WisdomTree Launches New Smart Beta Fund with Multifactor Exposure: WisdomTree U.S. Multifactor Fund (USMF)

USMF Offers Investors Potential for Higher Returns with Lower Volatility Using Multifactor Exposure

New York, NY – (GlobeNewswire) – June 29, 2017 – WisdomTree (NASDAQ: WETF), an exchange-traded fund (“ETF”) and exchange-traded product (“ETP”) sponsor and asset manager, today announced the launch of the WisdomTree U.S. Multifactor Fund (USMF), on the BATS Exchange. USMF seeks to track the price and yield performance of the WisdomTree U.S. Multifactor Index and has a net expense ratio of 0.28%.

Multifactor Exposure: An Alpha-Driven Smart Beta Strategy

WisdomTree’s eleven years of experience in the ETF asset management industry is based on its investment philosophy that broad-based, fundamentally weighted ETFs can add value compared to both traditional passive and active managers. Now, through its latest strategy, WisdomTree will directly target multiple smart beta factors in an effort to generate excess return, and reduced volatility, relative to the broader market.

Luciano Siracusano, Chief Investment Strategist at WisdomTree, explained, “WisdomTree’s existing suite of dividend- and earnings-weighted ETFs have typically tapped into the smart beta factors of value, quality and size and, in many instances, have outperformed their market capitalization-weighted benchmarks, while exhibiting relatively low tracking error against those benchmarks. But, for investors willing to assume higher tracking error relative to traditional market capitalization-weighted benchmarks, a multifactor approach, such as the WisdomTree U.S. Multifactor Fund, has the potential to enhance returns, while providing greater factor diversification and thus, may lower volatility compared to single-factor approaches.”

USMF seeks to track the WisdomTree U.S. Multifactor Index, which was designed to beat the market through an innovative selection and weighting methodology by gaining exposure to the factors of value, quality, momentum, size and low correlation, while managing volatility and maintaining sector neutrality.

Siracusano added, “We believe USMF is a simple, intuitive solution for investors seeking to incorporate the potential of factor investing into their U.S. equity allocations.”

USMF: What’s Under the Hood?

The WisdomTree U.S. Multifactor Index methodology incorporates the following:

- **Composite Factor Score**: The starting universe of 800 U.S. stocks ranked by market capitalization are assigned scores for two fundamental factors (value and quality) and two technical factors (momentum and low correlation). Stocks are assigned a composite factor score based on these four scores.
• **Volatility Scoring**: The top 200 companies with the highest composite multifactor scores are included in the index and assigned a volatility score based on the trailing 12-month period, rewarding less volatile stocks.

• **Risk-Adjusted Weighting System**: Individual stocks are weighted within the index by a combination of their composite factor score and their volatility score over the prior 12 months.

• **Quarterly Rebalance**: USMF is rebalanced quarterly and the maximum weight of any individual security on rebalance is capped at 4%.

• **Sector Neutrality**: In addition, the fund constrains sector bets by enforcing sector neutrality versus the market.

Learn more about the WisdomTree U.S. Multifactor Fund (USMF) [here](#).

This Fund is new and has limited operating history. You cannot invest directly in an index. Past performance is not indicative of future results. Index performance does not represent actual fund or portfolio performance. A fund or portfolio may differ significantly from the securities included in the index. Index performance assumes reinvestment of dividends but does not reflect any management fees, transaction costs or other expenses that would be incurred by a portfolio or fund, or brokerage commissions on transactions in fund shares. Such fees, expenses and commissions could reduce returns. WisdomTree, its affiliates and their independent providers are not liable for any informational errors, incompleteness or delays or for any actions taken in reliance on information contained herein.

**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 866.909.9473 or visit WisdomTree.com. Read the prospectus carefully before you invest.**

There are risks associated with investing, including possible loss of principal. Investing in a Fund exposed to particular sectors increases the vulnerability to any single economic, political or regulatory development. This may result in greater share price volatility. Due to the investment strategy of the Fund, it may make higher capital gain distributions than other ETFs. Please read the Fund’s prospectus for specific details regarding the Fund’s risk profile.

WisdomTree Funds are distributed by Foreside Fund Services, LLC, in the U.S. only.

Luciano Siracusano is a registered representative of Foreside Fund Services, LLC.

WTPR-0082

**About WisdomTree**

WisdomTree Investments, Inc., through its subsidiaries in the U.S., Europe, Japan and Canada (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 $44.9 billion in assets under management globally. For more information, please visit [www.wisdomtree.com](http://www.wisdomtree.com) or follow us on Twitter [@WisdomTreeETFs](https://twitter.com/WisdomTreeETFs).

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**Contact Information**
Media Relations
WisdomTree Investments, Inc.
Jessica Zaloom / Kylie Scott
+1.917.267.3735 / +1.917.267.3860
jzaloom@wisdomtree.com / kscott@wisdomtree.com