

October 2020

Lazard Convertible Europe - PC H EUR unit

European convertible bonds	ISIN Code	NAV €	Net Assets - unit PC H EUR (Millions €)	Total Net Asset (Millions €)
Currency hedged	FR0010642611	18 133,15	46,26	166,41

MANAGEMENT

Sustainability Rating



INVESTMENT POLICY

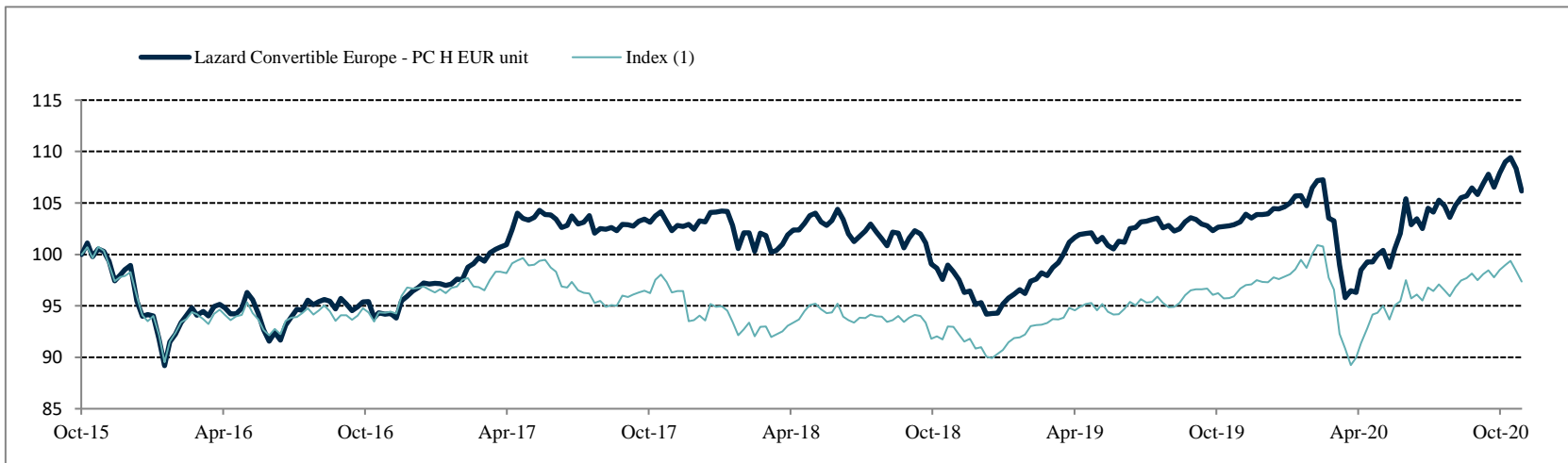
The fund seeks to outperform Thomson Reuters Convertible Europe index. To attain this objective, the strategy will rely on an active management of interest rate risk (active management of sensitivity), currency and credit risks (based on the securities rating) and on our stock-picking approach. Sensitivity 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 2020, Lazard Convertible Europe - PC H EUR returned -0,94% versus -0,95% for its benchmark (Thomson Reuters Convertible Europe Focus Hedged EUR). The fund's equity overweight had a slightly positive relative impact over the period despite lower European equity markets: the negative impact from our overweight to France was offset by our underweight to Germany. Modified duration was slightly higher over the month, in line with the benchmark, standing at 2.60 versus 2.72. Interest rate sensitivity slightly added to absolute performance and was neutral to relative performance. Continued credit spreads widening detracted to the fund's absolute performance and was neutral in relative terms. Security selection in semiconductors, energy and our underweight to chemicals added to relative performance. Consumer discretionary (beverages and luxury in particular) detracted to relative performance over the month. Over the month, we reduced our exposure to telecommunications, semiconductors, luxury and beverages. We increased our exposure to online retail, energy, real estate, the aeronautic industry, financial services and hearing aid solutions.

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	-0,9%	1,9%	3,2%	2,1%	6,2%	81,3%
Index ⁽¹⁾	-1,0%	0,9%	2,5%	-2,5%	-1,7%	51,1%

** Inception date: 09/10/2008

Annualized performance*	1 year	3 years	5 years	ITD**
Lazard Convertible Europe - PC H EUR	3,2%	0,7%	1,2%	5,0%
Index ⁽¹⁾	2,5%	-0,8%	-0,3%	3,5%

Annual performance*	2019	2018	2017	2016	2015
Lazard Convertible Europe - PC H EUR	10,4%	-8,5%	6,6%	-2,2%	7,2%
Index ⁽¹⁾	6,0%	-5,5%	0,0%	-1,1%	5,1%

