

Percent per year

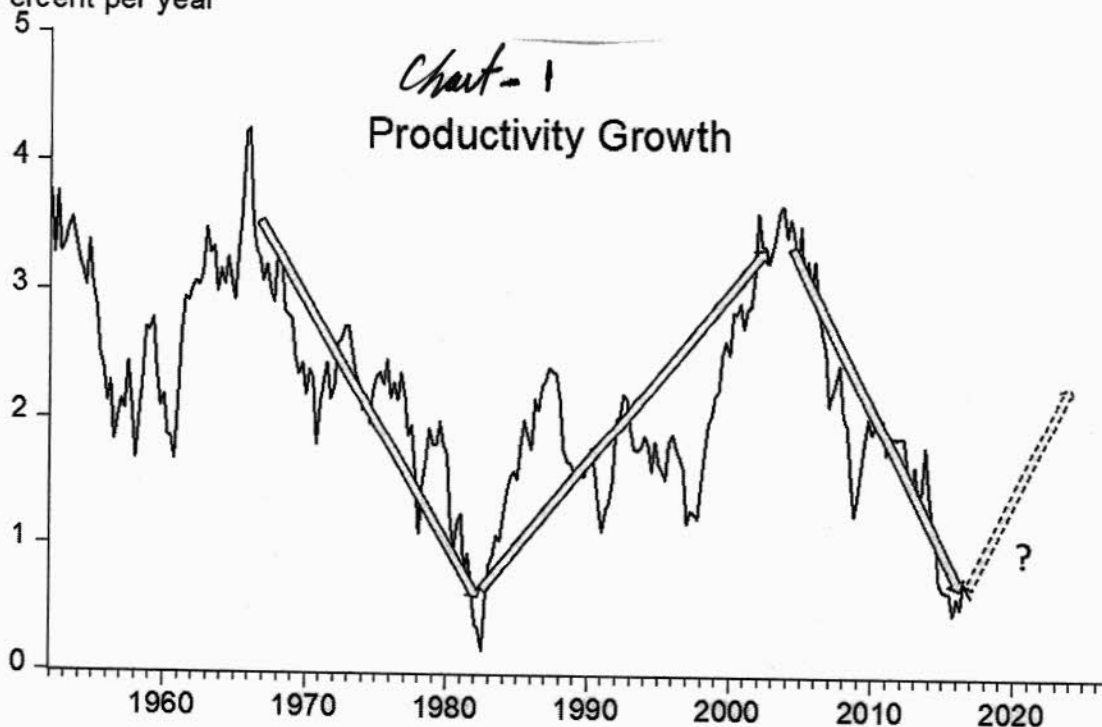


Chart - 2

U.S. Future Inflation Gauge

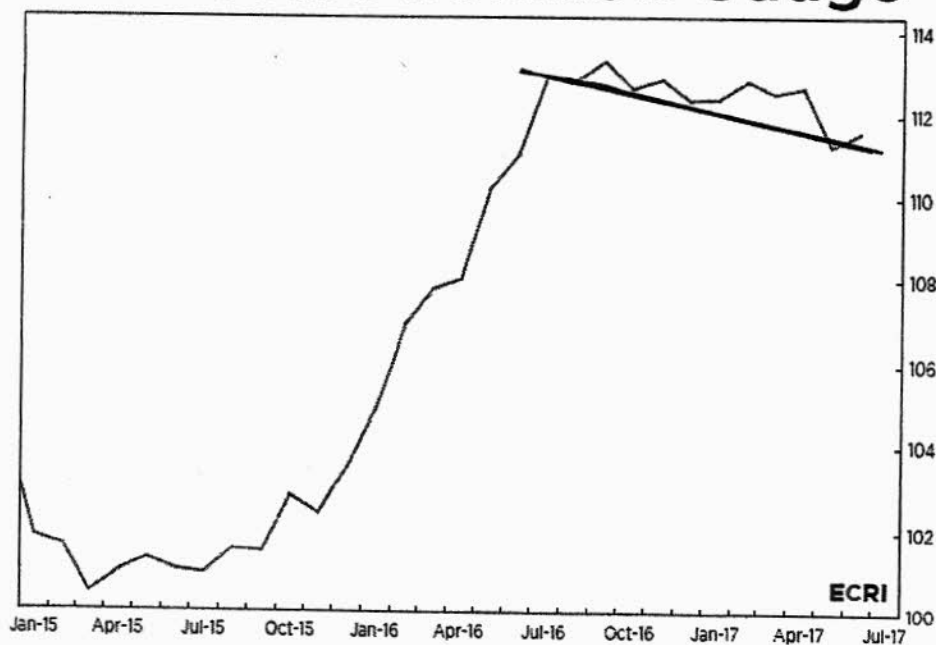


Chart-3

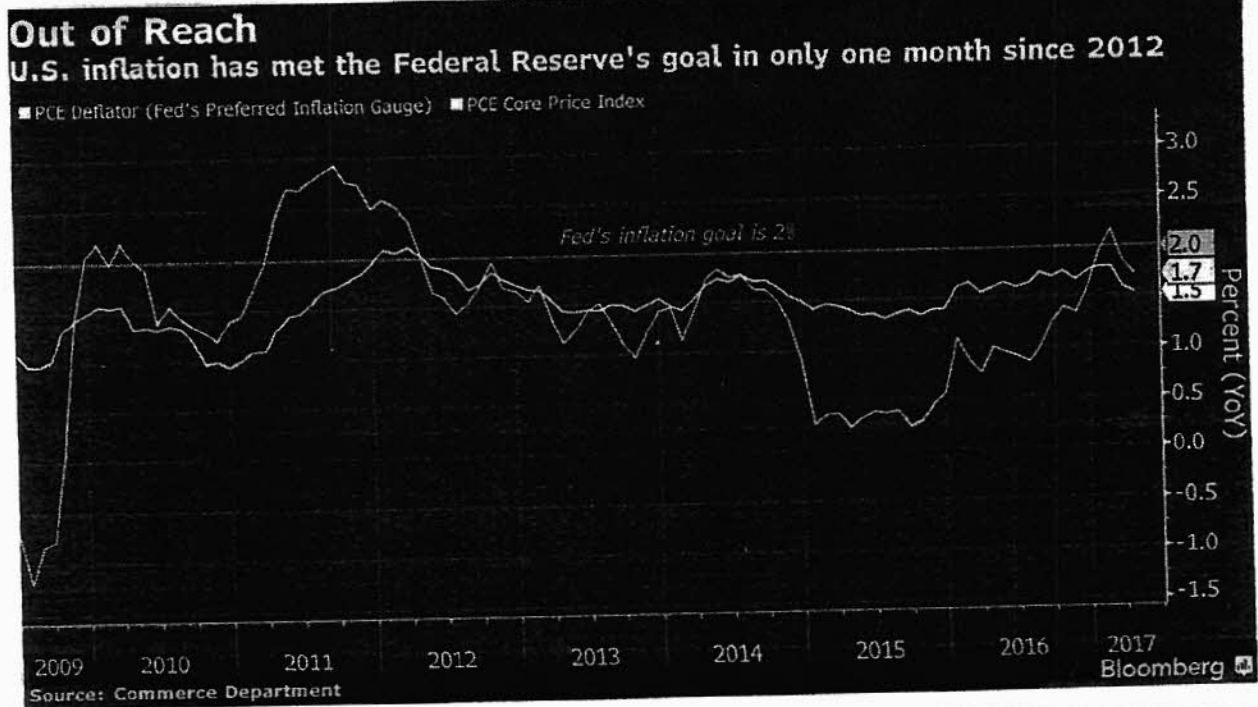


Chart-4

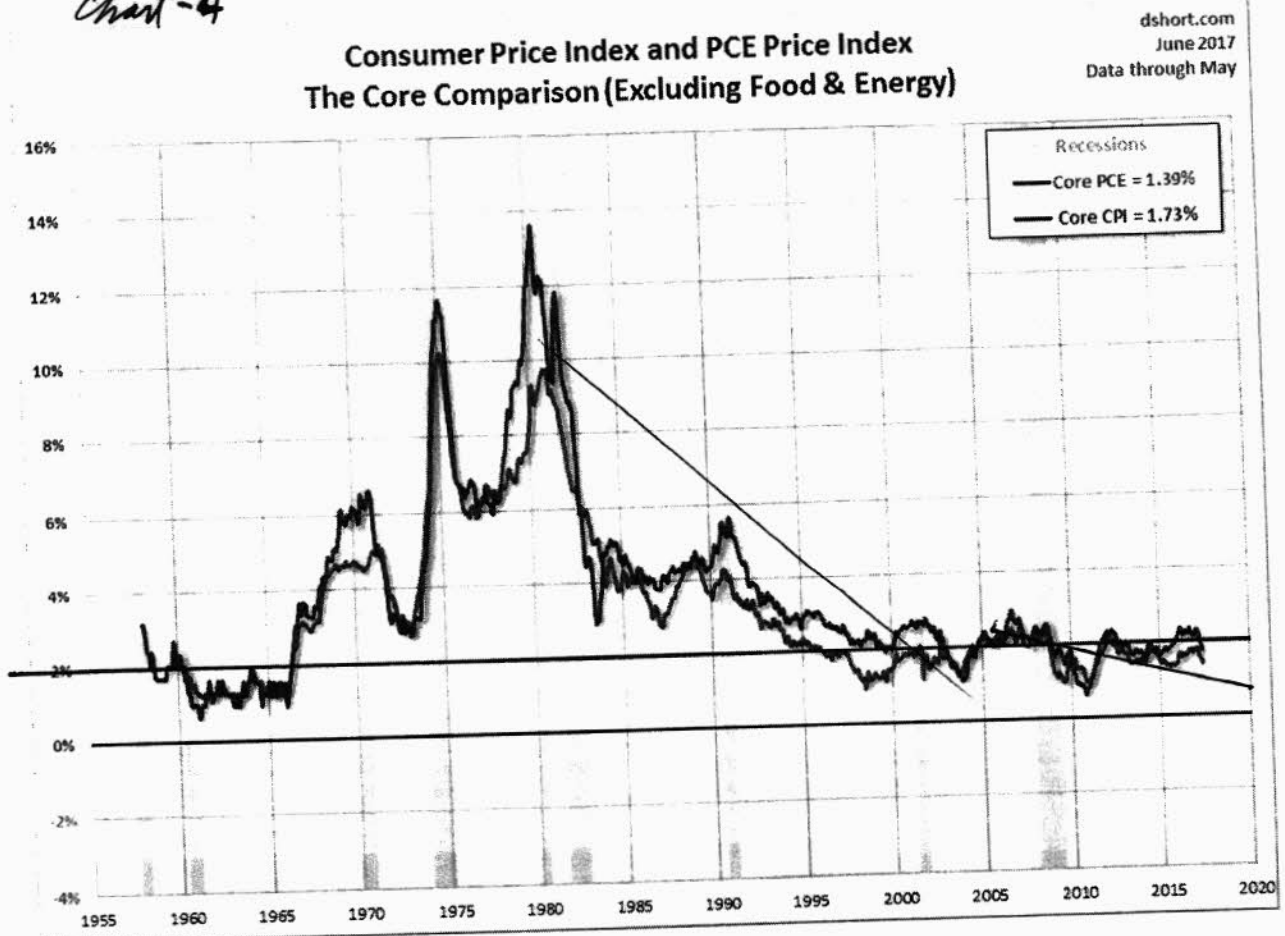


Chart-5

Conference Board Leading Economic Index with Recessions Highlighted

dshort.com

July 2017

Data through June

Log Scale

160

Composite Index of 10 Leading Indicators (2010=100)

