

AI infrastructure at the core: WisdomTree's AI strategy September 2025 rebalance

Published 21 October 2025

Baoqi Zhu

Associate Director, Quantitative Research & Multi Asset Solutions

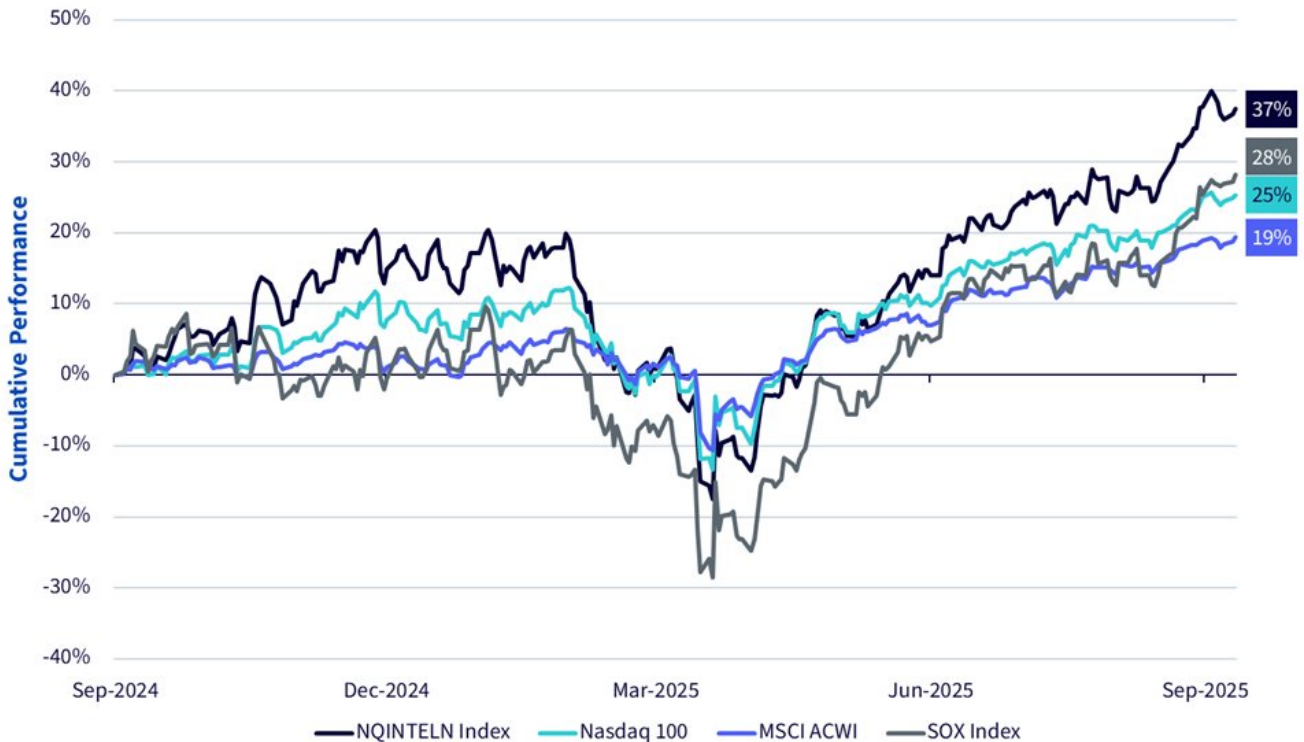
Key Takeaways

- WTAI's infrastructure tilt and higher semiconductor weight are the main differentiators and performance drivers.
- Demand signals are durable: hyperscalers are scaling capacity and large, multi-year deals are in place across compute and networking.
- Diversified semiconductor exposure (GPUs, interconnect and memory) reduces single-point risk and captures rotating bottlenecks.
- The September rebalance pushes further into AI infrastructure.
- Related Products WisdomTree Artificial Intelligence UCITS ETF – USD Acc Find out more

Performance overview and positioning

Headlines through 2025 increasingly focused on the infrastructure behind artificial intelligence (AI). Within that backdrop, WisdomTree Artificial Intelligence UCITS ETF (WTAI) saw a volatile start and a stronger rebound year-to-date. The late-January “DeepSeek shock” weighed on AI hardware exposures, then markets spent spring and summer reassessing deployment and growth. Since the September 2024 index enhancement, WTAI has outpaced major technology benchmarks over the 1-year period, driven by its overweight to the AI infrastructure layer. This same tilt also explains the relative softness when semiconductor stocks came under pressure in January and April, as well as the stronger rebound as the sector recovered.

