Inside our 2026 multi-thematic rebalance: capturing the next wave of returns

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Key Takeaways

- 2025 rewarded themes with real-world capital expenditure (capex) behind them, led by artificial intelligence (AI) infrastructure, energy addition and defence.
- Diversified thematic exposure mattered as leadership broadened. Our three-layer investment process has turned conviction into compounding outperformance, returning 31.3% in 2025.
- Our January 2026 rebalance keeps us overweight AI, semis, nuclear and transition materials, and upgrades HealthTech on improving catalysts.

2025 rewarded themes with real traction, turning structural change into performance. The artificial intelligence (AI) capital expenditure (capex) arms race lit up semiconductors, data centres and energy themes in general. Geopolitical fragmentation kept defence, reshoring and infrastructure in focus. As leadership broadened beyond mega-caps, diversified multi-thematic exposure mattered.

Over the full year, 21 themes beat the market (as benchmarked by the MSCI All Country World net Total Return index). The five strongest themes were:

- Energy Transition Materials (+90.8%)
- Nuclear (+64.2%)
- Space (+60.3%)
- Semiconductors (+50.6%)
- Rise of Tension (+50%)

That said, Sustainable Energy Storage and Sustainable Energy Production also performed very strongly, ranking 6th and 7th.

WisdomTree Megatrends: looking at our positioning for 2026

WisdomTree multi-thematic strategy currently includes 18 themes, aiming to deliver long-term structural growth with low overlap and high diversification versus the Nasdaq and classic mega-cap names. To do so, the WisdomTree Global Megatrends Equity Index holdings are, quite uniquely, constructed in a top-down

manner, quarterly. The investment process uses three successive steps that each aim to improve overall performance:

- **The strategic thematic asset allocation**: Once a year, we identify the most relevant themes for medium- to long-term investment. This is done in April, and the goal is to add emerging themes while removing themes that have played out.
- **The tactical asset allocation**: Conducted quarterly, this process adjusts theme weights, using momentum signals to align the portfolio with market conditions. It allows us to take advantage of both periods of optimism and caution within individual themes while remaining invested in all our selected themes
- **Stock selection**: Within each theme, the stock selection process leverages the WisdomTree thematic investment philosophy, emphasising alignment to the theme, domain expertise, purity of exposure, differentiation, transparency and discipline. Stocks are selected within each theme before being combined into the overall portfolio. This allows us to focus on stocks that have the most to gain from each theme instead of being blinded by the mega cap names that are involved in everything.

On 19 January 2026, the WisdomTree Megatrends strategy adjusted its tactical positioning based on quantitative momentum and mean-reversion signals, as it does every quarter.

- HealthTech moved from underweight to overweight in the most significant move of the quarter. A visible mergers and acquisitions (M&A) pipeline has been building into 2026 as patent cliffs approach. This supports innovative platforms and enabling technologies, and led to strong performance in 2025 after many years of disappointing results.
- The continued buildout of AI infrastructure remains supportive of several themes we overweighted in Q4 2025. The portfolio is overweight not only Artificial Intelligence and Big Data and Semiconductors, but also Nuclear, Sustainable Energy Production and Storage, and Energy Transition Materials (rare earth and metals miners). The need for energy addition, meaning the buildout of substantial new generation and grid capacity as electrification and AI-driven power demand exceed incremental upgrades, is driving a new wave of capex. This strengthens the investment case for batteries, nuclear and renewables as complementary sources of reliable power, and for rare earth miners as key suppliers to electrification and energy storage supply chains.
- 2025 flows and policy made European defence into a structural allocation, reinforced by multi-year order visibility and rising commitments, leading the portfolio to remain overweight.
- 2025 momentum in quantum computing was driven by rising awareness and measurable technical progress, leading to strong performance. We remain overweight; however, we size this investment with humility, given the potential volatility risk.
- The ‘institutional rails’ story continues to strengthen for blockchain equity investments. Banks and market infrastructure are actively integrating stablecoins/settlement where regulation allows, which has improved real-world adoption optionality. Therefore, we remain overweight there as well.

