

Bonds and other euro-denominated debt securities	ISIN code FR0007055066	NAV € 1 263,03	Net assets (€m) 116,19
		MorningStar Sustainability Rating	

## MANAGEMENT

### INVESTMENT OBJECTIVE AND POLICY

The investment objective is to outperform the 3-month Euribor over a minimum recommended investment horizon of 12 months.

This objective is achieved through the management of primarily floating-rate bonds of any maturity and any subordination level. The nature of the investments will limit risk sensitivity. Credit risk is the primary vector of performance and risk. The fund has a sensitivity range of between 0 and 1. The risk, which is concentrated in financial institutions, particularly banks, is managed rigorously by using the internal financial analysis of the portfolio issuers.

### MANAGEMENT COMMENTARY - Benjamin Le Roux

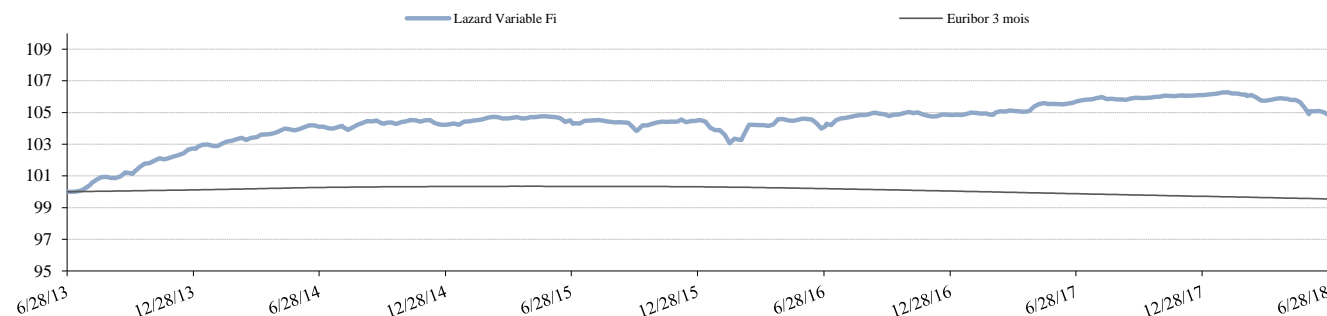
The second part of the month was marked by the resurgence of the United States' protectionist rhetoric. Investors seemed particularly cautious, sticking to a wait-and-see attitude as the month and quarter drew to an end. The German government bond yield curve flattened during the month, with the 10-year yield down 4bp to 0,30% and the 5-year yield down 3bp to -0,30%, while the 2-year yield fell 1bp to -0,67%. Despite some volatility in Italian yields over the month under the effect of sometimes contradictory announcements, peripheral bond spreads tightened at the end of the month (Italy: -4bp, Portugal: -13bp, Spain: -12bp). Credit depreciated across all segments and sectors, with the exception of senior financial bonds. The margin against government bonds tightened by 2bp for senior financial credit to 104bp but widened by 3bp for corporate credit to 114bp and by 12bp for financial subordinated credit to 226bp (Merrill Lynch indices).

The primary market was down compared to the previous month, but premiums remained high. During the month, we notably took part in Bayer's €5bn multi-tranche issue for the financing of the Monsanto acquisition and in Volkswagen's dual hybrid tranche of €2.5bn.

We are continuing to gradually reduce the weight of Italian issuers and increase the share of cash. The portfolio's estimated margin against 3-month Euribor is 63bp. The modified duration is maintained close to zero. Allocation is changing, with the portfolio invested 64% in senior debt and 22% in dated Lower Tier 2-type subordinated debt. The corresponding credit duration is 2,4 years.

## PERFORMANCES

### HISTORICAL PERFORMANCE



Past performance indications is not a guarantee of current or future performance

### PERFORMANCE

Cumulative performance*	1 month	3 months	YTD	1 year	3 years	5 years
<b>Lazard Variable Fi</b>	<b>-0,05%</b>	<b>-0,87%</b>	<b>-1,19%</b>	<b>-0,84%</b>	<b>0,52%</b>	<b>4,83%</b>
3-month Euribor*	-0,03%	-0,08%	-0,16%	-0,33%	-0,79%	-0,45%

Annualised performance*	2018	1 year	3 years	5 years
<b>Lazard Variable Fi</b>	<b>1,19%</b>	<b>-0,84%</b>	<b>0,17%</b>	<b>0,95%</b>
3-month Euribor*	-0,32%	-0,33%	-0,26%	-0,09%

Annual performance*	2017	2016	2015	2014	2013
<b>Lazard Variable Fi</b>	<b>-1,2%</b>	<b>1,2%</b>	<b>0,3%</b>	<b>0,3%</b>	<b>4,4%</b>
3-month Euribor*	-0,2%	-0,3%	-0,3%	0,0%	0,2%

\* 3-month Euribor since 19 April 2012; previously capitalised Eonia.

Modified duration	0,1	Spread duration	2,4
-------------------	-----	-----------------	-----

### SCALE RISK\*\*



\*\*Risk scale calculated from the volatility of the UCITS over a period of 5 years (see detail on the back)

### RISK RATIOS

Indicateur	1 an	3 ans
<b>Volatility</b>		
Lazard Variable Fi	0,59%	1,20%
3-month Euribor*	0,00%	0,03%
<b>Information ratio</b>	-0,88	0,36

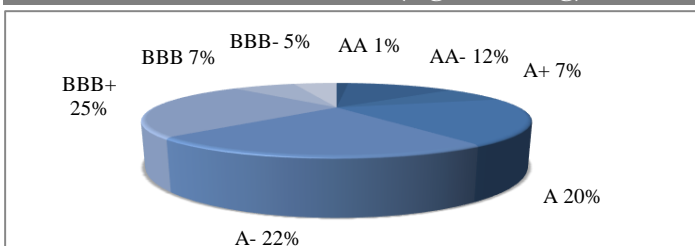
Ratios calculated weekly

\* The performance quoted represents past performance. Past performance does not guarantee future results.

