

Euro Bonds	Share Class	Code ISIN	NAV €	Net assets (Million €)	Total net assets (€ Million)
	PC EUR unit	FR0010505313	1614,26	86,91	
	PD EUR unit	FR0010597138	932,57	11,23	98,13

## MANAGEMENT

### INVESTMENT POLICY

The fund's investment objective aims to outperform, on a minimum investment horizon of 3 years, the Merrill Lynch HEAG index.

### FUND MANAGER'S COMMENT - Alexia LATORRE

The asset class picked up in April (+6,26%) thanks to a spread tightening of 130bp over the month. The 12bp decline in the German 5-year yield also made a positive contribution. The change in tone in the markets resulted from renewed demand for risky asset classes due to attractive valuations. Massive liquidity injections by central banks also reassured investors, as did the prospect of an exit from lockdown. Furthermore, the Fed will include "fallen angels" as well as some ETFs, including High Yield issuers, in its asset purchase programme. For the time being, the ECB has only added fallen angels to its list of authorised collaterals. Lastly, the sharp fall in the oil market (-62% for Brent) had little impact on the segment, as there is only a small proportion of credit sensitive to oil in the European segment. Some issuers took advantage of this lull to return to the primary market. Verisure, Netflix and Merlin staged the first issues since February, for a total of €1,1bn.

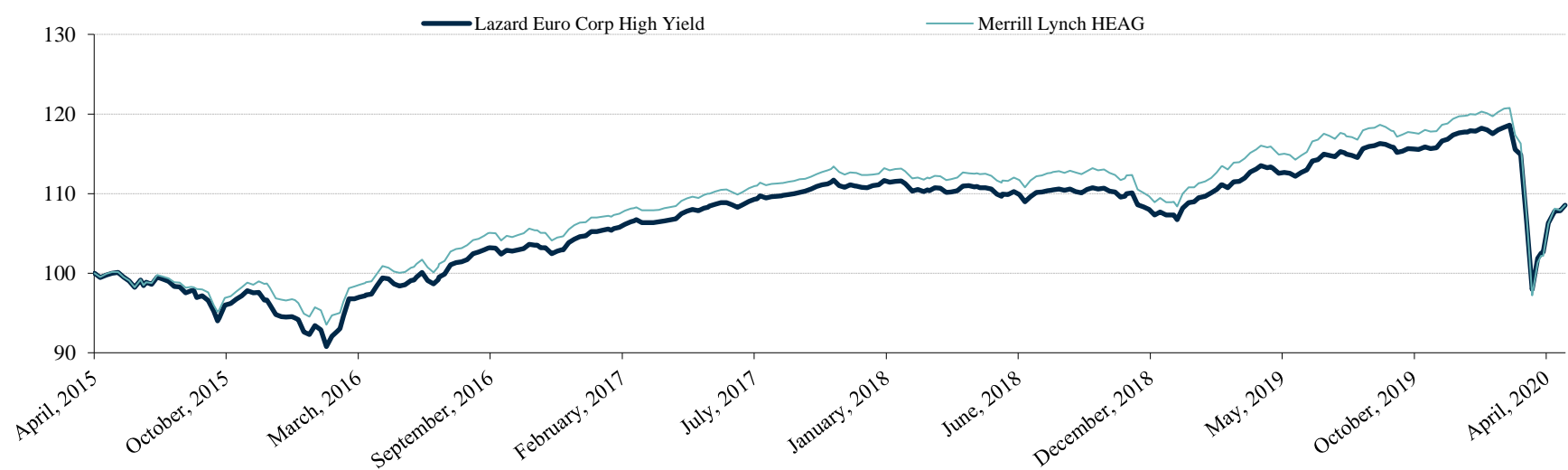
Under these conditions, B-rated issuers outperformed those rated BB. All sectors were in the black, with a marked recovery in leisure (Cirsa, Edreams, International Gaming), retail (Douglas, Hema, Afflelou) and transport (WFS, Autostrade).

The portfolio returned +5,84%, thereby underperforming the HEAG and HEAE indices by 38bp and 42bp, respectively.