- We remain underweight Aging Population, Rise of the Middle Class and Rise of the Emerging Markets (EM) Consumer. While structurally attractive, near-term returns and a lack of confidence and cyclical follow-through still do not support higher weights
- We also remain underweight Sustainable Food, Cybersecurity, Cloud and Digital Infrastructure, as recent performance indicates a lack of upward momentum and positive sentiment.

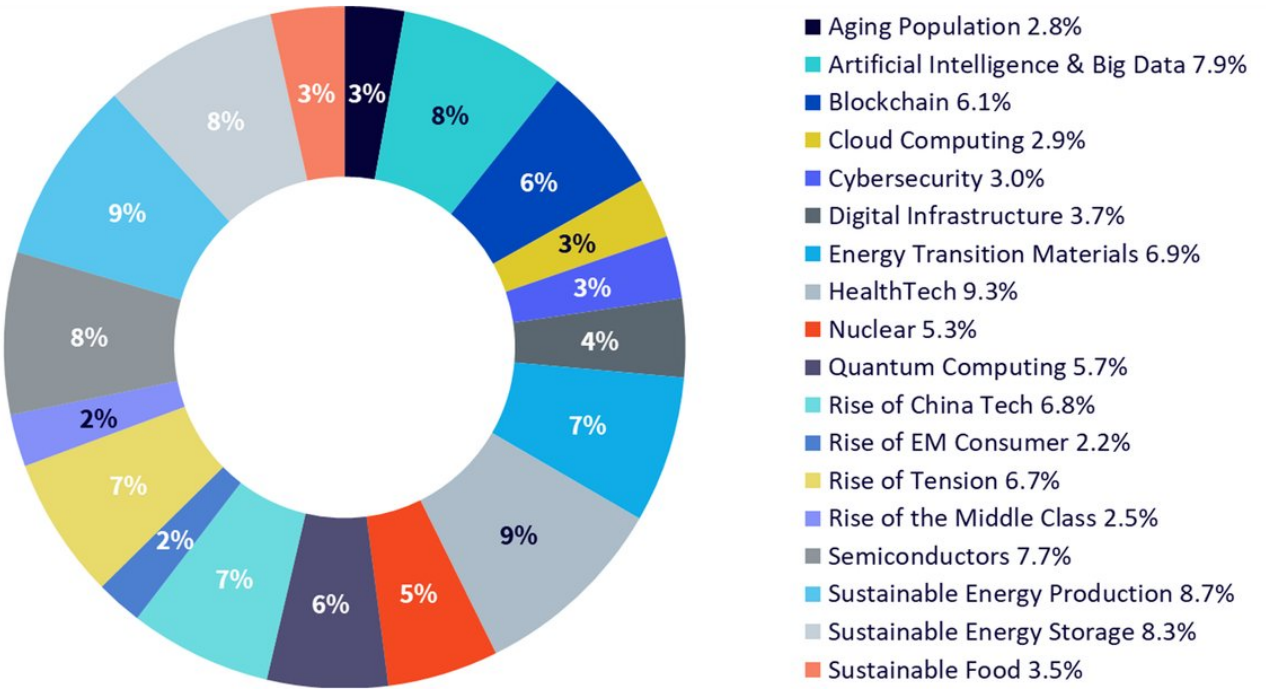
Figure 1: WisdomTree Megatrends strategy: tactical signals

Tactical positioning compared to strategic one (19 January 2026)			
Theme	Positioning	Tactical signal	Weight
Aging Population	Underweight	50%	1.8%
Artificial Intelligence & Big Data	Overweight	143%	2.8%
Blockchain	Overweight	150%	6.4%
Cloud Computing	Underweight	50%	9.7%
Cybersecurity	Underweight	50%	10.0%
Digital Infrastructure	Underweight	50%	4.1%
Energy Transition Materials	Overweight	150%	4.6%
HealthTech	Overweight	150%	9.4%
Nuclear	Overweight	141%	6.3%
Quantum Computing	Overweight	150%	3.5%
Rise of China Tech	Overweight	131%	6.9%
Rise of EM Consumer	Underweight	50%	4.4%
Rise of Tension	Overweight	150%	7.4%
Rise of the Middle Class	Underweight	50%	1.7%
Semiconductors	Overweight	150%	8.1%
Sustainable Energy Production	Overweight	150%	6.1%

