WisdomTree Research
GLACI Index Methodology Change
[January 2026]

Gapstow Private Credit and Alternative Income Index (GLACI)

Gapstow Private Credit Alternative Income Index is designed to measure the performance of a portfolio of diversified, investable and liquid private and alternative credit exposures.

Beginning with the rebalance of January 1, 2026, the Gapstow Private Credit and Alternative Income Index will change its target number of Publicly Traded Alternative Credit Vehicles (PACs) from 35 to 31. The GLACI index serves as the underlying benchmark for the WisdomTree Private Credit and Alternative Income Fund (HYIN) and WisdomTree Private Credit and Alternative Income Digital Fund (CRDYX).

KEY REBALANCE HIGHLIGHTS

- Reduce exposure to Corporate (Private Corporate Lending, Public Corporate Debt) from 40% to 38.7%, decrease target number of constituents from 14 to 12.
- Increase exposure to Private Credit (Corporate Lending, Commercial Real Estate Landing, Non-Agency Real Estate Debt) from 60% to 64.5%, decrease target number of constituents from 21 to 20.
- Modest exposure adjustment to Securitized (Commercial Real Estate Landing, Non-Agency Real Estate Debt, Agency Real Estate Debt) from 48.6% to 48.4%, decrease the target number of constituents from 17 to 15.
- With the reduction in the number of targeted vehicles (35 to 31), targeted exposure to each individual Publicly Traded Alternative Credit Vehicle (PAC) increased from 2.86% to 3.23%.
- With these changes the overall strategy's capacity improved. The daily Dollar flow (product of the market price and average daily volume) of the least liquid five constituents more than doubled, jumping from $3.35 to $7.35 million
- Index's YTW will drop by about 80bps from 13.7% to 12.9%

The Index's targeted allocations by sector are captured in the table below.

	Target Number (of Individual Vehicles)			Target Weight		
Sector	Current Index	Previous Index	Difference	Current Index	Previous Index	Difference
Private Corporate Lending	9	7	2	29.0%	20.0%	9.0%
Commercial Real Estate Lending	7	7	0	22.6%	20.0%	2.6%
Non-Agency Real Estate Debt	4	7	-3	12.9%	20.0%	-7.1%
Public Corporate Debt	3	7	-4	9.7%	20.0%	-10.3%
Multi-Sector Alternative Credit	4	4	0	12.9%	11.4%	1.5%
Agency Real Estate Debt	4	3	1	12.9%	8.6%	4.3%
Total	31	35	-4	100.0%	100.0%	0.0%

Sources: WisdomTree and Gapstow.

RATIONALE FOR THE CHANGES

The catalyst for the changes stems from the deterioration in liquidity of some small names within the non-Agency REIT sector and public corporate debt sector (closed-end funds) relative to the broader universe of PACs. This deterioration in liquidity among these constituents imposed some long-term constraints to the capacity of the strategy. Gapstow made these changes to ensure the index continues to reflect the evolving universe of business development companies, credit-centric closed-end funds, and mortgage REITs, including the relative liquidity of the sectors, while expanding the capacity and maintaining its commitment to broad diversification.

Changes to the index methodology resulted in the following Publicly Traded Alternative Credit Vehicles (PACs) additions and removals.

Additions: Dynex Capital Inc (DX), Hercules Capital Inc (HTGC), BrightSpire Capital Inc (BRSP), Sixth Street Specialty Lending Inc (TSLX).

Removals: Eagle Point Credit Company (ECC), Invesco Senior Income Trust (VVR), Adamas Trust Inc (ADAM), Nuveen Credit Strategies Income Fund (JQC), Ready Capital Corp (RC), Redwood Trust (RWT), Angel Oak Mortgage REIT (AOMR), Blackrock Debt Strategies Fund (DSU).