AQR Global Risk Parity UCITS Fund

Factsheet | August 2019

Key Information

Share Class:
A2 (USD)

Fund Inception Date:
30 August 2012

Share Class Inception Date:
21 April 2017

Fund Size:
$1474mm (as of 31 Aug. 2019)

Domicile:
Luxembourg

ISIN:
LU0995951836

Benchmark:
ML 3 Month T Bill Index

Share Price:
118.96 (as of 31 Aug. 2019)

Number of Holdings:[1]
25

Morningstar© Category:
EAA Fund USD Flexible Allocation

Minimum Subscription:
150mm

Investment Management Fee:[2]
0.35%

Administrative & Operating Fee:
0.09%

Performance Fee:
N/A

Local Lux Tax:[3]
0.01%

Fund Overview

Fund Aspects:

Global, long-only and benchmark-agnostic portfolio that seeks to maintain a diversified, risk-balanced portfolio across three main risk exposures: equity risk, nominal interest rate risk and inflation risk. The Fund is actively managed to maintain a diversified risk exposure across its three main asset categories with over 50 underlying exposures to keep total portfolio risk as steady as possible.

Seeks to maintain a targeted level of volatility, utilizing index futures and other liquid derivatives to modestly increase or decrease the notional exposure of the portfolio (generally employs modest leverage).

Fund Objective:

The Fund uses a risk budgeting approach (commonly called "risk parity") to combine a large number of liquid global risk premia into a welldiversified portfolio that seeks to provide higher risk-adjusted returns than traditional beta exposures.

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

Risk Management:

Risk control is built into AQR's portfolio construction process with a focus on downside risk management. Portfolio managers, investment committee and risk management team actively assess the risk of the Fund. The Fund also incorporates a systematic drawdown control procedure overseen by the Risk Manager to mitigate downside risk.

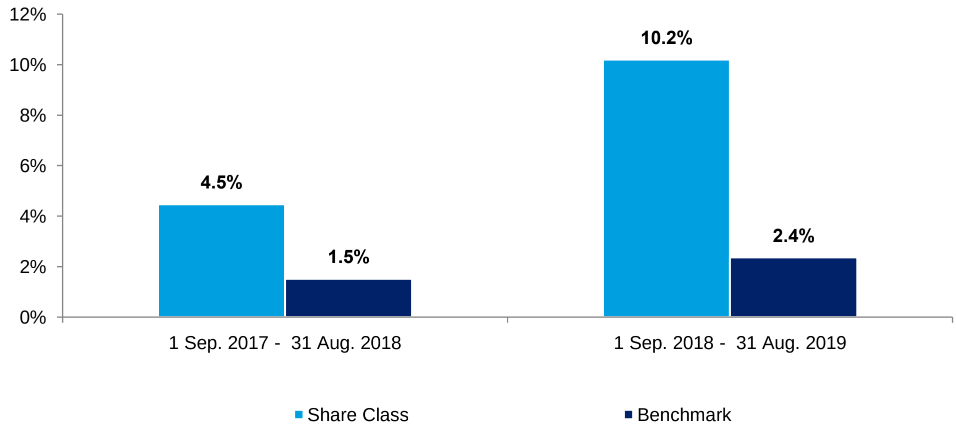
Risk and Reward Profile:

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.

Lower Risk Potentially Lower Rewards	1	2	3	4	**5**	6	7	Higher Risk Potentially Higher Rewards

Share Class Performance as of 31 Aug. 2019[4]

	Share Class	Benchmark
1 Month	1.3%	0.2%
3 Months	7.4%	0.6%
YTD	17.5%	1.6%
1 Year	10.2%	2.4%
Since Inception	7.6%	1.8%

