



# AQR Core Plus Bond Fund

## A Systematic Approach to Fixed Income

The Fund follows a consistent and repeatable process in seeking to deliver excess returns that are diversifying and complimentary to other fixed income managers, and can help preserve the diversification benefits of the asset class.

### Return Potential

Through the systematic application of time-tested investment ideas, the Fund aims to generate excess returns from security selection across countries, maturities, credit and currencies.

### Enhanced Portfolio Diversification

The Fund is designed to move independently from other asset classes such as equities, as well as traditional fixed income. It seeks to provide potential diversifying returns from the quality and breadth of holdings rather than from exposure to riskier assets.

### Disciplined Risk-Managed Process

Unlike traditional approaches, the Fund does not take on additional credit or duration risk to achieve its return objectives. Rather, it seeks to maintain a targeted level of risk, more consistent with the benchmark over the long term.

## Potential Sources of Excess Return: Core Plus Fixed Income



### Traditional Approach

- Discretionary investment approach based on macro views
- Over reliance on credit risk for excess returns
- Credit risk and equity risk are highly correlated, reducing diversification



### AQR Core Plus Fixed Income

- Consistent and rules based investment approach
- Utilizes both established and proprietary investment themes
- Seeks to preserve the diversification benefit of fixed income

Source: AQR. The “Traditional Approach” and AQR’s approach are for illustrative purposes only and are intended only to illustrate the sources of excess returns of a typical fixed income strategy. These do not represent the actual target allocation of any AQR client account, fund, or strategy, or that of any other advisor. There is no assurance that the Fund’s investment strategy will be successful. The benchmark for The Fund is the Bloomberg Barclays U.S. Aggregate Bond Index

## AQR Core Plus Bond Fund



### Fund Goal

The AQR Core Plus Bond Fund seeks long-term capital appreciation.



### Investor Profile

This Fund may be suitable for investors seeking:

- To outperform the Bloomberg Barclays U.S. Aggregate Index
- An alternative approach to traditional fixed income portfolios
- Diversified exposure to core fixed income



### About the Manager

- AQR has been managing systematic fixed income strategies since inception in 1998.
- Investment philosophy grounded in academic research dating back to the late 1980s.

## Fund Managers



### Ronen Israel

Principal, AQR  
M.S., Columbia University  
B.S., B.A.S., University of Pennsylvania



### Scott Richardson, Ph.D.

Principal, AQR  
B.S., University of Sydney  
Ph.D., University of Michigan



### Jordan Brooks, Ph.D.

Principal, AQR  
B.A., Boston College  
Ph.D., M.A., New York University

### PRINCIPAL RISKS:

An investment in the Fund is subject to risks, including the possibility that the value of the Fund's portfolio holdings may fluctuate in response to events specific to the companies in which the Fund invests, as well as economic, political or social events in the United States or abroad. Please refer to the prospectus for complete information regarding all risks associated with the Funds.

An investor considering the Fund should be able to tolerate potentially wide price fluctuations. The Fund is 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 may cause a higher level of tax liability to shareholders in the Fund. Since the Fund may also attempt to increase its income or total return through the use of securities lending, it may be subject to the possibility of additional loss as a result of this investment technique.

The investment objective of the fund is to seek total return.

Past performance is no guarantee of future results. An investment in the Fund involves risk, including loss of principal. The Fund is not suitable for all investors. The Fund is new and has a limited operating history.

Diversification does not eliminate the risk of losses.

Duration measures the sensitivity of the price of the Fund to a change in interest rates.

Carry is the tendency for higher yielding assets to underperform lower yielding assets.

The Bloomberg Barclays U.S. Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency).

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**An investor should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. To obtain a Prospectus or summary prospectus containing this and other information, please call 1-866-290-2688 or download the file from [www.aqrfunds.com](http://www.aqrfunds.com). Read the Prospectus or summary prospectus carefully before you invest. There is no assurance the stated objective(s) will be met.**

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