Figure 1: Cumulative Performance since WTAI's index enhancement in Sep 2024



Semiconductors led the recovery. Compared with major AI themed peers, WTAI carries the highest weight in semiconductors (figure 2a). Semiconductor companies account for around 40% of the portfolio. This overweight provides more diversified semiconductor exposure, allowing the portfolio to capture opportunities not only in graphics processing units (GPUs) but also in memory and connectivity. In performance attribution, this group added approximately 20% over September 2024–September 2025 (figure 2b). That positioning hurt in January, creating around a 9% drag on returns during the period from September 2024 to early April 2025 when Trump’s ‘Liberation Day’ was announced. It set up outsized upside once demand signals and policy support firmed, adding approximately 35% from early April to end-September 2025. As adoption spreads beyond a few hyperscalers, earnings torque redistributes to chips, memory, interconnect and the tools that make them.

Figure 2a: Semiconductors exposure comparison: WTAI vs Major European AI ETFs

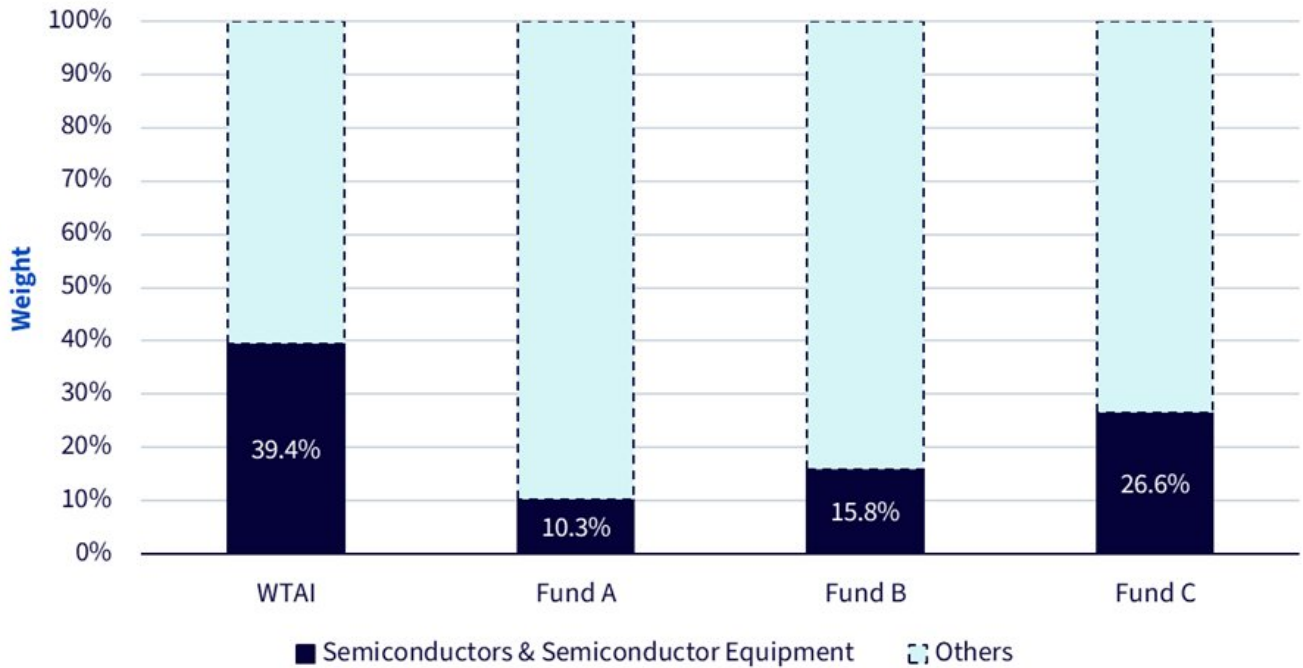


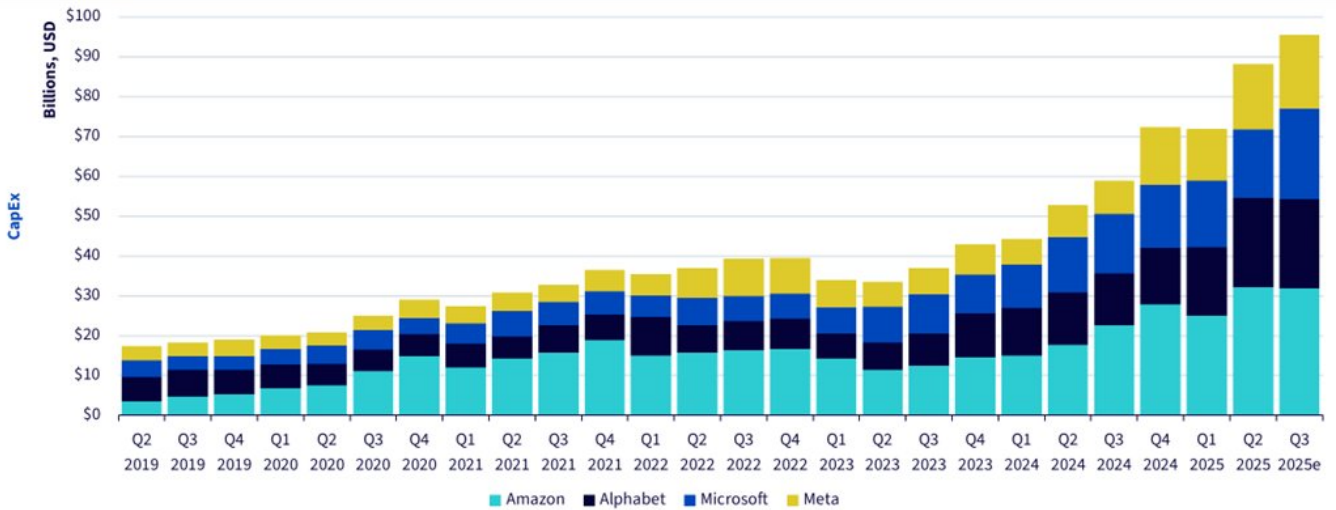
Figure 2b: WTAI Performance Attribution from Semiconductors

Period	Average Weight	Total Return	CTR
20/09/2024-30/09/2025	41.6%	50.3%	20.3%
20/09/2024-04/04/2025	41.7%	-22.7%	-9.2%
04/04/2025-30/09/2025	41.5%	94.3%	35.0%

