

February 2020

Lazard Convertible Global RC EUR

International convertible bonds	ISIN Code	NAV €	Net Assets (M €)	Total Net Asset (M €)
RC EUR share	FR0010858498	432,58	343,34	3160,39

## MANAGEMENT

MORNINGSTAR 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.

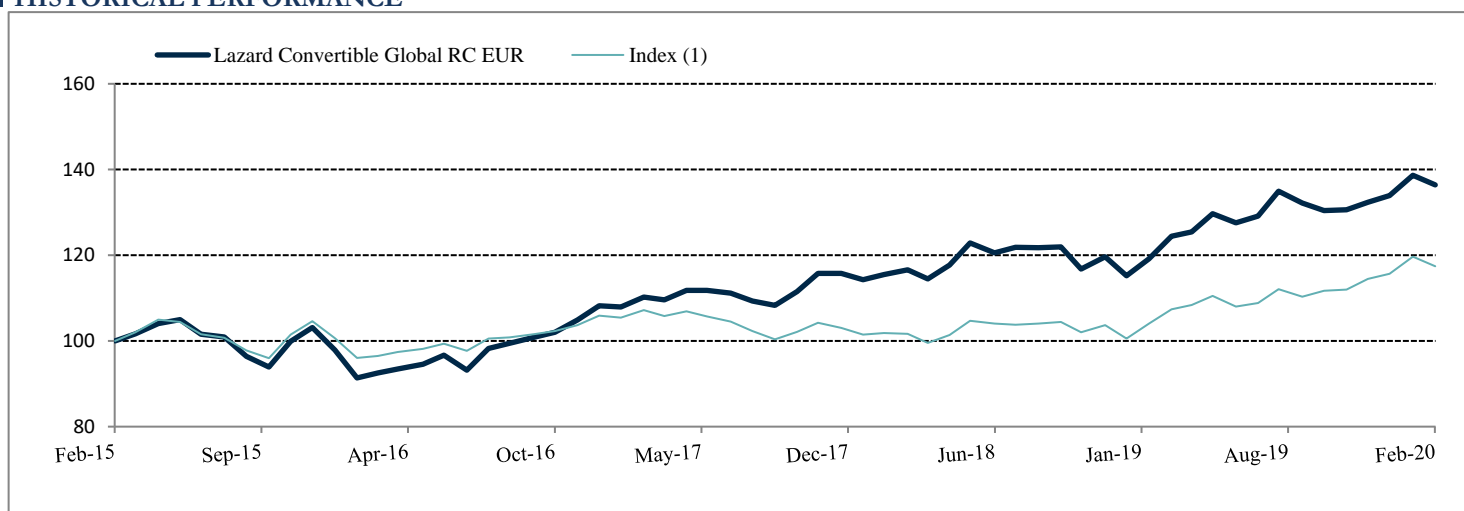
### FUND MANAGERS' COMMENT - Arnaud BRILLOIS

During the month of February 2020, Lazard Convertible Global RC EUR share class returned -0,76% 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	-0,8%	2,6%	9,6%	23,8%	36,4%
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	9,6%	7,4%	6,4%
Index <sup>(1)</sup>	9,3%	3,1%	3,3%

Annual performance *	2019	2018	2017	2016	2015
Lazard Convertible Global	14,9%	1,8%	6,3%	8,1%	9,0%
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>	0,2	1,3
<b>Beta</b>	1,1	1,2
<b>Alpha</b>	-0,6	3,9
<b>Correlation coefficient</b>	0,9	0,9

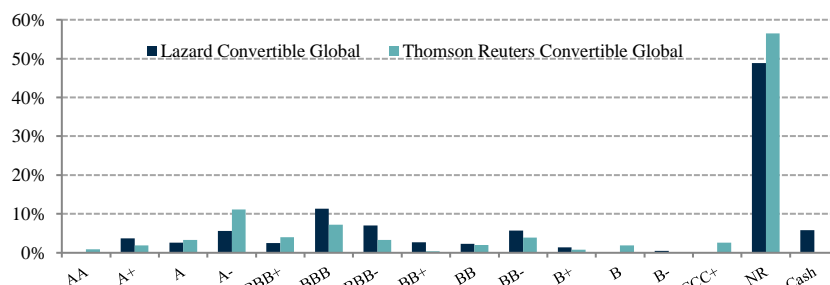
Ratios calculated on a weekly basis

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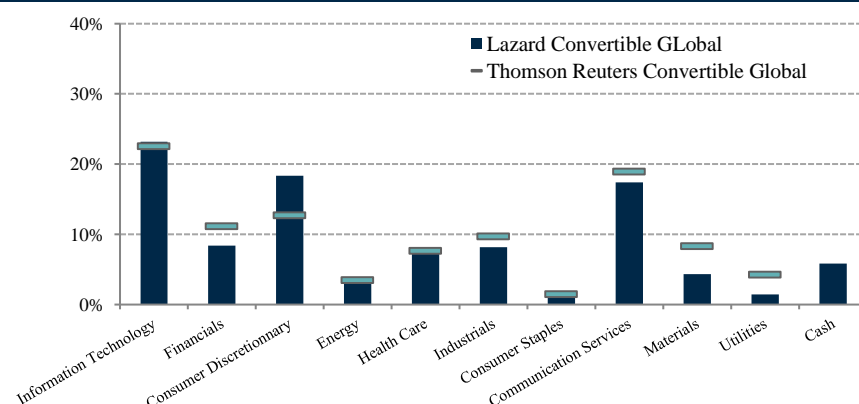
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**EXPOSITION BY CONVERTIBLE BONDS TYPE (Equity exposure)**

Asset Class	Lazard Convertible Global (%)	Thomson Reuters Convertible Global (%)
Equity	20%	20%
Mix equity	35%	32%
Mix bond	16%	23%
Bond	23%	26%
Cash	6%	1%

**RATING ALLOCATION (% NAV)\***

## SECTOR ALLOCATION (% NAV)



\*\* Nationality of underlying

■ <b>ISIN Code</b>	RC EUR share : FR0010858498	■ <b>Valuation</b>	Daily	■ <b>Management fees</b>	RC EUR share : 1,465% inclusive of all taxes of net assets
■ <b>Bloomberg Code</b>	OBJCONR	■ <b>Custodian</b>	Caceis Bank France	■ <b>Subscription fee</b>	4% max
■ <b>Legal Form</b>	SICAV	■ <b>Management company</b>	Lazard Frères Gestion	■ <b>Redemption fee</b>	1% max
■ <b>Type</b>	UCITS	■ <b>Financial Manager</b>	Lazard A.M	■ <b>Total expense ratio and transaction fees</b>	For more information, please check our prospectus
■ <b>AMF classification</b>	Mixt	■ <b>Taxation</b>	Capitalization and or distribution	■ <b>Conditions</b>	On next NAV for orders placed before 11 a.m.
■ <b>Currency</b>	Euro	■ <b>Inception Date</b>	RC EUR share : 03/05/2010		Settlement and value date
■ <b>Investment horizon</b>	>5 years				

**NAVs Publication :**

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