

European convertible bonds	ISIN Code	NAV €	Net Assets - unit PC H EUR (Millions €)	Total Net Asset (Millions €)
Currency hedged	FR0010642611	17 574,43	36,51	106,74

MANAGEMENT

Sustainability Rating



INVESTMENT POLICY

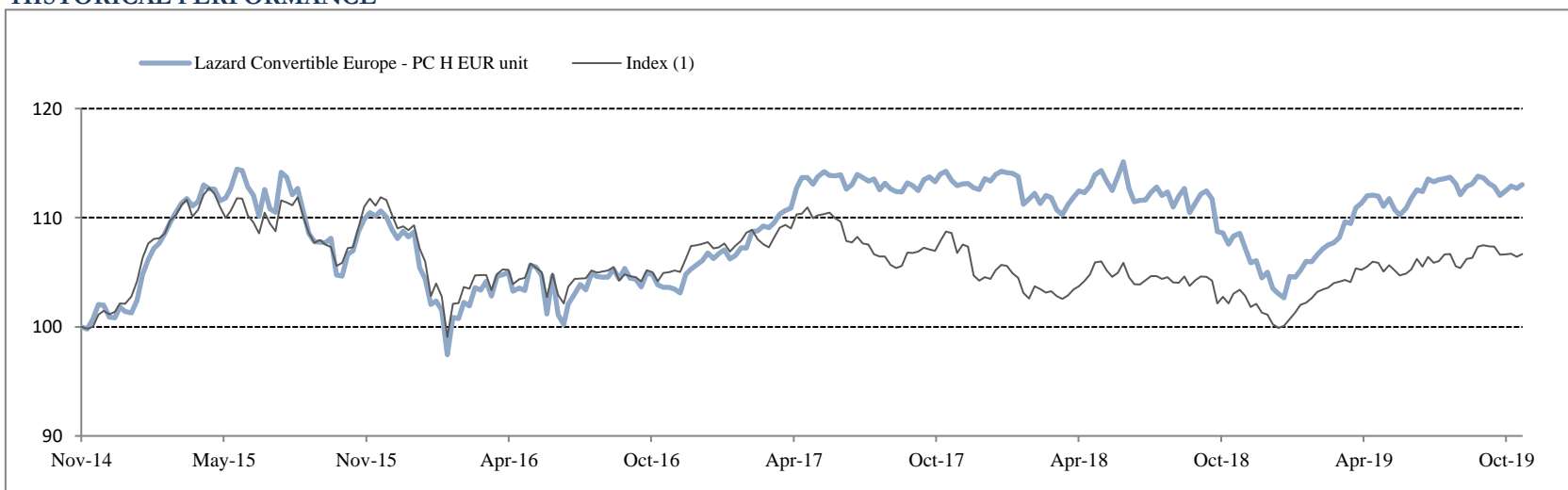
The fund seeks to outperform Thomson Reuters Convertible Europe index. To attain this objective, the strategy will rely on an active management of interest rate risk (active management of sensitivity), currency and credit risks (based on the securities rating) and on our stock-picking approach. Sensitivity will be managed on a scale of 0 to 7. Portfolio will be composed as follows: 1/ up to 110% maximum of fungible convertible bonds, exchangeable bonds, bonds with equity warrants, corporate and financials traded debt and sovereign debt. The fund will be able to invest in both investment grade and high yield convertible bonds; 2/ up to 10% maximum in French law money-market and bond funds (whether or not UCITS-compliant); 3/ up to 10% maximum in equities resulting from a conversion.

FUND MANAGER'S COMMENT - Arnaud BRILLOIS

During the month of October 2019, Lazard Convertible Europe - PC H EUR returned 0,06% versus -0,54% for its benchmark (Thomson Reuters Convertible Europe Focus Hedged EUR). Equity sensitivity is higher on the month, standing at 33.4%, while the index's equity sensitivity slightly increased, standing at 30.9%. Sensitivity to interest rates is lower on the month, standing at 2.84 versus 2.56 for the benchmark. Our underweight on basic materials had a positive impact on relative performance. Our selections in the luxury sector and our overweight to the aeronautical industry also added to relative performance. Our selections in the technology sector (video games in particular) and our underweight on semiconductors are negative contributors. Our equity overweight was neutral to relative performance (Stoxx 600 nd in Euros +1.0%). Interest rate sensitivity detracted to absolute performance but was neutral to relative performance, 5-year swap rates increased during the period.

PERFORMANCE - PC H EUR unit

HISTORICAL PERFORMANCE



Past performance is not a guarantee of current or future performance

PERFORMANCES

Cumulative performance*	Month	YTD	1 year	3 years	5 years	ITD**
Lazard Convertible Europe - PC H EUR	0,1%	9,0%	4,4%	7,9%	13,7%	75,7%
Index ⁽¹⁾	-0,5%	4,5%	1,8%	-0,3%	4,9%	47,4%

** Inception date: 09/10/2008

Annualized performance*	1 year	3 years	5 years	ITD**
Lazard Convertible Europe - PC H EUR	4,4%	2,6%	2,6%	5,2%
Index ⁽¹⁾	1,8%	-0,1%	1,0%	3,6%

Annual performance*	2018	2017	2016	2015	2014
Lazard Convertible Europe - PC H EUR	-8,5%	6,6%	-2,2%	7,2%	0,0%
Index ⁽¹⁾	-5,5%	0,0%	-1,1%	5,1%	4,4%

Characteristics	FUND	INDEX
Modified duration	2,84	2,56
Delta - Equity exposure	33,4%	30,9%

* The performance quoted represents past performance. Past performance does not guarantee future results. The performance are net of fees and total return.

