

WisdomTree Announces U.S. Domestic Economy Fund (WUSA) and U.S. Export and Multinational Fund (WEXP)

Formerly WisdomTree Strong Dollar U.S. Equity Fund (USSD) and WisdomTree Weak Dollar U.S. Equity Fund (USWD)

ETFs to provide access to investment themes based on new Presidential regime

New York, NY – (GlobeNewswire) – March 17, 2017 – WisdomTree (NASDAQ: WETF), an exchange-traded fund (“ETF”) and exchange-traded product (“ETP”) sponsor and asset manager, today announced the implementation of changes for the WisdomTree Strong Dollar U.S. Equity Fund (USSD) and the WisdomTree Weak Dollar U.S. Equity Fund (USWD) to be renamed the WisdomTree U.S. Domestic Economy Fund (WUSA) and the WisdomTree U.S. Export and Multinational Fund (WEXP), respectively.

- WUSA seeks to provide exposure to profitable companies that generate the majority of their revenue from within the U.S. and has an expense ratio of 0.33%.
- WEXP seeks to provide exposure to profitable companies that generate the majority of their revenue from outside of the U.S. and has an expense ratio of 0.33%.

Lower Tax Rates = Big Earnings Growth

Jeremy Schwartz, WisdomTree Director of Research, said, “The U.S. equity markets are being supported by policies outlined by the new presidential administration under Donald Trump. This includes three areas of focus: corporate tax cuts improving profits, infrastructure enhancements supporting economic growth, and lower regulatory hurdles and costs.”

Corporate tax cuts were a focal point of Donald Trump’s campaign, and lowering them is among his top priorities in his early days as President. This has been perhaps the most important factor driving the U.S. market. For companies, this means more after-tax earnings that can be reinvested or distributed to shareholders—and, importantly, an improvement in valuation ratios that many think look extended under present circumstances.

Typically, U.S. companies that generate the majority of their revenue from within the U.S. are subject to a higher tax rate and may benefit more substantially than multi-nationals from a tax cut or reform. The more earnings (and taxes paid) that come from the U.S., the greater the earnings growth could be from a tax cut. Therefore, Indexes with a higher percentage of profitable companies—and thus companies that pay more U.S. taxes—potentially stand to benefit more than indexes with more unprofitable companies or those with more foreign revenue. This would argue that on an earnings growth front—companies in WUSA are poised to gain more incremental earnings from tax cuts than companies in WEXP.

Schwartz continued, “WUSA and WEXP are timely strategies that tie into Trump’s corporate tax reforms. On the domesticeconomy side and relevant to the ETF WUSA, any Trump or monetary policy changes that result in a stronger U.S. dollar—like a movement towards some form of a border adjustment tax (BAT)—would likely be supportive for companies that have more revenue from the U.S. and less revenue abroad. This exposure is accomplished by screening for companies that have revenue primarily from the U.S.

On the multi-national side, for the ETF WEXP—companies with global operations—there is current tax policy discussion around lower cash repatriation taxes that should bring cash back to the U.S. from their overseas operations and support dividend and buyback growth for these companies.

Moreover, in addition to tracking WisdomTree’s tried-and-true earnings-weighted methodology, we believe WUSA and WEXP’s revenue exposure screens and weight tilts can provide more targeted exposures to these two investment themes of a focus on the U.S. domestic economy names versus multi-nationals.”

Effective today, the WisdomTree Europe Local Recovery Fund (EZR), will be renamed the WisdomTree Europe Domestic Economy Fund (EDOM). The Fund remains listed on the BATS Exchange with a net expense ratio of 0.48%¹.

About WisdomTree

WisdomTree Investments, Inc., through its subsidiaries in the U.S., Europe, Japan and Canada (collectively, “WisdomTree”), is an exchange-traded fund (“ETF”) and exchange-traded product (“ETP”) sponsor and asset manager headquartered in New York. WisdomTree offers products covering equities, fixed income, currencies, commodities and alternative strategies. WisdomTree currently has approximately \$43.4 billion in assets under management globally. For more information, please visit www.wisdomtree.com or follow us on Twitter [@WisdomTreeETFs](https://twitter.com/WisdomTreeETFs).

WisdomTree® is the marketing name for WisdomTree Investments, Inc. and its subsidiaries worldwide.

Investors should consider the investment objectives, risks, charges and expenses of the funds carefully before investing. A prospectus, containing this and other information is available by calling 1-866-909-WISE. Investors should read the prospectus carefully before investing.

There are risks involved with investing, including possible loss of principal. Foreign investing involves currency, political and economic risk. Funds focusing on a single country and/or sector may experience greater price volatility. Investments in emerging markets, currency, fixed income and alternative investments include additional risks. Due to the investment strategy of certain Funds they may make higher capital gain distributions than other ETFs. Please see prospectus for discussion of risks.

Jeremy Schwartz is a registered representative of Foreside Fund Services, LLC.
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WTPR-0072

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¹ The Net Expense Ratio reflects a contractual waiver of 0.10% through October 31, 2017.

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