Sustainable Energy Storage	Overweight	150%	3.1%
Sustainable Food	Underweight	50%	3.8%

Source: WisdomTree, Bloomberg as of 19 January 2026. The WisdomTree Megatrends strategy is represented by the WisdomTree Global Megatrends Equity Index. You cannot invest directly in an index. Historical performance is not an indication of future performance and any investments may go down in value.

Figure 2: WisdomTree Megatrends strategy: the allocation by themes



Source: WisdomTree, Bloomberg as of 19 January 2026. The WisdomTree Megatrends strategy is represented by the WisdomTree Global Megatrends Equity Index. **You cannot invest directly in an index. Historical performance is not an indication of future performance and any investments may go down in value.**

Beating the Nasdaq in a differentiated way

With strong performance across many themes, and in particular themes the strategy was overweight over the year, the WisdomTree Megatrends strategy returned 31.3% in 2025, outperforming the Nasdaq 100 net index by 10.6% and the MSCI All Country World net index by 9%[1].

Looking at the full track record of just over two years, since the strategy launched on 23 October 2023, the investment process has delivered strong results. The strategy has outperformed the Nasdaq 100 by 2.6%[2] and the MSCI AC World by 7%[1] since launch. Overall, it has delivered higher returns, a stronger Sharpe ratio and a higher information ratio than the Nasdaq 100, with very limited exposure to tech mega caps. Following the rebalance, the combined weight of the Magnificent Seven[3] is just 3.05%, with Nvidia representing the largest single exposure at 1.3%.

Figure 3: WisdomTree Megatrends strategy compared to the MSCI World and Nasdaq 100 since launch

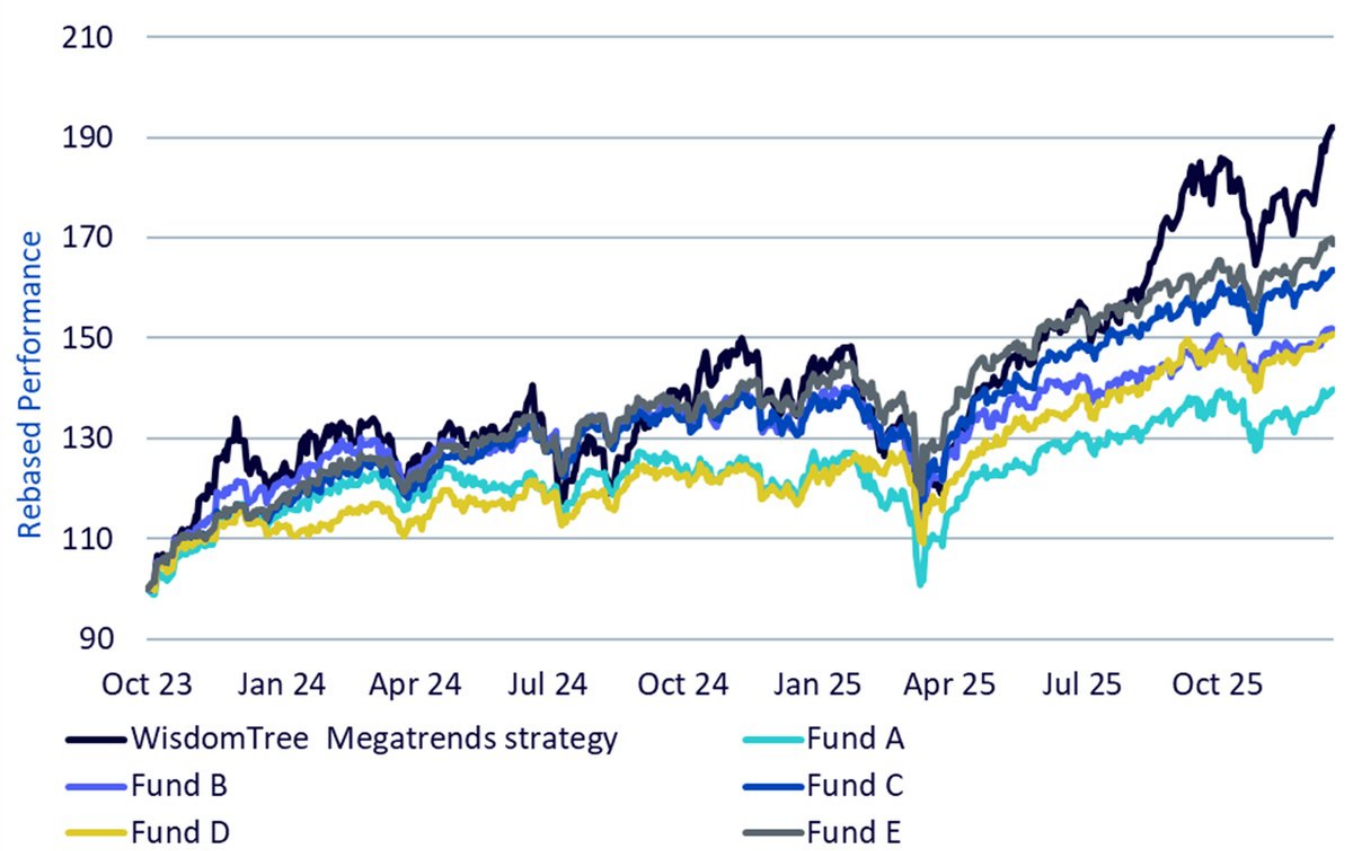
	WisdomTree Megatrends strategy	Nasdaq 100 net TR Index	MSCI ACWI net TR
Annualised Returns	34.20%	31.60%	27.20%
Volatility	20.80%	20.10%	11.90%
Sharpe Ratio	1.4	1.3	1.9
Tracking Error (vs MSCI ACWI)	12.30%	10.90%	-
Information Ratio (vs MSCI ACWI)	0.6	0.4	-

