Built for Any Market: How Blending Growth and Value Creates a Stronger Core

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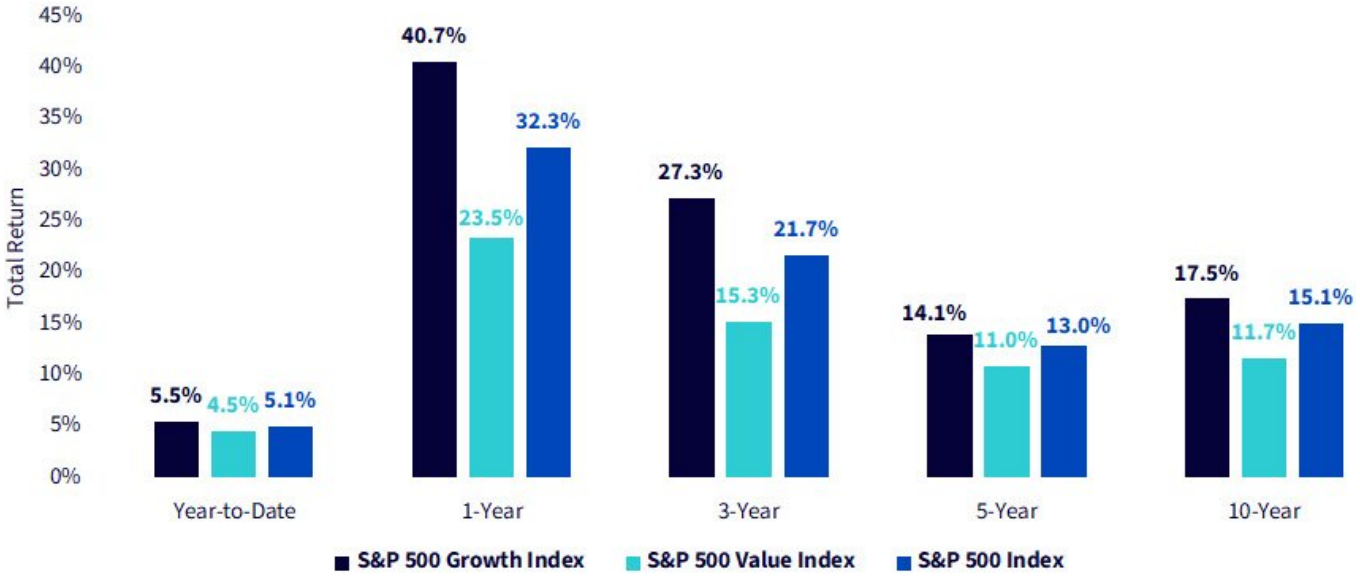
Key Takeaways

- Early 2026's sharp rotation into Value—and Growth's equally swift rebound by late April—reinforced why a balanced core allocation, such as a 50/50 blend of the WisdomTree U.S. Quality Growth Fund (QGRW) and the WisdomTree U.S. Value Fund (WTV), can help investors stay positioned through shifting market leadership.
- Despite ongoing concerns around concentration risk and elevated mega-cap valuations, the QGRW-/WTV blend maintained an edge over the S&P 500 year-to-date while combining quality earnings growth with shareholder yield and valuation discipline.
- The 50/50 blend's ability to deliver competitive returns at lower valuation multiples than the S&P 500 suggests investors may not need to overpay for performance when building a more resilient U.S. equity core.

Markets don't hand out consistent winners. Equity leadership rotates between Growth and Value—sometimes gradually and sometimes without warning. For the past decade, the story was clear: U.S. large-cap Growth, led by technology, dominated. Figure 1 illustrates this trend.[1]

But cycles turn. The opening weeks of 2026 showed Value stepping forward, reversing a pattern that defined much of the last cycle. However, by late April 2026, Growth had begun to rebound within the year-to-date period through April 24, 2026. The bottom line remains intact: It has been difficult to count Growth out for long.