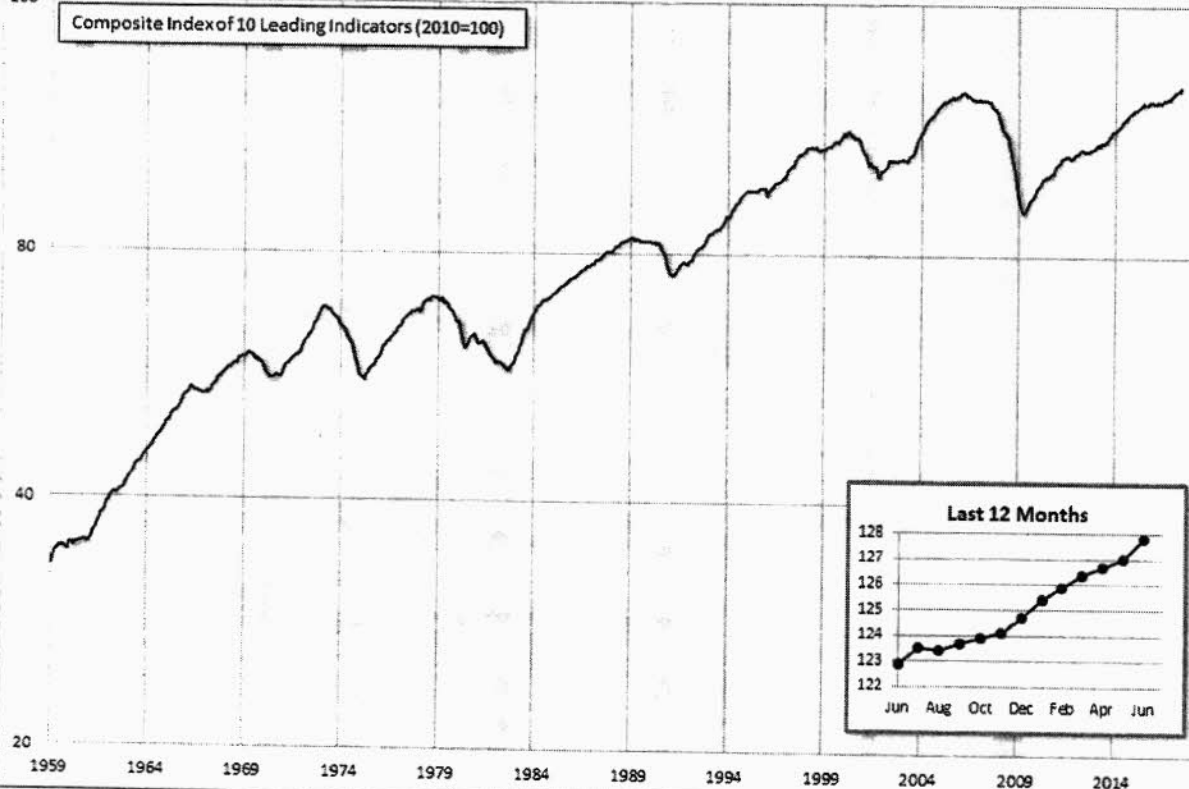


Chart-6

BABY BOOMER SPENDING POWER

Americans age 55 and older account for a major portion of consumer spending. Share of total spending by age group:

● 34 and under ● 35-44 ● 45-54 ■ 55 and older

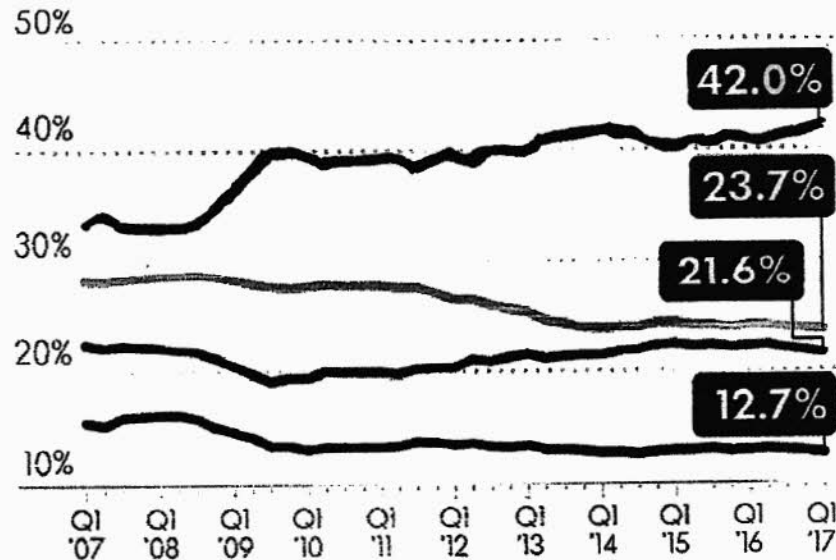


Chart-7

Median Real Household Income Growth By Age Bracket

dshort.com

— 15-24 Years — 25-35 Years — 35-44 Years — 45-54 Years — 55-64 Years — 65 and Older

