



## WisdomTree Announces Efficient Core Suite of Funds (NTSX, NTSI, and NTSE)

### Globally diversified suite magnifies portfolio exposure while helping to manage risk

**New York, NY (May 20, 2021)** – WisdomTree (NASDAQ: WETF), an exchange-traded fund (“ETF”) and exchange-traded product (“ETP”) sponsor and asset manager, today announced the launch of the Efficient Core family of ETFs, which includes the International Efficient Core Fund (“NTSI”) and the Emerging Markets Efficient Core Fund (“NTSE”) on the NYSE with expense ratios of .26% and .32% respectively. In addition, effective today, the WisdomTree 90/60 U.S. Balanced Fund is renamed as the WisdomTree U.S. Efficient Core Fund (“NTSX”). The WisdomTree Efficient Core suite seeks to leverage the benefits of overlays providing fixed income exposure in seeking to provide capital efficiency of U.S., international, and emerging equity markets.

### Enhanced Core via 90/60 Portfolio Theory

Historically, a balanced portfolio (60% equities, 40% bonds) served as the bedrock (and benchmark) for asset allocation decisions. WisdomTree believes this same intuition can be used for creating core strategies in the U.S., international and emerging markets. However, instead of allocating to a portfolio of stocks and bonds, they provide stock exposure to the U.S., international, and emerging equity markets with a capital efficient exposure to fixed income. This exposure is created by investing 90% of the Fund’s assets in equities and 10% in short-term fixed income. The 60% bond exposure is attained through investment in laddered U.S. Treasury futures contracts.

Jeremy Schwartz, WisdomTree Global Head of Research, said, “High valuations in equities and bonds present a challenge and headwinds for traditional portfolio approaches in achieving investor goals. The WisdomTree Efficient Core ETFs are designed to help investors create capital efficient equity and bond portfolio blends that have lower volatility or similar volatility as a standalone 100% equities allocation.”

### NTSX, NTSI, and NTSE: What’s Under the Hood?

U.S. Treasuries drive the efficiency of the Efficient Core ETFs as they are highly liquid, easy to access and provide a good hedge against selling pressure on risk assets. The Funds are constructed by three key components:

- Long Equity Beta<sup>1</sup>: a portfolio of approximately 500 large-cap stocks (U.S., International, or Emerging Markets) weighted by market capitalization
- Cash Component: For every \$100 invested in the ETF, \$10 is kept in short-term collateral that earns returns comparable to U.S. Treasury bills.
- Laddered<sup>2</sup>: Futures Positions: laddered 2, 5, 10, & 30-year U.S. Treasury futures contracts, which is expected to help manage interest rate risk

WisdomTree believes that these strategies have the potential to enhance the efficiency of core asset allocation, increase the tax efficiency of fixed income in taxable accounts, and free up capital to invest in non-core and diversifying assets.

Learn more about the Efficient Core Funds [here](#).



***Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. To obtain a prospectus containing this and other important information, call 866.909.9473 or visit [wisdomtree.com](http://wisdomtree.com). Read the prospectus carefully before you invest.***

*There are risks associated with investing, including possible loss of principal.*

While NTSX is actively managed, the Fund's investment process is expected to be heavily dependent on quantitative models and the models may not perform as intended. Equity securities, such as common stocks, are subject to market, economic and business risks that may cause their prices to fluctuate. The Fund invests in derivatives to gain exposure to U.S. Treasuries. The return on a derivative instrument may not correlate with the return of its underlying reference asset. The Fund's use of derivatives will give rise to leverage and derivatives can be volatile and may be less liquid than other securities. As a result, the value of an investment in the Fund may change quickly and without warning and you may lose money. Interest rate risk is the risk that fixed income securities, and financial instruments related to fixed income securities, will decline in value because of an increase in interest rates and changes to other factors, such as perception of an issuer's creditworthiness.

International Efficient Core:

There are risks associated with investing, including possible loss of principal. Investments in non-U.S. securities involve political, regulatory, and economic risks that may not be present in U.S. securities. For example, foreign securities may be subject to risk of loss due to foreign currency fluctuations, political or economic instability, or geographic events that adversely impact issuers of foreign securities. While the Fund is actively managed, the Fund's investment process is expected to be heavily dependent on quantitative models and the models may not perform as intended. Equity securities, such as common stocks, are subject to market, economic and business risks that may cause their prices to fluctuate. The Fund invests in derivatives to gain exposure to U.S. Treasuries. The return on a derivative instrument may not correlate with the return of its underlying reference asset. The Fund's use of derivatives will give rise to leverage and derivatives can be volatile and may be less liquid than other securities. As a result, the value of an investment in the Fund may change quickly and without warning and you may lose money. Interest rate risk is the risk that fixed income securities, and financial instruments related to fixed income securities, will decline in value because of an increase in interest rates and changes to other factors, such as perception of an issuer's creditworthiness. Diversification does not eliminate the risk of experiencing investment losses. Please read the Fund's prospectus for specific details regarding the Fund's risk profile.

EM Efficient Core:

There are risks associated with investing, including possible loss of principal. Investments in non-U.S. securities involve political, regulatory, and economic risks that may not be present in U.S. securities. For example, foreign securities may be subject to risk of loss due to foreign currency fluctuations, political or economic instability, or geographic events that adversely impact issuers of foreign securities. Investments in securities and instruments traded in developing or emerging markets, or that provide exposure to such securities or markets, can involve additional risks relating to political, economic, or regulatory conditions not associated with investments in U.S. securities and instruments or investments in more developed international markets. While the Fund is actively managed, the Fund's investment process is expected to be heavily dependent on quantitative models and the models may not perform as



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*WisdomTree Funds are distributed by Foreside Fund Services LLC, in the U.S. only. Foreside Fund Services LLC is not affiliated with the other entities mentioned.*

*Jeremy Schwartz is a registered representative of Foreside Fund Services, LLC.*

<sup>1</sup> Ladder: A fixed income strategy that seeks equal allocations across the yield curve in order to limit reinvestment risk.

<sup>2</sup> Beta: A measure of the volatility of a security or a portfolio in comparison to a benchmark. In general, a beta less than 1 indicates that the investment is less volatile than the benchmark, while a beta more than 1 indicates that the investment is more volatile than the benchmark.

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### **About WisdomTree**

WisdomTree Investments, Inc., through its subsidiaries in the U.S. and Europe (collectively, "WisdomTree"), is an ETF and ETP sponsor and asset manager headquartered in New York. WisdomTree offers products covering equity, commodity, fixed income, leveraged and inverse, currency, cryptocurrency and alternative strategies.

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

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