

July 2016

Objectif Alpha Europe

Europe Equities	ISIN code	NAV €	Net Assets (M €)	Total Net Assets (M €)
A units	FR0000294613	575,53	115,54	137,93
R units	FR0011034131	332,25	22,38	

MANAGEMENT



Overall ★★★★★

INVESTMENT POLICY

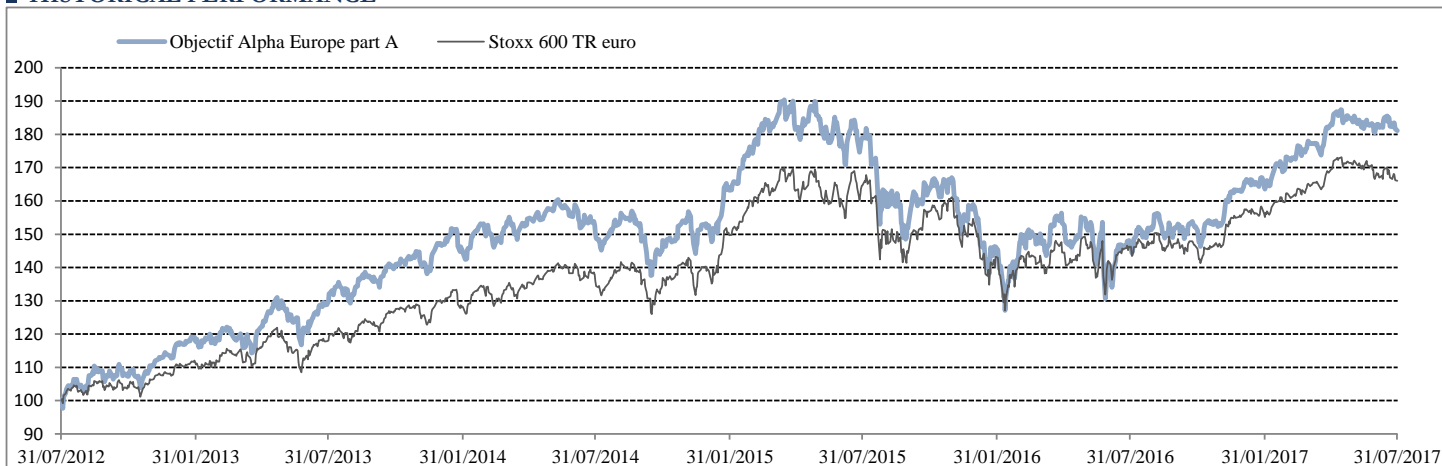
The management objective aims to achieve a performance greater than the Stoxx 600 index.

FUND MANAGERS' COMMENT - Axel LAROZA

After posting a sharp increase in the first half of July, the Stoxx 600 consolidated during the second half, ending the month down 0,35%. The ECB is maintaining its policy unchanged at this stage, Mario Draghi having stated on 20th July that the inflation outlook remained moderate. One of the major developments in July was the 10% rebound in oil prices to back above \$50 per barrel. In the United States, the failure to push through the healthcare reform and the outcome of the FOMC meeting contributed to driving down the dollar for the fifth consecutive month. With a rise of 0,33%, the fund outperformed the market in July. It was hurt mainly by AstraZeneca's tumble (-12,37%) due to disappointing initial results from the Mystic drug study, as well as by disappointing performances from Carrefour and Air France. By contrast, the fund benefited from positive stock-picking and allocation effects in technology. Ingenico (+11,5%) benefited from the acquisition of Bambora in payment software. ASML (+12,3%) reported strong earnings and benefited from Samsung's commitment to order "Extreme UltraViolet" equipment. Allocation and stock-picking effects also paid off in the banking sector, which benefited from the reduction in systemic risk that had been weighing on the sector in Europe following the bailout of the Italian bank Monte dei Paschi at the start of month and the acquisition by Intesa of small Italian distressed banks. Banco BPM, Intesa and BNP Paribas posted rises of around 5%. Finally, our stock picks in commodities were positive, as prices rose during the month. Arcelor (+12%) reported good results, characterised by a rebound in demand. It is worth noting that the fund is not invested in the tobacco sector and this turned out to be positive in July after the FDA announced it was mulling drastic cuts in nicotine levels.

PERFORMANCE - A units

HISTORICAL PERFORMANCE



Past performance is not a guarantee of current or future performance

PERFORMANCE

Cumulative performance*	Month	YTD	1 year	3 years	5 years
Objectif Alpha Europe	0,3%	11,2%	22,2%	20,2%	81,1%
Stoxx 600 TR euro	-0,4%	6,7%	13,5%	22,1%	66,0%

Inception date: 08/12/2003

Annualized performance	1 year	3 years	5 years
Objectif Alpha Europe	22,2%	6,3%	12,6%
Stoxx 600 TR euro	13,5%	6,9%	10,7%

Annual performance	2016	2015	2014	2013	2012
Objectif Alpha Europe	2,9%	3,6%	3,7%	30,4%	23,2%
Stoxx 600 TR euro	1,7%	9,6%	7,2%	20,8%	18,2%