Semiconductor tailwinds: demand and supply

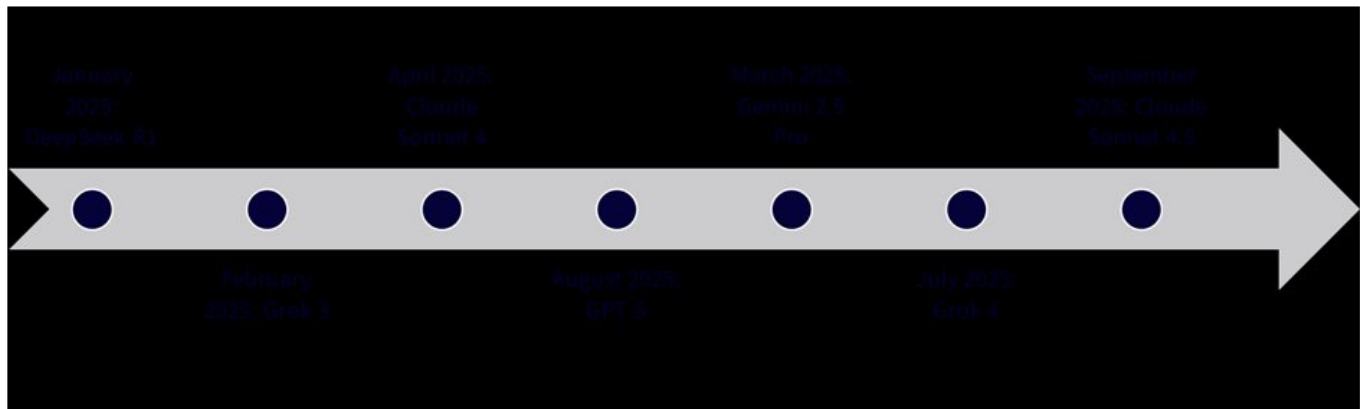
Demand stayed resilient and more visible. Hyperscaler capex kept rising, with combined quarterly spending by Amazon, Alphabet, Microsoft and Meta more than tripling since 2019 and approaching \$100 billion in Q3 2025e (figure 3), alongside faster campus plans through the summer. The Stargate programme, anchored by OpenAI, Oracle and SoftBank, added new US sites, taking planned capacity toward the high single-digit gigawatt range. In parallel, OpenAI and NVIDIA set a plan to deploy 10GW of NVIDIA systems for OpenAI’s next-gen models. Meta also signed a multi-billion-dollar AI cloud agreement with CoreWeave. These commitments are translating into orders for accelerators, HBM and interconnect. These are the areas that WTAI overweights and they reinforce the case for the tilt.

Figure 3: Hyperscalers’ capex since Q2 2019



Model competition reinforced the pull on infrastructure. With OpenAI’s GPT-5, Google’s Gemini 2.5 Pro, xAI’s Grok 4 and Anthropic’s Claude Sonnet 4.5, more capable models and broader enterprise workflows pull through bandwidth, memory and interconnect higher in the stack. That is why application-specific integrated circuits (ASICs) for networking, fabric switches, and high-bandwidth memory (HBM) suppliers have featured prominently in recent months.

Figure 4: Major AI models released from Jan 2025 to Sep 2025.



More importantly, semiconductors were not just NVIDIA. Within WTAI, Astera Labs is a useful bellwether for AI interconnects. After a January sell-off due to the ‘DeepSeek shock’, Astera Labs beat Q2 expectations and rallied into September, consistent with growing demand for links in denser clusters. Broadcom pushed Ethernet AI fabrics with next-gen Tomahawk 6 switches, and SK Hynix extended leadership in HBM3E while preparing HBM4. These examples show WTAI’s diversified semiconductor exposure spans GPUs, interconnect and memory, positioning the portfolio to benefit as spend and bottlenecks shift across the stack.

Supply conditions improved into Q3. Export-control noise proved less disruptive than feared in Q1, and industrial policy helped de-risk the chain. The US government finalised funding under the Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act for Intel to expand domestic

manufacturing and advanced packaging — a clear indication that both semiconductor foundry capacity and packaging remain strategically important. That backdrop supported a rally across wafer-fab equipment and improved visibility on leading-edge logic ramps. These demand and supply tailwinds underpin our conviction in the overweight to semiconductors and AI infrastructure.

What changed in September: new entrants and why they fit

AI cloud infrastructure (Enablers): CoreWeave and Nebius operate AI infrastructure for training and inference. CoreWeave's March IPO made it index-eligible, and its recent OpenAI contract brings 2025 deal value above \$22 billion¹, directly tied to Stargate's multi-gigawatt build-out. Nebius adds a Europe-rooted platform that has recently disclosed a multi-year capacity agreement with Microsoft and new capital plans to expand clusters. Both are classic Enablers, providing the foundational computing power that Engagers depend on. Their inclusion increases WTAI's exposure to dedicated AI cloud providers, which are central to today's capital expenditure cycle.

