

Inside the WisdomTree Strategic Metals and Rare Earths Miners Index rebalance

Published January 28, 2026

Aneeka Gupta

Director, Macroeconomic Research, WisdomTree Europe

Key Takeaways

- Rare earths and strategic metals are now geopolitical assets, critical to AI, defence and electrification, not just the energy transition.
- The latest rebalance tilted the Index towards security of supply and processing capability, highlighted by a surge in conversion exposure.
- Geographic exposure broadened, with notable increases in Brazil, South Africa, Canada and the US, alongside evolving top holdings.
- The portfolio shifted meaningfully toward lithium and platinum, while copper weight fell, keeping rare earth exposure broadly steady.
- Related Products WisdomTree Strategic Metals and Rare Earths Miners UCITS ETF - USD Acc, WisdomTree Strategic Metals UCITS ETF - USD Acc [Find out more](#)

Strategic metals beyond the energy transition

Rare earths and strategic metals have quietly become the market's hard assets of competitiveness. They sit beneath secular themes such as artificial intelligence (AI) compute, defence modernisation, grid build out, electric vehicle (EV) and battery supply chains, industrial automation and next-generation manufacturing. While the energy transition remains a core demand driver, the investment case is now broader and more urgent since these materials increasingly function as policy instruments and geopolitical bargaining chips, not just commodities.

Rare earth elements (REEs) are the clearest example. They are essential to high performance magnets used in electric motors, wind turbines and precision defence applications. They are also in the broader digital economy that powers AI, robotics and data centres. In other words, the US may lead the AI innovation race, but advanced hardware still depends on highly constrained upstream inputs. That strategic dependency is precisely why governments are pushing to diversify supply chains and why markets have started to reprice miners' and processors' positions to benefit.

Equity gateway to the strategic metals value chain

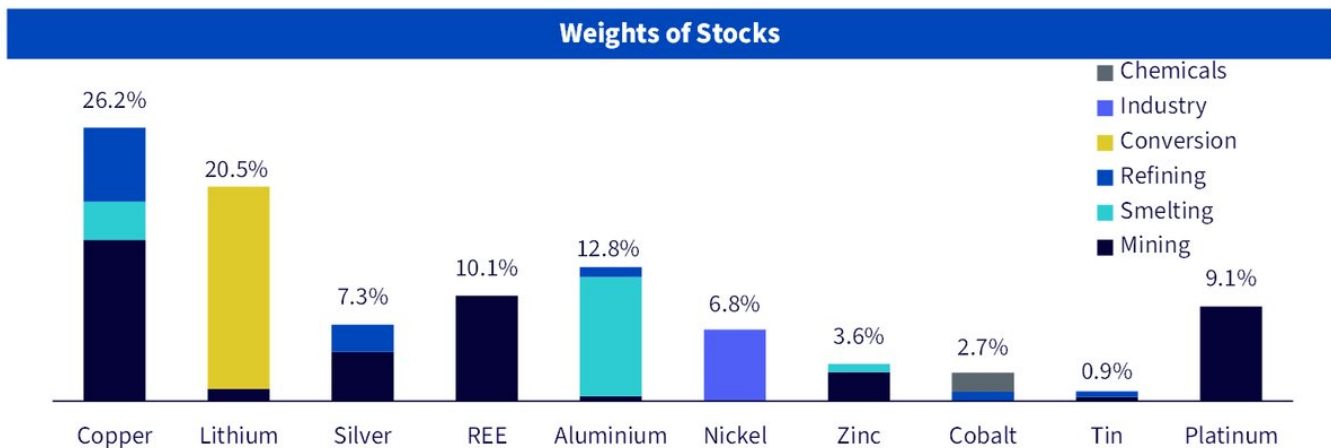
Investor attention has followed. The WisdomTree Strategic Metals and Rare Earths Miners UCITS ETF (Ticker: RARE) has become a focal point for investors seeking diversified equity exposure to the Energy Transition Metal Value Chain (ETMVC) supporting these themes. Companies that belong to the ETMVC are identified and classified into 10 metal categories: aluminium, cobalt, copper, lithium, nickel, platinum, silver, tin, zinc, and rare earth elements (REE) and within mining subsectors such as mining, refining, smelting, chemicals, conversions, industry. Assets under management for the fund are now US \$428mn, reflecting strong demand since launch alongside performance-driven asset growth.

Against this backdrop, the latest rebalance of the WisdomTree Strategic Metals and Rare Earths Miners Index (Ticker: WTMRAREN Index) provides some interesting insights. The portfolio is not static; it evolves as the investable universe shifts through acquisitions, new listings, revenue mix changes and WisdomTree's environmental, social and governance (ESG) screens.

Rebalance signals a bigger strategic metal lens

The headline of this rebalance is not one single name, it's a portfolio rotation toward where the market is paying for security of supply, scalability and processing capability. This shows up clearly in five sections:

1. Metal category weights: A higher shift towards lithium and platinum metal categories while maintaining the positioning in copper and rare earth elements. This reflects a market increasingly rewarding companies tied to battery supply growth, processing bottlenecks and supply constrained metals, even as copper remains a fundamental electrification input.



