



## Fixed Income

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### Style Investing in Fixed Income Markets

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*AQR Commentary*

A disciplined, systematic approach to over/underweight securities based on well-known factors, or styles, such as value, momentum, carry and defensive (sometimes called “quality”), can offer alternative sources of outperformance not only within equities, where these ideas have long been studied and applied, but also within fixed income markets. The fact that these factors work in fixed income markets is both a potential boon to fixed income investors and a good “out-of-sample” test of the original equity-centric results, enhancing our belief that the efficacy of these factors is the result of real forces and not random data mining.

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