LAZARD PATRIMOINE SRI

LAZARD FRÈRES GESTION

March 2021 Lazard Patrimoine - PC share

Total Net Asset (M €)	614.1	Inception date	31/12/2014
NAV € RC share	1283.1	ISIN code	FR0012355113
		Code Bloomberg	LAZPATI FP Equity

MORNINGSTAR ★★★★★ Sustainability Rating

Country of registration

MANAGERS

Matthieu Grouès, Colin Faivre et Julien-Pierre Nouen

INVESTMENT POLICY

The fund's investment objective is to achieve, over the recommended investment period of 3 years, a return net of management fees above the following composite index : 20% MSCI World All Countries NR € + 80% ICEBofAML Euro Broad Market Index NR €. The index is rebalanced monthly and its components are expressed in euros, dividends or net coupons reinvested.

MANAGERS' COMMENT - ASSET ALLOCATION

Equities in developed countries performed very well in March, helped by the adoption of a massive stimulus plan in the United States, the improvement in the manufacturing sector and the accommodating stance of the Fed and the ECB. The sector rotation in favour of cyclical stocks continued, against a backdrop of a continued rise in US long-term interest rates. The German 10-year bond yield was virtually stable. Dividends reinvested, the Euro Stoxx rose by +6,6%, the Topix by +5,7% in yen and the S&P 500 by +4,4% in dollars, while the MSCI Emerging Markets index lost 1,5% in dollars. The ICE BofA Eurozone Government Bond Index was up +0,2%. The iBoxx euro credit indices rose by 0,2% for investment grade, 0,4% for high yield and 0,7% for financial subordinated bonds. The euro depreciated by -2,9% against the dollar but appreciated by +0,9% against the yen.

The fund benefited from its overweight position in equities and its investments in credit. It also benefited from its negative sensitivity to the US 30-year Treasury yield, which rose 26 basis points. It was hurt by the partial dollar hedge.

We extended the partial hedging of our positions in High Yield and subordinated financial bonds by purchasing protection for 3,9% of assets (iTraxx Xover at 258).

Lazard Frères Gestion informs you that the management company has updated the provisions relating to the inclusion of environmental, social and governance (ESG) criteria in the KIIDs and prospectuses of its Funds in accordance with EU Regulation 2019/2088 on the publication of sustainability information in the financial services sector and with AMF Position-Recommendation 2020-03 on collective investments incorporating extra-financial approaches.
For further details, please consult the relevant Fund fact sheet on our website http://www.lazardfreresgestion.fr/FR/Fonds_71.html or contact your sales agent.

BOND MANAGERS' COMMENT

Long-term interest rates diverged on either side of the Atlantic in March, with the yield spread between the T-Note and the 10-year Bund now standing at 2,0%, up 37bp over the month. This development reflects growth and inflation prospects as well as the clearly stronger vaccination momentum in the United States. The health situation is continuing to deteriorate in continental Europe, forcing governments to introduce or tighten restrictive measures and the ECB to strengthen its support for the economy, with the announcement of a significant increase in its asset purchases in the coming quarter. This news contributed to the continued tightening of spreads between Eurozone countries, with the German Bund and the Italian 10Y BTP falling by 3bp and 9bp respectively in March to -0,29% and +0,67%.
Credit presented a mixed picture over the month: the credit margin against government bonds widened slightly by 1bp for senior corporate credit to 83bp and by 2bp for senior financial credit to 79bp, while it tightened by 6bp for subordinated financials to 141bp and by 13bp for IG corporate hybrids to 194bp (ICE BofAML indices). Spreads tightening occurred mainly in the second week of the month following the ECB meeting announcing an acceleration of its asset purchase programme. All sectors were in the green, especially automotive, leisure and energy, while defensive sectors (consumer goods, utilities, healthcare) performed less well.
For financial issuers, the end of the month was marked by the setbacks of the Archegos fund and the losses incurred by its prime brokers, particularly Credit Suisse which came in for a battering after issuing a statement indicating "a significant impact in Q1". CS finally reported an impact of CHF4.4bn, but this should result in a pre-tax loss of CHF900m thanks to stellar Q1 revenues. The CS share fell by 19% in the last week of the month and the AT1 by between 2% and 5%. Unsurprisingly, S&P, Fitch and Moody's placed the bank's rating on negative outlook.

