



# AQR Delphi Long-Short Equity UCITS Fund

September 2020

## Fund Objectives

The AQR Delphi Long-Short Equity UCITS Fund seeks to outperform the equity markets over a full cycle with a moderate level of market exposure. The Fund favors low risk, high quality stocks across a highly diversified long-short global equity portfolio of large and small cap stocks.

Fund Assets Under Management: \$92m

Estimated as of October 1, 2020

## Realized Gross Return Analysis in USD

	September Est.	QTD	YTD
Low Beta	1.2%	1.3%	-4.6%
Quality	1.0%	1.8%	15.4%
Value	-0.4%	-2.3%	-7.7%
<b>Excess Return</b>	<b>1.8%</b>	<b>0.8%</b>	<b>3.0%</b>
<b>Benchmark</b>	<b>-1.4%</b>	<b>3.4%</b>	<b>1.7%</b>
<b>Total Fund</b>	<b>0.4%</b>	<b>4.3%</b>	<b>4.7%</b>

## Estimated Exposures Analysis (% of NAV) as of October 1, 2020

	Long Exposure	Short Exposure	Net Exposure
US	148.7%	97.3%	51.4%
Europe	80.6%	55.0%	25.7%
Japan	45.6%	32.9%	12.7%
Australia	4.1%	3.2%	0.9%
Canada	5.5%	3.9%	1.5%
Asia ex-Japan	2.1%	1.6%	0.5%
<b>Total</b>	<b>286.6%</b>	<b>193.8%</b>	<b>92.8%</b>

## Individual Equities

	Number of Positions	Exposure (% of NAV)
Long	2,305	286.6%
Short	1,989	193.8%

	Position Name	Position Size
Largest Overweight Positions	Apple Ord Shs	2.87%
	Microsoft Ord Shs	2.74%
	Amazon Com Ord Shs	2.21%
	Facebook Class A Ord Shs	2.03%
	Alphabet Ord Shs Class A	1.74%
Largest Underweight Positions	ABB Ord Shs	-1.15%
	Reckitt Benckiser Group Ord Shs	-0.88%
	Fidelity National Information Services Ord Shs	-0.77%
	Twitter Ord Shs	-0.71%
	Rakuten Ord Shs	-0.69%

## Estimated Exposures Breakdown (% of NAV) as of October 1, 2020

	Long Exposure	Short Exposure	Net Exposure
<b>MSCI Sector Exposure</b>			
Comm. Services	18.2%	13.8%	4.4%
Consumer Disc.	42.1%	27.2%	14.9%
Consumer Staples	21.2%	13.8%	7.4%
Energy	6.5%	6.6%	-0.1%
Financials	37.4%	26.2%	11.2%
Health Care	31.4%	20.3%	11.1%
Industrials	50.0%	33.6%	16.4%
Information Tech	38.5%	24.3%	14.2%
Materials	19.4%	12.8%	6.7%
Real Estate	8.8%	6.1%	2.7%
Utilities	13.1%	9.2%	3.9%
<b>Total</b>	<b>286.6%</b>	<b>193.8%</b>	<b>92.8%</b>

## Market Cap Exposure

	Lower	Upper		
\$0	\$500	8.1%	6.6%	1.5%
\$501	\$1,000	13.0%	9.3%	3.7%
\$1,001	\$5,000	67.5%	65.1%	2.5%
\$5,001	\$10,000	52.4%	37.6%	14.8%
\$10,001	\$20,000	43.4%	29.6%	13.8%
\$20,001		102.1%	45.6%	56.5%
<b>Total</b>		<b>286.6%</b>	<b>193.8%</b>	<b>92.8%</b>

## Performance Commentary

The Delphi Long-Short Equity UCITS Fund returned +0.4% (gross of fees) in September 2020, outperforming the beta-adjusted benchmark which returned -1.4%. From a thematic perspective, positive excess returns were driven by the Low Beta and Quality themes during the month, while the Valuation theme detracted, partially offsetting the gain.

Source: AQR, Bloomberg. Past performance is not a guarantee of future performance. Current month's returns based on gross, unaudited estimates. Benchmark is 50/50 MSCI World 100% Hedged to USD Net Total Return / T Bills. Returns shown are for the AQR Delphi Long-Short UCITS Fund. The exposures above are subject to change at any time.

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

## Portfolio Characteristics

	Long*	Short*
Number of Holdings	2,305	1,989
D/P	2.9	3.9
Debt/EQ	0.7	1.3
Market Beta	1.0	1.2
P/B	1.9	1.3
P/CF	11.1	9.2
P/E (trailing)	18.5	21.2
ROE (5-yr)	19.4	6.1
Specific Risk	0.3	0.3
Total Risk	0.4	0.5

\*As of 10/01/2020.

Average P/E ratios of the stocks in the portfolios exclude individual stock earnings-to-price 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 book-to-price ratios that are negative and the top and bottom 1 percentile of the remaining. Holdings subject to change without notice. Data sources: Compustat, Datastream, Bloomberg, XpressFeed and IBES.

## Notes

**Leverage Reporting** To calculate portfolio leverage, the first step is the determination of position-level exposure values for all positions in the portfolio. For non-fixed income exposures, the position-level exposures are the market values (for cash securities positions) or the notional amounts (for derivatives positions). All government bonds, bond futures, swaps on bond futures, interest rate swaps and interest rate futures exposures are reported using the exposure of an equivalent hypothetical position with a duration of 7 years. Corporate bonds exposures are expressed as market values, and credit default swaps exposures are expressed as dirty bond price equivalents. Certain positions that are deemed not to be additive for calculating meaningful portfolio leverage are excluded; these positions include (but are not limited to) repo, cash and cash equivalents, risk overlays, and currency hedges. Some positive and negative position-level exposures may be netted if they meet the criteria defined by AQR's netting rules. After this netting, the portfolio leverage may be expressed as the resultant Long Exposure and Short Exposure, whose absolute values are summed and reported as Total Exposure.

**Available cash (est) 52% (of NAV)** Available cash is cash or cash equivalents that are free to use for any purpose, ie. not used up for collateral, purchases, etc.

### Daily Value at Risk (VaR): 1.2%

The VaR (Value-at-Risk) shown is for this investment. 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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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.

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For further information regarding the risks of investing in the Fund please refer to the Risk and Reward section of the KIID and the section of the Prospectus entitled "Risk Factors."

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