



## **WisdomTree Launches Emerging Markets ex-China Fund (XC)**

*Fund offers investors the ability to unpack Chinese exposures in their Emerging Markets position*

NEW YORK, September 22, 2022 (GLOBE NEWSWIRE) -- WisdomTree Investments, Inc. (NASDAQ: WETF), an exchange-traded fund (“ETF”) and exchange-traded product (“ETP”) sponsor and asset manager, announced today the launch of the WisdomTree Emerging Markets ex-China Fund (XC), a passively managed ETF listed on NYSE. XC seeks to track the price and yield performance, before fees and expenses, of the WisdomTree Emerging Markets ex-China Index (WTEMXC)<sup>1</sup> and has an expense ratio of 0.32%.

“As the Chinese market capitalization ballooned over the last two decades, investors with broad emerging markets exposure now have approximately 1/3 of their exposure in a market that is experiencing an incredible amount of both headwinds and tailwinds, making it complicated to implement specific asset allocation views. We believe reasonable valuations and depressed sentiment are primed to transition to a more favorable environment for emerging markets going into 2023,” said Jeremy Schwartz, WisdomTree’s Global Chief Investment Officer. “XC will allow investors to combine with other China-specific exposures - like the WisdomTree China ex-State-Owned Enterprises Fund (CXSE) - to scale their exposure to any desired balance between China and other emerging markets.”

XC excludes State-Owned Enterprises (SOE’s). At a high level, companies in which the local government has a significant ownership interest (defined as greater than 20%) have exhibited conflicts of interest in their management and tend to have lower profitability than their non-SOE peers. Excluding SOE’s tilts a portfolio toward higher growth sectors like Consumer Discretionary, Health Care and Communication Services, which reflect the current makeup of Emerging Markets economies.

### **XC: What’s Under the Hood?**

XC focuses on empowering investors to implement their views on China while maintaining a focused ex-State-Owned approach and potentially driving portfolios towards higher growth. XC is able to drive this impactful change through its Emerging Market ex-State-Owned Enterprises Strategy:

- State owned enterprises: Companies with 20% ownership by local government body are removed from inclusion
- Eligibility Criteria includes market capitalization, volume and ESG considerations
  - Weighting Modified float-adjusted market capitalization
- Holding Caps and Weight Adjustments
  - Country Weights: Target Weight equals to market cap of universe prior to removal of SOEs
  - Sector Weights: Constrain differentials to 3% from starting universe

***Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. To obtain a prospectus containing this and other important information, call 866.909.9473 or visit [wisdomtree.com](http://wisdomtree.com). Read the prospectus carefully before you invest.***

The Fund is new and therefore does not have a performance history.

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. Investments in emerging markets are generally less liquid and less efficient than investments in developed markets and are subject to additional risks. The Fund’s investment strategy limits the types and number of investment opportunities available and, as a result, the Fund may underperform other



funds. The Fund's exposure to certain sectors, countries, or regions may increase its vulnerability to any single economic or regulatory development related to such sector, country, or region. The Fund is non-diversified, as a result, changes in the market value of a single security could cause greater fluctuations in the value of Fund shares than would occur in a diversified fund. Investments in currency involve additional special risks, such as credit risk and interest rate fluctuations. The Fund invests in the securities included in, or representative of, its Index regardless of their investment merit and the Fund does not attempt to outperform its Index or take defensive positions in declining markets. Please read the Fund's prospectus for specific details regarding the Fund's risk profile.

*WisdomTree Funds are distributed by Foreside Fund Services LLC. Foreside Fund Services LLC. is not affiliated with the other entities mentioned.*

*Jeremy Schwartz is a registered representative of Foreside Fund Services, LLC.*

<sup>1</sup> The Wisdom Tree Emerging Markets ex-China Index measures the performance of emerging markets stocks (excluding China) that are not state-owned enterprises. State owned enterprises are defined as government ownership of more than 20% of outstanding shares of companies. The index employs a modified float-adjusted market capitalization weighting process to target the weights of countries in the universe (excluding China) prior to the removal of state-owned enterprises while also limiting sector deviations to 3% of the starting universe. The Index was established with a base value of 200 on May 2, 2022.

#### **About WisdomTree**

WisdomTree Investments, Inc., through its subsidiaries in the U.S. and Europe (collectively, "WisdomTree"), is an ETF and ETP sponsor and asset manager headquartered in New York. WisdomTree offers products covering equity, commodity, fixed income, leveraged and inverse, currency, cryptocurrency and alternative strategies. WisdomTree currently has approximately \$73.3 billion in assets under management globally.

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

#### **Contact Information**

Media Relations

WisdomTree Investments, Inc.

Jessica Zaloom

+1.917.267.3735

[jzaloom@wisdomtree.com](mailto:jzaloom@wisdomtree.com) / [wisdomtree@fullyvested.com](mailto:wisdomtree@fullyvested.com)