Characteristics	FUND	INDEX
Modified duration	2,60	2,72
Delta - Equity exposure	46,8%	41,9%

* 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

***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	10,0%	7,4%
Index ⁽¹⁾	8,8%	6,4%
Tracking error	3,6%	3,6%
Information ratio	0,2	0,4
Beta	1,1	1,0

Ratios calculated on a weekly basis

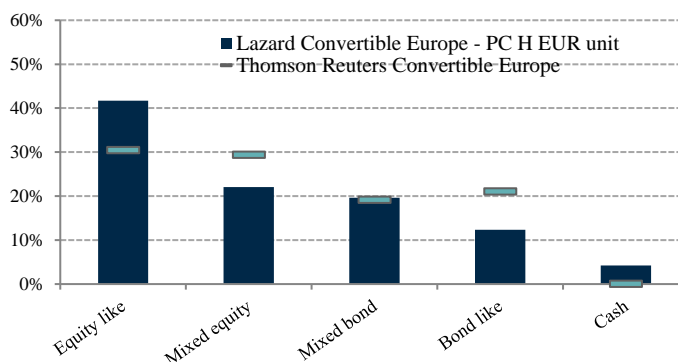
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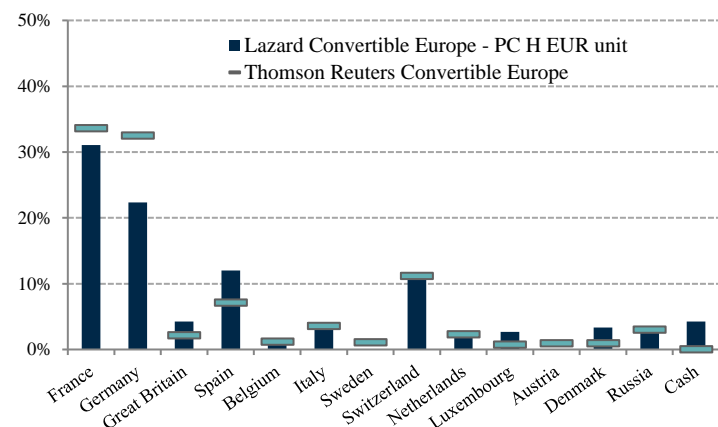
MAIN HOLDINGS

Main holdings	Weight
CELL TE 0,5 07-28	5,2%
DELI HE 0,25 01-24	4,9%
GE MONE BA ZCP 07-26	4,1%
WORLDLINE ZCP 07-26	4,1%
EDF ZCP 09-24	4,0%

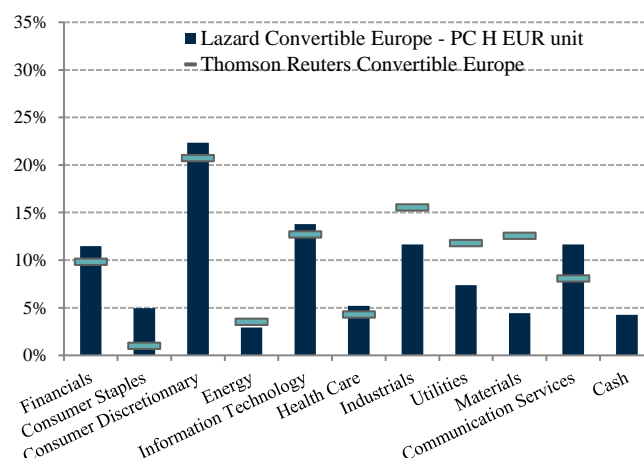
EXPOSITION BY CONVERTIBLE BONDS (% of NAV)



GEOGRAPHICAL ALLOCATION (% NAV)



SECTOR ALLOCATION (% NAV)



CHARACTERISTICS

■ ISIN Code	FR0010642611	■ Valuation	Daily	■ Management fees	
■ Bloomberg Code	OBJCONJ	■ Modified Duration	0 - 7		
■ Legal Form	FCP	■ Custodian	Caceis Bank		0,865% of net assets excluding UCITS managed by Lazard Frères Gestion
■ Coordinated UCITS	Yes	■ Mngt. company	Lazard Frères Gestion	■ Subscription fee	4% max
■ AMF classification	Diversified UCITS	■ Financial Manager	Lazard A.M	■ Redemption fee	1% max
■ Currency	Euro	■ Taxation	Capitalisation	■ Total expense ratio and transaction fees	For more information, please check our prospectus
■ Investment horizon	> to 5 years	■ Inception date	09/10/2008	■ 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 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 :

Subscription/Redemption
Caceis Bank / LFB
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Additional information & data :

Commercial service
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Publication of NAVs :

www.lazardfreresgestion.fr

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