The chip-making toolkit (Enablers): ASML, KLA and Lam Research extend our exposure deeper into the wafer-fab equipment stack that turns demand into silicon. ASML's extreme ultraviolet lithography (EUV) is essential for leading-edge logic and is increasingly used in advanced DRAM. KLA's inspection and metrology safeguard yields as geometries shrink. Lam's etch and deposition systems form and stack device structures used across AI accelerators and HBM. As Enablers, these names benefit as foundries and memory makers push node and packaging roadmaps, an essential complement to WTAI's existing semiconductor exposure.

Delivery and observability layer (Engagers): Cloudflare, Cisco and BigBear.ai help end-users engage with AI applications by ensuring they are fast, secure and actionable. Cloudflare provides content delivery, domain name system (DNS) and security services that ensure AI-enabled applications remain fast, reliable and available at the network edge. Cisco brings AI-ready networking and cybersecurity, plus Splunk observability, to operate and safeguard AI workloads across data centres and public cloud. BigBear.ai delivers decision-intelligence software, especially for public-sector clients, that turns heterogeneous data into operational recommendations. They translate raw compute into reliable, secure and observable user experiences.

Ecosystem catalyst (Enhancers): Through ARM Holdings, Robotics and SB Tempus, **SoftBank** enhances the AI ecosystem rather than selling end products. It acts as a catalyst for capital and partnerships, scaling enabling technologies (compute IP, automation) and accelerating adoption across various use cases.

Full details of additions and classification changes are summarised in the table below.

Table 1: WTAI September 2025 Rebalance: Additions, Deletions and Classification Changes

Company	Rebalance action	Index classification	AI exposure focus	Rationale
ARM Holdings	Addition	Enabler	AI infrastructure (semiconductor)	AI/ML requires CPU/GPU processing capabilities that are increasingly being integrated into edge devices.
CoreWeave	Addition	Enabler	AI cloud infrastructure	Operates GPU-rich AI clouds for training and inference, adding dedicated capacity aligned with multi-year contracts.
INTC	Addition	Enabler	AI infrastructure (semiconductor)	Provides semiconductors and related products that are essential for AI and HPC, as well as high-performance servers.
Lam Research	Addition	Enabler	AI infrastructure (etch & deposition equipment)	Supplies etch and deposition systems essential for producing logic and memory that power AI workloads.
GlobalFoundries	Addition	Enabler	AI infrastructure (semiconductor)	Provides advanced manufacturing services and IP blocks, including foundry services, supporting AI training and inference.
SoundHound AI	Addition	Engager	AI software (conversational AI)	Delivers voice and agentic AI across autos and enterprises, adding application-layer exposure.
Imperva	Addition	Engager	Enterprise AI	Provides security solutions and cloud security services, with AI integration for threat detection and response.
Cisco Systems	Addition	Engager	Enterprise AI	Integrates AI into networking, security and observability (including Splunk), enabling AI-ready, secure data-centre fabrics.
Qualcomm	Addition	Engager	Enterprise AI	Provides mobile computing chips and IP blocks, supporting AI applications in smartphones and IoT devices.
SoftBank Group	Addition	Enhancer	Semiconductors & robotics	Acts as an ecosystem catalyst via its Arm stake and AI/robotics initiatives such as SB Tempus.
ASML	Reclassification (Engager)	Engager (Enabler)	AI infrastructure (semiconductor)	Provides EUV lithography systems essential for manufacturing advanced semiconductors for AI.
Appian	Deletion	Engager	Robotics process automation	Removed because market capitalisation fell below the \$2bn threshold on the screening date.

Conclusion

Since the September 2024 index enhancement, WTAI’s results have been driven by what matters most in this cycle: the build-out of AI infrastructure. The early-year drawdown gave way to a semiconductor-led rebound and the September rebalance strengthened that positioning with additions across AI infrastructure and semiconductor manufacturing. With hyperscaler capex and multi-year contracts pointing to multi-gigawatt capacity, a diversified semiconductor segment, GPUs, HBM, interconnect and equipment, remains central. WTAI has a higher semi-weight versus European AI peers and a strong contribution from this segment. On balance, the focus on the build-side of AI should continue to differentiate WTAI while keeping selective exposure to application delivery.