Source: WisdomTree, Wood Mackenzie as of 24 November 2025. You cannot invest directly in an index.

Historical performance is not an indication of future performance and any investments may go down in value.

2. Subsector weights: The rebalance shows a major rotation into conversion funded largely by reduction in refining and smelting.

Subsector	Apr-25	Nov-25	Change
Mining	42%	44%	2%
Smelting	22%	16%	-6%
Refining	19%	12%	-7%
Conversion	5%	19%	14%
Industry	7%	7%	-1%
Chemicals	5%	2%	-3%

Source: WisdomTree, Wood Mackenzie as of 24 November 2025. You cannot invest directly in an index. **Historical performance is not an indication of future performance and any investments may go down in value.**

3. Geographic shifts: Geographic weights moved meaningfully with Brazil (+6.3%), South Africa (+5.1%) and the US (+2.2%) among the notable increases.

Country	Pre Index Re Balance	Post Index Re Balance	Change
China	23.70%	22.70%	-1.0%
Canada	10.90%	14.80%	3.9%
U.S.	10.80%	13.00%	2.2%
Australia	9.10%	5.70%	-3.4%
Japan	6.60%	6.10%	-0.5%
Chile	5.80%	3.00%	-2.8%
Indonesia	4.80%	3.50%	-1.3%
South Africa	4.00%	9.10%	5.1%
U.K.	3.60%	3.30%	-0.3%
Mexico	3.30%	2.40%	-0.9%
Germany	3.20%	1.40%	-1.8%
Sweden	2.40%	1.60%	-0.8%
Poland	1.30%	1.30%	0.0%
Norway	3.20%	1.20%	-2.0%
Malaysia	2.60%	1.20%	-1.4%
Brazil	0.90%	7.20%	6.3%

Source: WisdomTree, Wood Mackenzie as of 24 November 2025. You cannot invest directly in an index. **Historical performance is not an indication of future performance and any investments may go down in value.**

4. Market Capitalisation: RARE has a meaningful mid and small cap exposure. The latest rebalance shows the WTMRAREN Index has become more anchored by larger, more liquid companies while still maintaining upside opportunity in smaller growth and development stories.

	Pre Index Re Balance	Post Index Re Balance	Change
Mid Cap	59.20%	41%	-18%
Small Cap	20.80%	24%	3%
Large Cap	19.90%	34%	14%

Source: WisdomTree, Wood Mackenzie as of 24 November 2025. You cannot invest directly in an index. **Historical performance is not an indication of future performance and any investments may go down in value.**

5. Valuations: The index looks materially more growth-tilted, evident from the jump in forward long-term growth. Price to Earnings (P/E) moved in line with the MSCI All Country World Index and the dividend yield declined, which is consistent with the big rotation into higher growth metals exposure evident in the rebalance.

Metric	Apr 2025 Index	Apr 2025 MSCI ACWI	Change	Nov 2025 Index	Nov 2025 MSCI ACWI	Change
Return on Equity (ROE)	3.1	14.4	-11.3	4.2	14.6	-10.4
Return on Assets (ROA)	1.4	2.4	-1	1.7	2.4	-0.7
Forward Long Term Growth	13.8	10.3	3.5	23.1	10.7	12.4
Forward Price-to-Earnings (P/E)	18.4	17.9	0.5	20.4	20.4	0
Price-to-Book (P/B)	1.5	3.2	-1.7	2.2	3.7	-1.5
Dividend yield	2	1.9	0.1	0.9	1.6	-0.7

Source: WisdomTree, FactSet, Bloomberg, MSCI. WisdomTree Strategic Metals and Rare Earth Miners Index as of 24 November 2025, MSCI ACWI as of 31 October 2025. **You cannot invest directly in an index. Historical performance is not an indication of future performance and any investments may go down in value.**

Top holdings: lithium leaders take the top spots

The top 10 holdings also changed substantially:

- Sigma Lithium (6%) and Lithium Americas (3.7%) rose into leadership positions, consistent with the sharp lithium weight increase across the index. The focus remains on capturing the US-aligned lithium buildout and companies with clearer funding scale pathways².
- MP Materials remained in the top 10 but its weight declined from 5.1% to 3.6%²
- Lynas Rare Earths holdings increased from 3.3% to 3.7%²
- Anglo American edged lower from 3.6% to 3.3%²

Rare earths as a national capability

Within rare earths, the key change was the removal of Jangsu Huahong Technology alongside the addition of USA Rare Earths. USA Rare Earth's inclusion reflects a market hungry for US-aligned, 'outside China' supply chain development, especially after China's export controls increased geopolitical risk premium for the sector.

