

WisdomTree Announces China ex-State-Owned Enterprises Fund (CXSE)

Formerly WisdomTree China Dividend ex-Financials Fund (CHXF)

CXSE Offers Access to Growth Potential of China without Government Ownership

New York, NY – (GlobeNewswire) – July 1, 2015 – WisdomTree (NASDAQ: WETF), an exchange-traded fund (“ETF”) and exchange-traded product (“ETP”) sponsor and asset manager, today announced the implementation of changes for the WisdomTree China Dividend ex-Financials Fund (CHXF) to be restructured and renamed the WisdomTree China ex-State-Owned Enterprises Fund (CXSE). CXSE seeks to provide exposure to broad-based Chinese stocks that exclude state-owned companies. The Fund has a net expense ratio of 0.53%¹.

China—A Standout Performer in the Emerging Markets Universe

So far, 2015 has been a turnaround year for emerging markets and China has been a primary contributor in the recovery. China has returned approx. 23% since the People’s Bank of China (PBOC) embarked on its new policy of monetary easing in November of 2014². Since then, the PBOC has adopted a more accommodative monetary policy stance to stabilize growth and mitigate disinflationary pressures. However, the reforms sought within the government’s enterprises are speculated to be accomplished through consolidation and not through a relaxing of the state’s control, which many argue is needed.

State-Owned Enterprises Concentrated in China

State-owned enterprises (SOEs) are typically defined as companies that are either wholly or partially owned or operated by a government³. China tends to have one of the largest concentrations of SOEs, more than 70% in popular Chinese benchmarks.⁴

“WisdomTree’s China ex-State-Owned Enterprises Fund (CXSE) provides access to China’s private sector and higher growth potential while limiting exposure to SOEs. We believe governments may not always be the best stewards of capital and government-owned companies might be influenced by a broader set of interests, beyond generating profits for shareholders,” said Jeremy Schwartz, WisdomTree Director of Research.

CXSE & XSOE—Alternative Views of Chinese and Emerging Markets

As emerging market countries have grown and transformed there has been an increased demand for more ways to gain access to the asset class.

¹ The Fund’s gross expense ratio of 0.63% and the net expense ratio of 0.53% reflect a contractual waiver of 0.10% through 7/31/2016.

² Source: Bloomberg, MSCI China Index, between 11/21/2014-6/22/2015.

MSCI China Index: A free float-adjusted, market capitalization-weighted equity index designed to measure the performance of the Chinese equity market.

³ WisdomTree defines state-owned enterprises as those having government ownership of more than 20% of outstanding shares.

⁴ Sources: WisdomTree, Bloomberg, as of 5/31/15.

“We believe it’s important to have different tools available to investors, depending on their goals and objectives. CXSE provides a tool to limit exposure to government involvement and offers an alternative view of the Chinese market—one that represents greater exposure to Chinese technology and consumer oriented stocks and much less exposure to large Chinese banks,” added Schwartz.

WisdomTree also offers an Emerging Markets ex-State-Owned Enterprises Fund ([XSOE](#)), launched in December 2014.

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, call 866.909.WISE (9473) or visit [wisdomtree.com](#). Read the prospectus carefully before you invest.

There are risks associated with investing, including possible loss of principal. Foreign investing involves special risks, such as risk of loss from currency fluctuation or political or economic uncertainty. The Fund focuses its investments in China, thereby increasing the impact of events and developments associated with the region which can adversely affect performance. Investments in emerging or offshore markets are generally less liquid and less efficient than investments in developed markets and are subject to additional risks, such as risks of adverse governmental regulation and intervention or political developments. The Fund’s exposure to certain sectors may increase its vulnerability to any single economic or regulatory development related to such sector. As this Fund can have a high concentration in some issuers, the Fund can be adversely impacted by changes affecting those issuers. Please read the Fund’s prospectus for specific details regarding the Fund’s risk profile.

Jeremy Schwartz is a registered representative of Foreside Fund Services, LLC.
WisdomTree Funds are distributed by Foreside Fund Services, LLC.

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About WisdomTree

WisdomTree Investments, Inc., through its subsidiaries in the U.S. and Europe (collectively, “WisdomTree”), is an exchange-traded fund (“ETF”) and exchange-traded product (“ETP”) sponsor and asset manager headquartered in New York. WisdomTree offers products covering equities, fixed income, currencies, commodities and alternative strategies. WisdomTree currently has approximately \$62.0 billion in assets under management globally. For more information, please visit [www.wisdomtree.com](#) or follow us on Twitter @WisdomTreeETFs.

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

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