



AQR Delphi Long-Short Equity UCITS Fund

Factsheet | October 2020

Key Information

Share Class:

RAUF (USD)

Fund Inception Date:

26 October 2018

Share Class Inception Date:

8 January 2020

Fund Size:

\$101mm (as of 31 Oct. 2020)

Domicile:

Luxembourg

ISIN:

LU1842781111

Benchmark:

50% MSCI World (100% Hedged USD) Index / 50% ML 3 Month T-Bill index

Share Price:

99.48 (as of 31 Oct. 2020)

Number of Holdings:¹

4367 (2349 Long, 2018 Short)

Morningstar® Category:

EAA Fund Alt - Long/Short Equity - Global

Minimum Subscription:

10K

Investment Management Fee:²

1.40%

Administrative & Operating Fee:³

0.20%

Performance Fee:

N/A

Local Lux Tax:⁴

0.05%

Fund Overview

Fund Aspects:

The Fund seeks to generate attractive risk-adjusted returns through three primary investment themes – low beta, quality and value – in a systematic and diversified global long/short equity portfolio.

Low-Beta: The tendency for lower-risk stocks to generate higher risk-adjusted returns.

Quality: The tendency for higher-quality stocks to generate higher returns than lower-quality stocks.

Valuation: The tendency for relatively cheap stocks to outperform relatively expensive ones.

The Fund is managed to target an average beta exposure of between 0.4 and 0.6 to the MSCI World Index (hedged and net of dividends).

Fund Objective:

The investment objective of the Fund is to provide investors with returns from potential gains from its long and short positions.

There can be no assurance that the Fund will achieve its investment objective.

Umbrella Fund:

The Fund is a sub-Fund of AQR UCITS Funds, a Luxembourg based UCITS of which the management company is FundRock Management Company S.A.

Risk Management:

Risk control is built into AQR's portfolio construction process with a focus on diversification and market beta to mitigate downside risk

Portfolio managers and Risk Manager actively assess risk of the Fund

Risk and Reward Profile:

Calculated using historical data which may not be a reliable indicator of the Fund's future risk profile. See Key Investor Information Document (KIID) for details.



Share Class Performance as of 31 Oct. 2020⁵

	Share Class	Benchmark
1 Month	-4.4%	-1.5%
3 Months	-2.0%	0.1%
YTD	-0.5%	-0.2%
Since Inception	-0.5%	-0.2%

This shareclass was launched less than 12 months ago, therefore complete performance information cannot be shown at this time.

¹ Holdings subject to change without notice.

² Fees follow a step-down structure. Fees are charged on an investor's net aggregate subscription (subscription minus redemptions) vs. a blended weighted average approach.

³ Please note this retail share class is clean, meaning it does not include underlying fees for sales or distribution. Additional costs/expenses (including transaction costs) may be incurred by the Fund. Further information in this respect is available from AQR Capital Management LLC on request.

⁴ Local Lux Tax per annum of Fund's NAV, payable quarterly.

⁵ Source: AQR, Bloomberg. Past performance is not a guarantee of future performance. The return of your investment may increase or decrease as a result of currency fluctuations if your investment is made in a currency other than that used in the past performance calculation. All fund performance data are on a NAV to NAV basis, net income reinvested. Performance data is unavailable for the time periods with no percentage growth shown. Returns over one year are annualised.

Top 20 Country Exposures*

	Fund	Compared to Benchmark	
United States	57.8%		24.4%
Japan	12.6%		8.6%
United Kingdom	6.6%		4.7%
France	5.0%		3.4%
Germany	3.5%		2.2%
Switzerland	2.9%		1.4%
Sweden	2.7%		2.2%
Denmark	2.0%		1.6%
Netherlands	1.8%		1.1%
Italy	1.7%		1.4%
Canada	1.5%		0.0%
Finland	1.5%		1.4%
Australia	0.8%		0.0%
Spain	0.8%		0.4%
Belgium	0.7%		0.5%
Hong Kong	0.4%		-0.1%
Norway	0.4%		0.3%
Singapore	0.1%		0.0%
Portugal	-0.1%		-0.1%
Ireland	0.0%		-0.1%
Total	102.9%		53.2%

Sector Exposures*

	Fund	Compared to Benchmark	
Industrials	18.9%		13.7%
Consumer Disc.	14.4%		8.4%
Financials	13.6%		7.5%
Health Care	13.2%		6.5%
Information Tech	12.9%		2.1%
Consumer Staples	10.6%		6.5%
Materials	7.6%		5.4%
Utilities	6.4%		4.7%
Comm. Services	4.3%		-0.3%
Real Estate	2.6%		1.2%
Energy	-1.6%		-2.8%
Total	102.9%		52.9%

Top 5 Holdings*

	% of Net Assets
Microsoft	2.65%
Apple	2.59%
Amazon.com	2.02%
Facebook	1.98%
Alphabet	1.65%

Portfolio Statistics**

	Fund	Benchmark
P/B	1.6	2.4
P/E (trailing)	18.8	23.1
Median Market Cap (\$M)	2,279	13,530
Average Market Cap (\$M)	59,744	304,874
Long Exposure (% of NAV)	3.0	-
Short Exposure (% of NAV)	-2.0	-

*All Fund holdings and exposures are subject to change and should not be considered a recommendation to buy or sell securities.

**Please see following page for portfolio statistic definitions. Average P/E ratios of the stocks in the portfolios exclude individual stock price-to-earnings ratios that are negative and the top and bottom 1 percentile of the remaining. Average P/B ratios of the stocks in the portfolios exclude individual stock price-to-book ratios that are negative and the top and bottom 1 percentile of the remaining.