1Source: CoreWeave, as of 25 September 2025.

Important Risks Related to this Article

IMPORTANT INFORMATION

Marketing communications issued in the European Economic Area (“EEA”): This document has been issued and approved by WisdomTree Ireland Limited, which is authorised and regulated by the Central Bank of Ireland. **Marketing communications issued in jurisdictions outside of the EEA:** This document has been issued and approved by WisdomTree UK Limited, which is authorised and regulated by the United Kingdom Financial Conduct Authority. WisdomTree Ireland Limited and WisdomTree UK Limited are each referred to as “WisdomTree” (as applicable). Our Conflicts of Interest Policy and Inventory are available on request. This marketing communication has been prepared for professional investors, but the WisdomTree products set out in this document may be available in some jurisdictions to any investors, subject to applicable laws and regulations. As the product may not be authorised or its offering may be restricted in your jurisdiction, it is the responsibility of every person or entity to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction. Prior to any application investors are advised to take all necessary legal, regulatory, tax and investment advice on the suitability and consequences of an investment in the products. Past performance is not a reliable indicator of future performance. Any historical performance included in this document may be based on back testing. Back testing is the process of evaluating an investment strategy by applying it to historical data to simulate what the performance of such strategy would have been. Back tested performance is purely hypothetical and is provided in this document solely for informational purposes. Back tested data does not represent actual performance and should not be interpreted as an indication of actual or future performance. The value of any investment may be affected by exchange rate movements. Any decision to invest should be based on the information contained in the appropriate prospectus and after seeking independent investment, tax and legal advice. These products may not be available in your market or suitable for you. The content of this document does not constitute investment advice nor an offer for sale nor a solicitation of an offer to buy any product or make any investment. An investment in exchange-traded products (“ETPs”) is dependent on the performance of the underlying index, less costs, but it is not expected to match that performance precisely. ETPs involve numerous risks including among others, general market risks relating to the relevant underlying index, credit risks on the provider of index swaps utilised in the ETP, exchange rate risks, interest rate risks, inflationary risks, liquidity risks and legal and regulatory risks. The information contained in this document is not, and under no circumstances is to be construed as, an advertisement or any other step in furtherance of a public offering of shares in the United States or any province or territory thereof, where none of the issuers or their products are authorised or registered for distribution and where no prospectus of any of the issuers has been filed with any securities commission or regulatory authority. No document or information in this document should be taken, transmitted or distributed (directly or indirectly) into the United States. None of the issuers, nor any securities issued by them, have been or will be registered under the United States Securities Act of 1933 or the Investment Company Act of 1940 or qualified under any applicable state securities statutes. This document may contain independent market commentary prepared by WisdomTree based on publicly available information. Although WisdomTree endeavours to ensure the accuracy of the content in this document, WisdomTree does not warrant or

guarantee its accuracy or correctness. Any third party data providers used to source the information in this document make no warranties or representation of any kind relating to such data. Where WisdomTree has expressed its own opinions related to product or market activity, these views may change. Neither WisdomTree, nor any affiliate, nor any of their respective officers, directors, partners, or employees accepts any liability whatsoever for any direct or consequential loss arising from any use of this document or its contents. This document may contain forward looking statements including statements regarding our belief or current expectations with regards to the performance of certain assets classes and/or sectors. Forward looking statements are subject to certain risks, uncertainties and assumptions. There can be no assurance that such statements will be accurate and actual results could differ materially from those anticipated in such statements. WisdomTree strongly recommends that you do not place undue reliance on these forward-looking statements. WisdomTree Issuer ICAV The products discussed in this document are issued by WisdomTree Issuer ICAV ("WT Issuer"). WT Issuer is an umbrella investment company with variable capital having segregated liability between its funds organised under the laws of Ireland as an Irish Collective Asset-management Vehicle and authorised by the Central Bank of Ireland ("CBI"). WT Issuer is organised as an Undertaking for Collective Investment in Transferable Securities ("UCITS") under the laws of Ireland and shall issue a separate class of shares ("Shares") representing each fund. The Fund is described in a Key Information Document (KID) or Key Investor Information Document (KIID) for UK investors, and the prospectus of WT Issuer ("WT Prospectus"). A copy of the WT Prospectus and the KID / KIID is available, for EEA/UK only, in English at www.wisdomtree.eu. Where required under national rules, the KID will also be available in the local language of the relevant EEA Member State. Investors should read the WT Prospectus before investing and should refer to the section of the WT Prospectus entitled »Risk Factors¼ for further details of risks associated with an investment in the Shares. The [summary of investor rights](#) associated with an investment in the fund is available in English on WisdomTree Europe¼s website. WisdomTree Management Limited may decide to terminate the arrangements made for the marketing of its collective investment undertakings. In such circumstances, shareholders in the affected EEA Member State will be notified of this decision and will be provided with the opportunity to redeem their shareholding in the fund free of any charges or deductions for at least 30 working days from the date of such notification.