MP Materials (3.6%) remains a core public-private buildout exposure as the US works to onshore the mine-to-magnet supply chain. This effort is supported by Department of Defence (DoD) involvement, long-dated offtake agreements and price-floor mechanisms, alongside plans to expand processing ca-

capacity beyond Mountain Pass. This aligns closely with the index's objective of maintaining strategically relevant, policy-supported holdings linked to supply-chain resilience.

Heavy rare earth bottleneck exposure

Lynas Rare Earths (3.7%) complements MP Materials by providing scale and credibility in a segment of the supply chain that markets increasingly view as a bottleneck, namely separation capacity, particularly for heavier rare earths. Its expansion in Malaysia directly addresses the West's vulnerability resulting from limited rare-earth separation capacity outside China.

Lithium takes the lead

Sigma Lithium (6%), currently the top holding, signals the portfolio's tilt toward companies viewed as scalable, high-momentum suppliers as sentiment improved into late 2025. Lithium Americas (3.7%) adds a policy-linked US development pathway, benefiting from the market's renewed focus on domestic critical minerals capacity. The Department of Energy (DOE) took a 5% equity stake in the company tied to a US \$2.2bn loan for Thacker pass, which helped drive a sharp rerating in the stock.

Arcadium Lithium was removed following its acquisition by Rio Tinto for US \$6.7bn in March 2025 as the company looks to diversify into energy transition metals. Albermarle (2.7%) provides the incumbent heavyweight exposure offering scale, diversified assets and balance sheet depth across cycle

Aluminium from a bulk metal to strategic material for lightweighting and recycling

Aluminium exposure in the WisdomTree Strategic Metals and Rare Earths Miners UCITS ETF has been refreshed to better reflect where the strategic value is increasingly being created across lightweighting, advanced alloys and circular supply chains. While aluminium still plays a clear role in the energy transition, the more investable equity story is shifting toward manufacturers and processors that can deliver high-specification products with a lower carbon footprint, supported by higher recycled content and proprietary alloy know-how.

That shift is evident in the new additions to the WisdomTree Strategic Metals and Rare Earths Miners UCITS ETF. Constellium SE (1.5%) in France strengthens the Index's tilt toward aluminium with a focus on lightweighting solutions for transport and packaging, alongside advanced recycling and alloy innovation. Granges AB (0.32%) in Sweden adds exposure to rolled aluminium products and recycling-driven manufacturing, aligning with the push to scale secondary aluminium supply as a carbon efficient alternative to primary production. UACJ (0.97%) in Japan brings a large globally relevant producer with investment in advanced material technologies that support EV adoption and lightweight trends. While Kaiser Aluminium (1.37%) in the US adds a more specialised profile tied to aerospace and automotive end markets, where high performance alloys and qualification barriers can create more durable pricing power than standard aluminium output.

On the removal side, the Index is also evolving with corporate actions and screening discipline. Alumina Ltd exited following its acquisition by Alcoa, which is a reminder that consolidation continues as companies seek scale across energy transition materials.

Platinum adds a second scarcity theme

The Index's platinum exposure is now a meaningful pillar, led by Northam Platinum (3.4%), Impala Platinum (3.4%) and Sibanye-Stillwater (2.2%). Together, these holdings broaden the portfolio beyond batteries into a different scarcity complex linked to industrial demand, catalytic applications and constrained supply dynamics. PT Merdeka Copper Gold (2.4%) provides differentiated exposure through the nickel channel, aligning with the broader theme of Southeast Asia's growing role in EV supply chains and downstream processing.

Copper and multi-metal optionality

Anglo American (3.3%) anchors the portfolio's exposure to large-scale copper supply, which is vital to grid expansion, electrification, and industrial investment, while providing the index with diversified optionality across strategic metals.

Conclusion

The WisdomTree Strategic Metals and Rare Earths Miners Index is leaning into policy-backed supply chains (rare earths), scalable growth and conversion capacity (lithium), and a broader strategic materials basket (copper, nickel and platinum) that extends well beyond a pure 'energy transition' framing.

1 AUM as at 15 January 2026.

2 WisdomTree, FactSet, Wood Mackenzie as of 24 November 2025

3 Reuters as of 1 October 2025

4 Rio Tinto as of 6 March 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. 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. Certain information contained herein (the "Information") is sourced from/copyright of MSCI Inc., MSCI ESG Research LLC, or their affiliates ("MSCI"), or information providers (together the "MSCI Parties") and may have been used to calculate scores, signals, or other indicators. The Information is for internal use only and may not be reproduced or disseminated in whole or part without prior written permission. The Information may not be used for, nor does it constitute, an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product, trading strategy, or index, nor should it be taken as an indication or guarantee of any future performance. Some funds may be based on or linked to MSCI indexes, and MSCI may be compensated based on the fund's assets under management or other measures. MSCI has established an information barrier between index research and certain Information. None of the Information in and of itself can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user assumes the entire risk of any use it may make or permit to be made of the Information. No MSCI Party warrants or guarantees the originality, accuracy and/or completeness of the Information and each expressly disclaims all express or implied warranties. No MSCI Party shall have any liability for any errors or omissions in connection with any Information herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.