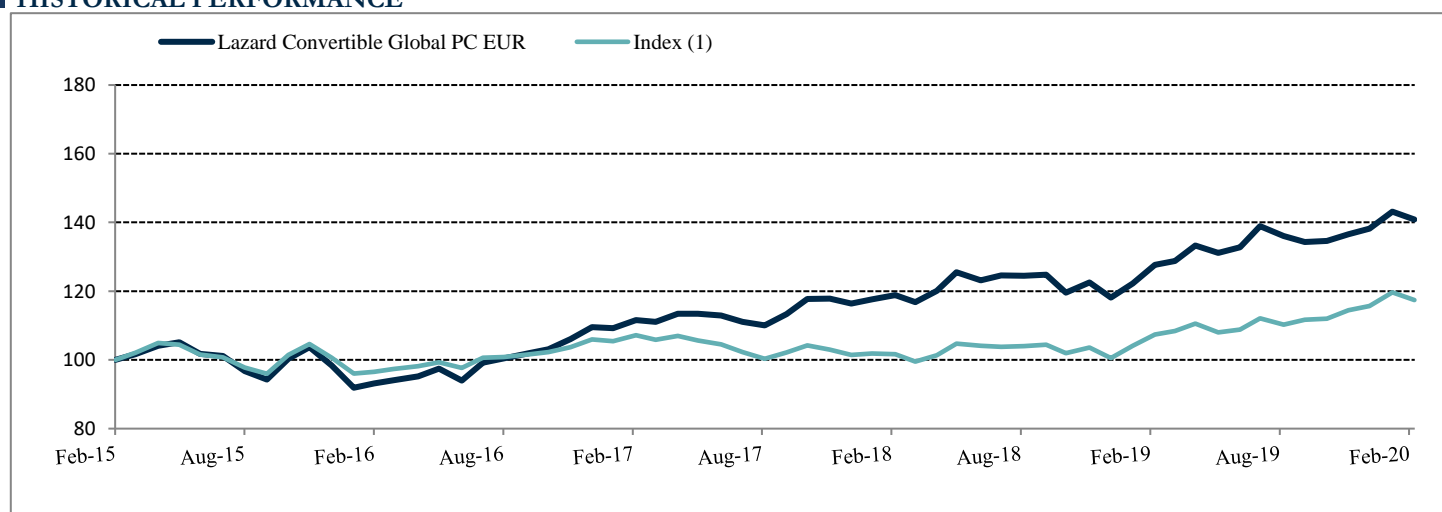
The portfolio is mainly invested in convertible bonds, exchangeable bonds, bonds with equity warrants, perpetual preferred shares, corporate and financials traded debt, sovereign debt, French law money-market and bond funds (whether or not UCITS-compliant) invested in bonds and other types of Euro-denominated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

## FUND MANAGERS' COMMENT - Arnaud BRILLOIS

During the month of February 2020, Lazard Convertible Global PC share class returned -0,71% versus -0,77% for its benchmark (Thomson Reuters Global Focus Convertible in Euros). The fund's equity sensitivity was significantly decreased during the period, and currently stands at 41.1% versus a benchmark at 38.3%. Modified duration increased over the month and remains higher than the benchmark, standing at 2.86 versus 2.46. Security selections in US auto manufacturers, pharmaceuticals, mobile payment solutions and Chinese education added to relative performance, while US semi-conductors, communications services and European industrials detracted. Our higher equity exposure compared to the index had a negative relative impact as global equity markets fell during the month with concerns about the coronavirus propagation. Our higher sensitivity to interest rates added to relative performance with lower US and European rates. Over the month, we took some profits in the US automotive sector and increase our exposure to US software, cloud and e-commerce. We increased our exposure to Chinese social media, sportswear, European energy and online food ordering services. Overall adjustments made to the portfolio since the beginning of the virus outbreak contributed at keeping an outperformance since the beginning of the year. We maintained our overweight exposure to the dollar and the Swiss franc against all other currencies over the month.

