



# AQR Global Risk Parity UCITS Fund

December 2020

## Fund Objectives and Investment Process

The AQR Global Risk Parity UCITS Fund uses a risk budgeting approach to combine a large number of liquid, global risk premia into a well-diversified portfolio, which provides higher risk-adjusted expected returns than traditional beta exposures. For inclusion in the portfolio, risk premia must be liquid, easily financed and provide either a positive expected return or some portfolio diversification benefit over the long-term. The Fund seeks to offer investors a rational and efficient way to access global market risk, the core of long-term investment returns.

The AQR Global Risk Parity UCITS Fund includes three risk premia buckets that offer a more balanced risk allocation: Equity Risk, Nominal Interest Rate Risk, and Inflation Risk.

### Fund Objectives:

- Efficiently deliver exposure to a broadly diversified set of global risk premia
- Targets less risk in stocks than in a traditional portfolio, more in everything else
- Maintain attractive liquidity characteristics
- Generate excess returns from a risk-diversified portfolio of asset exposures

(Strategies subject to change at any time.)

### Assets Under Management (approx. as of 01/04/21)

Estimated Fund Net Assets: \$2.1 billion

Estimated Available Cash\* (% of NAV): 48%

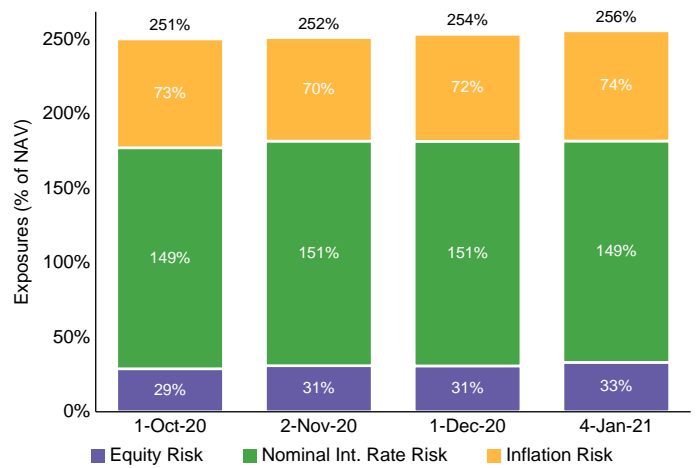
\*Available cash is cash or cash equivalents that are free to use for any purpose, i.e. not used up for collateral, purchases, etc.

### Realized Gross Return Analysis

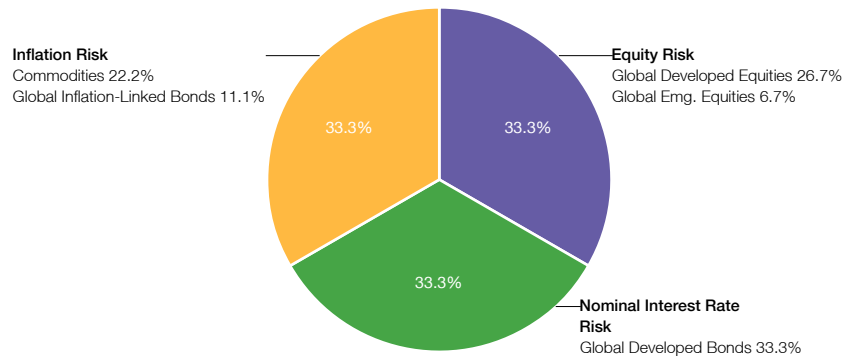
	December Estimate	4Q20 Qtr-to-Date	2020 Year-to-Date
Equity Risk	1.0%	4.0%	-1.0%
Nominal Interest Rate Risk	0.0%	-0.5%	8.6%
Inflation Risk	1.3%	2.8%	-1.7%
<b>Total Fund</b>	<b>2.4%</b>	<b>6.3%</b>	<b>5.8%</b>

Current month's returns based on gross, unaudited estimates. Returns shown are for the AQR Global Risk Parity UCITS Fund.

### Estimated Exposures Over Time



### Risk Allocation as of January 4, 2021 (estimated)\*



\* Risk contributions are based on AQR's estimates and may be subject to change.