Figure 1: Growth's Long Run Appears Intact



Sources: WisdomTree, FactSet, Morningstar, utilizing the WisdomTree Fund Compare Tool within the PATH suite of tools. Accessed April 25, 2026, with return data as of April 24, 2026. **Past performance is not indicative of future returns. You cannot invest directly in an index.**

WisdomTree's Value & Quality Growth Strategies

What if you didn't have to pick a side? A well-constructed core allocation lets investors participate in both Growth and Value regimes, without constantly repositioning. Our 50/50 blend does exactly that, pairing two complementary WisdomTree strategies: one built around U.S. large-cap quality growth, the other around broad-based U.S. Value.

- **WisdomTree U.S. Quality Growth Fund (QGRW):** The strategy seeks to track the total return performance of, before fees and expenses, the WisdomTree U.S. Quality Growth Index. This market capitalization-weighted strategy focuses on 100 companies with particularly strong earnings growth and quality fundamental metrics. This strategy overlaps with the Nasdaq 100, but we believe our more disciplined approach focuses on selecting consistent quality growers rather than on the exchange where a stock primarily trades.
- **WisdomTree U.S. Value Fund (WTV):** The strategy seeks income and capital appreciation by investing primarily in U.S. equity securities that provide a high total shareholder yield with favorable relative quality characteristics. The Fund's objective changed effective December 18, 2017. Prior to December 18, 2017, Fund performance reflects the investment objective of the Fund when it tracked the performance, before fees and expenses, of the WisdomTree U.S. LargeCap Value Index.

The combination of these two strategies creates a strong balance of sector exposures and attractive fundamental metrics, along with a solid—though limited—performance history.

Figure 2: Envisioning the 50/50 Blend



Source: WisdomTree.

Tested by Rotation—and It Has Held Up So Far

The opening weeks of 2026 were a real test. Leadership in U.S. equities rotated sharply toward Value, a notable reversal after years of Growth dominance. And yet the 50/50 blend held its ground. As of late April 2026, the U.S. Growth style appears to have rebounded strongly. As Figure 3a shows, the WisdomTree 50/50 blend maintained an edge over the S&P 500 year-to-date, even amid continued shifts in market leadership.