Income chained in 2015 dollar values
Recessions highlighted in gray

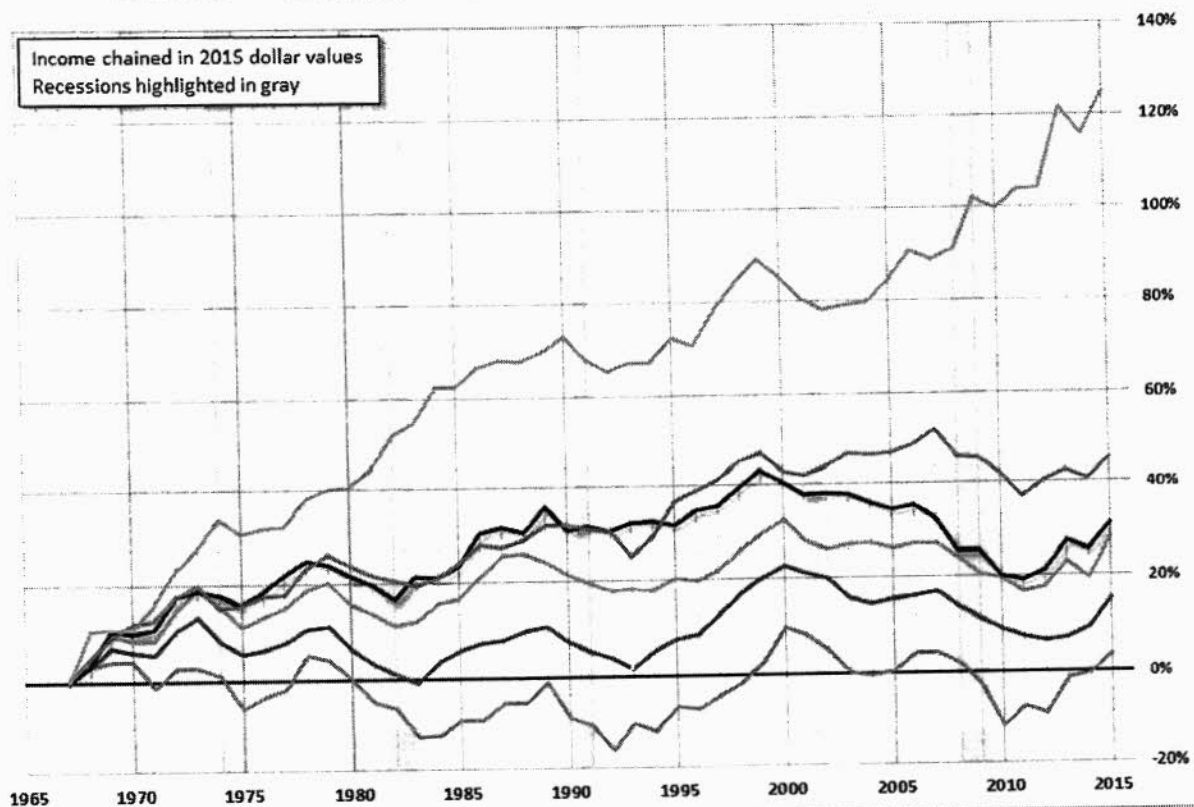


Chart-8

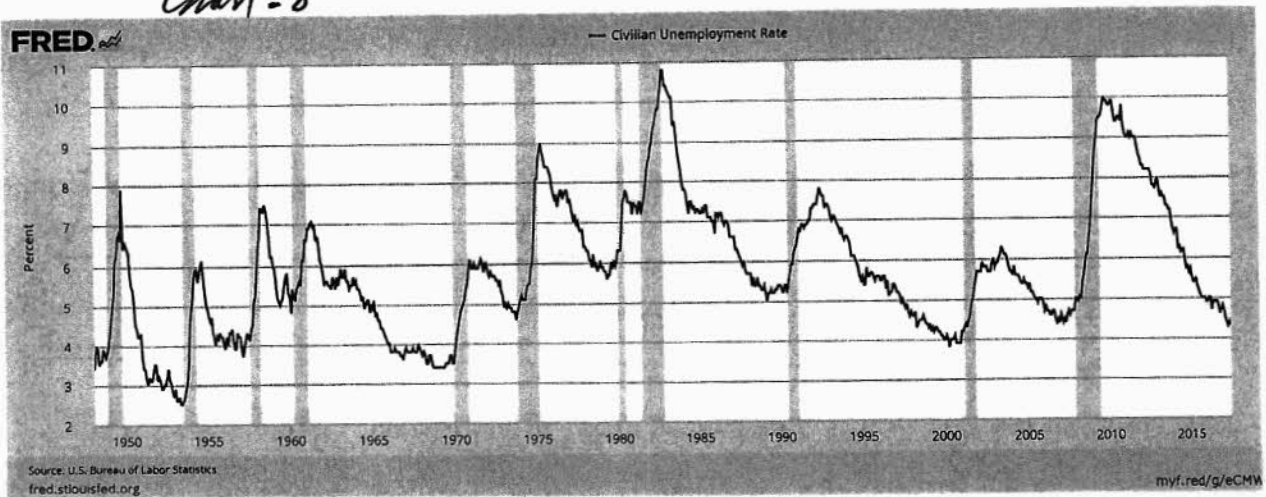


Chart-9

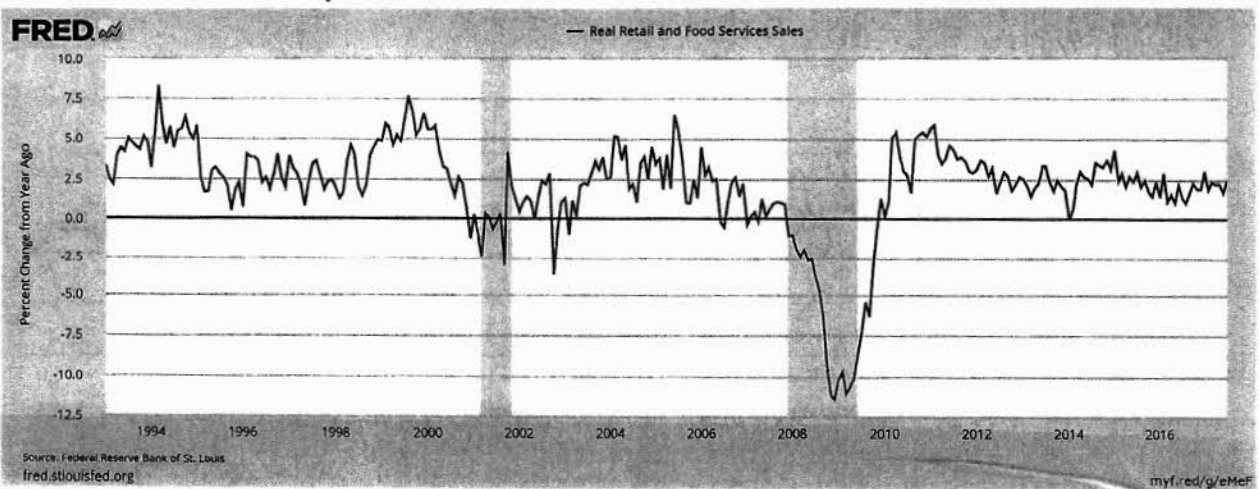


Chart-10

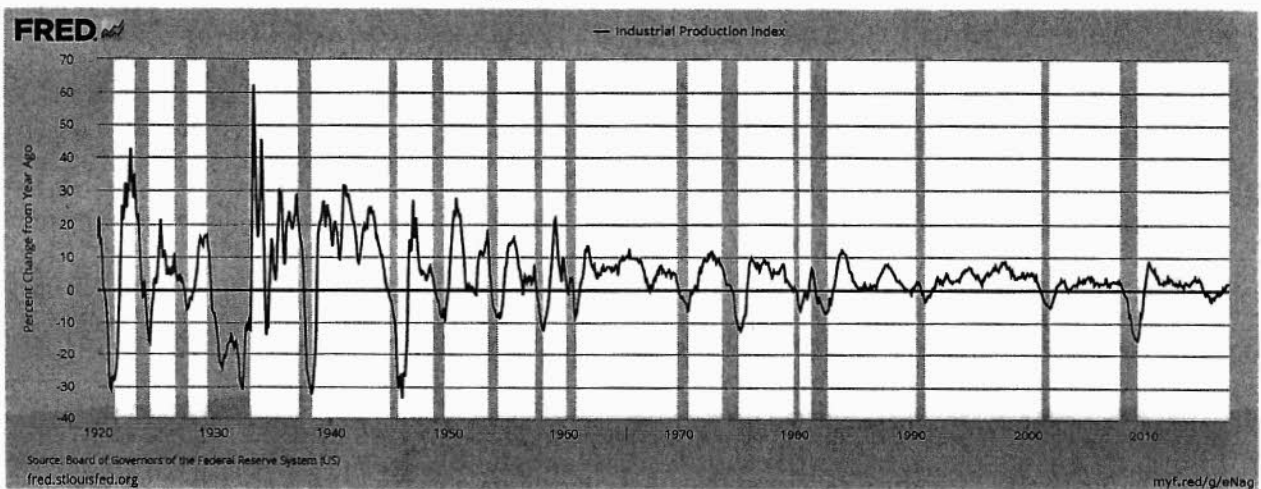


Chart-11

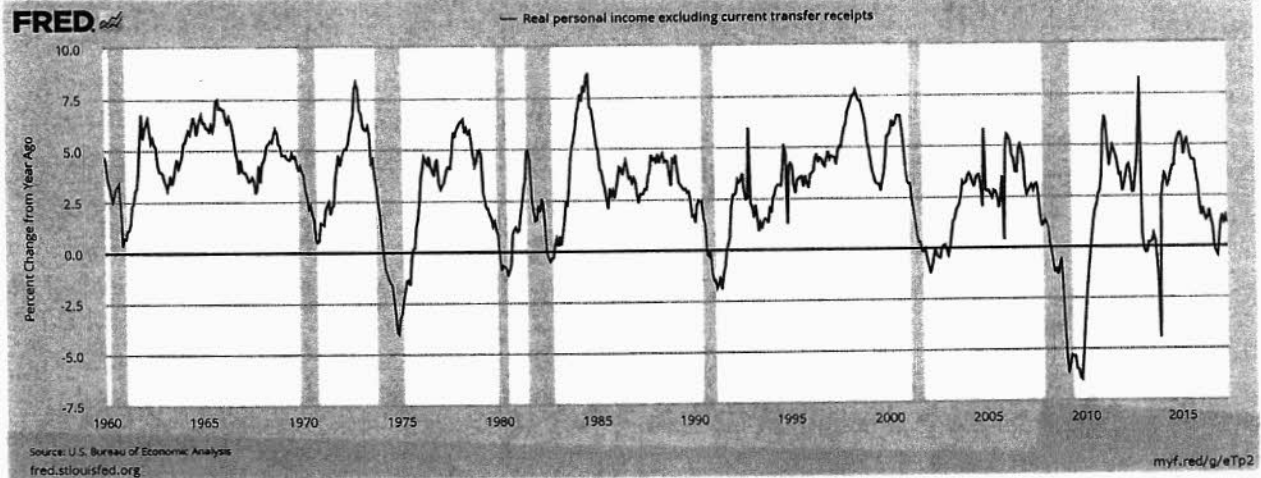


Chart-12

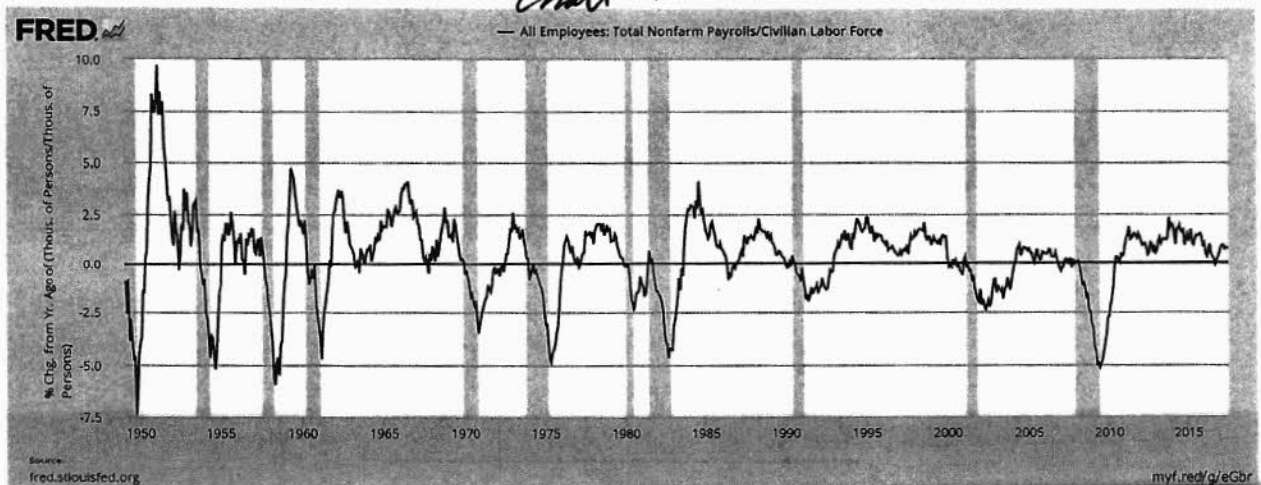


Chart-13

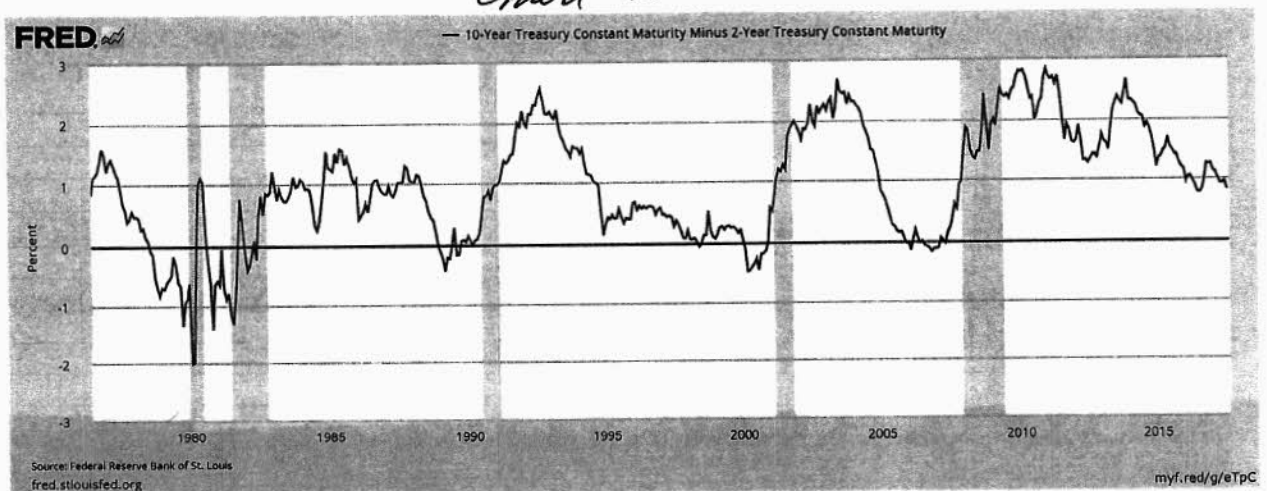