⁽¹⁾ Since 31/12/2014: Thomson Reuters Convertible Europe Focus Hedged EUR (formerly ECI Hedged Europe)

RISK SCALE***

1	2	3	4	5	6	7
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***Risk scale derived from the volatility of the fund over a period of 5 years (see detail on the back)

RISK RATIOS

	1 year	3 years
Volatility		
Lazard Convertible Europe - PC H EUR	5,1%	5,3%
Index ⁽¹⁾	3,5%	4,2%
Tracking error	2,6%	3,1%
Information ratio	1,0	0,8
Beta	1,3	1,0

Ratios calculated on a weekly basis

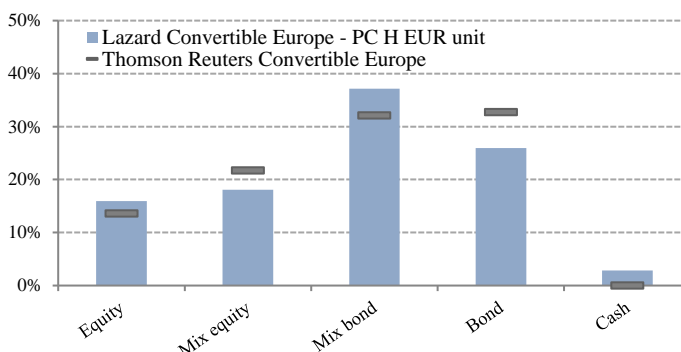
October 2019

Lazard Convertible Europe - PC H EUR unit

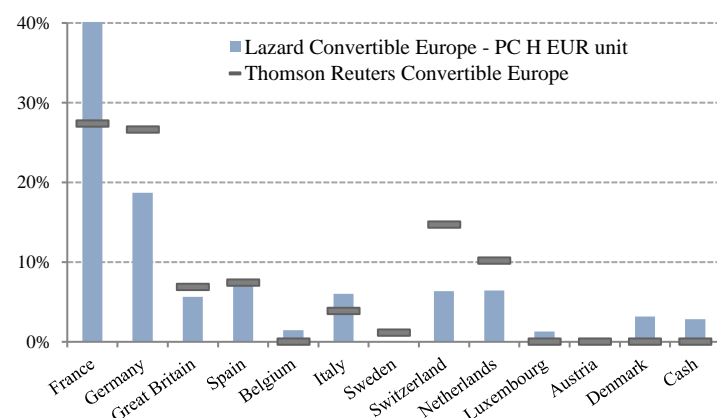
MAIN HOLDINGS

Main holdings	Weight
CELL TE 0,5 07-28	4,2%
SIKA AG 0,15 06-25	4,0%
TOTAL 0,5 12-22	3,7%
VEOL ENVI ZCP 01-25	3,4%
AMER MOVI ZCP 05-20	3,4%

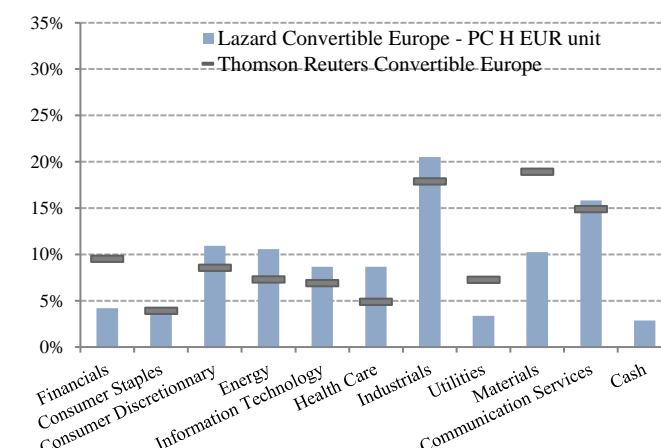
EXPOSITION BY CONVERTIBLE BONDS (Equity exposure)



GEOGRAPHICAL ALLOCATION (% NAV)



SECTOR ALLOCATION (% NAV)



CHARACTERISTICS

■ ISIN Code	FR0010642611	■ Valuation	Daily	■ Management fees	0,865% of net assets excluding UCITS managed by Lazard Frères Gestion
■ Bloomberg Code	OBJCONJ	■ Modified Duration	0 - 7	■ Subscription fee	4% max
■ Legal Form	FCP	■ Custodian	Caceis Bank	■ Redemption fee	1% max
■ Coordinated UCITS	Yes	■ Management company	Lazard Frères Gestion	■ Total expense ratio and transaction fees	For more information, please check our prospectus
■ AMF classification	Diversified UCITS	■ Financial Manager	Lazard A.M	■ Subscription terms	On next NAV for orders placed before 12 a.m. Minimum for the 1st subscription : 10 shares Settlement and value date Subscription D (NAV date) + 2 business day Redemption D (NAV date) + 2 business days
■ Currency	Euro	■ Taxation	Capitalisation		
■ Investment horizon	> to 5 years	■ Inception date	09/10/2008		
■ Currency hedge	Yes				

*** 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 :

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Caceis Bank / LFB
01.57.78.14.14

Additional information & data :

Commercial service
01.44.13.01.79

Publication of NAVs :

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