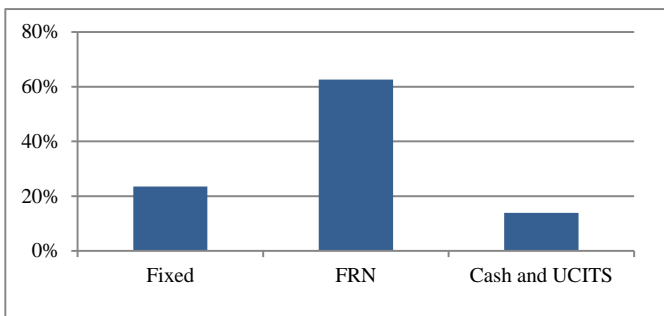
## MAIN HOLDINGS

Main holdings (excluding UCITS)	%
UBS AG LONDON 23/04/2021	2,59%
VOLKSWAGEN BANK GMBH 15/06/2021	2,14%
INTESA SANPAOLO SPA 15/06/2020	1,98%
SOCIETE GENERALE 01/04/2022	1,91%
SVENSKA HANDELSBANKEN AB 15/01/2024	1,90%

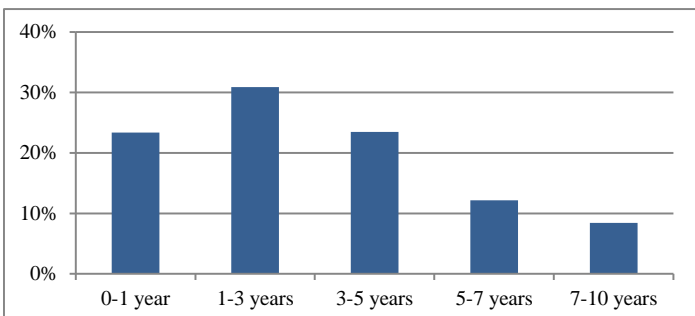
## BREAKDOWN OF RATINGS (highest rating)



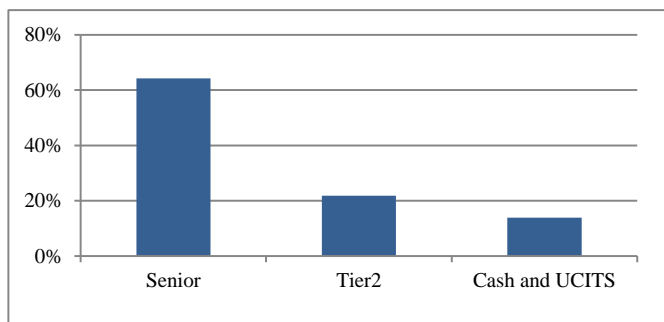
## COUPON TYPE



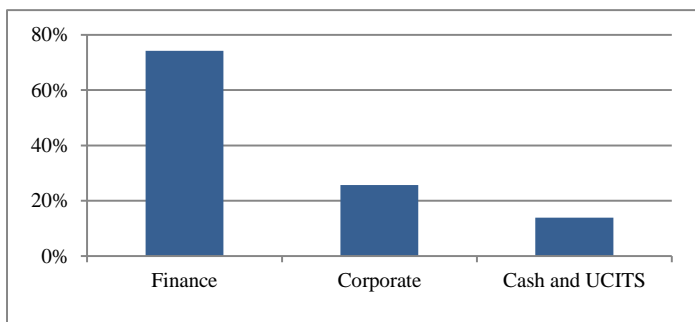
## BREAKDOWN BY MATURITY (final maturity)



## BREAKDOWN OF SUBORDINATION LEVEL



## BREAKDOWN BY SECTOR



## CARACTERISTIQUES

■ <b>ISIN Code</b>	FR0007055066	■ <b>Custodian</b>	Caceis Bank	■ <b>Subscription fees</b>	maximum of 4% inclusive of taxes
■ <b>Bloomberg Code</b>	OALLMEN FP	■ <b>Management company</b>	Lazard Frères Gestion SAS	■ <b>Redemption fees</b>	None
■ <b>Legal form</b>	FCP	■ <b>Taxation</b>	Capitalization	■ <b>Outperformance fees</b>	20% of the outperformance in excess of 3-month Euribor
■ <b>UCITS-Compliant</b>		■ <b>Inception date</b>	2 February 2001	■ <b>Subscription terms</b>	Each business day by 11 am
■ <b>AMF classification</b>	Euro bonds	■ <b>Management fees</b>	0,25% inclusive of taxes		Settlement and value date: D (date of the NAV) + 2 business day
■ <b>Currency</b>	Euro				Minimum subscription: 1 unit
■ <b>Investment horizon</b>	Minus 12 months				
■ <b>Valuation</b>	Daily				
■ <b>Modified duration</b>	0 to 1				
		■ <b>Total expense ratio and transaction fees</b>			

For more information, please check our 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 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.

### Contacts:

Subscription/Redemption  
Caceis/LFB 01 57 78 14 14

### Additional information:

Commercial Service  
+33 1.44.13.01.79

### Publication of NAVs:

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 and summary 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.