

Lazard

Global Small Cap Fund

Jan 2021
Factsheet

World Class Companies
Bigger does not necessarily mean better

Historical Performance of Small Caps
Global small indices have outperformed large-cap indices

Large Opportunity Set
A dedicated small cap team to find investment opportunities

Fund Facts

Number of stocks	86
Total Fund Size	\$277.9m
Inception Date	13 December 2002
Total Management Costs	W Class: 1.12% p.a.
Index	MSCI World Small Cap
Minimum Investment	\$20,000
Buy/Sell Spread	+0.30%/-0.30%
Distributions	Annually
APIR Code	LAZ0012AU

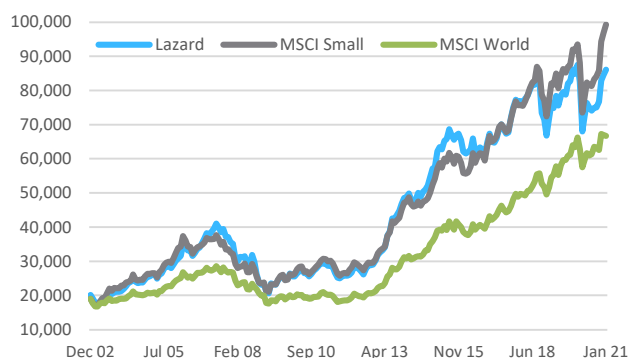
Investment Characteristics

	Lazard	Index
Forward Price/Earnings	23.0	39.6
Forward Return on Equity (%)	12.7	8.1
Price/Cash Flow	15.2	13.2
Weighted Average Market Cap (\$m)	6,516	5,777
Active Share (%)	96.9	-
3 Year Turnover (% pa)	72.9	-

Performance¹ (%)

	Lazard	Index	Excess Return
1 Month	1.8	2.7	-0.9
3 Months	12.2	15.7	-3.5
1 Year	-1.7	6.2	-7.9
3 Years (pa)	3.8	9.5	-5.7
5 Years (pa)	6.7	12.2	-5.5
10 Years (pa)	11.3	12.7	-1.4
Since Inception (pa)	8.4	9.4	-1.0

Growth of \$20,000¹



Allocations (%)

Sector	Lazard	Index	Overweight/underweight
Communication Services	4.5	3.1	1.4
Consumer Discretionary	12.4	13.7	-1.3
Consumer Staples	4.3	4.4	-0.1
Energy	1.6	2.5	-0.9
Financials	11.4	12.5	-1.1
Health Care	14.0	12.7	1.3
Industrials	17.4	18.2	-0.8
Information Technology	15.5	13.9	1.6
Materials	6.2	7.0	-0.8
Real Estate	9.4	9.5	-0.1
Utilities	2.8	2.5	0.3
Other	-	-	-
Cash	0.3	-	0.3
Region			
Europe ex UK	21.2	14.3	6.9
United Kingdom	5.8	6.6	-0.8
North America	60.9	62.2	-1.3
Japan	9.9	10.8	-0.9
Asia Pacific ex Japan	0.7	5.3	-4.6
Middle East	-	0.9	-0.9
Emerging Markets	1.1	-	1.1
Cash	0.3	-	0.3

Top 5 Holdings (%)

	Lazard	Index
flatexDEGIRO	2.2	0.0
Citizens Financial Group	2.0	0.0
Commerce Bancshares	2.0	0.1
Envista	1.9	0.1
Valmont Industries	1.8	0.1

¹ Performance is presented net of W Class fees, please refer to www.lazardassetmanagement.com.au for performance of the I Class.

Investments can go up and down. Past performance is not necessarily indicative of future performance. Net returns are quoted after the deduction of Management Costs. Performance assumes reinvestment of all distributions.

Commentary

Global equity markets rose in January. Stocks of companies in the energy, consumer discretionary and health care sectors outperformed on a relative basis, while those in materials, real estate, and utilities sectors underperformed. Regionally, North America outperformed strongly while all other major geographies lagged on a relative basis.

The Lazard Global Small Cap Fund underperformed the MSCI World Small Cap Index during the month, mainly due to stock selection impact. Allocation impact (sector basis) detracted modestly from relative performance.

flatexDEGIRO, a German-listed online brokerage and financial services provider, contributed positively to relative performance in the period. The shares performed well on the back of strong trading volume, the integration of recent acquisitions, and optimism regarding future growth.

Columbus McKinnon, a US-listed manufacturer of material handling products and systems, contributed positively to relative performance. The company reported better-than-expected results in the period, and the new management team presented a credible plan to accelerate organic growth and expand profitability.

Digital Garage, a Japan-listed information technology company with digital advertising, payments, and business incubation divisions, detracted from relative performance in the period. Demand for the company's services was negatively impacted as a result of the resurgence COVID-19.

Royal Unibrew, a Denmark-listed brewer, detracted from relative performance in the period. The shares were weak alongside lower demand, particularly on-trade (e.g. in bars and restaurants), as a result of the resurgence in COVID-19.

The Fund has maintained its holdings in all four names.

COVID-19 vaccine progression is likely to continue to drive investor sentiment in the near to medium term. Recent optimism, however, must be weighed against the effects of widespread surges in infection rates and fatalities that, unfortunately, look set to continue. The outcome of the US elections buoyed investor sentiment as uncertainty decreased, and the path towards additional fiscal stimulus opened. As the US government transition process continues, investors may become increasingly focused on US-China trade tensions and the progressive policy changes US President Joseph Biden plans to pursue.

For more information, call us on 1800 825 287
or visit www.lazardassetmanagement.com.au

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