Nasdaq® and the Nasdaq CTA Artificial intelligence Index are registered trademarks of Nasdaq, Inc. (which with its affiliates is referred to as the "Corporations") and are licensed for use by WisdomTree Management Limited. The WisdomTree Artificial Intelligence UCITS ETF (the "Fund") has not been passed on by the Corporations as to its legality or suitability. Shares in the Fund are not issued, endorsed, sold, or promoted by the Corporations. THE CORPORATIONS MAKE NO WARRANTIES AND BEAR NO LIABILITY WITH RESPECT TO THE FUND. Notice to Investors in Switzerland – Qualified Investors This document constitutes an advertisement of the financial product(s) mentioned herein. The prospectus and the key investor information documents (KIID) are available from WisdomTree¼s website at <https://www.wisdomtree.eu/en-ch/resource-library/prospectus-and-regulatory-reports> Some of the sub-funds referred to in this document may not have been registered with the Swiss Financial Market Supervisory Authority ("FINMA"). In Switzerland, such sub-funds that have not been registered with FINMA shall be distributed exclusively to qualified investors, as defined in the Swiss Federal Act on Collective Investment Schemes or its implementing ordinance (each, as amended from time to time). The representative and paying agent

of the sub-funds in Switzerland is Société Générale Paris, Zurich Branch, Talacker 50, PO Box 5070, 8021 Zurich, Switzerland. The prospectus, the key investor information documents (KIID), the articles of association and the annual and semi-annual reports of the sub-funds are available free of charge from the representative and paying agent. As regards distribution in Switzerland, the place of jurisdiction and performance is at the registered seat of the representative and paying agent. For Investors in France: The information in this document is intended exclusively for professional investors (as defined under the MiFID) investing for their own account and this material may not in any way be distributed to the public. The distribution of the Prospectus and the offering, sale and delivery of Shares in other jurisdictions may be restricted by law. WT Issuer is a UCITS governed by Irish legislation, and approved by the Financial Regulatory as UCITS compliant with European regulations although may not have to comply with the same rules as those applicable to a similar product approved in France. The Fund has been registered for marketing in France by the Financial Markets Authority (Autorité des Marchés Financiers) and may be distributed to investors in France. Copies of all documents (i.e. the Prospectus, the Key Investor Information Document, any supplements or addenda thereto, the latest annual reports and the memorandum of incorporation and articles of association) are available in France, free of charge at the French centralizing agent, Societe Generale at 29, Boulevard Haussmann, 75009, Paris, France. Any subscription for Shares of the Fund will be made on the basis of the terms of the prospectus and any supplements or addenda thereto. **For Investors in Malta:** This document does not constitute or form part of any offer or invitation to the public to subscribe for or purchase shares in the Fund and shall not be construed as such and no person other than the person to whom this document has been addressed or delivered shall be eligible to subscribe for or purchase shares in the Fund. Shares in the Fund will not in any event be marketed to the public in Malta without the prior authorisation of the Maltese Financial Services Authority.