

International bonds and debt securities		ISIN code	NAV €	Net assets (€ million) :	Total net assets (€ million) :
C unit		FR0010590950	14 504,58	366,34	649,07
R unit created on July 3 rd 2009		FR0010752543	325,33	112,15	
I unit created on April 14 th 2014		FR0011844034	1 177,43	98,65	
G unit created on August 8 th 2014		FR0012074151	104,51	67,07	
		ISIN code	NAV \$	Net assets (\$ million) :	
DH unit created on January 7 th 2016		FR0013076932	1 160,32	4,64	
		ISIN code	NAV CHF	Net assets (\$ million) :	
H-CHF unit created on March 20 th 2017		FR0013076932	1 042,09	1,04	

MANAGEMENT

INVESTMENT POLICY

The management objective aims to achieve, on a minimum investment horizon of 3 years, a performance net of fees of Eonia + 2,70% for the C and G shares, Eonia + 2,30% for the I shares, Eonia + 2% for the R shares, ICE Libor USD Overnight denominated in USD for the DH share and Libor CHF denominated in CHF for the H-CHF share. To attain this objective, the strategy will rely on an active management of the portfolio mainly invested in subordinated securities (this type of debt is more risky than Senior Unsecured or Securitized debts), or any securities, not considered as common stocks, issued by European financial institutions. The investment process combine both a Top-down approach (strategic and geographical allocation approach which takes into consideration the macro and sectorial environments) and a Bottom-up approach (stock-picking based on fundamental analysis of the issuer and its securities) and then integrating the regulatory environment in which this asset class evolves. The modified duration will be managed in a 0 to 8 range. The UCIT will only invest into debts or securities issued by companies incorporated in an OECD country and/or in issues or securities listed on a stock exchange of those countries. The UCIT only invests in securities negotiated in Euro, dollar and sterling.

FUND MANAGER'S COMMENT - François Lavier

The net asset value of Objectif Crédit Fi rose by 0,86% over the month (C share).

Spreads on financial debt tightened across the board. Tier 1 bonds tightened by 3bp to 223bp against government bonds, Lower Tier 2 bonds by 22bp to 166bp and Senior debts by 9bp to end the month at 70bp according to JP Morgan's SUSI indices. CoCos tightened by 35bp in OAS to end the month at 355bp according to Barclays' Global index.

The German government bond yield curve steepened during the month, with the 10-year yield up 8bp to 0,54% and the 5-year yield up 5bp to -0,18%, while the 2-year yield fell 11bp to -0,68%.

Crédit Fi posted a net performance of +5,34% year-to-date compared with +4,92% for the JP Morgan SUSI Lower Tier 2 and +5,33% for the SUSI Tier 1.

The fund has a 260-day volatility of 2,1% compared with 1,8% for the SUSI Lower Tier 2 and 2,0% for the SUSI Tier 1.

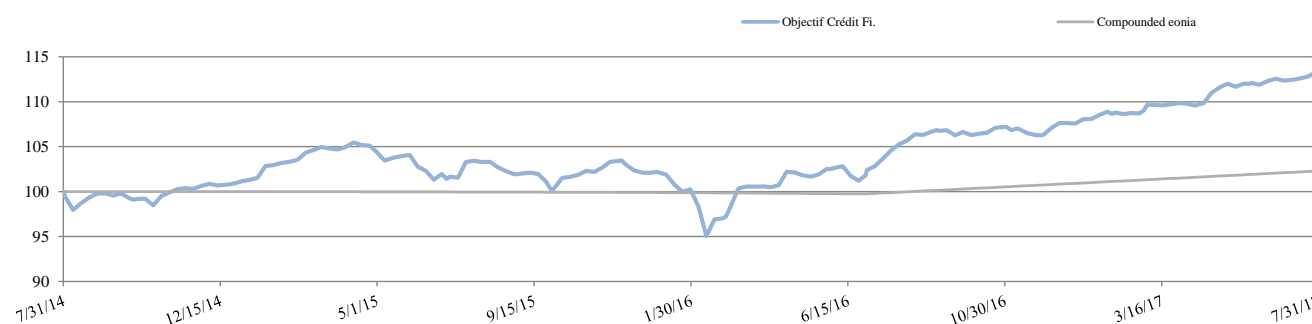
In the absence of specific catalysts, and spurred by still accommodating speeches by central bankers, the credit market continued to show an upward trend with ultra-low spreads, underpinned by **robust investor demand and very slim trading books held by bank counterparties**. The primary market was particularly quiet while the earnings released by financial institutions in July held no surprises.

The primary market, excluding covered bonds, totalled €7bn in gross issuance of Senior Unsecured debt according to Barclays, with **net bank issuance totalling -€8bn over the month**. Since the beginning of the year, gross issuance has totalled €155bn and net issuance is negative to the tune of -€35bn.

Crédit Fi has a yield to maturity of 4,1% and a yield to call of 3,4% with a modified duration of 1,8 and a credit duration of 6,1.