## PERFORMANCE

### HISTORICAL PERFORMANCE



Past performance is not a guarantee of current or future performance. The return may increase or decrease as a result of currency fluctuations

### PERFORMANCE

Cumulative performance *	Month	YTD	1 year	3 years	5 years
Lazard Convertible Global	-0,7%	2,7%	10,3%	26,2%	40,9%
Index <sup>(1)</sup>	-0,8%	2,0%	9,3%	9,6%	17,4%

Annualized performance *	1 year	3 years	5 years
Lazard Convertible Global	10,3%	8,1%	7,1%
Index <sup>(1)</sup>	9,3%	3,1%	3,3%

Annual performance *	2019	2018	2017	2016	2015
Lazard Convertible Global	15,7%	2,4%	7,0%	8,8%	9,7%
Index <sup>(1)</sup>	14,1%	0,0%	-3,7%	3,2%	11,2%

Characteristics	Sicav	Index
Modified duration	2,86	2,46
Delta - Equity exposure	41,1%	38,3%

\* 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 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
<b>Volatility</b>		
Lazard Convertible Global	9,2%	8,6%
Index <sup>(1)</sup>	7,4%	6,9%
<b>Tracking error</b>	3,8%	3,5%
<b>Information ratio</b>	0,3	1,5
<b>Beta</b>	1,1	1,2
<b>Alpha</b>	0,0	4,6
<b>Correlation coefficient</b>	0,9	0,9

Ratios calculated on a weekly basis

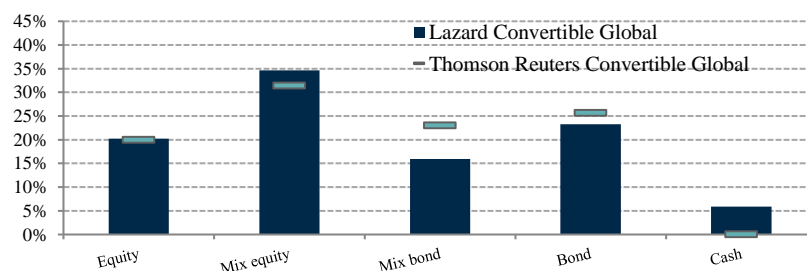
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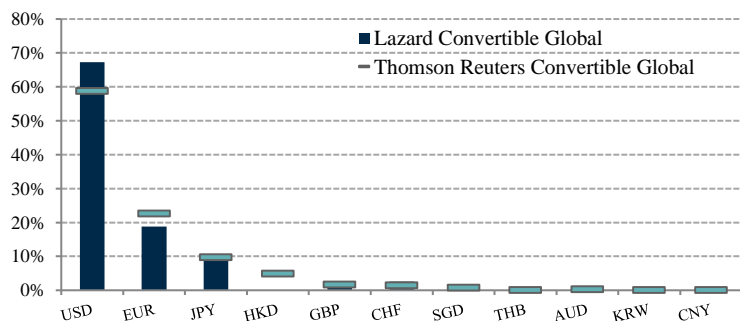
## MAIN HOLDINGS

Main Holdings	Maturity	Coupon %	Weight %
WEIBO CORP	11/15/22	1,25	2,4
SIKA AG	06/05/25	0,15	2,3
CELLNEX TELECOM S.A.	07/05/28	0,5	2,2
WELLS FARGO AND CO	12/31/99	7,5	2,2
BANK OF AMER CORP	12/31/99	7,25	2,1

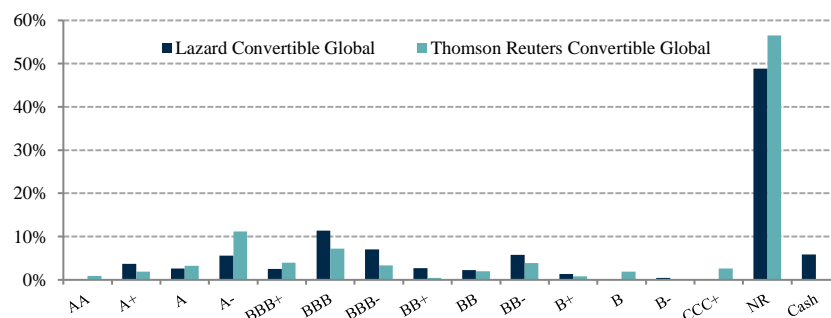
## EXPOSITION BY CONVERTIBLE BONDS TYPE (Equity exposure)



