Tax Aware

An Interview with Nathan Sosner: Perspectives on Concentrated Wealth

July 31, 2026 - Nathan Sosner

In an interview with Portfolio Management Research, AQR Principal Nathan Sosner discusses managing concentrated wealth, including goals-based diversification, balancing risk with long-term objectives, and integrating investment decisions into a broader wealth management framework.

Alternative Investing

An Interview with Cliff Asness: The Illusion of Safety in Private Assets

March 31, 2026 - Cliff Asness

In an interview with the editor of The Journal of Private Markets Investing, Cliff Asness reiterates his views on the numerous flaws embedded in private assets, and what investors should keep in mind when assessing the role of privates in their own portfolios.

Alternative Investing

An Interview with Jordan Brooks: Multi-Asset Strategies and Asset Allocation

February 28, 2026 - Jordan Brooks

In a comprehensive interview, AQR Principal Jordan Brooks outlines his thoughts on building multi-asset portfolios – including investing across a range of assets, incorporating low-correlation strategies, designing portfolios to be resilient, and more.

Portfolio Risk And Performance

Rebuffed: An Empirical Review of Buffer Funds

August 31, 2025 - Cliff Asness, Jeffrey Cao, Antti Ilmanen, Daniel Villalon

Equity investing is hard: volatility can be high, returns are unpredictable, and drawdowns can be painful. “Defined outcome” strategies such as buffer funds are the latest in a decades-long lineage of products promising equity-like returns with less downside risk. Like their predecessors, a closer look at these strategies reveals they fall short both empirically and theoretically.

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Are Completion Portfolios Effective for Managing Concentrated Stock Risk?

August 31, 2025 - Stanley Krasner, Joseph Liberman, Nathan Sosner, Marcus Stevens

This paper investigates the most effective ways to manage the risk of concentrated stock positions.

Derivatives

Credit Implied Volatility

April 26, 2025 - Bryan T. Kelly, Gerardo Manzo, Diogo Palhares

This paper introduces the concept of a credit implied volatility surface. The credit implied volatility (CIV) can be interpretable as risk-neutral asset volatility of the underlying firm—the slope of the CIV term structure is negative in downturns and positive during expansions.

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A Brief Guide to the Mathematics and Taxation of Charitable Remainder Unitrusts

June 24, 2026 - Nathan Sosner, Catherine Chen, Roxana Steblea-Lora

We provide a practical guide for financial planners and wealth management professionals on charitable remainder unitrusts (CRUTs).

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Combining Charitable Remainder Unitrusts and Tax-Aware Strategies to Diversify Low-Basis Stock

June 26, 2026 - Joseph Liberman, Nathan Sosner, Jonathan Maron

We show how combining charitable remainder unitrusts (CRUTs) with tax-aware strategies can help investors diversify low-basis stock and enhance after-tax wealth accumulation. Our findings suggest that investors and their advisors should integrate philanthropy and investment management to optimize wealth preservation and charitable impact.

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A Brief Guide to Pricing and Taxation of Variable Prepaid Forwards

January 31, 2025 - Joseph Liberman, Nathan Sosner

Variable prepaid forward (VPF) contracts have been developed as a solution to hedging the risk of concentrated low-basis stock. Using options pricing theory, we develop a VPF pricing model that helps understand the VPF prepayment amount and the cash flows and tax liabilities upon VPF rolls.

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Levering Up to Do Good: Direct Long-Short Investing and Charitable Giving

August 31, 2024 - Stanley Krasner, Joseph Liberman, Nathan Sosner, Sydney Brenner

We use historical strategy simulations to evaluate the advantages of donating appreciated stock in the context of tax-aware long-short factor strategies. We find long-short strategies exhibit several advantages over long-only investments.