**Estimated Exposure Breakdown as of January 4, 2021**

	Long Exposure (% of NAV)
<b>Equity Risk</b>	
Global Developed Equities	27%
Global Emerging Equities	6%
<b>Total Equity Risk</b>	<b>33%</b>
<b>Nominal Interest Rate Risk</b>	
Global Developed Bonds	149%
<b>Total Nominal Interest Rate Risk</b>	<b>149%</b>
<b>Inflation Risk</b>	
Commodities	25%
Global Inflation-Linked Bonds	49%
<b>Total Inflation Risk</b>	<b>74%</b>
<b>Total Fund Exposures</b>	<b>256%</b>

**Exposure Breakdown Analysis as of January 4, 2021**

	Long Exposure (% of NAV)
<b>Equity Market Exposures</b>	
Americas	21%
Europe	4%
Asia ex-Japan	7%
Japan	2%
<b>Total Equity Market Exposures</b>	<b>33%</b>
<b>Bond Market Exposures - Nominal and Inflation-Linked</b>	
Americas	103%
Europe	74%
Asia	21%
<b>Total Bond Market Exposures</b>	<b>198%</b>

**Returns Analysis (gross, unaudited estimates)**

	Month-to-Date Return (Dec 01 - Dec 31, 2020)	Quarter-to-Date Return (Oct 01 - Dec 31, 2020)	Year-to-Date Return (Jan 01 - Dec 31, 2020)
<b>Equity Risk</b>			
Global Developed Equities	0.7%	3.0%	-0.7%
Global Emerging Equities	0.3%	1.0%	-0.3%
<b>Total Equity Risk</b>	<b>1.0%</b>	<b>4.0%</b>	<b>-1.0%</b>
<b>Nominal Interest Rate Risk</b>			
Global Developed Bonds	0.0%	-0.5%	8.6%
<b>Total Nominal Interest Rate Risk</b>	<b>0.0%</b>	<b>-0.5%</b>	<b>8.6%</b>
<b>Inflation Risk</b>			
Commodities	1.0%	2.4%	-3.1%
Global Inflation-Linked Bonds	0.4%	0.5%	1.4%
<b>Total Inflation Risk</b>	<b>1.3%</b>	<b>2.8%</b>	<b>-1.7%</b>
<b>Total Fund</b>	<b>2.4%</b>	<b>6.3%</b>	<b>5.8%</b>

Daily Estimated Value at Risk\*\*: 0.8%

\*\* VaR is estimated from daily portfolio returns over the last seven years of the end of day positions for the fund as of the reporting date. Approximately 5% of the historical days had losses greater than the VaR. Recent dates are weighted more heavily than older dates in this computation. Some assumptions and approximations are necessary to project historical returns, and VaR numbers are interpolated to get to exactly 5%. VaR changes over time, and can increase significantly. Losses much greater than VaR are possible in a day, and larger losses are possible over longer periods. This VaR is a backward-looking risk measure. It is not necessarily AQR's forecast of forward-looking risk.

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All performance figures contained herein reflect the reinvestment of dividends and all other earnings and represent unaudited estimates of realized and unrealized gains and losses prepared by AQR Capital Management, LLC. They are intended for illustrative purposes only. Please refer to your monthly statements for actual performance and expenses.

**PAST PERFORMANCE IS NOT AN INDICATION OF FUTURE PERFORMANCE.**

Gross performance results do not reflect the deduction of investment advisory fees, which would reduce an investor's actual return. For example, assume that \$1 million is invested in an account with the Firm, and this account achieves a 10% compounded annualized return, gross of fees, for five years. At the end of five years that account would grow to \$1,610,510 before the deduction of management fees. Assuming management fees of 1.00% per year are deducted monthly from the account, the value of the account at the end of five years would be \$1,532,886 and the annualized rate of return would be 8.92%. For a ten-year period, the ending dollar values before and after fees would be \$2,593,742 and \$2,349,739, respectively. AQR's asset based fees may range up to 2.85% of assets under management, and are generally billed monthly or quarterly at the commencement of the calendar month or quarter during which AQR will perform the services to which the fees relate. Performance fees are generally equal to 20% of net realized and unrealized profits each year, after restoration of any losses carried forward from prior years. In addition, AQR funds incur expenses (including start-up, legal, accounting, audit, administrative and regulatory expenses) and may have redemption or withdrawal charges up to 2% based on gross redemption or withdrawal proceeds. Please refer to the Fund's Private Offering Memoranda and AQR's ADV Part 2A for more information on fees. Consultants supplied with gross results are to use this data in accordance with SEC, CFTC, NFA or the applicable jurisdiction's guidelines.

The exposures above are subject to change at any time.

There is a risk of substantial loss associated with trading commodities, futures, options and leverage. Before investing carefully consider your financial position and risk tolerance to determine if the proposed trading style is appropriate. Investors should realize that when engaging in leverage, trading futures, commodities and/or granting/writing options one could lose the full balance of their account. It is also possible to lose more than the initial deposit when engaging in leverage, trading futures and/or granting/writing options. All funds committed should be purely risk capital.