

July 2017

Lazard Convertible Global AC Hedged - CHF

International convertible bonds	ISIN Code	NAV €	Net Assets (M €)	Total Net Asset (M €) including AC H-EUR and AC H-CHF units
	FR0013185543	11 778.58	15.02	619.13

MANAGEMENT



Overall ★★★★★

INVESTMENT POLICY

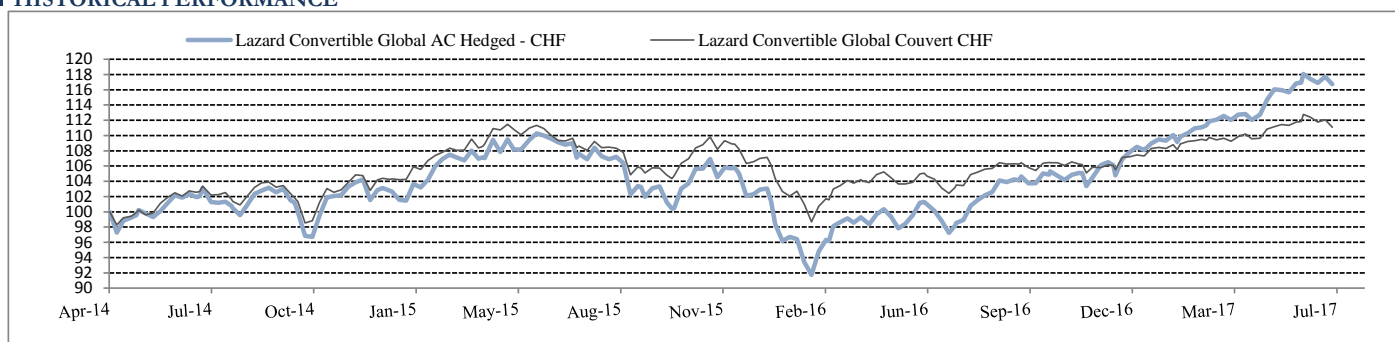
The fund's target is to reach, over a recommended investment 5-year period, a greater return net of fees than the Thomson Reuters Global Focus Hedged (EUR) Convertible Bond Index in euros, hedged against a foreign exchange risk, the euro being the reference currency with reinvested net coupons. The stock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

FUND MANAGERS' COMMENT - Arnaud BRILLOIS

During the month of July 2017, Lazard Convertible Global AC Hedged - CHF Fund returned 0.91% versus 0.60% for its benchmark (Thomas Reuters Convertible Global Focus CHF Hedged). The fund's and benchmark's equity sensitivities are higher for the month, currently standing at 57.1% and 48.5%. Modified duration shows a small increase on the month and still lower than the benchmark's, standing at 0.82 versus 1.96. Overall, our equity overweight has a positive relative performance, with diverse contribution depending on the regions (during the month, S&P500 in dollar rose by 2.18% but Stoxx600 in euro fell -0.35%). Our shorter duration compared to the benchmark has been a negative contributor. Bond selection was a positive contributor this month; in particular, the convertible bond Adidas 2019 rose by 15%. We reinforced our position mainly on in Cypress 2022, TechnipFMC 2021 and Salesforce 2018.

PERFORMANCE

HISTORICAL PERFORMANCE



Past performance is not a guarantee of current or future performance

PERFORMANCE

Cumulative performance *	Month	YTD	1 year	3 years
Lazard Convertible Global Euro Hedged	0.9%	9.0%	15.3%	16.9%
Index ⁽¹⁾	0.6%	4.1%	5.8%	10.0%

RISK SCALE**



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

Annualized performance *	1 year	3 years
Lazard Convertible Global Euro Hedged	15.3%	3.0%
Index ⁽¹⁾	5.8%	1.8%

Annual performance *	2015	2016
Lazard Convertible Global Euro Hedged	0.3%	4.9%
Index ⁽¹⁾	2.8%	0.2%

Characteristics	Sicav	Index
Modified duration	0.82	1.96
Delta - Equity exposure	57.1%	48.5%

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

(1) Thomas Reuters Convertible Global Focus CHF Hedged

RISK RATIOS

	1 year	3 years
Volatility		
Lazard Convertible Global Euro Hedged	5.6%	4.8%
Index	3.7%	3.5%
Tracking error	3.0%	2.5%
Information ratio	2.8	0.8
Beta	1.3	1.2

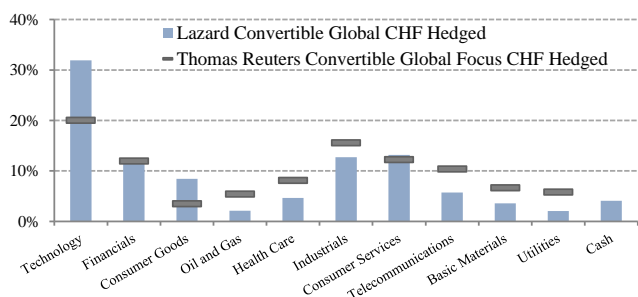
Ratios calculated on a weekly basis

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

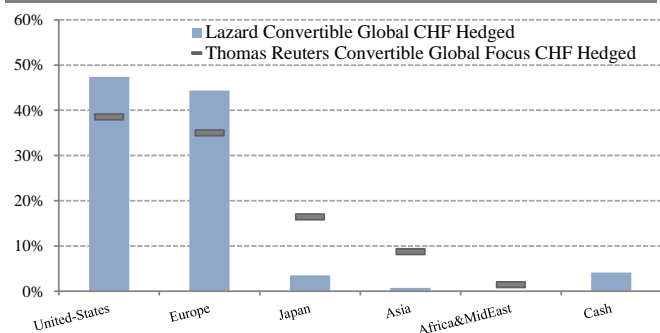
MAIN HOLDINGS

Main holdings	Weight
ADIDAS 0.25 06/19 CV	2.6%
TTWO 1 07/01/18	2.2%
UBISOFT ZCP 09-21	2.2%
TELE ITA 1.13 03-22	2.1%
PRICELINE 1% 03/18	2.1%

SECTOR ALLOCATION (% NAV)



GEOGRAPHICAL ALLOCATION (% NAV)**



** Nationality of underlying

CARACTERISTICS

■ ISIN Code	FR0013185543	■ Valuation	Daily	■ Management fees	0,85% inclusive of all taxes of net assets
■ Bloomberg Code	LZCGACC	■ Custodian	Caceis Bank France	■ Subscription fee	4% max
■ Legal Form	SICAV	■ Management company	Lazard Frères Gestion	■ Redemption fee	1% max
■ AMF classification	Diversified UCITS	■ Taxation	Capitalization	■ Total expense ratio and transaction fees	For more information, please check our prospectus
■ Currency	Euro	■ Subscription terms			
■ Investment horizon	>5 years	■ Inception date	04/04/2014		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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Subscription/Redemption
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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.