WisdomTree 90/60 U.S. Balanced Fund

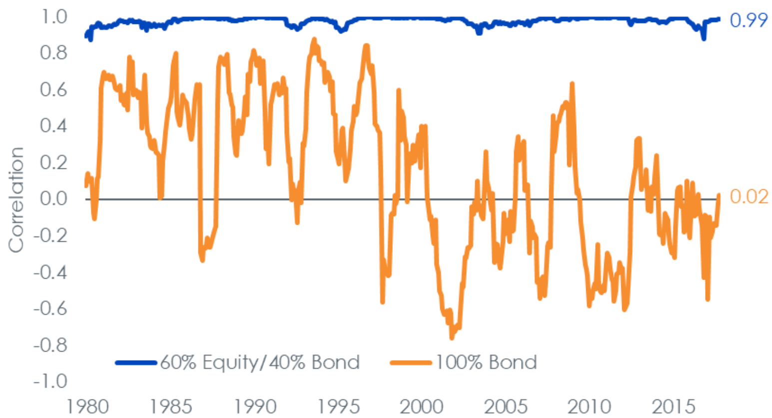
October 2018

WISDOMTREE®

Rethinking 60/40[1] Portfolios

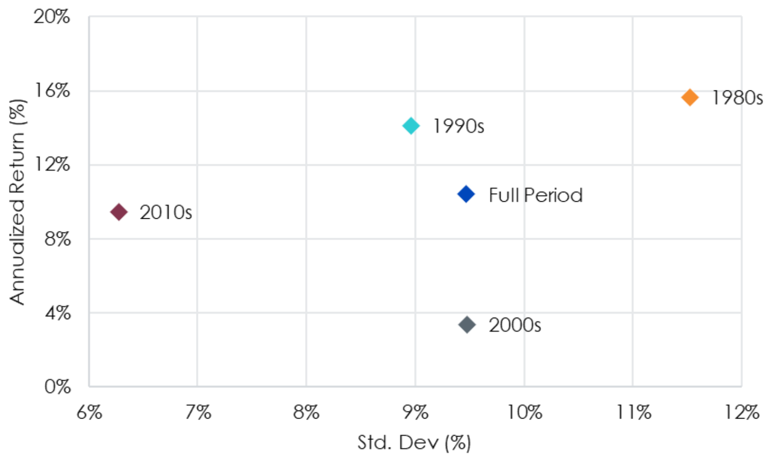
Despite limitations, the 60% Equity/40% Bond portfolio remains a standard benchmark

Rolling 12m Correlation to S&P 500 Index



+ A persistent issue with 60/40 portfolios has been that they remain extremely correlated to the equity market, limiting diversification
+ While bonds do offer some diversification potential, low interest rates constrain return potential

60% Equity/40% Bond Risk/Return, 12/31/79 – 9/30/18

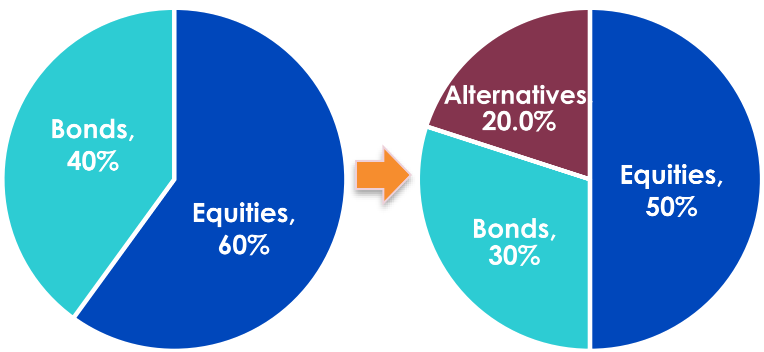


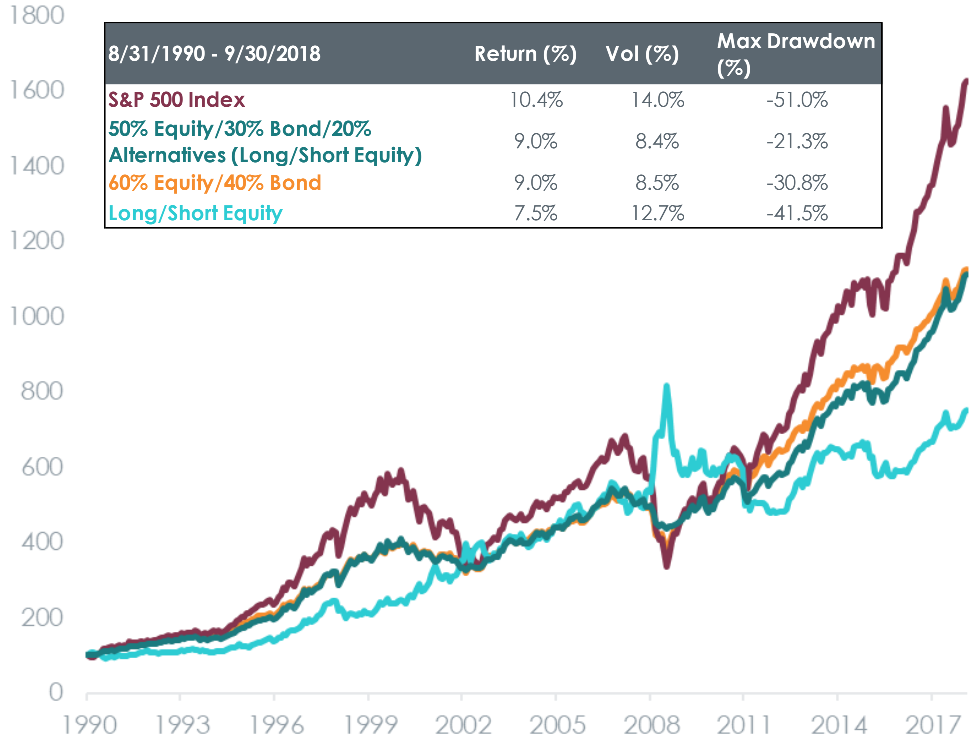
+ 60/40 portfolios have produced drastically different returns and volatility profiles over time
+ However, equities have tended to outperform fixed income over most 10 year periods
+ More recently, the wisdom of 60/40 portfolios has been questioned due to low bond yields and the challenging outlook for fixed income returns