Fund Risks

The use of derivatives, forward and futures contracts and commodities exposes the Fund to additional risks including increased volatility, lack of liquidity and possible losses greater than the Fund's initial investment as well as increased transaction costs. Concentration generally will lead to greater price volatility. This Fund enters into a short sale by selling a security it has borrowed. If the market price of a security increases after the Fund borrows the security, the Fund will suffer a potentially unlimited loss when it replaces the borrowed security at the higher price. Short sales also involve transaction and other costs that will reduce potential Fund gains and increase potential Fund losses.

Diversification does not eliminate risk.

An investor considering the Funds should be able to tolerate potentially wide price fluctuations. The Funds are subject to high portfolio turnover risk as a result of frequent trading, and thus will incur a higher level of brokerage fees and commissions, and cause a higher level of tax liability to shareholders in the Funds. The Funds may attempt to increase its income or total return through the use of securities lending, and they may be subject to the possibility of additional loss as a result of this investment technique.

Investment Approach

Philosophy

The Fund seeks to exploit market inefficiencies through the systematic implementation of a diversified portfolio, driven by innovative research.

The Fund focuses on stocks with attractive prices relative to fundamentals, high-quality business models, healthy balance sheets, and relatively low risk.

Investment Process

Determine strategy risk allocations: Based on liquidity, correlations and forecasted model efficacy.

Select investment universe for each strategy: The investment universe is based on liquidity considerations and screens to exclude certain stocks.

Evaluate attractiveness of stocks: Rate each stock relative to their peers, rate each peer group, and combine into final rating.

Portfolio construction: The modified optimization process seeks to mitigate some optimization pitfalls. There are constraints imposed based on live trading experience.

Trading and rebalancing: Conditional rebalancing based on alpha decay. A research-based trading approach to help minimize transaction costs.

Reasons to Invest

Consistent Exposure to Main Themes: A significant portion of the alpha generated by many investors, like Warren Buffett, has come from maintaining exposure to selected investment theme⁶. The Strategy implements this principle through its focus on the low beta, quality and value themes.

Disciplined Investment Process: The Strategy uses a systematic, rules-based approach to select securities, which are evaluated based on historically-proven drivers of return.

Absolute Outperformance: While incorporating low beta and quality signals into model, the Strategy utilizes leverage seeking to translate better risk-adjusted returns into absolute outperformance.

Portfolio Managers



Michele Aghassi, Ph.D., CFA
Principal, AQR
Ph.D., Massachusetts Institute of Technology
B.S., Brown University



Andrea Frazzini, Ph.D.
Principal, AQR
Ph.D., Yale University
M.S., London School of Economics
B.S., University of Rome III



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M.S., Columbia University
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Principal, AQR
M.S., B.S., University of Copenhagen

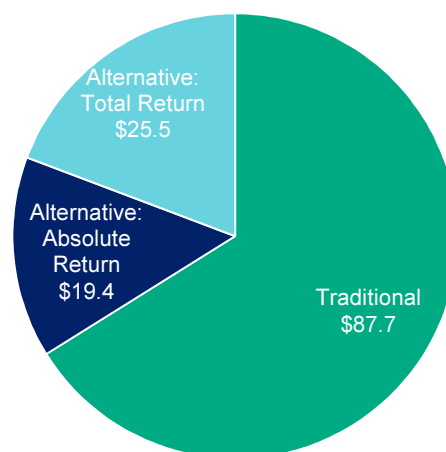
Company Profile

At a Glance:

AQR is a global investment management firm dedicated to delivering results for our clients. At the nexus of economics, behavioral finance, data and technology, AQR's evolution over two decades has been a continuous exploration of what drives markets and how it can be applied to client portfolios. The firm is headquartered in Greenwich, Connecticut, with offices in Bangalore, Boston, Chicago, Frankfurt, Hong Kong, London, Los Angeles and Sydney.

Assets Under Management⁷

Total Assets: \$132.6bn



⁶ Buffett's Alpha, Frazzini, Kabiller, and Pedersen (2013). Through using Berkshire Hathaway stock regression statistics on data from January 1997 – August 2017, we find that Buffet's 18.0% returns can be composed into 4.0% Alpha, 2.3% Low Beta, 3.1% Quality, 1.2% Value and 7.3% Market returns. Market is defined as the U.S. equity market factor from Kenneth French's data library. Low Beta is the "Betting-Against-Beta" (BAB) factor as defined in Frazzini and Pederson (2014) from AQR's data library. Quality is the "Quality-Minus-Junk" (QMJ) factor as defined in Asness, Frazzini and Pederson (2015) from AQR's data library. Value is defined as the HML factor from Kenneth French's data library. Past performance is not a guarantee of future performance. Please read important disclosures at the end of this document.

⁷ Approximate as of 31 Oct. 2020. Includes assets managed by AQR and its advisory affiliates.

Disclosures

Please refer to the Prospectus and KIID for more information on general terms, risks and fees. Investors should only invest in the Fund once they have reviewed the Prospectus and KIID, which most recent versions are available free of charge, in English and in your local language at AQR UCITS Funds, c/o HedgeServ (Luxembourg) S.à r.l., 2c, rue Albert Borschette, L-1246 Luxembourg, along with the annual and semi-annual report. Investors may wish to consult an independent financial advisor for personal and specific investment advice before investing. Only the information provided in the Prospectus and the KIID is legally binding. Not all share classes are available for investment in all countries.

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

Broad-based securities indices are unmanaged and are not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index.

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Definition: The MSCI World (100% Hedged USD) Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of 23 developed markets' country indices throughout the world. Benchmark returns are not covered by the report of independent verifiers.

Definition: The index measures the rate of return an investor would realize when purchasing a single U.S. 3-month treasury bill, holding it for one month, selling it, and rolling it into a newly selected issue at the beginning of the next month.

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