Figure 3a: Maintaining an Edge as Leadership Rotates

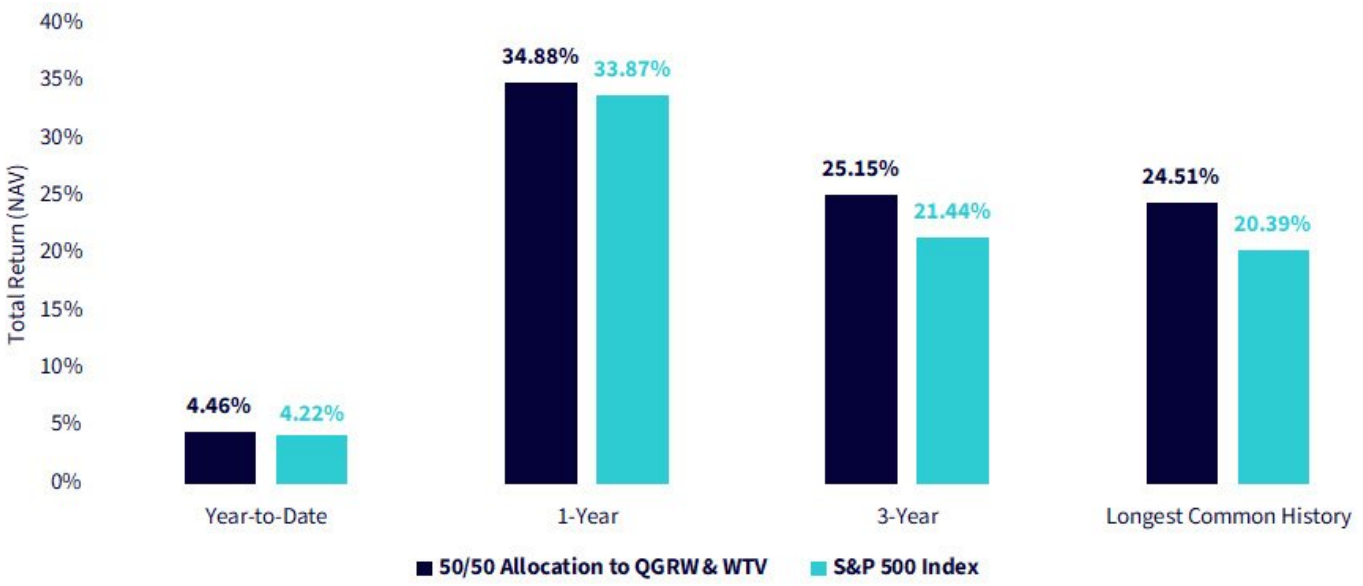


Figure 3b: Standardized Performance as of March 31, 2026

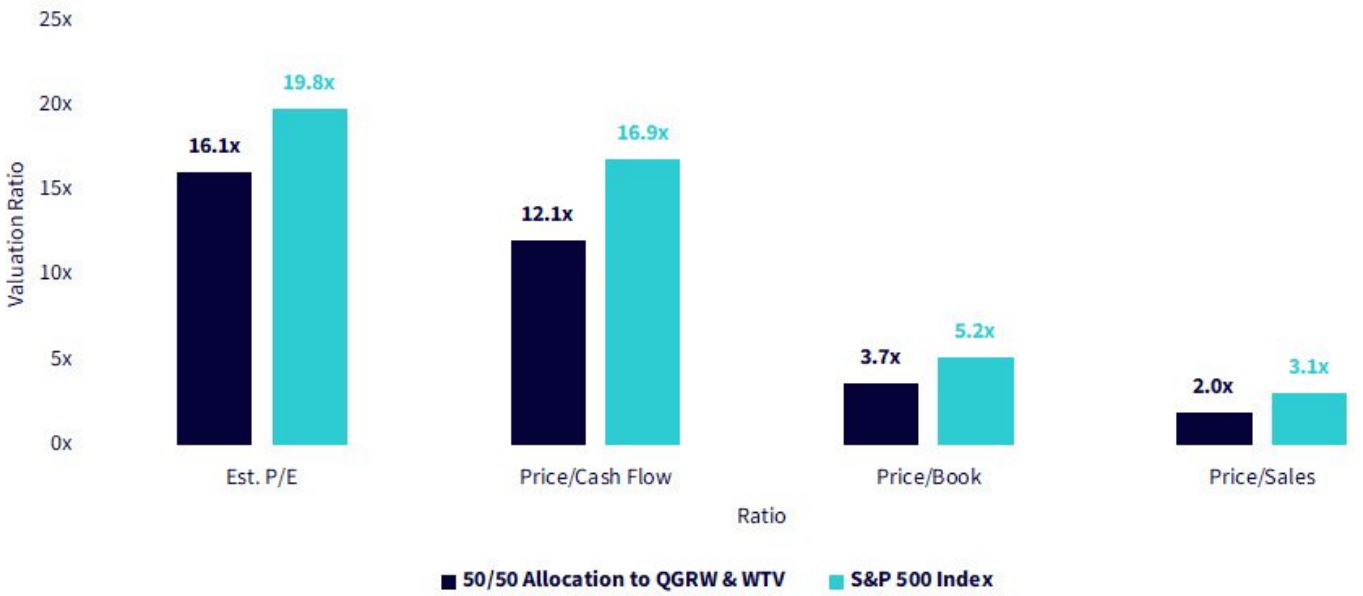
Blend/Fund/Index Name	Fund Ticker Symbol	Fund Inception Date	Fund Expense Ratio	Fund SEC 30-Day Yield	Year-to-Date	1-Year	3-Year	5-Year	10-Year	Since Fund Inception
50/50 Allocation to QGRW & WTV (NAV)					-3.53%	19.45%	21.71%	N/A	N/A	N/A
WisdomTree U.S. Value Fund (NAV)	WTV	2/23/07	0.12%	2.65%	2.14%	17.47%	19.41%	13.03%	13.64%	9.12%
WisdomTree U.S. Value Fund (MP)	WTV	2/23/07	0.12%	2.65%	2.14%	17.45%	19.41%	12.93%	13.63%	9.12%
WisdomTree U.S. Quality Growth Fund (NAV)	QGRW	12/15/22	0.28%	0.12%	-8.93%	21.65%	23.58%	N/A	N/A	25.88%
WisdomTree U.S. Quality Growth Fund (MP)	QGRW	12/15/22	0.28%	0.12%	-8.93%	21.66%	23.59%	N/A	N/A	25.89%
S&P 500 Index					-4.33%	17.80%	18.32%	12.06%	14.16%	N/A