Source: WisdomTree, Bloomberg, MSCI. 23 October 2023 to 13 January 2026. In USD. The WisdomTree Megatrends strategy is represented by the WisdomTree Global Megatrends Equity Index. You cannot invest directly in an index. Historical performance is not an indication of future performance and any investments may go down in value.

Since its launch, the strategy has outperformed broad market and broad tech exposures, as well as many multi-thematic peers (ETFs or active funds), including the 5 largest multi-thematic mutual funds in Europe launched before October 2023. Together, those 5 funds represent more than $34 billion of assets.

It is worth noting that since our strategy launch, WisdomTree Megatrends is the only strategy out of the 6 to have beaten the MSCI ACWI and the Nasdaq 100.

Figure 4: WisdomTree Megatrends strategy outperformed the 5 biggest muti thematic funds since launch



Source: WisdomTree, Bloomberg, MSCI. 23 October 2023 to 13 January 2026 In USD. The WisdomTree Megatrends strategy is represented by the WisdomTree Global Megatrends Equity Index. **You cannot invest directly in an index. Historical performance is not an indication of future performance and any investments may go down in value.**

	WisdomTree Megatrends strategy	Fund A	Fund B	Fund C	Fund D	Fund E
Annualised Returns	34.20%	16.30%	20.70%	24.80%	20.30%	26.70%
Volatility	20.80%	16.10%	15.30%	15.80%	14.60%	14.70%
Sharpe Ratio	1.4	0.7	1	1.3	1.1	1.5
Tracking Error (vs MSCI ACWI)	12.30%	16.10%	14.00%	17.50%	14.60%	5.30%
Information Ratio (vs MSCI ACWI)	0.6	-0.7	-0.5	-0.1	-0.5	-0.1

How intelligent design is driving differentiated performance

In summary, since the last rebalancing on 17 October 2025, the strategy has returned 7.4%, outperforming the MSCI All Country World net total return index by 1.64% and the Nasdaq 100 by 3.56%[4]. Over the three months, technology and growth stocks underperformed the broader market, which explains the Nasdaq's relative weakness. For the strategy, this resulted in a slightly negative contribution from the strategic asset allocation. However, the tactical allocation and stock selection more than offset this, driving the outperformance described above.