Among the best performances, we note Douglas and CBR Fashion, which benefited from the reopening of stores in Germany. Loxam was up as a result of the increase in its liquidity, thanks in particular to a €230m State-guaranteed loan. Finally, Burger King gave reassuring news on its cash consumption during the lockdown. Conversely, issuers exposed to travel, such as Carlson and Avis, were hard hit. Carlson has hired an advisor to examine the various strategic options for the company's future. Avis is affected by the risk of its competitor Hertz filing for chapter 11 in a sector that has been particularly hard hit. Lastly, Vallourec was hurt by the record-low oil prices.

## PERFORMANCE - PC Unit

### HISTORICAL PERFORMANCE



Past performance indications is not a guarantee of current or future performance. The return may increase or decrease as a result of currency fluctuations  
The tax treatment depends on the individual circumstances of each investor and may be subject to change in the future

### PERFORMANCE

Cumulative Performance*	Mois	YTD	1 an	3 ans	5 ans	Création
Lazard Euro Corp High Yield	5,8%	-7,8%	-4,3%	1,0%	8,5%	61,4%
Merrill Lynch HEAG**	6,2%	-9,4%	-6,4%	-0,5%	8,5%	69,1%

\*\* Eonia until september 30th 2010, then Merrill Lynch HEAG

Création: 09/21/2007

Annualized performance*	1 an	3 ans	5 ans	Création
Lazard Euro Corp High Yield	-4,3%	0,3%	1,6%	3,9%
Merrill Lynch HEAG	-6,4%	-0,2%	1,7%	4,3%

Annual Performance*	2019	2018	2017	2016	2015
Lazard Euro Corp High Yield	9,8%	-3,4%	6,1%	10,7%	-1,5%
Merrill Lynch HEAG	-3,1%	-3,1%	5,7%	10,0%	0,2%

YTM	5,0%	YTW	5,0%	Spread vs Govt.	565
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### SCALE RISK



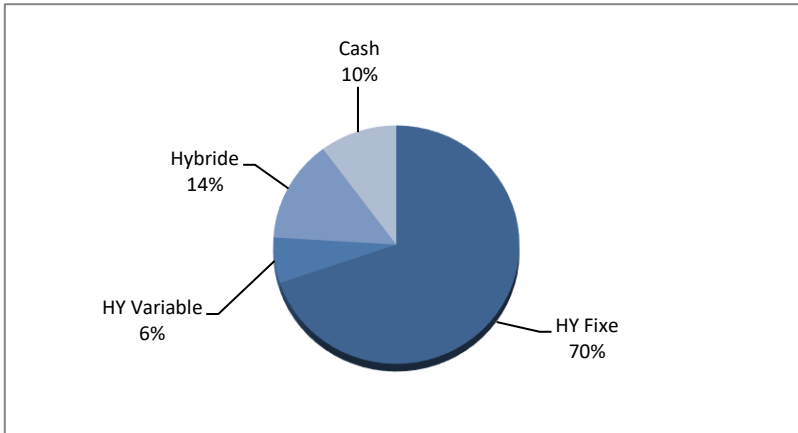
Risk scale calculated from the volatility of the UCITS over a period of 5 years (see detail on the back). Risk 1 does not mean a risk-free investment. This indicator may change over time.

### RISK RATIOS

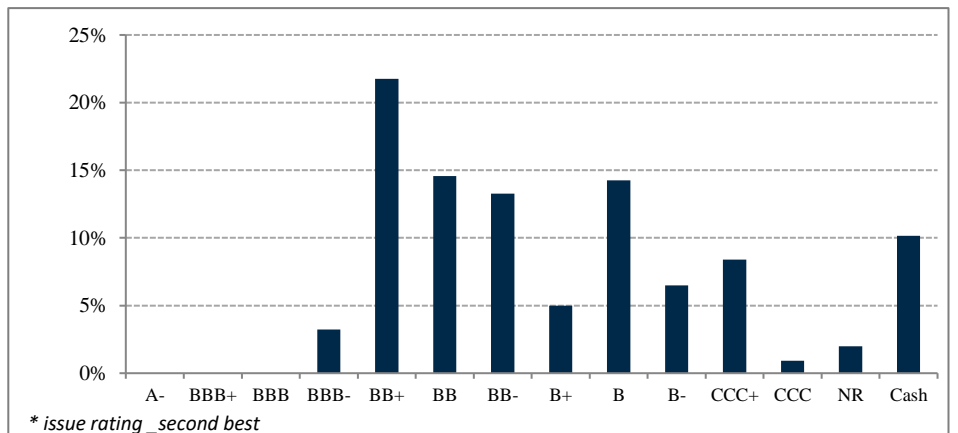
	1 year	3 years
<b>Volatility</b>		
Lazard Euro Corp High Yield	13,2%	7,9%
Merrill Lynch HEAG	14,8%	8,8%
<b>Tracking error</b>	1,8%	1,1%
<b>Information Ratio</b>	1,2	0,4
<b>Modified Duration</b>	3,5	