Sources: WisdomTree, Morningstar and FactSet, specifically data from the Fund Comparison Tool in the PATH suite of tools, accessed April 25, 2026, with returns for Figure 3a as of April 23, 2026, and Figure 3b as of March 31, 2026. NAV denotes total return performance at net asset value. MP denotes market price performance. In the case of WTV, the Fund's objective changed effective December 18, 2017. Prior to December 18, 2017, Fund performance reflects the investment objective of the Fund when it tracked the performance, before fees and expenses, of the WisdomTree U.S. LargeCap Value Index. **Past performance is not indicative of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end and standardized performance, click the relevant ticker: QGRW, WTV.**

Strong Returns Without Paying Up for Them

Here's what makes Figure 4 worth a closer look: the 50/50 blend has delivered competitive returns while trading at a meaningful discount to the S&P 500 across notable valuation metrics, including estimated P/E, price-to-cash flow, price-to-book, and price-to-sales. That is not a small distinction. It suggests performance hasn't been driven by multiple expansion alone, but by a genuine balance of earnings growth and valuation discipline. In an environment where leadership is shifting and valuations are under scrutiny, that combination matters.

Figure 4: Better Value, Competitive Returns: The Blend's Valuation Advantage



Sources: FactSet, Morningstar, WisdomTree, with data from WisdomTree's Fund Compare Tool from WisdomTree's PATH suite of tools. Figures as of March 31, 2026. **Subject to change.**

Conclusion: Ready for Whatever Comes Next

Markets in 2026 are forcing hard questions about concentration, valuation, and what "core" really means. The 50/50 allocation to QGRW and WTV is our answer: structural balance that doesn't require predicting which style wins next. We will continue monitoring the market as the year unfolds, particularly after the sharp rotation toward Value followed by a strong rebound in Growth. Either way, the blend includes a component positioned to respond. That's what a true core holding should do.

[1] "Growth" refers to the S&P 500 Growth Index, "Value" refers to the S&P 500 Value Index.

Important Risks Related to this Article

There are risks associated with investing, including possible loss of principal. Please read the Fund's prospectus for specific details regarding the Fund's risk profile.

WTV: Value stocks, as a group, may be out of favor with the market and underperform growth stocks or the overall equity market. Funds focusing their investments on certain sectors increase their vulnerability to any single economic or regulatory development. This may result in greater share price volatility. While the Fund is actively managed, the Fund's investment process is heavily dependent on quantitative models and the models may not perform as intended.

QGRW: Growth stocks, as a group, may be out of favor with the market and underperform value stocks or the overall equity market. Growth stocks are generally more sensitive to market movements than other types of stocks. 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. 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. The composition of the Index is governed by an Index Committee and the Index may not perform as intended.