The bond portfolio's structure changed marginally against a backdrop of virtually unchanged benchmark rates and tightening credit spreads. Corporate issuers now represent 80% of the bond portfolio.

MANAGEMENT COMMENTARY - ISR INTERNATIONAL EQUITIES POCKET

The international SRI equity compartment turned in a performance of 7,9% compared with a rise of 6,7% for the MSCI World index.
The stock-picking effect was very positive in the technology sector. In this sector, ASML Holding continued to perform well (+30% since the beginning of the year). The good performances of Motorola Solutions Inc (+11,1%) and Texas Instruments Inc (+13,3%) also contributed positively.
Similarly, consumer discretionary stocks made positive contributions, notably BMW (+23,7%), Home Depot (+22,8%) and LVMH (+8,2%).
Conversely, the lack of exposure to the utilities sector weighed on performance, as did our exposure to consumer non-durables with Asahi (+0,7%).

RISK SCALE*

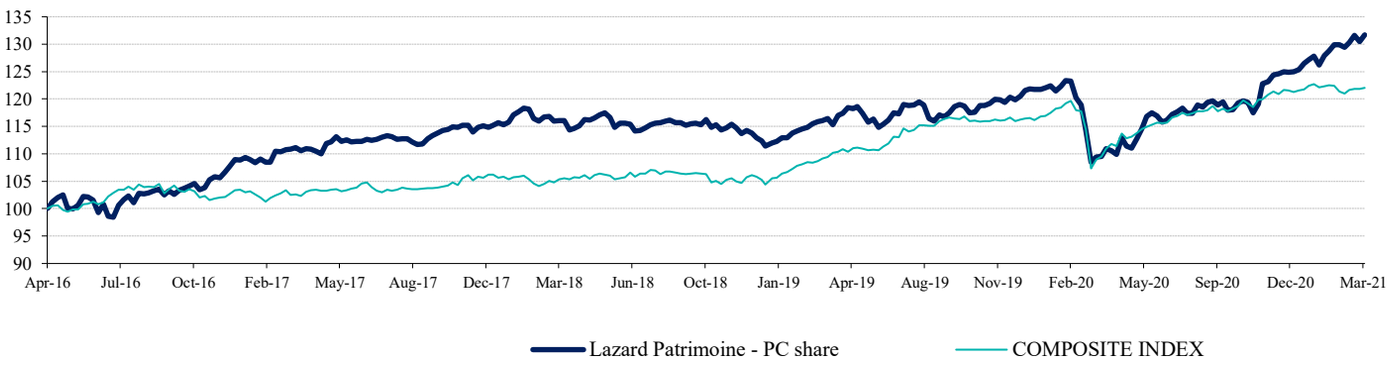
– 1 2 3 **4** 5 6 7 +

Recommended investment period of 3 years

COMPOSITE INDEX

20% MSCI World All Countries NR €
+ 80% ICEBofAML Euro Broad Market Index NR €

HISTORICAL PERFORMANCE



CARACTERISTICS

Legal form	Compartment of the LAZARD MULTI ASSETS Sicav
Base currency	Euro
Investment horizon	> 3 ans
NAV Frequency	Daily
Subscription fee	2,5% Max
Redemption fee	No
Performance fee	No
Fund administration	Caceis Fund Administration
Custodian	Lazard Frères Banque
Management company	Lazard Frères Gestion SAS
Management fee	PC share - 0,73% max. incl. VAT
Subsrcription term	NAV D for orders processed before 12 p.m.
Redemption term	NAV D for orders processed before 12 p.m.
Settlement and value date	D (NAV date) + 2 business days
Minimum subscription	1 share
Total expense ratio and transaction fees	For more information, please refer to the fund's prospectus

** 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 posibility 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.