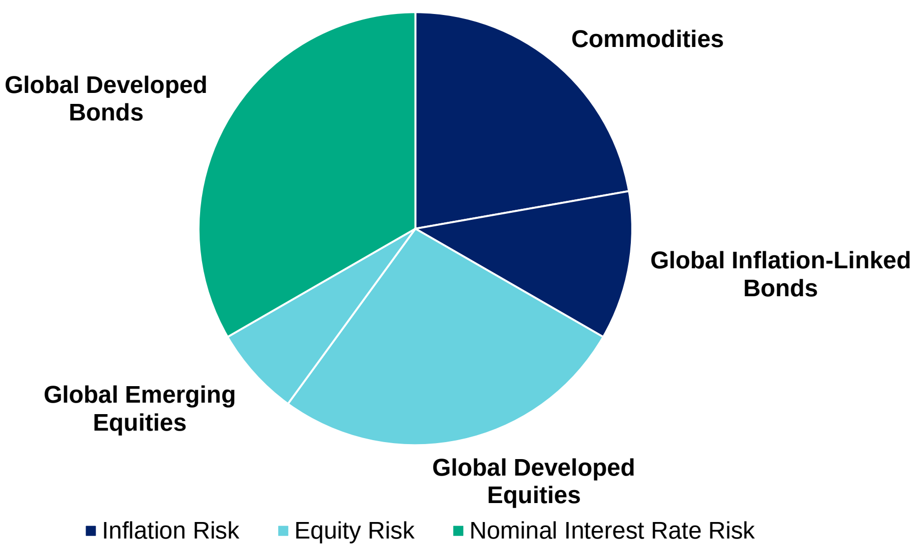


[1] Holdings subject to change without notice.
[2] Fees follow a step-down structure. Fees are charged on an investor's net aggregate subscription (subscriptions minus redemptions) vs. a blended weighted average approach.
[3] Local Lux Tax per annum of Fund's NAV, payable quarterly.
[4] Source: AQR, Bloomberg. Past performance is not a guarantee of future performance. Returns over one year are annualised.

Approved as a Financial Promotion for non-MiFID II regulated activities and for Institutional Investors only.

Fund Characteristics

Target Risk Allocation:



Source: AQR. For illustrative purpose only. There is no guarantee that the target risk allocations will be achieved and actual allocations may be significantly different than that shown here. The illustrative allocation above does not represent the actual allocation of any AQR client account, fund or strategy. Please read important disclosures at the end of this document.

Principal Risks

The use of derivatives, forward and futures contracts and commodities indices 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

The Fund uses a risk-budgeting approach to combine a large number of liquid, global risk premia into a diversified portfolio, which aims to provide positive total returns. We seek assets that we believe are liquid and provide either a positive expected return or some portfolio diversification benefit over the long term. The strategy seeks to offer investors exposure to a number of global equity, fixed income and commodity markets. We believe the Fund attempts to draw on Modern Portfolio Theory in three ways: employing a broad investment opportunity set, maximizing diversification and utilizing leverage to manage risk.

The Fund targets equal risk contributions from three major asset class categories: equity risk, nominal interest rate risk and inflation risk. The strategy preserves this balance using a dynamic approach.

Diversification: Pursues exposure to a wide variety of global markets.

Risk Balanced: Targets equal risk contribution from equities, fixed income and inflation sensitive assets.

Dynamic: Actively managed to maintain risk diversification.

Risk Managed: Incorporates drawdown control, stress testing and volatility targeting.

Transparent: Clearly defined process and strategy.

Philosophy - Risk Parity

In allocating investments among asset classes, the strategy follows a "risk parity" approach. The "risk parity" approach to asset allocation seeks to balance the allocation of risk across asset classes (as measured by forecasted volatility, estimated potential loss and other proprietary measures) when building a diversified portfolio. This means that lowerrisk asset classes (such as global fixed income and inflation linked government bonds) will generally have higher capital allocations than higher-risk asset classes (such as global developed and emerging market equities). This risk parity portfolio aims to have less equity risk than traditional 50/50 (equity/bond) asset allocations do, and more investment in government bonds and commodities indices. The Fund's strategy will generally target a volatility of 10%. A "neutral" asset allocation targets an equal risk allocation from each of the three following major risk sources: equity risk, fixed income risk and inflation risk.

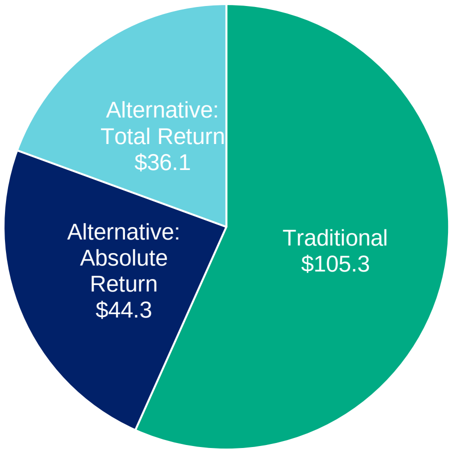
Company Profile

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, Sydney and Tokyo.

Assets Under Management[5]

Total Assets: $185.6bn



Portfolio Managers

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Founding Principal, AQR
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B.A., University of Chicago

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S.M., S.B. (3), Massachusetts Institute of Technology

Yao Hua Ooi
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B.S., B.S., University of Pennsylvania

[5] Approximate as of 31 Aug. 2019. Includes assets managed by AQR and its advisory affiliates.

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There is no guarantee, express or implied, that long-term return and/or volatility targets will be achieved. Realized returns and/or volatility may come in higher or lower than expected. Past performance is not a guarantee of future performance. Diversification does not eliminate the risk of experiencing investment losses.

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.

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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The offer or invitation of the shares of the Fund, which is the subject of the Prospectus, does not relate to a collective investment scheme which is authorised under section 286 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”) or recognised under section 287 of the SFA. The Fund is not authorised or recognised by the Monetary Authority of Singapore (the “MAS”) and the shares are not allowed to be offered to the retail public. Each of the Prospectus and any other document or material issued in connection with the offer or sale is not a prospectus as defined in the SFA. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you.

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Definition: The ML 3 Month T Bill 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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