Source: Bloomberg, WisdomTree, as of 9/30/18. [1]60% Equity/40% Bond, also referred to as "60/40" represents a portfolio representing 60% equity exposure and 40% bond exposure. Equity and exposures are represented by the S&P 500 Index and the Bloomberg Barclays U.S. Aggregate Index ("Agg") respectively. Past performance is not indicative of future results. You cannot invest directly in an index.

Challenges of Adding Alternatives to Traditional 60/40 Portfolios

+ Including Alternatives (such as alpha seeking / uncorrelated assets / hedge funds replication strategies) can help **reduce volatility** but, historically, also comes at a cost of **lower absolute returns**
+ Overlay strategies could help overcome this drag on absolute returns



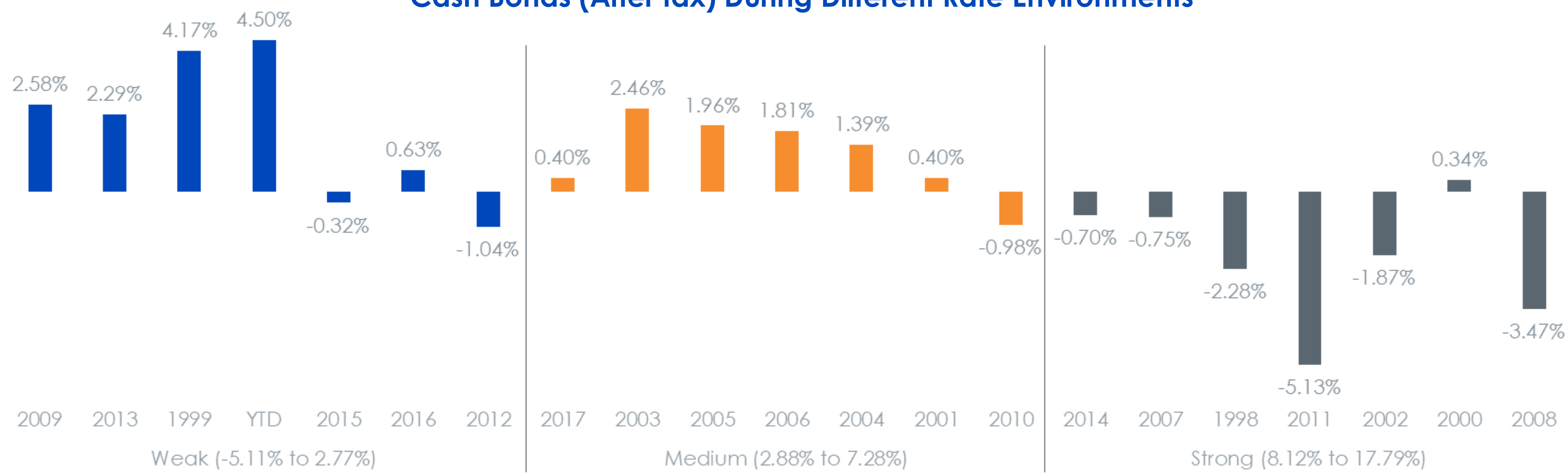


8/31/1990 - 9/30/2018	Return (%)	Vol (%)	Max Drawdown (%)
S&P 500 Index	10.4%	14.0%	-51.0%
50% Equity/30% Bond/20% Alternatives (Long/Short Equity)	9.0%	8.4%	-21.3%
60% Equity/40% Bond	9.0%	8.5%	-30.8%
Long/Short Equity	7.5%	12.7%	-41.5%

Source: Bloomberg, WisdomTree, as of 9/30/18. Long/Short Equity exposures represented by the Morningstar Global Long/Short Equity Index. "Bonds" represented by the Bloomberg Barclays U.S. Aggregate Index. "Equities" represented by the S&P 500 Index. Past performance is not indicative of future results. You cannot invest directly in an index.