Six themes performed particularly strongly:

1. Energy Transition Materials continued to fly and our overweight in this theme helped create 1.75% of positive contribution.

2. Semiconductors and AI also contributed strongly, supported by their overweight positioning but driven mainly by stock selection. Together, the two themes contributed 1.53% to overall performance.

3. Rise of Tension also created outperformance through its overweight position.

4. Finally, Sustainable Energy Production and Storage added 1.53% to the outperformance, mainly through the strong stock selection in those sub baskets.

Figure 5: Performance attribution of the strategy since the last rebalancing on 10 October 2025

	Relative contribution of strategic allocation (vs MSCI ACWI)	Relative contribution of tactical allocation (vs MSCI ACWI)	Relative contribution of stock selection (vs MSCI ACWI)	Total relative contribution (vs MSCI ACWI)
Total	**-0.49%**	**1.42%**	**0.71%**	**1.64%**

Source: WisdomTree, Bloomberg, MSCI. In USD. From 17th October 2025 to 13th January 2026. The WisdomTree Megatrends strategy is represented by the WisdomTree Global Megatrends Equity Index. You cannot invest directly in an index. Historical performance is not an indication of future performance and any investments may go down in value.

Since launch, the WisdomTree Megatrends Global Equity strategy has returned 92%[2] compared to 70.3% for the MSCI All Country World. This outperformance is the result of all three of our investment process' layers, with strategic, tactical and stock selection all contributing positively.

At the theme levels, over the last two years, Blockchain and Semiconductors have been the two key contributors to the fund's outperformance. However, Quantum Computing, Energy Transition Materials, AI and Nuclear have also been strong contributors.

Figure 6: Performance attribution of the strategy since the launch

	Relative contribution of strategic allocation (vs MSCI ACWI)	Relative contribution of tactical allocation (vs MSCI ACWI)	Relative contribution of stock selection (vs MSCI ACWI)	Total relative contribution (vs MSCI ACWI)
Total	**5.70%**	**10.74%**	**5.22%**	**21.67%**

Source: WisdomTree, Bloomberg, MSCI. In USD. From 27 October 2023 to 13 January 2026. The WisdomTree Megatrends strategy is represented by the WisdomTree Global Megatrends Equity Index. You cannot invest directly in an index. Historical performance is not an indication of future performance and any investments may go down in value.

Conclusion

As we enter 2026, the message from 2025 is clear: structural themes can deliver, provided that exposure is diversified, disciplined and responsive to changing market regimes. Our quarterly tactical process keeps the portfolio aligned with momentum in themes, while our stock selection framework seeks the purest, most differentiated beneficiaries. With AI infrastructure, energy addition and geopolitics still driving capex and policy, we believe this is an environment where our approach could continue to compound.

[1] Source: WisdomTree, Bloomberg. 31 December 2024 to 31 December 2025. In USD, WisdomTree Megatrends strategy is represented by the WisdomTree Global Megatrends Equity Index. **You cannot invest directly in an index. Historical performance is not an indication of future performance and any investments may go down in value.**

[2] Source: WisdomTree, Bloomberg. 23 October 2023 to 13 January 2026. In USD, WisdomTree Megatrends strategy is represented by the WisdomTree Global Megatrends Equity Index. **You cannot invest directly in an index. Historical performance is not an indication of future performance and any investments may go down in value.**

[3] The Magnificent Seven stocks are a group of high-performing and influential companies in the U.S. stock market: Alphabet, Amazon, Apple, Tesla, Meta Platforms, Microsoft, and Nvidia.

[4] Source: WisdomTree, Bloomberg. 10th October 2025 to 13th January 2026. In USD, WisdomTree Megatrends strategy is represented by the WisdomTree Global Megatrends Equity Index. **You cannot invest directly in an index. Historical performance is not an indication of future performance and any investments may go down in value.**

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