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

RISK SCALE**



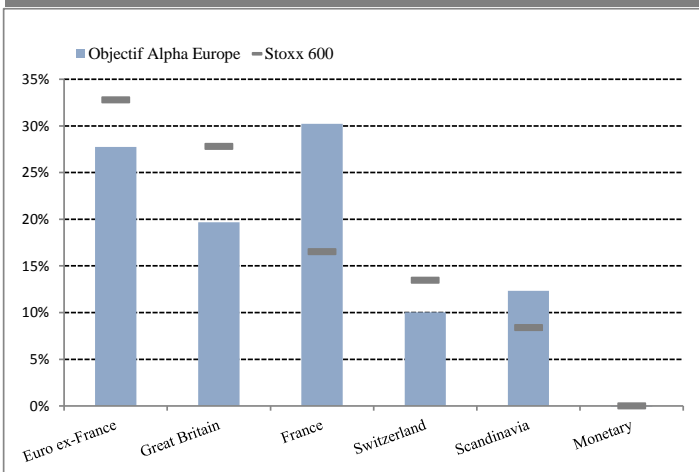
**Risk scale derived from the volatility of the UCITS over a period of 5 years (see detail on the back)

RISK RATIOS

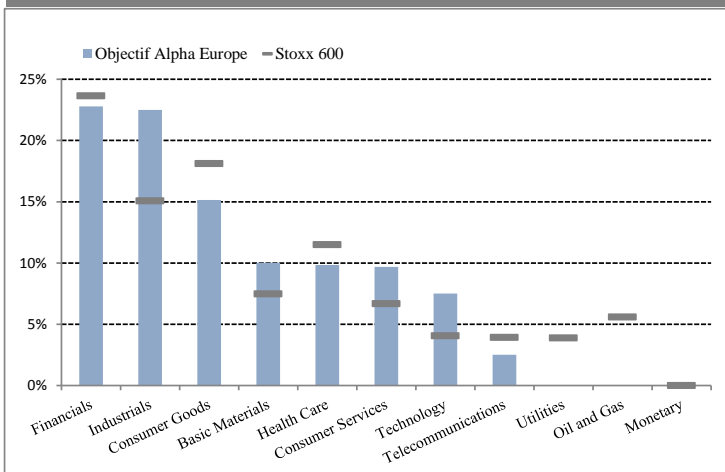
	1 year	3 years
Volatility		
Objectif Alpha Europe	11,0%	21,3%
Stoxx 600 TR euro	8,8%	19,1%
Tracking error	4,3%	5,5%
Information ratio	2,2	-0,1
Beta	1,2	1,1

Ratios calculated on a weekly basis

GEOGRAPHICAL ALLOCATION



SECTOR ALLOCATION



MAIN HOLDINGS

Main holdings	Position	Country	Sector
Anheuser-Busch Inbev	2,6%	Belgium	Consumer Goods
BNP Paribas	2,6%	France	Financials
UCB	2,6%	Belgium	Health Care
Associated British Foods Plc	2,6%	Great Britain	Consumer Goods
Adecco	2,6%	Switzerland	Industrials
Ingenico Group Sa	2,6%	France	Technology
Heineken	2,6%	Netherlands	Consumer Goods
Intesa Sanpaolo	2,6%	Italy	Financials
Société Générale	2,6%	France	Financials
Axa	2,6%	France	Financials
TOTAL	25,8%		

MAIN TRANSACTIONS

New positions	Positions sold
Société Générale	Banco Sabadell

FUND DETAILS

■ ISIN Code	A units : FR0000294613 R units : FR0011034131	■ Valuation	Daily	■ Management fees	A units : 1,10% inclusive of all taxes of net assets R units : 2,10% inclusive of all taxes of net assets
■ Bloomberg Code	A units : OBJVALE R units : OBJVALR	■ Custodian	Lazard Frères Banque	■ Subscription fee	4% max
■ Legal form	SICAV	■ Management company	Lazard Frères Gestion	■ Redemption fee	1% max
■ Coordinated UCITS	Yes	■ Taxation	Capitalisation and/or distribution	■ Subscription terms	On next NAV for orders placed before 11 a.m. Settlement and value date
■ AMF classification	Equities International	■ Inception date	Part A : 14/05/1990 Part R : 29/03/2012		Subscription D (NAV date) + 1 business day Redemption D (NAV date) + 3 business days
■ Currency	Euro			■ Outperformance fees	15% of the annual performance over the Stoxx 600 TR
■ Investment horizon	> 5 years				

**** Risk scale :** Derived from the historic volatility of the UCITS 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.

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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 KIID 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. The prospectus for Switzerland, the KIID for Switzerland, the articles of incorporation, the annual and semi-annual reports, as well as the list of the buying and selling transactions can be obtained free of charge from the representative of the Fund in Switzerland, Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva, Switzerland, Tel. +41 22 705 11 77, Fax: + 41 22 705 11 79, www.carnegie-fund-services.ch. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Île, 1204 Geneva, Switzerland.