Ratios calculated on a weekly basis

## SECTOR ALLOCATION



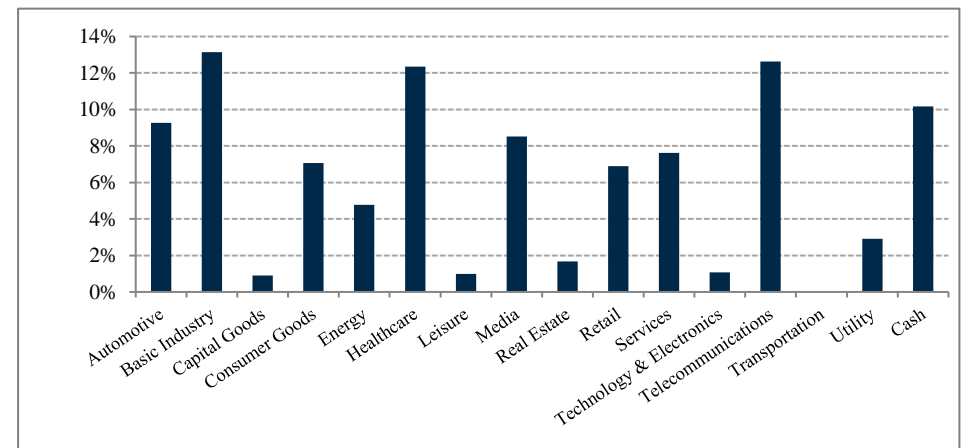
## RATING ALLOCATION\*



## MAIN HOLDINGS

Main Holdings	Weight
IMS HEA 3,25 03-25	1,8%
TELE EU 2,625 PERP	1,4%
AVAN IN 4,75 10-24	1,4%
VIRG MED 4,5 01-25	1,4%
VODA GR 3,1 01-79	1,3%

## SECTOR ALLOCATION



## FUND DETAILS

■ <b>ISIN Code</b>	PC Unit: FR0010505313 PD Unit : FR0010597138	■ <b>Valuation</b>	Daily	■ <b>Management fees</b>	Maximum 0,75% inclusive of taxes
■ <b>Bloomberg Code</b>	PC Unit : LFOBAHR FP	■ <b>Custodian</b>	Lazard Frères Banque	■ <b>Total expense ratio &amp; transaction fees</b>	For more information, please check our prospectus on <a href="http://www.lazardfreresgestion.fr">www.lazardfreresgestion.fr</a>
■ <b>Legal Form</b>	FCP	■ <b>Management company</b>	Lazard Frères Gestion	■ <b>Subscription fees</b>	maximum of 4% inclusive of taxes
■ <b>UCITS Compliant</b>	Yes	■ <b>Fund Administration</b>	CACEIS FA	■ <b>Redemption fees</b>	maximum of 4% inclusive of taxes
■ <b>Classification AMF</b>	Obligations et Titres de créances Euro	■ <b>Taxation</b>	Capitalization PD Unit : Distribution	■ <b>Subscription Terms :</b>	Each Friday by 12 am <i>Settlement and Value Date</i> <i>D + 2 Business days</i>
■ <b>Currency</b>	Euro	■ <b>Creation date</b>	21/09/2007	■ <b>Performance fees :</b>	15% of the outperformance in excess of the Merrill Lynch HEAG Index, limited to 2%.
■ <b>Investment horizon</b>	> 3 years				
■ <b>Modified Duration</b>	0 to 8				

\*\* Risk scale : calculated from the historic volatility of the UCITS over a period of 5 years, If the fund is not 5 years old of history, the level of risk is calculated from the target volatility of the strategy. The management company saves itself the possibility of adjusting the level of risk calculated according to the specific risk of the fund. This risk scale supplied as a rough guide and may be modified without advance notice.

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**Publication of NAVs :**  
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