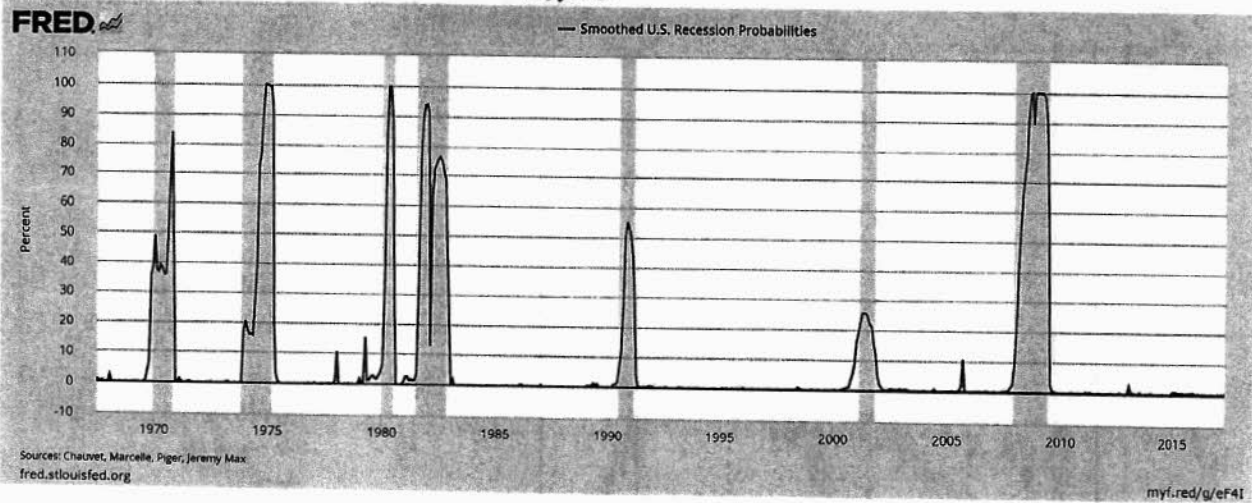


Chart-14



It currently takes 31 days to fill a vacant job, up from 23 days in 2006

Chart-15

Average number of days to fill vacant jobs



Source: Dice Holdings, Haver Analytics, DB Global Markets Research

Chart-16 (Job Openings VS Hires)

FRED

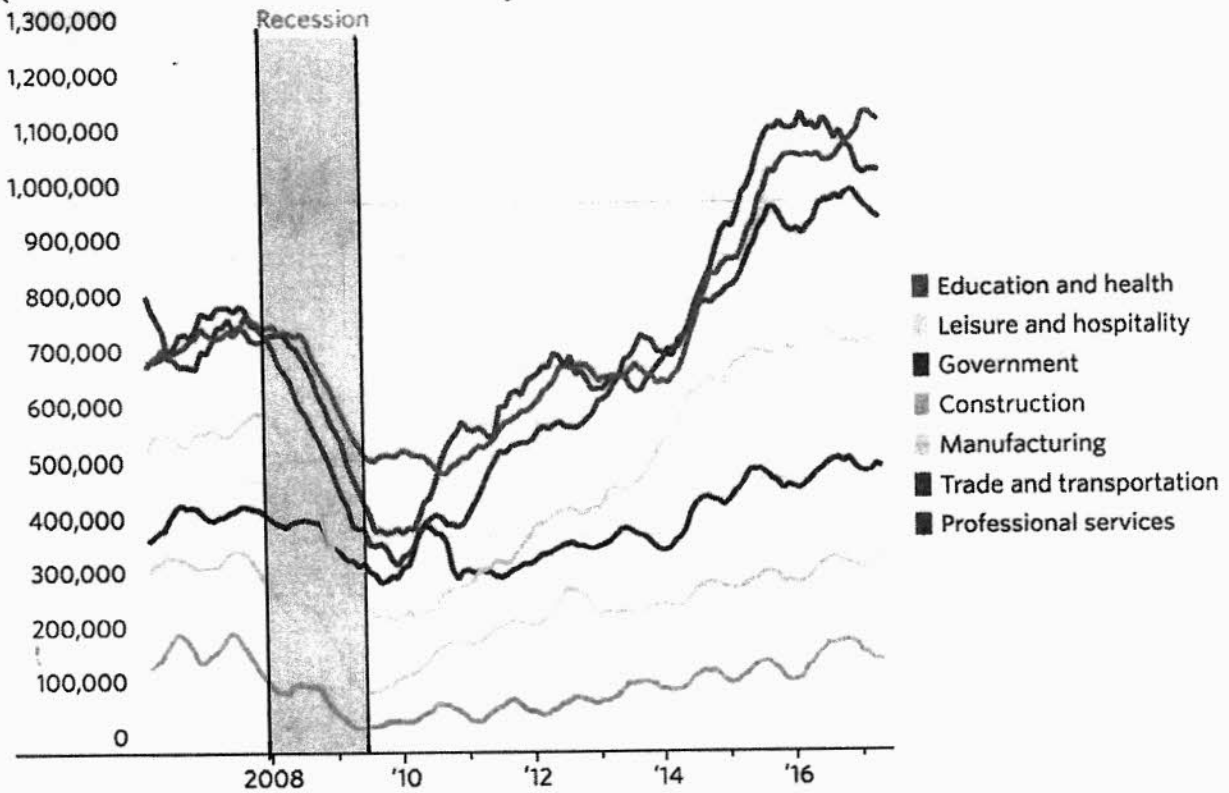
Job Openings: Total Nonfarm, Dec 2007=100
Hires: Total Nonfarm, Dec 2007=100



