Opportunities Go Global

Published October 1, 2026

Samuel Rines
Macro Strategist, Model Portfolios

Matt Wagner, CFA
Director, Research

Key Takeaways

- Geopolitical disruption is making supply-chain resilience increasingly important. Higher energy, transportation and tariff costs can affect companies very differently depending on where they manufacture and sell.
- Japan shows why investors should look beyond country-level macro assumptions. Many Japanese companies have built global production footprints that can help insulate their businesses from domestic challenges and external shocks.
- Global diversification can uncover opportunities that U.S.-centric benchmarks may miss. Valuations, currencies, interest rates and company fundamentals are creating differentiated opportunities across Japan, Europe and other international markets.

Looking Beyond the U.S.

Global investing is changing. Geopolitical tensions, shifting trade relationships, energy costs and divergent central-bank policies are increasingly influencing which companies and markets are best positioned to navigate the environment.

For investors, that makes looking beyond headline country exposures especially important. Where companies manufacture, where they generate revenue and how resilient their supply chains are can matter as much as where their stocks are listed.

These dynamics are also creating reasons to look more closely at opportunities outside the U.S.

When Supply Chains Become an Investment Variable

Energy disruptions illustrate how quickly geopolitics can flow through to corporate fundamentals.

Higher diesel and transportation costs affect trucks, trains, shipping and ultimately the movement of goods throughout the economy. Companies with long, complex supply chains may therefore experience a geopolitical shock very differently from businesses that manufacture closer to their customers.

Tariffs have reinforced the same lesson. Companies that localized production or diversified their supply chains in response to changing trade policy may be better equipped for an environment in which geopolitical friction remains persistent.

That makes a company's operating footprint an increasingly relevant part of fundamental analysis.

Why Japan Stands Out

Japan provides a useful example of why a country's macroeconomic profile does not necessarily tell the whole story for its equity market.

Japan imports much of its energy, which could create challenges when oil prices rise. But many leading Japanese companies have spent decades globalizing their operations.

Toyota has substantial manufacturing capacity in the U.S., while Suzuki has developed significant production capabilities in India. Manufacturing closer to end markets can reduce some of the vulnerabilities associated with moving goods long distances.

Japanese companies have also become increasingly focused on profitability, capital efficiency and shareholder returns. At the same time, prominent global investors such as Berkshire Hathaway have demonstrated sustained interest in major Japanese businesses, including the country's trading houses.

The result is an opportunity set that can look considerably different from Japan's domestic macro story.

Finding Opportunities Across Global Markets

The case for going global extends beyond Japan.

Europe and other international markets offer companies with different sector exposures, valuations and sensitivity to economic conditions than investors typically receive from U.S.-heavy benchmarks. Currency movements and differences in monetary policy can further differentiate returns.

Rather than treating international investing as a single allocation, investors can look more closely at the companies and markets best positioned for changing conditions.

That means considering valuation and profitability alongside macro factors such as supply chains, tariffs, currencies, interest rates and geopolitical developments.

Portfolio Implications

The investment landscape increasingly favors looking beneath broad market labels.

That thinking is reflected in our Geopolitical Opportunities Suite, including the WisdomTree GeoAlpha Opportunities Fund (OPPG), the WisdomTree Japan Opportunities Fund (OPPJ) and the WisdomTree European Opportunities Fund (OPPE). Across the suite, the strategies provide different ways to pursue opportunities shaped by company fundamentals, valuations and a changing geopolitical and macroeconomic environment.

Japan provides a particularly clear example. OPPJ has significant exposure to the Japanese trading houses discussed above, while the broader Geopolitical Opportunities Suite provides different ways to pursue opportunities across global markets. The Japan and Europe strategies also incorporate currency hedging, which is reviewed as market conditions change.

For investors considering global diversification, the broader principle is straightforward: look beyond where a company is listed to understand where it manufactures, where it sells and how resilient the connection between the two may be.

Conclusion

Global opportunities are being shaped by more than relative valuations. Geopolitics, supply chains, currencies and changing monetary policies are creating meaningful differences across companies and markets.

For investors, expanding the opportunity set beyond the U.S. can provide access to businesses with different economic exposures and sources of return. In an increasingly complex global environment, understanding how companies actually operate may be just as important as deciding where to invest.

Important Risks Related to this Article

There are risks associated with investing, including possible loss of principal.

OPPJ: Foreign investing involves special risks, such as risk of loss from currency fluctuation or political or economic uncertainty. The Fund focuses its investments in Japan, thereby increasing the impact of events and developments in Japan that can adversely affect performance. Derivative investments can be volatile and these investments may be less liquid than other securities, and more sensitive to the effect of varied economic conditions. As this Fund can have a high concentration in some issuers, the Fund can be adversely impacted by changes affecting those issuers. Due to the investment strategy of this Fund, it may make higher capital gain distributions than other ETFs. Dividends are not guaranteed, and a company currently paying dividends may cease paying dividends at any time. 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.

OPPG: There are risks associated with investing, including possible loss of principal. To the extent the Fund invests a significant portion of its assets in securities of companies of a single country or region, it is more likely to be impacted by events or conditions affecting that country or region. Investments in non-U.S. securities, including depositary receipts, involve political, regulatory, and economic risks that may not be present in investments in U.S. securities. Investments in non-U.S. securities may be subject to risk of loss due to foreign currency fluctuations, political or economic instability, or geographic events that adversely impact issuers of foreign securities. Investments in non-U.S. securities also may be subject to withholding or other taxes and may be subject to additional trading, settlement, custodial, and operational risks. These risks may make investments in the Fund more volatile and potentially less liquid than other types of investments and may be heightened in connection with investments in developing or emerging markets countries.

Funds focusing their investments on certain sectors and/or regions increase their vulnerability to any single economic or regulatory development. The Fund is actively managed; thus, the ability of the Fund to achieve its objectives will depend on the effectiveness of the portfolio manager(s).

OPPE: Foreign investing involves special risks, such as risk of loss from currency fluctuation or political or economic uncertainty. This Fund focuses its investments in Europe, thereby the impact of events and developments associated with the region can adversely affect performance. The Fund invests in derivatives in seeking to obtain a dynamic currency hedge exposure. Derivative investments can be volatile, and these investments may be less liquid than other securities, and more sensitive to the effects of varied economic conditions. Derivatives used by the Fund may not perform as intended. 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. Due to the investment strategy of this 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.