HISTORICAL PERFORMANCES

Cumulative [2]

	Month	YTD	1 year	3 years	5 years	Inception*
Lazard Patrimoine - PC share	**2.6%**	**4.9%**	**20.0%**	**14.6%**	**30.8%**	**28.3%**
Composite index [1]	*1.3%*	*0.2%*	*10.7%*	*15.4%*	*21.8%*	*27.6%*

**Inception le 31/12/2014*
(1) 20% MSCI World All Countries NR € + 80% ICEBofAML Euro Broad Market Index NR € since 04/01/2018 before20% MSCI World All Countries NR € + 80% ICEBofAML Euro Government Index NR € since 12/01/2017 before 20% MSCI World AC ND € + 80% EuroMts Global
(2) The performance quoted represents past performance. Past performance does not guarantee future results.

Calendar performance [2]	2020	2019	2018	2017	2016
Lazard Patrimoine - PC share	**3.1%**	**8.6%**	**-2.8%**	**6.6%**	**2.1%**
Composite index (1)	*4.8%*	*10.4%*	*0.0%*	*2.1%*	*4.8%*

Annual performance [2]	31/03/21	31/03/19	31/03/18	31/03/17	31/03/16
Lazard Patrimoine - PC share	**6.6%**	**0.9%**	**3.5%**	**10.3%**	**-6.8%**
Composite index (1)	*10.7%*	*4.3%*	*2.7%*	*2.8%*	*-1.2%*

Annualized performance [2]	3 years	5 years
Lazard Patrimoine - PC share	**4.6%**	**5.5%**
Composite index (1)	*5.0%*	*4.0%*

RISK RATIOS **	1 year	3 years
Volatility		
Lazard Patrimoine - PC share	6.9%	7.0%
Composite index (1)	3.9%	5.4%
Tracking error	5.4%	4.7%
Information ratio	1.49	-0.05
Ratio de sharpe	2.95	0.75
VaR 99% - 1 mois	7.23%	

BREAKDOWN AND EXPOSURE BY CLASS OF ASSETS

Indice : 20% MSCI World All Countries NR € + 80% ICEBofAML Euro Broad Market NR €

Equities

Max exposure = 40% / min exposure = 0%

	Fund	Index
Net exposure :	**31.0%**	**20.0%**

Equity geographical exposure

	Fund	Index
Actions Europe	10.1%	3.3%
Actions Emergentes	5.9%	2.6%
Actions US	12.3%	11.6%
Actions Japon	2.7%	1.3%
Actions Autres	0.0%	1.2%

Main equity holdings

LVMH (LOUIS VUITTON - MOET HENNESSY)	0.89%
ASML HOLDING NV	0.86%
ALPHABET- A	0.64%
BANK OF AMERICA CORP	0.63%
TEXAS INSTRUMENTS COM	0.60%

As percent of total net assets

Currency exposure

	Fund	Index
USD	9.3%	11.9%
JPY	2.9%	1.3%
SEK	5.3%	0.2%
Devises émergentes	5.9%	1.7%
GBP	0.6%	0.8%

As percent of total net assets

Bonds

Max modified duration = +8 / Min modified duration = -5

	Fund	Index
Global Modified duration:	**-0.7**	**6.0**

Modified duration - Geographical breakdown

	Fund	Index
Eurozone	2.2	6.0
USA	-3.0	0.0

Bonds - Investment breakdown

Government bonds	**18.4%**
Corporate Bonds	**46.6%**
- Corporate Investment Grade	13.9%
- Corporate High Yield	4.6%
- Financials Senior	9.1%
- Financials Subordinated	19.0%

As percent of total net assets

Bonds bucket information

Spread duration	5.5
Credit spread (bps)	112
Average maturity (years)	7.3
Yield (%)	1.1

As percent of the bonds bucket

Others

Protection CDS	-7.4%

As percent of total net assets

CONTACTS & ADDITIONAL INFORMATION

Subscription / redemption
CACEIS BANK / LFG
01.57.78.14.14

Additional information & data :
Commercial service
01.44.13.01.79

Publication of NAVs & prospectus :
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.

Lazard Frères Gestion SAS
25 rue de courcelles - 75008 Paris with a capital of € 14,487,500, registered at the Paris RCS under the number SIRET 352 213 599. Portfolio Management Company approved by "the Autorité des Marchés Financiers" under number GP 04 000068
www.lazardfreresgestion.fr

United Kingdom, Finland, Ireland, Denmark, Norway and Sweden: The information is approved, on behalf of Lazard Fund Managers (Ireland) Limited, by Lazard Asset Management Limited, 50 Stratton Street, London W1J 8LL. Incorporated in England and Wales, registered number 525667. Lazard Asset Management Limited is authorised and regulated by the Financial Conduct Authority.

