

DEMONSTRATING OUR NEW ETF CHARACTERISTICS TOOL

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Recently, we launched the [WisdomTree ETF Characteristics Comparison Tool](#) to provide fundamental analysis of WisdomTree Funds and market benchmarks. This tool gives users the ability to compare historical fundamental data—such as [price-to-earnings \(P/E\) ratios](#) and [return on equity](#), [market capitalization](#) statistics, and sector/country allocations—between our Funds and a whole suite of benchmarks, all at the click of a button. In a three-part series, we will detail how to use the tool, elaborate on its various capabilities and highlight some important trends we have seen in a few of WisdomTree’s Funds.

Simple Steps to Use the Tool

When you first open the tool, you can choose up to four funds and benchmark indexes from a drop-down list, separated by the various equity fund families.

Figure 1: Create Your Comparison

The screenshot displays two sequential steps of the tool's interface. In the first step, a user has selected 'WisdomTree U.S. Total Dividend Fund' (DTD) from a dropdown menu. Below this, there are four buttons representing different WisdomTree funds: 'DES' (WisdomTree U.S. SmallCap Dividend Fund), 'DHS' (WisdomTree U.S. High Dividend Fund), 'DLN' (WisdomTree U.S. LargeCap Dividend Fund), and 'DTD' (WisdomTree U.S. Total Dividend Fund). The 'DTD' button is highlighted with a red box. To the right, there are three empty boxes labeled 'Fund / Benchmark 2', 'Fund / Benchmark 3', and 'Fund / Benchmark 4'. A red arrow points to a 'DONE' button on the right side of the interface.

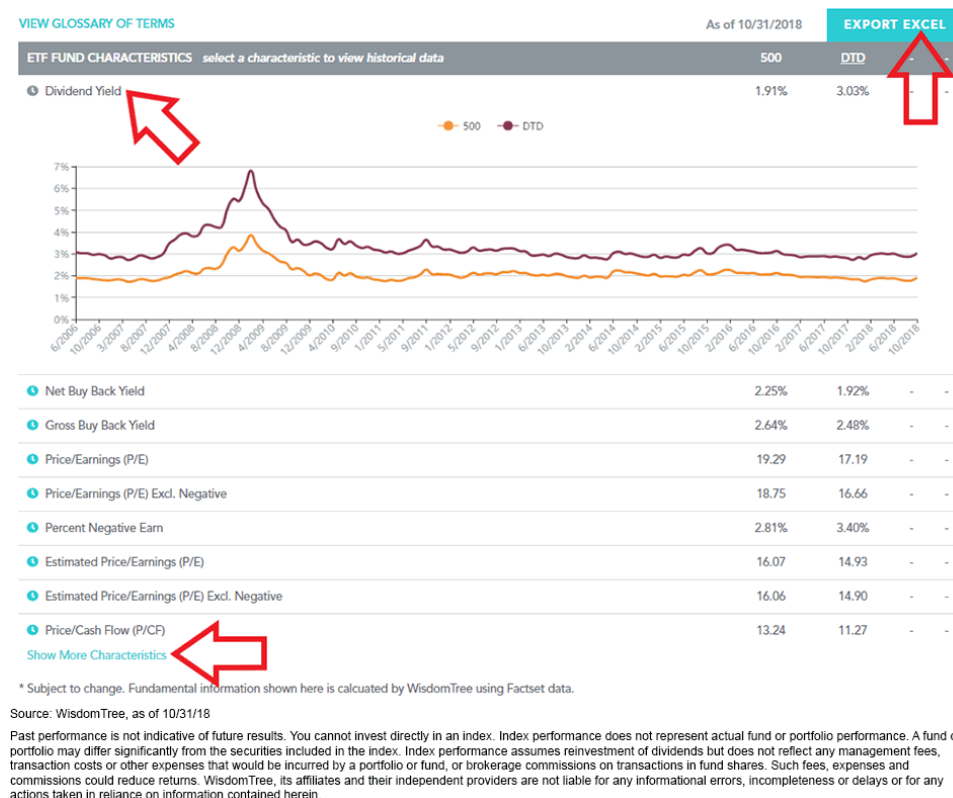
In the second step, the user has selected 'Benchmarks' from a dropdown menu. Below this, there are eight buttons representing different market benchmarks: 'S&P 1500 Index' (1500), 'S&P 1500 (Value) Index' (1500V), 'S&P 400 Index' (400), 'S&P 400 (Value) Index' (400V), 'S&P 500 Index' (500), 'S&P 500 (Value) Index' (500V), 'S&P 600 Index' (600), and 'S&P 600 (Value) Index' (600V). The 'S&P 500 Index' button is highlighted with a red box. To the right, there are two empty boxes labeled 'Fund / Benchmark 3' and 'Fund / Benchmark 4'. A red arrow points to a 'DONE' button on the right side of the interface.

