WisdomTree Solutions to Market Volatility

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August has been a volatile month from a market performance stand point. With that in mind, it is interesting to look at how WisdomTree strategies have been performing with this volatility.

First, the strongest performing fund within the WisdomTree line up in August was our Strong dollar fund, the WisdomTree Bloomberg U.S. Dollar Bullish Fund (USDU). This just goes to show that much of the emerging market uncertainty showing up is coming from within the currency moves. But beyond that, some of our better performing strategies are three of our alternative strategies: the WisdomTree Dynamic Long/Short U.S. Equity Fund (DYLS), the WisdomTree Dynamic Bearish U.S. Equity Fund (DYB), and our WisdomTree CBOE S&P 500 PutWrite Strategy Fund (PUTW).

During periods of volatility when people expect upside gains to be limited, a put-writing fund like PUTW can be a valuable tool in gaining access to writing options to collect premiums. Where this strategy may lag is when markets are full-steaming ahead in a strong bull market – which does not appear to be the current mentality for the market, and henceforth, makes the strategy relevant.

Our fixed income funds were also on this list. In particular, our yield enhanced Aggregate bond strategies, both the core and short-term versions -- WisdomTree Yield Enhanced U.S. Aggregate Bond Fund (AGGY) and WisdomTree Yield Enhanced U.S. Short-Term Aggregate Bond Fund (SHAG) --, have shown strong performance in the face of a rising rate environment. Kevin Flanagan just wrote a piece on barbelling fixed income strategies that combine our WisdomTree Floating Rate Treasury Fund (USFR) with AGGY, to create a blended fixed income exposure.

The best performing WisdomTree U.S. equity strategy continues to be our WisdomTree U.S. Multifactor Fund (USMF), which continues to be among top performing WisdomTree Equity strategies year to date.

Top/Bottom Performing WisdomTree ETFs NAVMarket PriceTopBottomDLYMTDQT-DYTD3M1Y3Y5Y10YAll Asset ClassAll Sub Asset ClassAs of 4/17/2026

Ticker

Fund

Category

Inception Date

Cumulative
Returns

No Data To Display*The standardized performance of each Fund, can be found by clicking on the Fund's ticker symbol.Performance is historical and does not guarantee future results. Current performance may be lower or higher than quoted. Investment returns 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. Returns less than one year are not annualized. Performance data for the most recent month-end is available on the respective fund pages. **Top/Bottom Performing WisdomTree ETFs NAVMarket PriceTopBottomDLYMTDQTDYTD3M1Y3Y5Y10YAll Asset ClassAll Sub Asset ClassAs of 4/17/2026**

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The area of the market that has been hit hardest in August has been the emerging markets, China, and European local market exposure. Of the bottom 10 performing WisdomTree strategies, 8 of them are emerging market focused, and 2 of them are European focused, as the declining euro weighs in on performance.

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For investors who are looking for options to lower volatility in emerging markets and Europe, WisdomTree just launched two multi-factor strategies that employs a currency factor as one of the multiple factors. The WisdomTree Emerging Markets Multifactor Fund (EMMF) launched on August 10th with a 70% currency hedge ratio – which currently places this amongst our more defensive strategies. That currency signal resets every two weeks, so if the currencies start appreciating, it will not stay hedged for long. In fact, our research shows that the signals are only hedged 20% of the time.

The WisdomTree International Multifactor Fund (DWMF) was also launched with over an 80% hedge ratio, and over 90% hedged for the Euro. The developed world signals have lower latency re-balancing and do so monthly. Both strategies have a factor process that emphasizes lower volatility in the weighting process of securities. Through factors like risk-adjusted momentum and low correlation selection in the stock selection process, we expect these strategies to be attractive solutions for periods of higher volatility, like what we just experienced in August. For those interested in learning more about our newest multifactor strategy, please read this latest blog.

Important Risks Related to this Article

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