Source: U.S. Bureau of Labor Statistics
fred.stlouisfed.org

fred.stlouisfed.org

Chart-17 (Number of job openings per industry)

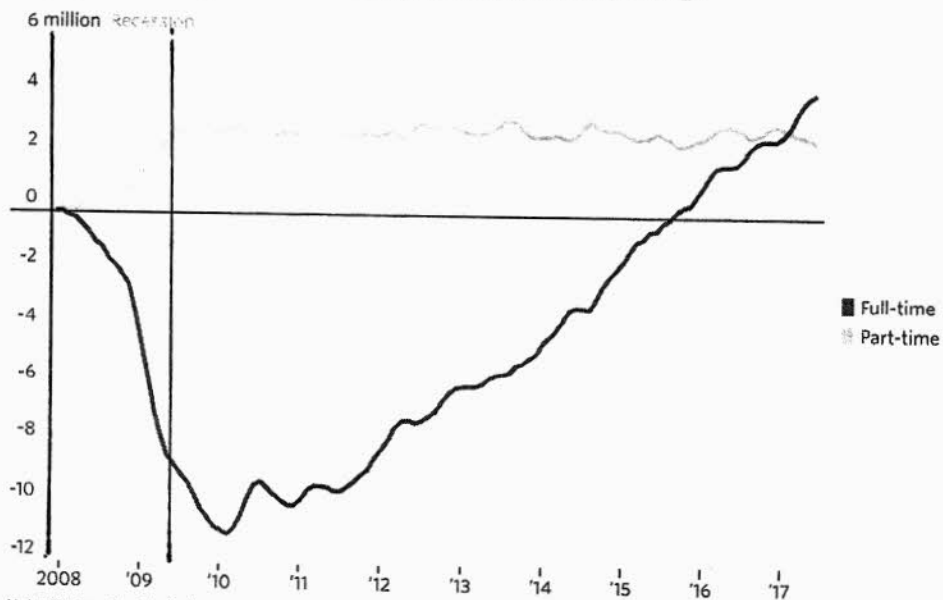


Note: seasonally adjusted, 6-month moving average
Source: Labor Department

Chart - 18

Scheduling Shifts

Employment change since Dec. 2007, three-month moving average

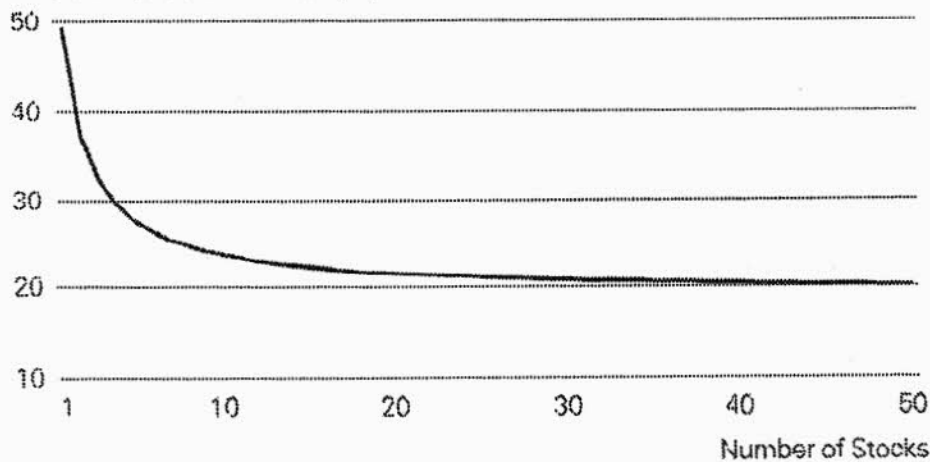


Note: Seasonally adjusted
Source: Labor Department

THE WALL STREET JOURNAL

Exhibit 1.
Risk Reduction Rate Slows with More Stocks

Portfolio Standard Deviation (%)



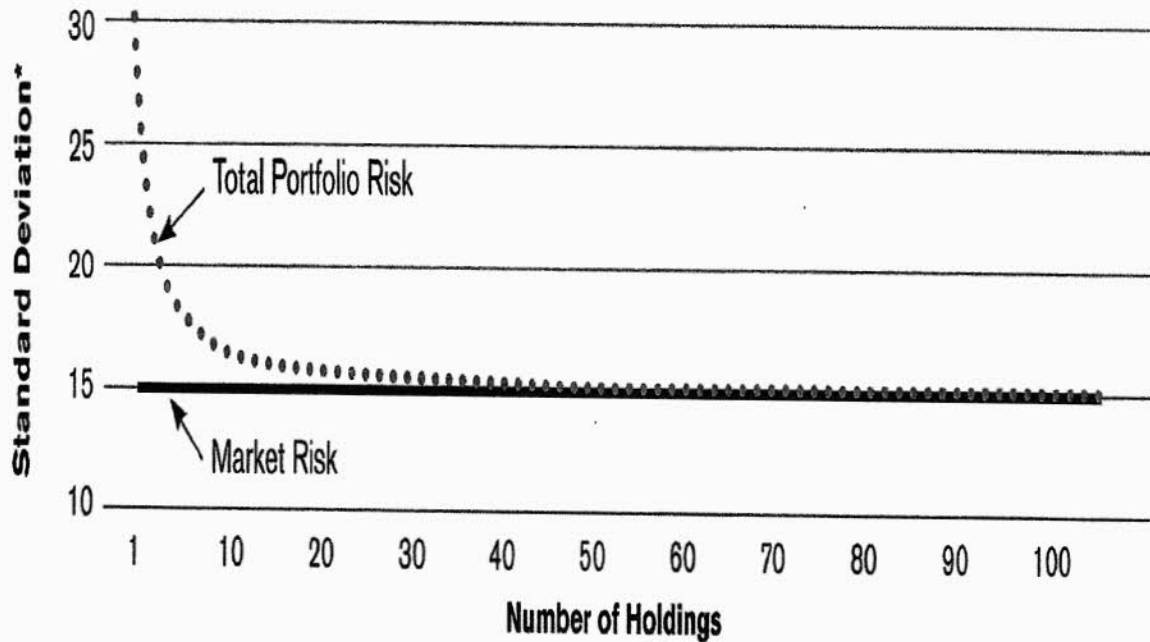
This information is for illustrative purposes only and does not represent any product or strategy managed by Lazard.

(Exhibit 2.)

	Total Returns - Full Sample		
	Conviction Weights Against Own Index		
Portfolios	Total Returns (annualised)	Standard Deviation (annualised)	Sharpe Ratio
Top 5	10.77%	26.33%	0.277
Top 10	9.39%	23.40%	0.255
Top 15	8.67%	21.83%	0.239
Top 20	8.12%	20.65%	0.228
Top 25	7.78%	19.79%	0.219
Top 30	7.44%	19.13%	0.210
All Funds	6.30%	19.51%	0.169
Own Index	5.05%	19.96%	0.080