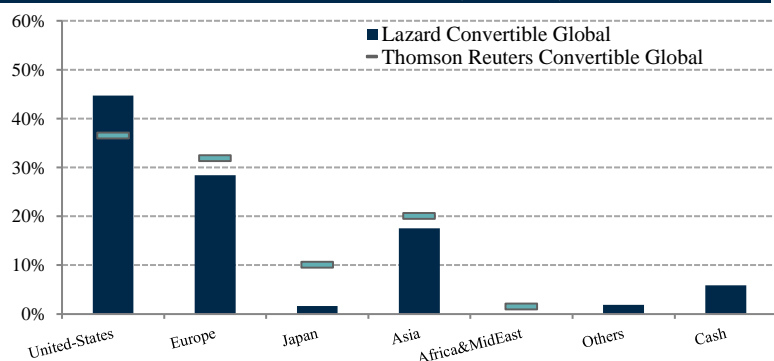
## CURRENCY ALLOCATION (% NAV)



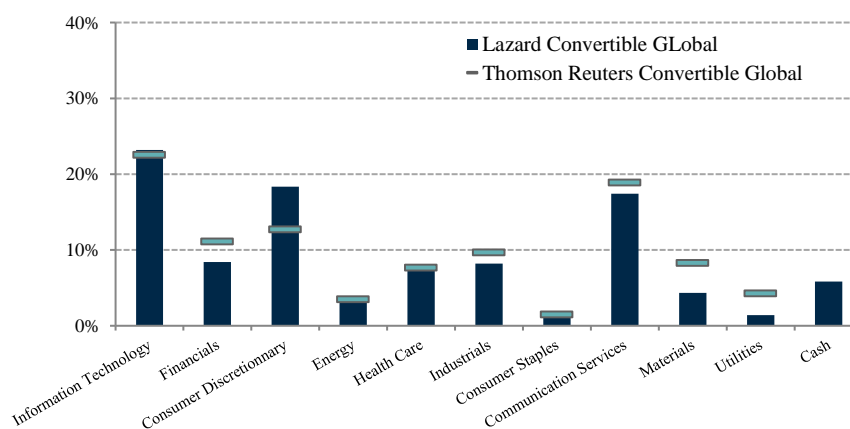
## RATING ALLOCATION (% NAV)\*



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



## SECTOR ALLOCATION (% NAV)



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

\*\* Nationality of underlying

## CHARACTERISTICS

<b>ISIN Code</b> PC EUR share : FR0000098683	<b>Valuation</b> Daily	<b>Management fees</b> PC EUR share : 0,815% inclusive of all taxes of net assets
<b>Bloomberg Code</b> OBJCONV	<b>Custodian</b> Caceis Bank France	<b>Subscription fee</b> 4% max <b>Redemption fee</b> 1% max <b>Total expense ratio and transaction fees</b> For more information, please check our prospectus
<b>Legal Form</b> SICAV <b>Type</b> UCITS <b>AMF classification</b> Mixt <b>Currency</b> Euro <b>Investment horizon</b> >5 years	<b>Management company</b> Lazard Frères Gestion <b>Financial Manager</b> Lazard A.M <b>Taxation</b> Capitalization and or distribution <b>Inception Date</b> PC EUR share : 09/17/1985	<b>Conditions</b> On next NAV for orders placed before 11 a.m. <b>Settlement and value date</b> <i>Subscription D (NAV date) + 2 business days</i> <i>Redemption D (NAV date) + 2 business days</i>

\*\* 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 :

Client servicing  
01.44.13.01.79

### NAVs Publication :

www.lazardfreresgestion.fr

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