Source: WisdomTree.

Once you have made your selections, simply click the “Done” button to run the comparison. From there, a list of

preselected exchange-traded fund characteristics will be generated, along with two additional charts displaying the current sector and country weights. You can click on the **"Show More Characteristics"** link to expand upon the list of statistics shown. To see the trends on any given characteristic, simply click on the stat to expand the table and be shown a historical chart. Additionally, you can export all this fundamental information to an Excel document by clicking on the **"Export Excel"** button on the top right of the page.

Figure 2: View Your Analysis



For standardized performance of DLN, click [here](#).

We believe this tool can provide investors with an incredible amount of information to better understand the context of their investment relative to benchmarks. One such example contrasts the [WisdomTree U.S. LargeCap Dividend Fund \(DLN\)](#) and the [S&P 500 Index \(SPX\)](#). DLN, at its core, seeks to track the investment results of dividend-paying large-cap companies in the U.S. Tapping into this dividend-paying market can be ideal for complementing or replacing the traditional [large-cap](#) value or [dividend](#)-oriented strategies, satisfying both a demand for capital appreciation and a tilt toward income. When compared historically, DLN has maintained a sizable and consistent [dividend yield](#) advantage versus the S&P 500 Index, as seen in figure 2. When combining DLN's dividend yield with its net [buyback yield](#) (figure 3), you arrive at a nearly a 5% shareholder yield. With DLN trading at a discount to the S&P 500, on both a trailing P/E (19.29 versus 17.19) and estimated P/E basis (16.07 versus 14.93) (figure 3), this could signal an opportunity for income-oriented investors.

Figure 3: DLN vs. SPX Buybacks and Valuations



Source: WisdomTree, as of 10/31/18. Past performance is not indicative of future results. You cannot invest directly in an index.

Conclusion

In an age of transparency, we want to provide the tools necessary to help investors make more informed investment and allocation decisions, and we are very excited to continue this commitment with the creation of the WisdomTree ETF Characteristics Comparison Tool.

Important Risks Related to this Article

There are risks associated with investing, including possible loss of principal. Funds focusing their investments on certain sectors increase their vulnerability to any single economic or regulatory development. This may result in greater share price volatility. Please read the Fund's prospectus for specific details regarding the Fund's risk profile.

For standardized performance and the most recent month-end performance click [here](#) NOTE, this material is intended for electronic use only. Individuals who intend to print and physically deliver to an investor must print the monthly performance report to accompany this blog.

For more investing insights, check out our [Economic & Market Outlook](#)

View the online version of this article [here](#).

IMPORTANT INFORMATION

U.S. investors only: Click [here](#) to obtain a WisdomTree ETF prospectus which contains investment objectives, risks, charges, expenses, and other information; read and consider carefully before investing.

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You cannot invest directly in an index.

DEFINITIONS

Price-to-earnings (P/E) ratio : Share price divided by earnings per share. Lower numbers indicate an ability to access greater amounts of earnings per dollar invested.

Return on Equity (ROE) : Measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.

Market capitalization-weighting : Market cap = share prices x number of shares outstanding. Firms with the highest values receive the highest weights in approaches designed to weight firms by market cap.

S&P 500 Index : Market capitalization-weighted benchmark of 500 stocks selected by the Standard and Poor's Index Committee designed to represent the performance of the leading industries in the United States economy.

Large-Capitalization (Large-Cap) : A term used by the investment community to refer to companies with a market capitalization value of more than \$10 billion. Large cap is an abbreviation of the term "large market capitalization". Market capitalization is calculated by multiplying the number of a company's shares outstanding by its stock price per share.

Dividend : A portion of corporate profits paid out to shareholders.

Dividend yield : A financial ratio that shows how much a company pays out in dividends each year relative to its share price.

Buyback yield : amount of a company's buybacks divided by its market capitalization.

Valuation : Refers to metrics that relate financial statistics for equities to their price levels to determine if certain attributes, such as earnings or dividends, are cheap or expensive.