DIVERSIFICATION MAY BE ACHIEVED WITH AS FEW AS 20 HOLDINGS

Exhibit 3. Total Portfolio Risk as a Function of Number of Stocks Held



As of: Winter 2011

Source: Modern Portfolio Theory, RS Investments, www.rsfunfunds.com

COPYRIGHT 2011 RS INVESTMENTS

REPRINTED WITH PERMISSION OF RS INVESTMENTS

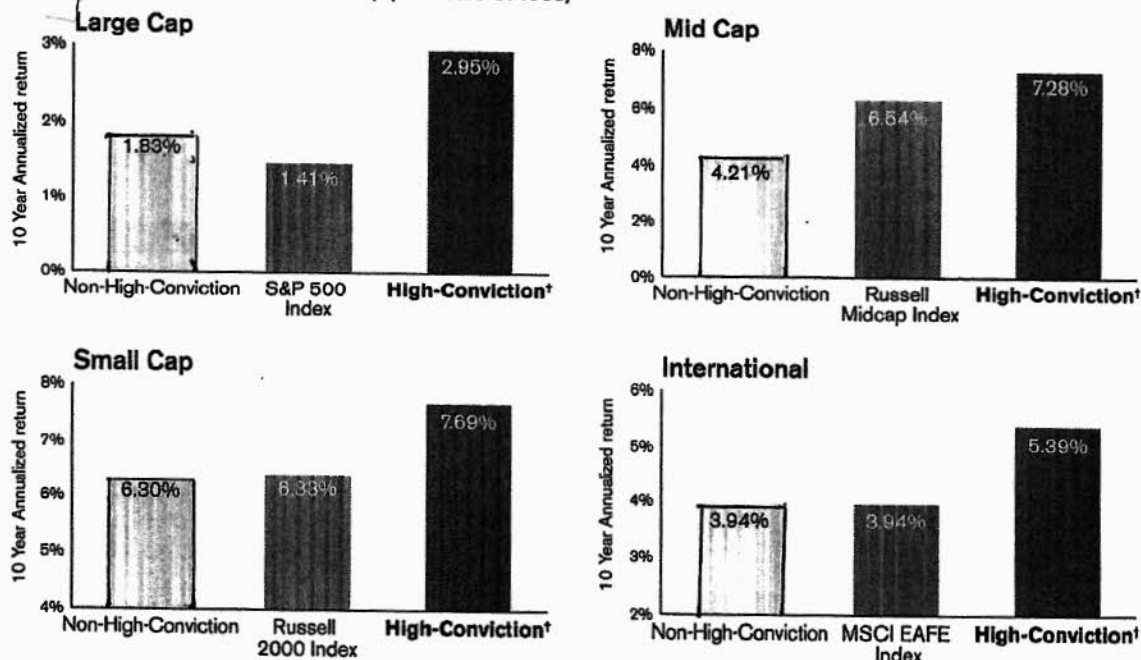
Exhibit 4

Effect of Diversification



HIGH-CONVICTION[†] FUNDS HAVE OUTPERFORMED PEERS AND BENCHMARKS – ACROSS MARKET CAPS AND U.S./NON U.S. STRATEGIES

Exhibit 5 Average 10-Year Annualized Returns Among Actively Managed Funds**
(12/31/2000–12/31/2010) (inclusive of fees)

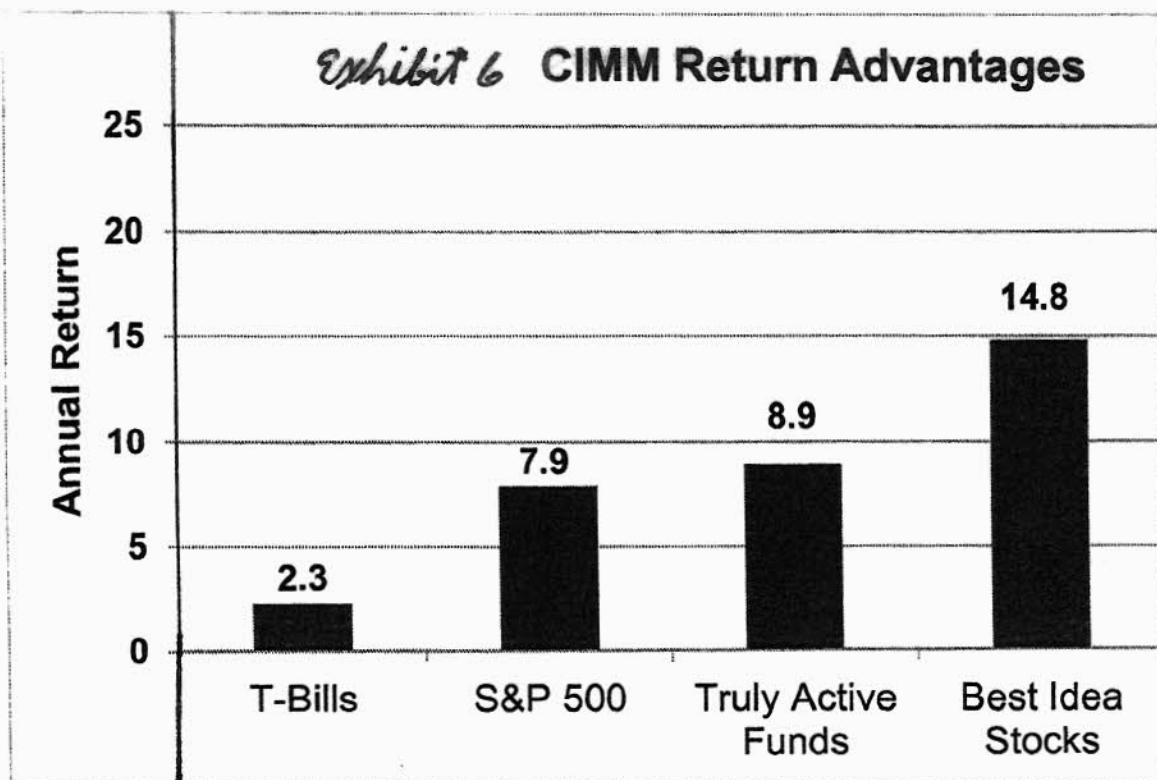


As of: December 31, 2010

Source: Morningstar, RS Investments, www.rs-funds.com

COPYRIGHT 2011 RS INVESTMENTS

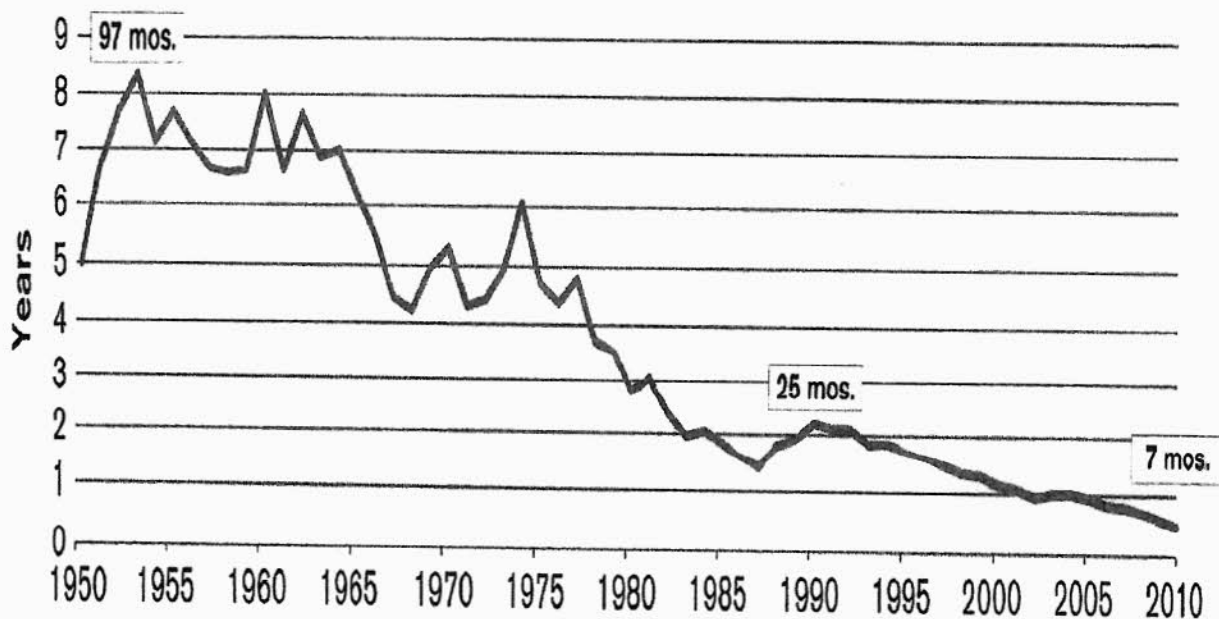
REPRINTED WITH PERMISSION OF RS INVESTMENTS



Data sources: AthenaInvest, Thomson Reuters Financial, Lipper, and Ken French's website.

"SHORT TERMISM:" THE AVERAGE HOLDING PERIOD OF STOCKS ON THE NYSE HAS STEADILY DECLINED

Exhibit 7 Average Holding Period of a Stock on the NYSE



As of: Winter 2011

Source: SG Global Strategy Research, RS Investments, www.rsfnfunds.com

COPYRIGHT 2011 RS INVESTMENTS

Exhibit 8

	Investor Returns ¹			Inflation	S&P 500	Barclays Aggregate Bond Index
	Equity Funds	Asset Allocation Funds	Fixed Income Funds			
30 Year	3.66	1.65	0.59	2.60	10.35	6.73
20 Year	4.67	2.11	0.51	2.20	8.19	5.34
10 Year	4.23	1.89	0.39	1.88	7.31	4.51
5 Year	6.92	3.28	0.10	1.58	12.57	3.25
3 Year	8.85	3.81	-1.76	1.07	15.13	1.44
12 Months	-2.28	-3.48	-3.11	0.95	1.38	0.55

¹ Returns are for the period ending December 31, 2015. Average equity investor, average bond investor and average asset allocation investor performance results are calculated using data supplied by the Investment Company Institute. Investor returns are represented by the change in total mutual fund assets after excluding sales, redemptions and exchanges. This method of calculation captures realized and unrealized capital gains, dividends, interest, trading costs, sales charges, fees, expenses and any other costs. After calculating investor returns in dollar terms, two percentages are calculated for the period examined: Total investor return rate and annualized investor return rate. Total return rate is determined by calculating the investor return dollars as a percentage of the net of the sales, redemptions and exchanges for each period.

