ETF Ownership Explained: Why AUM Doesn’t Matter

1. **LOOK AT OVERALL OWNERSHIP, NOT FUND OWNERSHIP.**
   Exchange-traded funds (ETFs) are a wrapper, and although an investor may hold a large percentage of an ETF, one must look at the percentage owned of the underlying asset class.

2. **NOT IMPACTED BY OTHER INVESTORS.**
   The ETF structure is unique in that all investors transact independently on an exchange. Being a large or small owner in a fund does not mean you’re more or less impacted by the actions of other investors. In a mutual fund, all investors are impacted by the trading activity of other holders in the fund.

3. **NO PRINCIPAL RISK IN CLOSURE.**
   If a fund were to close, neither large nor small investors would have a principal risk. The fund would be liquidated by the portfolio manager, and the investors would receive back NAV of the fund, minus costs, at the time of liquidation.

4. **NO ISSUES TRADING IN & OUT.**
   Investors can trade in and out of a fund regardless of the fund’s AUM. ETF liquidity providers (market makers) can easily transfer the liquidity of the underlying basket in to ETF shares. Implied liquidity quantifies a conservative baseline for how many ETF shares can be traded through the underlying basket in a single day, without impacting any of the stocks in the basket. This liquidity works the same on the way in and the way out as market makers are providing liquidity on both sides of the bid and offer.

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, please call 866.909.9473, or visit WisdomTree.com to view or download a prospectus. Investors should read the prospectus carefully before investing.

Foreign investing involves currency, political and economic risk. Funds focusing on a single country or sector and/or funds that emphasize investments in smaller companies may experience greater price volatility. Investments in emerging markets, real estate, currency, fixed income and alternative investments include additional risks. Due to the investment strategy of certain funds, they may make higher capital gain distributions than other ETFs. Please see prospectus for a discussion of risks.

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