Germany and Austria: Lazard Asset Management (Deutschland) GmbH, Neue Mainzer Strasse 75, 60311 Frankfurt am Main is authorized and regulated in Germany by the BaFin. The Paying Agent in Germany is Landesbank Baden-Württemberg, Am Hauptbahnhof 2, 70173 Stuttgart, the Paying Agent in Austria is UniCredit Bank Austria AG, Rothschildplatz 1, 1020 Vienna.

Belgium and Luxembourg: This information is provided by the Belgian Branch of Lazard Fund Managers Ireland Limited, at Blue Tower Louise, Avenue Louise 326, Brussels, 1050 Belgium. The Paying Agent and the Representative in Belgium for the registration and the receipt of requests for issuance or repurchase of units or for switching sub-funds is Societe Generale Private Banking NV, Kortrijksesteenweg 302, 9000 Gent, Belgium.

France: Any person requiring information in relation to the Fund mentioned in this document is required to consult the KIID which is available on request from Lazard Frères Gestion SAS. The information contained in this document has not been independently verified or audited by the statutory auditors of the UCITS(s) concerned

Italy: This information is provided by the Italian branch of Lazard Asset Management (Deutschland) GmbH. Lazard Asset Management (Deutschland) GmbH Milano Office, Via Dell'Orso 2 - 20121 Milan is authorized and regulated in Germany by the BaFin. Not all share classes of the relevant sub-fund are registered for marketing in Italy and target institutional investors only. Subscriptions may only be based on the current prospectus.

Netherlands: This information is provided by the Dutch Branch of Lazard Fund Managers (Ireland) Limited, which is registered in the Dutch register held with the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten).

Spain and Portugal: This information is provided by the Spanish Branch of Lazard Fund Managers Ireland Limited, at Paseo de la Castellana 140, Piso 100, Letra E, 28046 Madrid and registered with the National Securities Market Commission (Comisión Nacional del Mercado de Valores or CNMV) under registration number 18. The [Fund Name] is a Foreign Collective Investment Scheme registered with the CNMV under registration number 18.

Andorra: For Andorran licensed financial entities only. This information is provided by the Spanish Branch of Lazard Fund Managers Ireland Limited, at Paseo de la Castellana 140, Piso 100, Letra E, 28046 Madrid and registered with the National Securities Market Commission (Comisión Nacional del Mercado de Valores or CNMV) under registration number 18. This information is approved by Lazard Asset Management Limited (LAML). LAML and the Fund are not regulated or authorised by or registered in the official registers of the Andorran regulator (AFA) and thus the Shares of the Fund may not be offered or sold in Andorra through active marketing activities. Any orders transmitted by an Andorran licensed financial entity for the acquisition of Shares of the Fund and/or any marketing materials related to the Fund are provided in response to an unsolicited approach from the investor.

Switzerland: The domicile of the Fund is Ireland and/or France, the representative in Switzerland is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is Banque Cantonale de Genève, 17, quai de l'Ile, CH-1204 Genva. Information is available from our website, the Swiss Representative or from www.fundinfo.com. The Prospectus, the Articles of Association (SICAV) or the Fund Regulations (FCP), the Key Investor Information Document (KIID) as well as the semi-annual and annual reports may be obtained free of charge at the registered office of the Swiss Representative. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units. The current document is intended for information purposes only and shall not to be used as an offer to buy and/or sell shares.

This document is provided for the information of unitholders or shareholders in accordance with applicable regulations and does not constitute investment advice, an invitation or an offer to subscribe for financial instruments. Investors who are considering subscribing must first carefully read the prospectus.

Lazard Frères Gestion SAS, 25 rue de courcelles - 75008 Paris with a capital of € 14,487,500, registered at the Paris RCS under the number SIRET 352 213 599.
Portfolio Management Company approved by “the Autorité des Marchés Financiers” under number GP 04 000068."
wwww.lazardfreresgestion.fr