Figure 1-A
The Chicago Fed National Activity Index

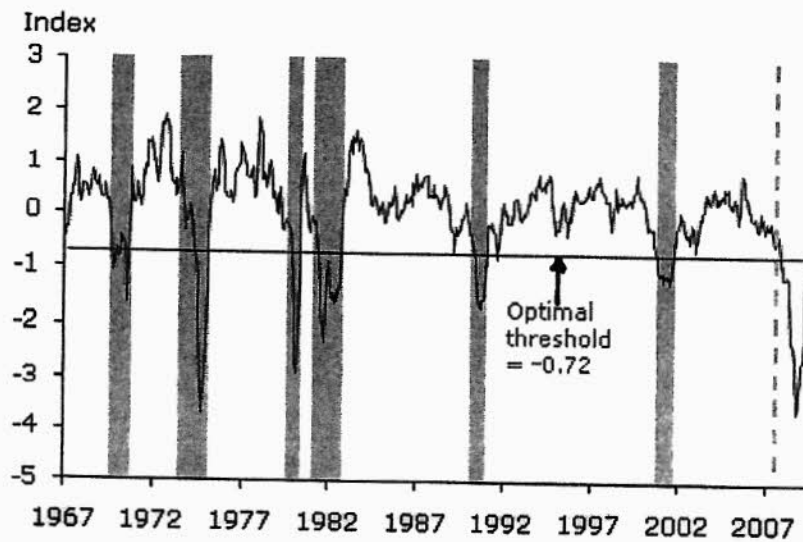


Figure 1-B
(Nowcaster) -- Red Time Indicator

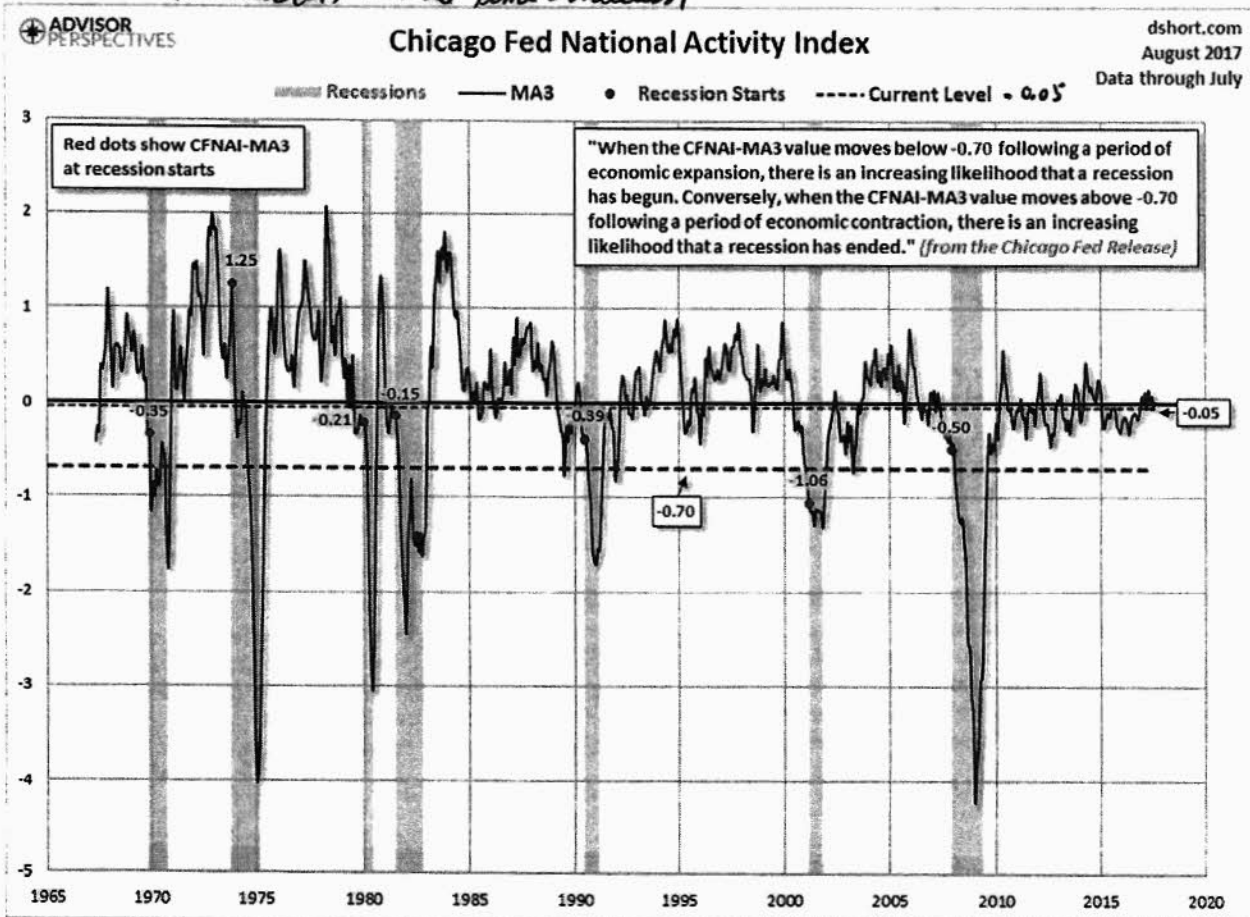


Figure 2-A
The Aruoba, Diebold, and Scotti Index

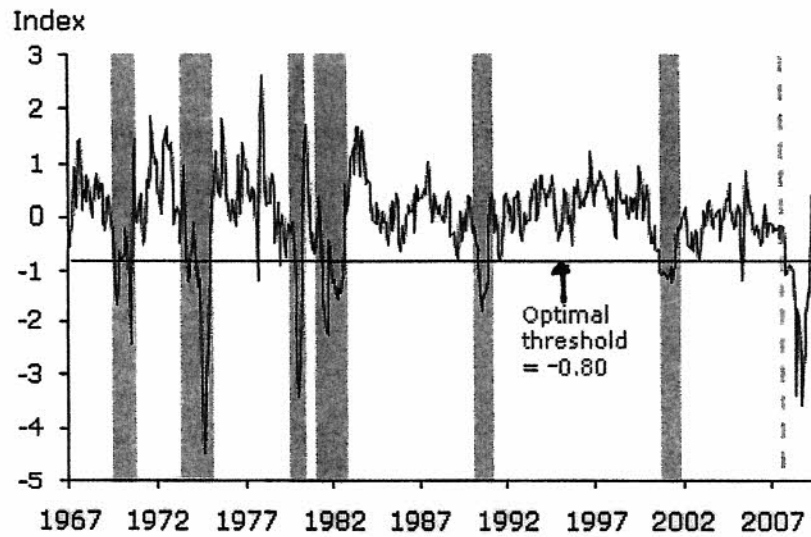


Figure 2-B