PERFORMANCE

HISTORICAL PERFORMANCE



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

PERFORMANCE

Annualized performance	2017	2016	2015	2014	2013
Objectif Crédit Fi.	5,34%	5,27%	1,14%	6,53%	8,18%
Compounded eonia	1,38%	1,03%	-0,11%	0,10%	0,09%

Cumulative performance*	Month	YTD	1 year	3 years	5 ans
Objectif Crédit Fi.	0,86%	5,34%	7,65%	13,32%	45,95%
Compounded eonia	0,20%	1,38%	2,38%	2,30%	2,54%

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

Modified duration	1,8	Spread duration	6,1
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Yield to call	3,4%	Average rating (issuer)*	A
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Yield to maturity	4,1%	Average rating (issues)*	BBB
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*Average of the best rating for each security

SCALE RISK**

1 2 3 4 5 6 7

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

RISK RATIOS

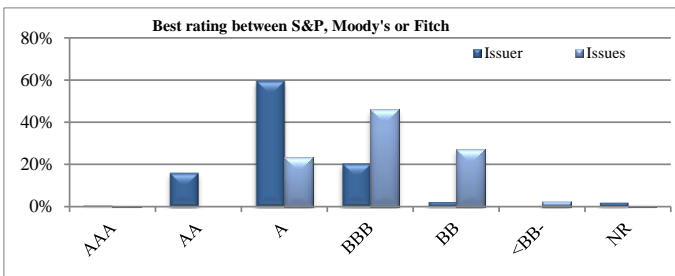
		1 year	3 years
Volatility	Objectif Crédit Fi.	2,29%	4,57%
	Compounded eonia	0,01%	0,16%
Tracking error		2,29%	4,55%
Information ratio		2,18	0,75

Ratios calculated on a weekly basis over 1 year and monthly over three years

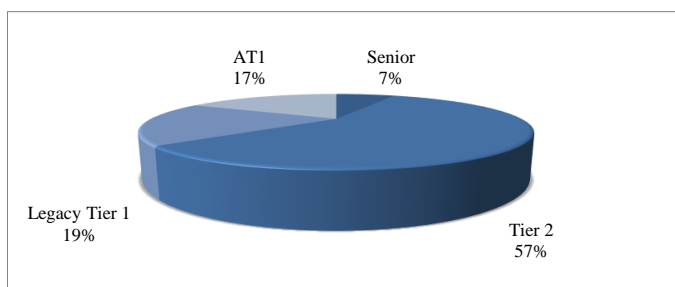
MAIN HOLDINGS

Main holdings		%
Dresdner 8,151% 30/06/2031	Legacy Tier 1	2,6%
Barclays Bank 27/11/2099	Legacy Tier 1	2,1%
Hsbc Cap. 10,176% 17/04/2099	Legacy Tier 1	2,0%
Direct Line 27/04/2042	Tier 2	1,8%
Axa 8,60% 15/12/2030	Legacy Tier 1	1,8%

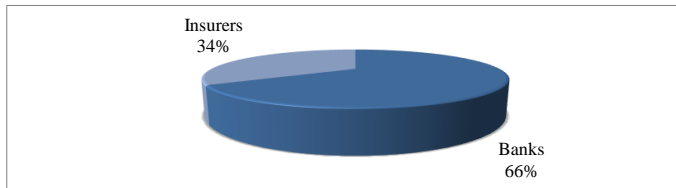
RATING ALLOCATION



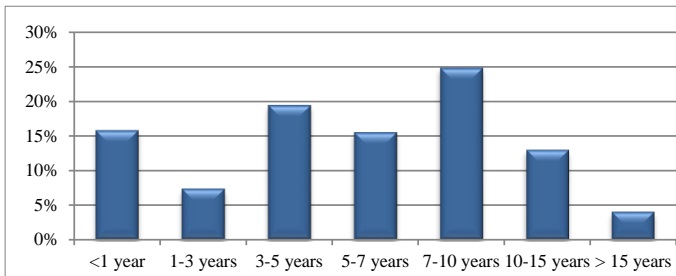
BREAKDOWN BY LEVEL OF SUBORDINATION



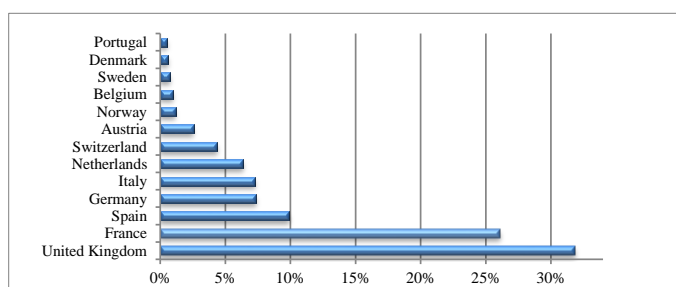
SECTOR ALLOCATION



BREAKDOWN BY MATURITY (AT CALL)



GEOGRAPHICAL DISTRIBUTION



FUND DETAILS

ISIN Code C unit: FR0010590950 R unit: FR0010752543 I unit: FR0011844034 G unit: FR0012074151 DH unit: FR0013076932 H-CHF Unit: FR0013236791	Custodian Lazard Frères Gestion SAS	CACEIS G Unit : Distribution 03/07/2008	Management fees C unit: maximum of 0,26% inclusive of taxes R unit: maximum of 0,96% inclusive of taxes I unit: maximum of 0,66% inclusive of taxes G unit: maximum of 0,26% inclusive of taxes DH unit: maximum of 0,71% inclusive of taxes H-CHF unit: maximum of 0,71% inclusive of taxes
Bloomberg Code LFOBJFI/LFOBJFR/ LAZOCFI/LAZOCFG	Taxation FCP Yes International bonds Euro > 3 years Daily 0 to 8	Subscription terms Each business day by 12 am Settlement and value date: Subscription: J (date of the NAV) + 2 business Redemption: J + 2 business days	Subscription fees maximum of 4% inclusive of taxes Redemption fees R unit: maximum of 2% inclusive of taxes C, I, G, DH and H-CHF units: none
Legal form UCITS-Compliant AMF classification Currency Investment horizon Valuation Modified duration	Outperformance fees: C, R and G units: 30% of the outperformance in excess of Eonia + 3% These fees will be limited to 2% I, DH et H-CHF unit: none		

** 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 :
www.lazardfreresgestion.fr

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