Enhancing Efficiency of U.S. Fixed Income

U.S. Treasury Futures (After tax) Excess Returns Over 7-10 Year Cash Bonds (After tax) During Different Rate Environments



+ Death and Taxes: Ordinary income tax on aggregate bond distributions can erode returns over time
+ When rates rise, investors may continue to pay taxes on interest income despite the fact that they may have generated negative total returns on their position for the period
+ Interest rate futures offer one way to improve after tax total return of fixed income during periods of weak or medium performance for U.S. Treasuries
+ Additionally, futures are taxed at 60% long-term / 40% short-term capital gains rates; losses are permitted to be carried forward to offset futures gains

Source: Bloomberg, WisdomTree, as of 9/30/18. Excess returns represent the after tax returns of an equal weight blend of 4 indexes: the Merrill Lynch 2, 5, 10, and 30 Year U.S. Treasury Futures Total Return Indexes, and the Bloomberg Barclays U.S. Treasury: 7-10 Year Total Return Index. Past performance is not indicative of future results. You cannot invest directly in an index.

How Can Overlay Strategies Enhance 60/40?

Overlay strategies are frequently used by institutional managers to enhance exposure, manage risk, or generate alpha

Institutional Overlays

- Beta
- Risk Management
- Capital/Tax Management
- **Asset Allocation**
- Hedging Strategies
- Risk Parity
- Portable Alpha

+ Overlay strategies vary across a continuum of risk and complexity
+ Asset allocation overlays allow investors to increase exposure to an asset class while maintaining a balanced risk/return portfolio
+ WisdomTree research found that a 90/60 Strategy[2] enhanced the familiar characteristics of a traditional 60/40 Equity and Bond portfolio
+ Since less capital would be required to achieve targeted asset allocation, investors are able to increase exposure to non-core or diversifying assets
+ 90/60[2] offers potential to enhance capital efficiency, tax efficiency, and magnify returns

[2]90/60 Strategy: 90% Equity/60% Bond, also referred to as "90/60" represents a portfolio representing 90% equity exposure and 60% bond exposure. The 60% bond exposure will be collateralized by 10% in cash.

90/60 Strategy Portfolio Construction

Long Equity Basket	500 largest U.S. equities by market cap
Laddered Futures Positions	Laddered 2, 5, 10, & 30-year Treasury futures contracts limit interest rate risk
Cash Collateral	Invested in high quality, short-term U.S. money market securities
Leverage	Accounting leverage[1] of 1.5x maintains 60/40 balanced asset allocation
Trigger	5% trigger threshold selected to prevent large deviations from 60/40 risk profile

[1]Accounting leverage refers to the fact that the total asset exposure of the strategy is enhanced to 1.5x. This strategy does not borrow to enhance investment returns.

90/60 Strategy Delivered via ETF

Delivering 90/60 via an ETF could be beneficial vs other structures

+ Intraday liquidity

+ Low fees, transparent exposure

+ Tax efficiency for equity portfolio

Ordinary brokerage fees may apply.

Introducing the WisdomTree 90/60 U.S. Balanced Fund

The WisdomTree 90/60 U.S. Balanced Fund seeks an efficient way to access a balanced exposure of 60/40 Equity/Bond

+ Invest approximately 90% of its net assets in the 500 largest U.S. equities by market cap
+ 10% in cash posted as collateral for 60% notional exposure to U.S. Treasury futures
+ Should the Fund deviate from the targeted 90% Equity and 60% U.S. Treasury allocations by 5%, the fund will be rebalanced back to target allocations

NTSX

Exchange: NYSE

Creation Unit: 100k shares

Expense Ratio: 0.20%

Exposure: 90% Equities, 10% cash, 60% U.S. Treasury futures

Standardized Index Performance

		Cumulative Returns				Annualized Returns				
	Inception Date	1-Mo.	3-Mo.	YTD	Since Inception	1-Yr.	3-Yr.	5-Yr.	10-Yr.	Since Inception
S&P 500 Index	1/29/1988	0.57%	7.71%	10.56%	2138.46%	17.91%	17.31%	13.95%	11.97%	10.66%
Bloomberg Barclays US Aggregate Index	1/30/1976	-0.64%	0.02%	-1.60%	1875.15%	-1.22%	1.31%	2.16%	3.77%	7.24%
Morningstar Global Long Short Equity Index	1/31/1990	1.09%	6.03%	4.88%	663.30%	10.29%	6.21%	5.31%	2.43%	7.34%

Source: S&P, Bloomberg, Morningstar, as of 9/30/18. Past performance is not indicative of future results. You cannot invest directly in an index.

Important Information

Investors should carefully consider the investment objectives, risks, charges and expenses of the Funds before investing. To obtain a prospectus containing this and other important information, please call 866.909.WISE (9473) or visit www.wisdomtree.com to view or download a prospectus. Investors should read the prospectus carefully before investing.

There are risks associated with investing, including possible loss of principal. 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. Please read the Fund's prospectus for specific details regarding the Fund's risk profile.

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