(Nowcaster) -- Real-Time Indicators

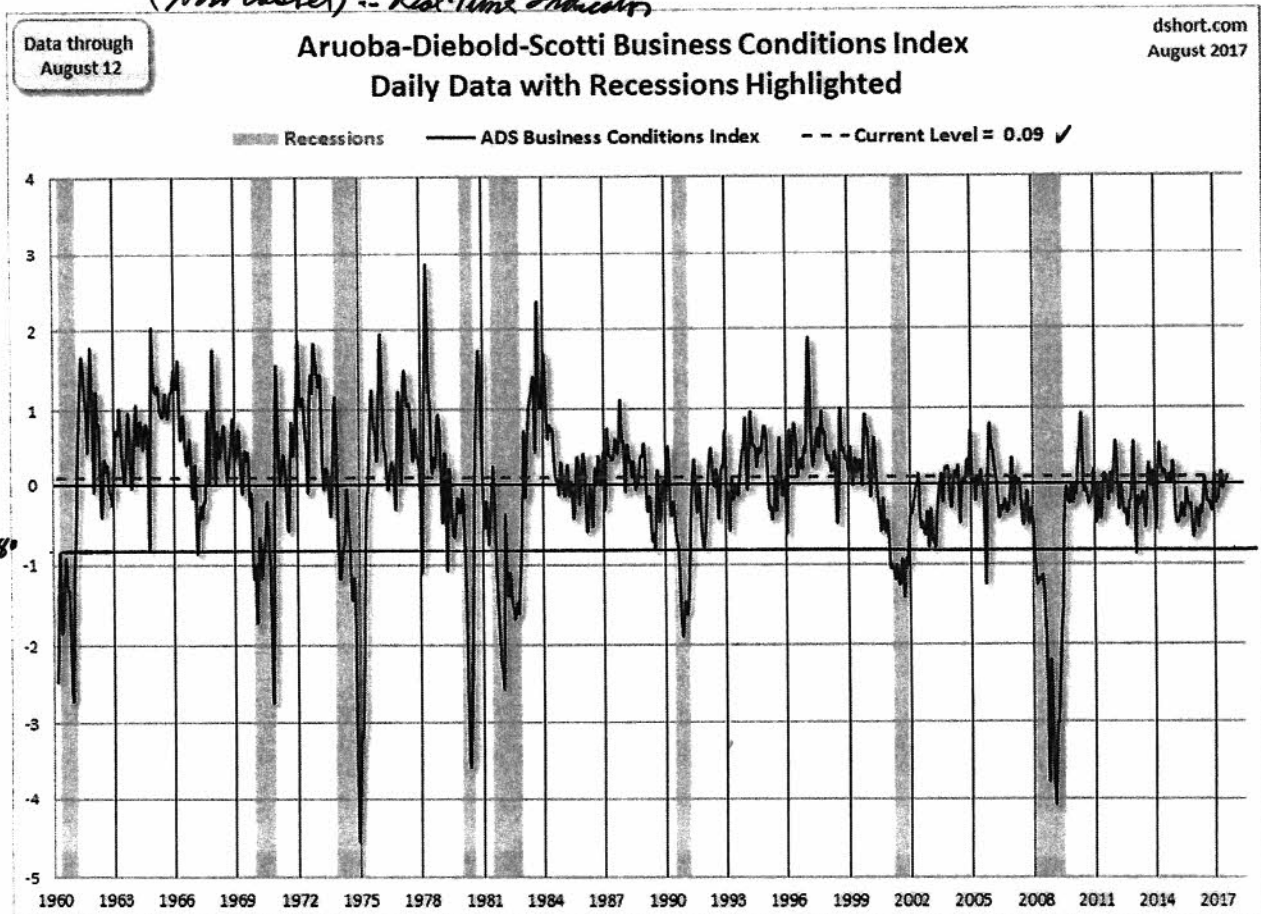


Figure - 3

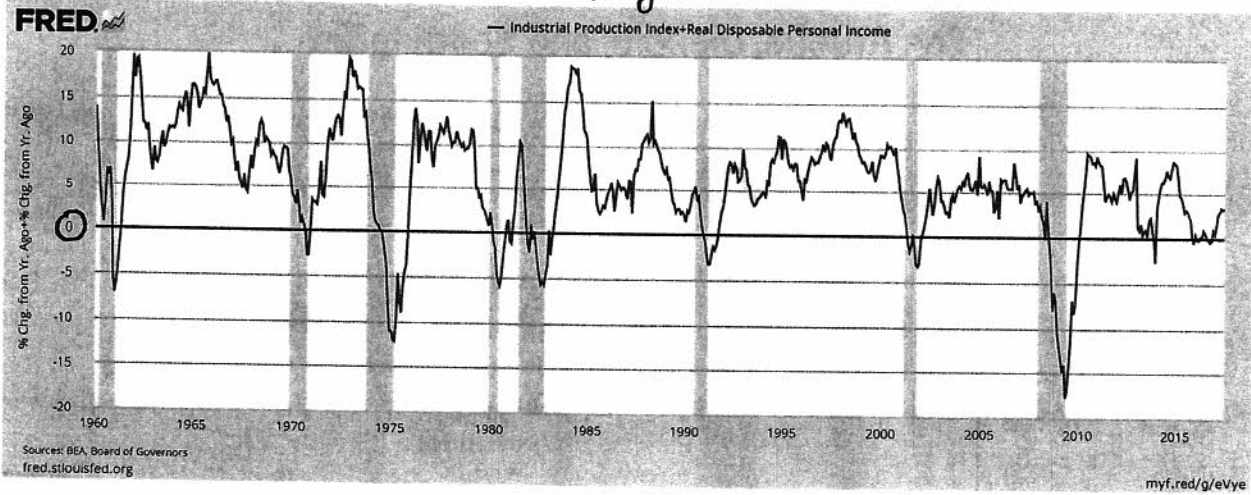


Figure - 4

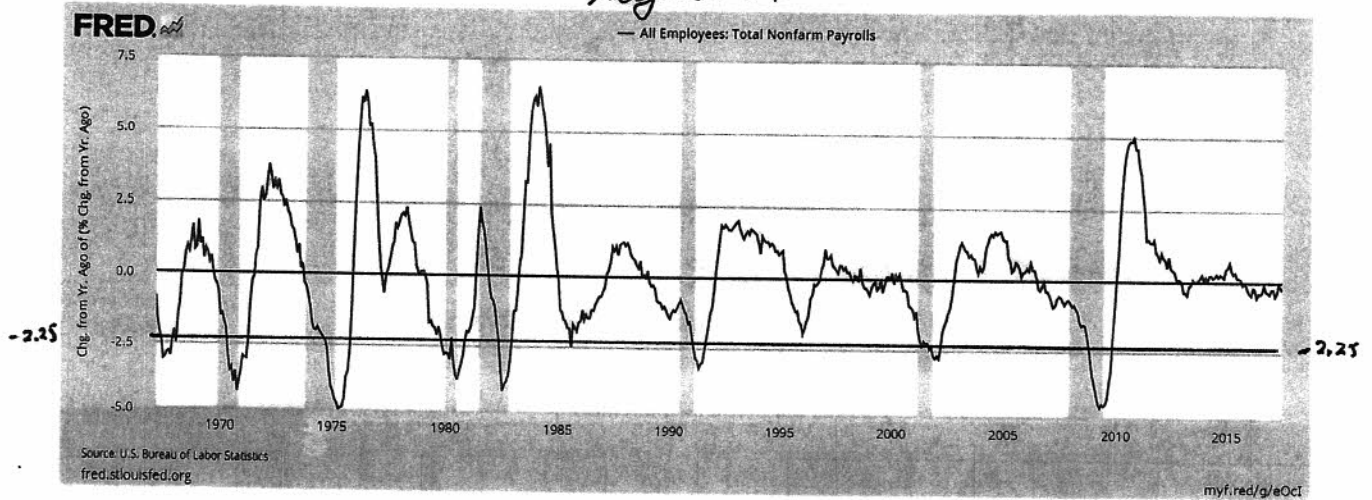


Figure - 5

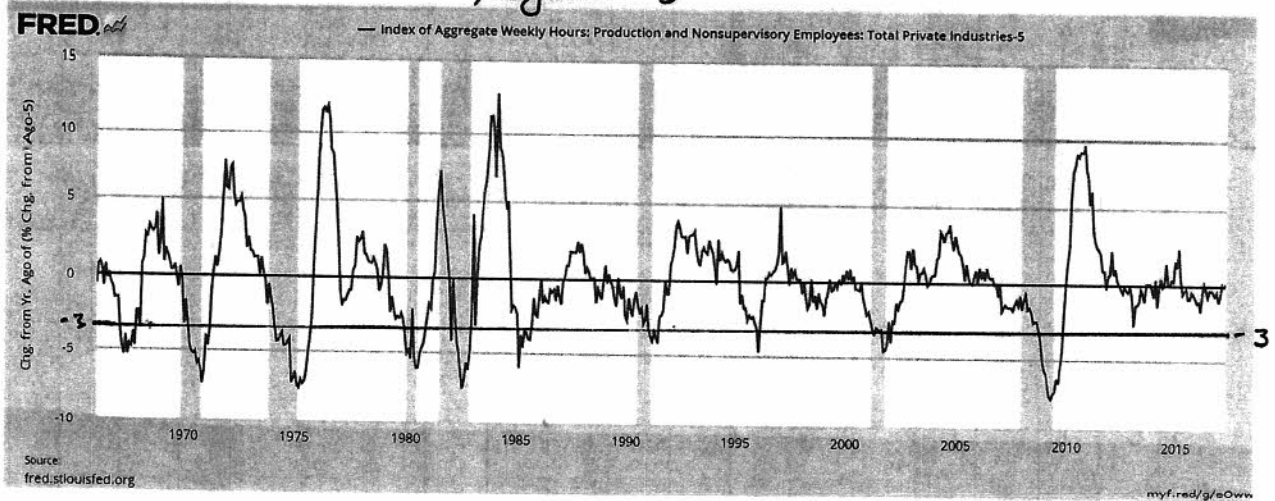


Figure-6

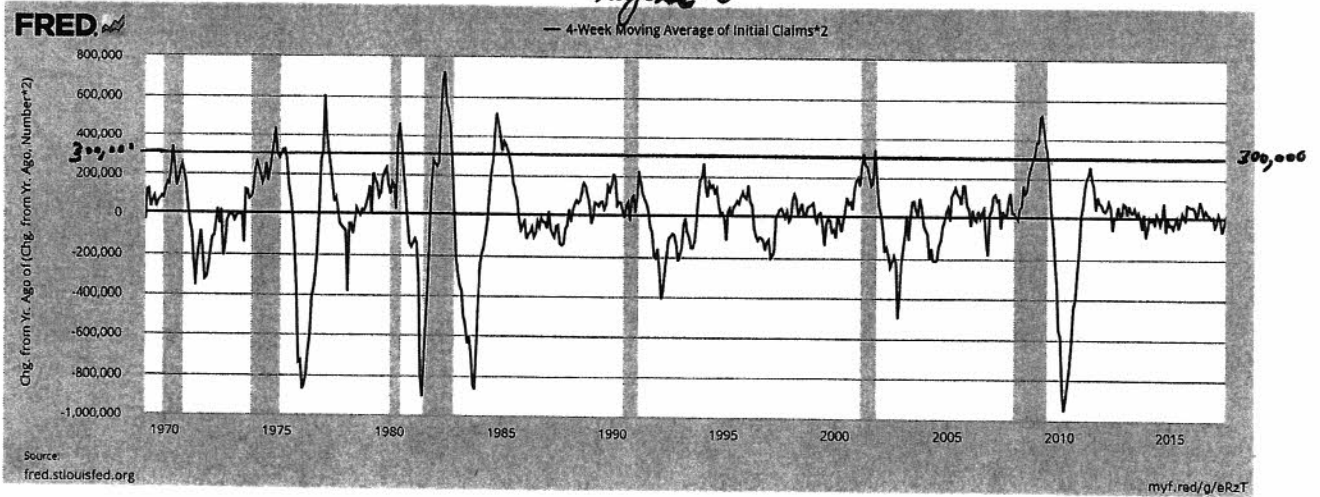


Figure-7

